

ELECTIONS

Ordinance No. 123070

The City of Seattle - Legislative Department

Council Bill No. 116565

Council Bill/Ordinance sponsored by: Samy Linn

AN ORDINANCE related to the Seattle Elections code, making technical amendments to update terminology and conform city law to state law where appropriate by amending sections 2.04.010, 2.04.060, 2.04.075, 2.04.090, 2.04.155, 2.04.156, 2.04.160, 2.04.165, 2.04.215, 2.04.220, 2.04.230, 2.04.250, 2.04.260, 2.04.265, 2.04.270, 2.04.280, 2.04.290, 2.04.320, 2.04.370, 2.04.375, 2.04.480, 2.04.500.

Committee Action:

Date	Recommendation	Vote
8/13/09	PASS	4-0 S, TR, JG TB

Related Legislation File:

Date Introduced and Referred: <u>6-22-09</u>	To: (committee): Planning, Land Use & Neighborhoods (PLUNC)
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>8-17-09</u>	Date Presented to Mayor: <u>8-17-09</u>
Date Signed by Mayor: <u>8.25.09</u>	Date Returned to City Clerk: <u>8.26.09</u>
Published by Title Only	Date Vetoed by Mayor:
Published in Full Text <u>✓SI</u>	Date Passed Over Veto:
Date Veto Published:	Date Returned Without Signature:

This file is complete and ready for presentation to Full Council.

Full Council Action:

Date	Decision	Vote
8-17-09	Passed	9-0

Law Department

ORDINANCE 123070

AN ORDINANCE related to the Seattle Elections code, making technical amendments to update terminology and conform city law to state law where appropriate by amending sections 2.04.010, 2.04.060, 2.04.075, 2.04.090, 2.04.155, 2.04.156, 2.04.160, 2.04.165, 2.04.215, 2.04.220, 2.04.230, 2.04.250, 2.04.260, 2.04.265, 2.04.270, 2.04.280, 2.04.290, 2.04.320, 2.04.370, 2.04.375, 2.04.480, 2.04.500.

WHEREAS, the Ethics and Elections Commission has reviewed the Elections Code and recommends several technical amendments to the Elections Code, as well as amendments to the Code to eliminate unnecessary differences between State and City law;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2.04.010, which was last amended by Ordinance 120831, is amended as follows:

2.04.010 Definitions.

~~((1.))~~ "Administrative Code" means the Administrative Code of the City, ~~((Ordinance 102228,1))~~ Chapter 3.02, as amended.

~~((2.))~~ ~~"(Administrator" means the Executive Director of the Ethics and Elections Commission of the City.)"~~

~~((3.))~~ "Agency" means all offices, boards, departments, divisions, commissions and similar subdivisions of the City.

"Applicable period" means the following periods: (a) for a candidate or a candidate's authorized political committee, the election cycle; (b) for a ballot proposition political



1 committee, from the time the campaign activity begins until the end of the period covered by the
2 final report; and (c) for a continuing political committee, a single calendar year.

3 ((4-)) "Ballot proposition" means any measure, question, initiative, referendum, recall, or Charter
4 amendment submitted to, or proposed for submission to, the voters of the City.

5
6 ((5-)) "Campaign depository" means a bank designated by a candidate or political committee
7 pursuant to Section 2.04.170.

8 ((6-)) "Campaign treasurer" and "deputy campaign treasurer" mean the individuals appointed by
9 a candidate or political committee, pursuant to Section 2.04.170 to perform the duties specified
10 in this chapter.

11
12 ((7-)) "Election cycle" means (a) in the case of a City general election, except as provided in
13 subsection 7(b) below, that period that begins on the first day of May during the year following
14 the previous general election for the office the candidate is seeking and ends on the thirtieth day
15 of April of the year following the general election for the office the candidate is seeking; or (b) in
16 the case of an election to fill an unexpired term, "election cycle" means the period beginning on
17 the earlier of the day the vacancy or the day the impending vacancy is publicly announced and
18 ending five ((5)) months after the election.

19
20 ((8-)) "Candidate" means any individual who seeks election to the office of Mayor, member of
21 the City Council, or City Attorney of the City, whether or not successfully. An individual shall
22 be deemed to seek election when he or she first:

23 a. Solicits or receives contributions; or
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1 b. Makes expenditures or reserves space or facilities with intent to promote his or her candidacy
2 for office; or

3 c. Announces publicly or files for office; or

4 d. Purchases commercial advertising space or broadcast time to promote his or her candidacy; or

5 e. Makes expenditures or solicits or receives contributions to explore the possibility of seeking
6 election to City office; or

7
8 f. Gives his or her consent to another person to take on behalf of the individual any of the actions
9 in subsections 8a or 8b, 8d or 8e of this section.

10 ~~((9.))~~ "Charter" means the Charter of The City of Seattle.

11 ~~10.))~~ "City" means The City of Seattle.

12 ~~((11.))~~ "Commercial advertiser" means any person who sells the service of communicating
13 messages or producing ~~((printed material for broadcast or distribution to the general public or~~
14 ~~segments of the general public, whether through the use of newspapers, magazines, television or~~
15 ~~radio stations, billboard companies, direct mail advertising companies, printing companies, or~~
16 ~~otherwise))~~ political advertising.

17
18 ~~((12.))~~ "Continuing political committee" means a political committee which is an organization of
19 continuing existence not established in anticipation of any particular election.

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21 ~~((13.))~~ "Contribution" means a loan, loan guarantee, gift, deposit, subscription, forgiveness of
22 indebtedness, donation, advance, pledge, payment, transfer of funds between political
23 committees, or transfer of anything of value, including personal and professional services, for
24 less than full consideration, but does not include (a) interest on moneys deposited in a political
25 committee's account; (b) ordinary home hospitality; (c) the rendering of legal or accounting
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1 services on behalf of a candidate or an authorized political committee but only to the extent that
2 the services are for the purpose of ensuring compliance with City, county or state election or
3 public disclosure laws; (d) the rendering of personal services of the sort commonly performed by
4 volunteer campaign workers; (e) incidental expenses personally incurred by campaign workers
5 not in excess of (~~Twenty-five Dollars (\$25))~~ \$25, in the aggregate, during the applicable
6 period, personally paid for by a volunteer campaign worker; or (f) an internal political
7 communication primarily limited to the members of a political party organization or political
8 committee, or to the officers, management staff, or stockholders of a corporation or similar
9 enterprise, or to the members of a labor organization or other membership organization. For
10 purposes of this definition, members are those who (i) regularly pay dues in exchange for
11 benefits from the organization, or (ii) are able to vote, directly or indirectly, for at least one (1)
12 member of the organization's governing board, or (iii) adhere to a code of conduct, the violation
13 of which may subject the members to sanctions that could adversely affect their livelihood, or
14 (iv) participate in the organization's policy- formulating committees. For the purposes of this
15 chapter, contributions other than money or its equivalents shall be deemed to have a money value
16 equivalent to the fair market value of the contribution. Sums paid for tickets to fundraising
17 events such as dinners and parties are contributions; however, the amount of any such
18 contribution may be reduced for the purpose of complying with the reporting requirements of
19 this chapter by the actual cost of consumables furnished in connection with the purchase of such
20 tickets, and only the excess over actual cost of such consumables shall be deemed a contribution.
21 Without limiting the foregoing, the financing by a person of the dissemination, distribution, or
22 publication, in whole or in part, of broadcast, written graphic, or other form of political
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1 advertising prepared or approved by a candidate, a political committee, or the authorized agent of
2 a candidate or political committee is a contribution to the candidate or political committee.

3 ((14.)) "Elected Official" means any person elected at a general or special election to the office
4 of Mayor, member of the City Council, or City Attorney of the City and any person appointed to
5 fill a vacancy in any such office.

6 ((15.)) "Election" includes any primary, general, or special election for public office by the City
7 or any election in which a ballot proposition is submitted to the voters of the City; provided, that
8 an election in which the qualifications for voting include requirements other than those set forth
9 in Article VI, Section 1 (Amendment 63) of the Constitution of the state shall not be considered
10 an election for purposes of this chapter,

11
12 ((16.)) "Election campaign" means any campaign in support of or in opposition to a candidate
13 for election to public office of the City and any campaign in support of or in opposition to a
14 ballot proposition.

15
16 "Executive Director" means the Executive Director of the Ethics and Elections
17 Commission of the City.

18 ((17.)) "Expenditure" means a payment, contribution, subscription, distribution, loan, advance,
19 deposit, or gift of money or anything of value, and includes a contract, promise, or agreement,
20 whether or not legally enforceable, to make an expenditure. "Expenditure" also includes a
21 promise to pay; and a payment or transfer of anything of value in exchange for goods, services,
22 property, facilities, or anything of value for the purpose of assisting, benefiting or honoring any
23 public official or candidate, or assisting in furthering or opposing any election campaign. For
24 purposes of this chapter, expenditures other than money or its equivalent shall be deemed to have
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1 a monetary value equal to the fair market value of the expenditure. "Expenditure" shall not
2 include: (a) the partial or complete repayment by a candidate or political committee of the
3 principal of a loan, the receipt of which loan has been properly reported, or (b) the value of in-
4 kind labor, or (c) fines or any amounts returned to the election campaign account as a result of
5 any penalties imposed on a candidate for violating this chapter.

6 ~~((18.)) ("Fair Campaign Practices Commission (FCPC)" means the Seattle Ethics and Elections~~
7 ~~Commission established by Section 3.70.010.)~~

9 ~~((19.)) "Final report" means the report described as a final report in Section 2.04.((250))375.~~

10 ~~((20.)) "In-kind labor" means services provided by a person who volunteers all, or a portion, of~~
11 ~~his/her time to a candidate's election campaign, and who is not paid by any person for such~~
12 ~~services.~~

13 ~~((21.)) "Independent expenditure" means an expenditure on behalf of, or opposing ~~((the election~~
14 ~~of, any candidate, or any City ballot proposition)) any election campaign, when such expenditure~~
15 ~~is made independently of the candidate, his/her political committee, or agent, or of any ballot~~
16 ~~proposition committee or its officers or agents, and when such expenditure is made without the~~
17 ~~prior consent, or the collusion, or the cooperation, of the candidate or his/her agent or political~~
18 ~~committee, or the ballot proposition committee or its officers or agents, and when such~~
19 ~~expenditure is not a contribution as defined in ((SMC)) Section 2.04.010 (13). An independent~~
20 ~~expenditure is made by a person on the earliest of the following events: (a) the person agrees~~
21 ~~with a vendor or provider of services to make an independent expenditure; or (b) the person~~
22 ~~incurs the obligation to make an independent expenditure; or (c) the person pays for an~~
23 ~~independent expenditure.~~~~



1 ((22.)) "Person" means an individual, partnership, joint venture, public or private corporation,
2 association, federal, state or local government entity or agency however constituted, candidate,
3 committee, political committee, continuing political committee, political party, executive
4 committee thereof, or any other organization or group of persons, however organized.

5 ((23.)) "Political advertising" means any advertising displays, newspaper ads, billboards, signs,
6 brochures, articles, tabloids, flyers, letters, radio or television presentations, or other means of
7 mass communication, used for the purpose of appealing, directly or indirectly, for votes or for
8 financial or other support in any election campaign.

9
10 ((24.)) "Political committee" means any person (except a candidate or an individual dealing with
11 his own funds or property) having the expectation of receiving contributions or making
12 expenditures in support of, or opposition to, any candidate or any ballot proposition.

13 ((25.)) "Public Disclosure Commission (PDC)" means the Public Disclosure Commission
14 established by RCW 42.17.350.

15 ((26.)) "Public office" means any elective office of the City.

16 ((27.)) As used in this chapter, the singular shall include the plural and conversely, and any
17 gender, any other, as the context requires.

18 ((28.)) "Commission" means the Seattle Ethics and Elections Commission established by Section
19 3.70.010.

20 ((29.)) "Officer of a political committee" means the following persons: the treasurer, any person
21 designated by the committee as an officer on the statement of organization filed with the City
22 Clerk, and any person who alone or in conjunction with other persons makes contribution,
23 expenditure, strategic or policy decisions on behalf of the committee.
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1 ((30.)) ("Applicable period" means the following periods: (a) for a candidate or a candidate's
2 authorized political committee, the election cycle; (b) for a ballot proposition political
3 committee, from the time the campaign activity begins until the end of the period covered by the
4 final report; and (c) for a continuing political committee, a single calendar year.))

5 ((31.)) "Sponsor" as used in subsection 2.04.290 B means the candidate, political committee or
6 person paying for the political advertising. If a person acts as an agent for another or is
7 reimbursed by another for the payment, the agent's principal or the source of the reimbursement
8 is the sponsor.
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10 Section 2. Section 2.04.060, which was last amended by Ordinance 121223, is amended
11 as follows:

12 2.04.060 Executive Director -- Duties.

13 The Executive Director of the ((Seattle Ethics and Elections))Commission shall be responsible
14 for the management of said office, may in the exercise of such duties consult with the Seattle
15 Ethics and Elections Commission and in that connection is authorized to:
16

17 A. Relieve, by published regulations of general applicability, candidates or political committees
18 of obligations to comply with some or all of the reporting provisions of this chapter relating to
19 disclosure of campaign finances, if they have not received contributions nor made expenditures
20 of more than ((Three Thousand Five Hundred Dollars (\$3,500))) \$5,000 plus, in the case of
21 candidates, the amount of the candidate's filing fee provided by law, in connection with any
22 election campaign; and
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24 B. Require that forms developed and prepared by the PDC be utilized for the reports and
25 statements required to be made under this chapter; provided, that whenever the Executive
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1 Director determines that any such form is not reasonably appropriate for the purposes of this
2 chapter, he or she may develop and provide suitable forms as are reasonably necessary, and
3 require such forms to be utilized for such purposes;

4 C. Encourage persons required to make reports under this chapter to use the PDC-published
5 manual that sets forth recommended uniform methods of bookkeeping and reporting;

6 D. Compile and maintain a current list of all filed reports and statements;

7 E. Investigate whether properly completed statements and reports have been filed within the
8 times required by this chapter;

9 F. Review all disclosure reports for completeness and internal consistency;

10 G. Independently verify entries on disclosure reports and other forms selected on an
11 arithmetically random basis;

12 H. By ~~((December 22nd))~~ January 15th of each ~~((odd))~~ even-numbered year, prepare and publish
13 a report setting forth, as to each committee promoting or opposing a candidate or ballot issue on
14 the ballot ~~((that))~~ the previous year, the amounts and sources of all contributions and the amounts
15 and purposes of all expenditures received by or made by those committees; and prepare and
16 publish such other reports as in his or her judgment will tend to promote the purposes of this
17 chapter;

18 I. Determine upon written complaint or upon his or her own initiative, in accordance with
19 Section 2.04.070, that a violation of this chapter has occurred, and report such apparent violation
20 to either the ~~((Seattle Ethics and Elections))~~ Commission or the PDC; provided that the
21 Executive Director shall have the authority to resolve with the person who has apparently
22 violated this chapter, what the Executive Director determines to be minor and inadvertent, ~~((de~~



1 ~~minimum~~) violations without referring the matter to the ~~((Seattle Ethics and Elections))~~
2 Commission or the PDC for a hearing; provided further that the Executive Director shall report
3 violations to the PDC only in the event the ~~((Seattle Ethics and Elections))~~ Commission is unable
4 to hear the matter;

5 J. Have access to reports filed with the City Clerk in accordance with this chapter and make
6 copies thereof available at no charge for public inspection with duplicates available during
7 regular office hours at a reasonable cost to the person requesting such duplicates;
8

9 K. Keep, for a period of time not less than five ~~((5))~~ years from the date of filing, copies of all
10 official reports, records and statements furnished by the City Clerk to the Executive Director for
11 public inspection;

12 L. Review, four ~~((4))~~ months prior to the beginning of any municipal campaign year the costs
13 of campaigning, and recommend to the City Council whether or not Sections 2.04.370 through
14 2.04.450 should be amended;
15

16 M. Determine whether the evidence submitted by a candidate for Mayor, City Council or City
17 Attorney meets the eligibility requirements for receiving public matching funds;

18 N. Accept campaign contracts from candidates for Mayor, City Council, or City Attorney;

19 O. Monitor contributions and expenditures of candidates and notify candidates who are close to
20 their voluntary expenditure limitations.
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22 Section 3. Section 2.04.075, which was last amended by Ordinance 118569, is amended
23 as follows:

24 2.04.075 Procedure -- Charges and hearing.
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1 A. The Executive Director shall initiate an enforcement proceeding if, after investigation, he or
2 she has reason to believe that a material violation of Chapter 2.04 has occurred. An enforcement
3 action is initiated by delivering a charging document to the person charged and the ((Seattle
4 Ethics and Elections Commission ("))Commission((")) and scheduling a hearing on the
5 charges. The document shall describe the alleged conduct that is the basis of the charge and set
6 out the provisions of Chapter 2.04 alleged to have been violated. No hearing shall be scheduled
7 while a recommendation of the Executive Director for a settlement is awaiting action by the
8 Commission.
9 Commission.

10 B. The hearing before the Commission shall commence as promptly as practical and no later than
11 the following:

12 1. If the Executive Director issues the charging document alleging a violation of Chapter 2.04
13 between ((sixty (60))) 60 days immediately preceding and ((forty-eight (48))) 48 hours
14 immediately preceding ((seven (7:00))) 7 a.m. on the date of the election to which the alleged
15 conduct at issue is related, the hearing shall commence within ten ((10)) days of issue or half
16 the time before the election, whichever is less, but in no event upon less than ((twenty-four (24)))
17 24 hours' notice, given pursuant to subsection C of this section, to the person charged and the
18 public;

19 2. In all other cases, including cases alleging a violation of Chapter 2.06, and in those cases in
20 which the requirement in subsection B1 for ((twenty-four (24))) 24 hours' notice makes it
21 impossible to commence the hearing within half the time before the election, the hearing shall
22 commence within ((thirty (30))) 30 days from the date that the Executive Director issues the
23 charging document;
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1 3. The person charged and the Executive Director may, by mutual agreement, stipulate to a later
2 date for the hearing. The Commission may delay or continue a hearing in order to accommodate
3 an attempt to make a settlement or for other good cause.

4 C. The Executive Director shall cause notice of a hearing to be served on the person charged and
5 on the public as follows:

6 1. The notice of hearing shall include:

7 a. A statement of the time, place, and matter(s) to be considered;

8 b. A statement of the legal authority under which the hearing is to be held;

9 c. Reference to the particular sections of the Seattle Municipal Code alleged to have been
10 violated.

11 2. Notice may be served on the person charged by sending it through the U.S. mail, first class
12 postage pre-paid, or by personal service, or through regular internal City mail service.

13 3. Notice may be served on the public by sending it to each daily local newspaper of general
14 circulation through the U.S. mail, first class postage pre- paid, ~~((or by))~~ personal delivery, ~~((or~~
15 ~~by))~~ facsimile, or e-mail ~~and by posting it on the bulletin board in the main lobby of the building~~
16 ~~in which the City Council chambers are located and on the bulletin board in the Commission~~
17 ~~office.~~

18 D. Upon completion of the hearing, the Commission shall issue a written determination stating
19 whether Chapter 2.04 or Chapter 2.06 was violated, the facts found, and the applicable sections
20 of the Code.

21 If the charging document concerns an alleged violation of Chapter 2.04 related to an election to
22 be held within seven ~~((7))~~ days of issuing the charging document, the written determination
23



1 shall be made within ~~((forty eight (48)))~~ 48 hours of the completion of the hearing; in other
2 instances, the determination shall be made within ~~((seventy two (72)))~~ 72 hours. A copy of the
3 determination shall be delivered to the complainant, and to the person charged with the violation.
4 The Commission may forward its determination to the City Attorney or to the King County
5 Prosecuting Attorney.

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7 Section 4. Section 2.04.090, which was last amended by Ordinance 117308, is amended
8 as follows:

9 2.04.090 Ethics and Elections Commission -- Powers and duties.

10 The ~~((Seattle Ethics and Elections))~~ Commission shall have the following duties and powers:

11 A. The Commission shall hear and make written determination of complaints alleging violation
12 of this chapter. All hearings shall be conducted as hearings of a "contested case" under the
13 Administrative Code, ~~((Seattle Municipal Code Chapter 3.02))~~ insofar as the times and
14 procedures of ~~((Chapter 3.02))~~ the Administrative Code are practical within the constraints of
15 Section 2.04.075, and in accordance with the Commission's rules and regulations.
16

17 ***

18 E. The Commission shall make public, pursuant to Section 2.04.075 C, not less than ~~((twenty-~~
19 ~~four (24)))~~ 24 hours in advance, the time and date of any hearing set to determine whether a
20 violation has occurred and the question or issues to be considered.

21 F. The Commission shall review and may revise, at least once every five years but no more
22 often than every two years, the monetary reporting thresholds and reporting code values of this
23 chapter. The Commission shall only revise the monetary reporting thresholds and reporting code
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1 values for the purpose of recognizing economic changes and changes to analogous state law
2 reporting requirements. Revisions shall be adopted as rules under the Administrative Code.

3 Section 5. Section 2.04.155, which was last amended by Ordinance 120145, is amended
4 as follows:

5 2.04.155 Electronic filing required – Exemption.

6 A. Each candidate or ~~((ballot proposition))~~ political committee that expects to receive or receives
7 ~~((Twenty five Thousand Dollars \$(25,000)))~~ \$10,000 or more in aggregate contributions during
8 the applicable period must file all reports required by this chapter with the City Clerk by
9 electronic transmission of the required information. All political committees that (1) are neither
10 ballot proposition nor candidate political committees, and (2) expect to make contributions or
11 expect to make expenditures, including independent expenditures of ~~((Five Thousand Dollars~~
12 ~~(\$5,000)))~~ \$5,000 or more, in the aggregate during the applicable period, to or for the benefit of
13 candidates or candidate political committees or to or for the benefit of ballot proposition political
14 committees must file all reports required by this chapter with the City Clerk by electronic
15 transmission ~~((of the required information))~~. The electronic format of the filing and the method
16 of transmission shall meet requirements designated in rules adopted by the Commission. In
17 addition, each political committee that files electronically with the PDC must file electronically
18 with the City Clerk.
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23 Section 6. Section 2.04.156, which was last amended by Ordinance 118569, is amended
24 as follows:

25 2.04.156 Electronic filing -- Certification.
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1 All reports required by this chapter that are filed electronically shall be certified as true and
2 correct by the treasurer and candidate in accordance with procedures specified in rules adopted
3 by the ((Ethics and Elections)) Commission. A report not so certified shall be deemed not to
4 have been filed.

5 Section 7. Section 2.04.160, which was last amended by Ordinance 120831, is amended
6 as follows:

7 2.04.160 Political committees to file statement of organization.

8 A. 1. Except as provided in subsection A2, below, the officers of each political committee,
9 within two ((2)) weeks after the date when they first have the expectation of receiving
10 contributions or making expenditures in any election campaign, or ((twenty (20))) 20 days before
11 the election, whichever is earlier, shall file a statement of organization with the City Clerk.

12 2. The officer(s) of each political committee first having the expectation of receiving
13 contributions or making expenditures during and for that election campaign ((twenty-one (21)))
14 21 or fewer days before an election shall file a statement of organization within three ((3))
15 business days of the time when they first have the expectation of receiving contributions or
16 making expenditures.
17

18 B. The statement of organization shall include but not be limited to:

- 19
- 20 1. The name and address of the committee;
 - 21 2. The names and addresses of all related or affiliated committees or other persons, and the
22 nature of the relationship or affiliation;
 - 23 3. The names, addresses, and titles of its officers; or if it has no officers, the names, addresses,
24 and titles of its responsible leaders;
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- 1 4. The names and addresses of its campaign treasurer and campaign depository;
- 2 5. A statement whether the committee is a continuing one;
- 3 6. The name and office sought of each candidate whom the committee is supporting or opposing;
- 4 7. The ballot proposition concerned, if any, and whether the committee is in favor of or opposed
- 5 to such proposition;
- 6 8. What distribution of surplus funds will be made in the event of dissolution;
- 7 9. The street address of the place at which and the hours during which the committee will make
- 8 available for public inspection its books of account and all reports filed in accordance with
- 9 Section 2.04.250 ; and
- 10 10. Such other information as the ((Administrator)) Executive Director, in keeping with the
- 11 policies and purposes of this chapter, requires by rule adopted pursuant to the Administrative
- 12 Code.1
- 13 C. Any material change in information previously submitted in a statement of organization shall
- 14 be reported to the City Clerk within ten ((10)) days of such change.

17 Section 8. 2.04.165, which was last amended by Ordinance 120145, is amended as
18 follows:

19 2.04.165 Reports of personal financial affairs.

20 A. The following shall file statement of financial affairs:

- 21 1. Every candidate shall within two ((2)) weeks of becoming a candidate file with the City
- 22 Clerk a statement of financial affairs for the preceding twelve ((12)) months.
- 23 2. Every elected official and every candidate for a future election shall after January 1st and
- 24 before April 15th of each year file with the City Clerk a statement of financial affairs for the
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1 preceding calendar year, unless a statement for that same twelve (~~((12))~~) month period has
2 already been filed with the City Clerk. Any elected official whose term of office expires
3 immediately after December 31st shall file the statement required to be filed by this section for
4 the year that ended on that December 31st.

5 3. Every person appointed to a vacancy in an elective office shall within two (~~((2))~~) weeks of
6 being so appointed file with the City Clerk a statement of financial affairs for the preceding
7 twelve (~~((12))~~) months.
8

9 4. A statement of a candidate or appointee filed during the period from January 1st to April 15th
10 shall cover the period from January 1st of the preceding calendar year to the time of candidacy or
11 appointment if the filing of the statement would relieve the individual of a prior obligation to file
12 a statement covering the entire preceding calendar year.

13 5. No individual may be required to file more than once in any calendar year.
14

15 6. Each statement of financial affairs filed under this section shall be sworn as to its truth and
16 accuracy.

17 B. The statement of financial affairs report shall contain the following:

18 1. The statement of financial affairs required by this chapter shall disclose for the reporting
19 individual and each member of his or her immediate family:

20 a. Occupation, name of employer, and business address; and
21

22 b. Each bank or savings account or insurance policy in which any such person or persons owned
23 a direct financial interest that exceeded (~~((Five Thousand Dollars (\$5,000)))~~) \$5,000 at any time
24 during the reporting period; each other item of intangible personal property in which any such
25 person or persons owned a direct financial interest, the value of which exceeded (~~((Five Hundred~~
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1 ~~Dollars (\$500))~~ \$500 during the reporting period; the name, address, and nature of the entity;
2 and the nature and highest value of each such direct financial interest during the reporting period;
3 and

4 c. The name and address of each creditor to whom the value of ~~((Five Hundred Dollars (\$500)))~~
5 \$500 or more was owned; the original amount of each debt to each such creditor; the amount of
6 each debt owed to each creditor as of the date of filing; the terms of repayment of each such
7 debt; and the security given, if any, for each such debt; provided, that debts arising out of a
8 "retail installment transaction" as defined in Chapter 63.14 RCW (Retail Installment Sales Act)
9 need not be reported; and
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11 d. Every public or private office, directorship, and position held as trustee; and

12 e. All persons for whom any legislation, rule, rate, or standard has been prepared, promoted, or
13 opposed for current or deferred compensation; provided, that for the purposes of this subsection,
14 "compensation" does not include payments made to the person reporting by the governmental
15 entity for which such person serves as an elected official for his or her service in office; the
16 description of such actual or proposed legislation, rules, rates, or standards; and the amount of
17 current or deferred compensation paid or promised to be paid; and
18

19 f. The name and address of each governmental entity, corporation, partnership, joint venture, sole
20 proprietorship, association, union, or other business or commercial entity from whom
21 compensation has been received in any form of a total value of ~~((Five Hundred Dollars (\$500)))~~
22 \$500 or more; the value of the compensation; and the consideration given or performed in
23 exchange for the compensation; and
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1 g. The name of any corporation, partnership, joint venture, association, union, or other entity in
2 which is held any office, directorship, or any general partnership interest, or an ownership
3 interest of ten (10) percent or more; the name or title of that office, directorship, or partnership;
4 the nature of ownership interest; and with respect to each such entity: (i) with respect to a
5 governmental unit in which the official seeks or holds any office or position, if the entity has
6 received compensation in any form during the preceding twelve (~~((12))~~) months from the
7 governmental unit, the value of the compensation and the consideration given or performed in
8 exchange for the compensation; (ii) the name of each governmental unit, corporation,
9 partnership, joint venture, sole proprietorship, association, union, or other business or
10 commercial entity from which the entity has received compensation in any form in the amount of
11 (~~((Two Thousand Five Hundred Dollars (\$2,500)))~~) \$2,500 or more during the preceding twelve
12 (~~((12))~~) months and the consideration given or performed in exchange for the compensation;
13 provided, that the term "compensation" for purposes of this subsection B1 gii does not include
14 payment for water and other utility services at rates approved by the Washington State Utilities
15 and Transportation Commission or the legislative authority of the public entity providing the
16 service; provided, further, that with respect to any bank or commercial lending institution in
17 which is held any office, directorship, partnership interest, or ownership interest, it shall only be
18 necessary to report either the name, address, and occupation of every director and officer of the
19 bank or commercial lending institution and the average monthly balance of each account held
20 during the preceding twelve (~~((12))~~) months by the bank or commercial lending institution from
21 the government entity for which the individual is an official or candidate or professional staff
22 member, or all interest paid by a borrower on loans from and all interest paid to a depositor by
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1 the bank or commercial lending institution if the interest exceeds (~~Six Hundred Dollars (\$600))~~)

2 \$600; and

3 h. A list, including legal or other sufficient descriptions as prescribed by the Commission of all

4 real property in The State of Washington, the assessed valuation of which exceeds (~~Two~~)

5 ~~Thousand Five Hundred Dollars (\$2,500))~~ \$2,500 in which any direct financial interest was

6 acquired during the preceding calendar year, and a statement of the amount and nature of the

7 financial interest and of the consideration given in exchange for that interest; and

8 i. A list, including legal or other sufficient descriptions as prescribed by the Commission, of all

9 real property in The State Of Washington, the assessed valuation of which exceeds Two

10 (~~Thousand Five Hundred Dollars (\$2,500))~~ \$2,500 in which any direct financial interest was

11 divested during the preceding calendar year, and a statement of the amount and nature of the

12 consideration received in exchange for that interest, and the name and address of the person

13 furnishing the consideration; and

14 j. A list, including legal or other sufficient descriptions as prescribed by the Commission, of all

15 real property in The State of Washington, the assessed valuation of which exceeds (~~Two~~)

16 ~~Thousand Five Hundred Dollars (\$2,500))~~ \$2,500 in which a direct financial interest was held;

17 provided, that if a description of the property has been included in a report previously filed, the

18 property may be listed, for purposes of this provision, by reference to the previously filed report;

19 and

20 k. A list, including legal or other sufficient descriptions as prescribed by the Commission, of all

21 real property in The State of Washington, the assessed valuation of which exceeds (~~Five~~)

22 ~~Thousand Dollars (\$5,000))~~ \$5,000, in which a corporation, partnership, firm, enterprise, or



1 other entity had a direct financial interest, in which corporation, partnership, firm, or enterprise a
2 ten (10) percent or greater ownership interest was held; and

3 l. A list of each occasion, specifying date, donor, and amount, at which food and beverage in
4 excess of (~~(Fifty Dollars (\$50))~~) \$50 was accepted from a source other than the City provided all
5 or portion; and

6 m. A list of each occasion, specifying date, donor, and amount, at a source other than the City
7 paid for or otherwise provided all or a portion of the travel or seminars, educational programs or
8 other training; and

9 n. Such other information as the Commission may deem necessary in order to properly carry out
10 the purposes and policies of this chapter, as the Commission shall prescribe by rule.

11 2. Where an amount is required to be reported under subsections B1a through m of this section, it
12 shall be sufficient to comply with the requirement to report whether the amount is less than
13 ~~((One Thousand Dollars (\$1,000)))~~ \$1,000, at least ~~((One Thousand Dollars (\$1,000)))~~ \$1,000
14 but less than ~~((Five Thousand Dollars (\$5,000)))~~ \$5,000, at least ~~((Five Thousand Dollars~~
15 ~~(\$5,000)))~~ \$5,000 but less than ~~((Ten Thousand Dollars (\$10,000)))~~ \$10,000, at least ~~((Ten~~
16 ~~Thousand Dollars (\$10,000)))~~ \$10,000 but less than ~~((Twenty-five Thousand Dollars (\$25,000)))~~
17 \$25,000, or ~~((Twenty-five Thousand Dollars (\$25,000)))~~ \$25,000 or more. An amount of stock
18 may be reported by number of shares instead of by market value. No provision of this subsection
19 may be interpreted to prevent any person from filing more information or more detailed
20 information than required.

21 3. Items of value given to an official's or employee's spouse or family member are attributable to
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1 the official or employee, except the item is not attributable if an independent business, family, or
2 social relationship exists between the donor and the spouse or family member.

3 C. Concealing Identity of Source of Payment is Prohibited -- Exception. No payment shall be
4 made to any person required to report under this chapter and no payment shall be accepted by
5 any such person, directly or indirectly, in a fictitious name, anonymously, or by one ~~((H))~~
6 person through an agent, relative, or other person in such a manner as to conceal the identity of
7 the source of the payment or in any other manner so as to effect concealment except that the
8 Commission may issue categorical and specific exemptions to the reporting of the actual source
9 when there is an undisclosed principal for recognized legitimate business purposes.
10

11 Section 9. Section 2.04.215, which was last amended by Ordinance 118569, is amended
12 as follows:

13 2.04.215 Interim investment of campaign funds; earnings.

14 A campaign treasurer ~~((or political committee treasurer))~~ may invest funds deposited in the
15 campaign account in an account or indebtedness of a financial institution up to the amount of
16 federal deposit insurance; United States bonds or certificates of indebtedness or those of a federal
17 agency; and/or bonds or warrants of the state or any municipal corporation of the state. All
18 interest, dividends, and/or other income derived from the investment and the principal when
19 repaid shall be deposited in the campaign account.
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22 Section 10. Section 2.04.220, which was last amended by Ordinance 120831, is amended
23 as follows:

24 2.04.220 Low-cost fundraising activities -- Reports.
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1 A. A campaign treasurer or deputy campaign treasurer may report funds derived from low-cost
2 fundraising activities as such, in accordance with the provisions of subsection C of this section,
3 in lieu of reporting such funds pursuant to Section 2.04.210; provided, that:

4 1. The income resulting from the conduct of the activity is derived solely from either: (a) the
5 retail sale of goods or services at prices that do not exceed a reasonable approximation of the fair
6 market value of each item or service sold at the activity, (b) a gambling operation licensed,
7 conducted, or operated in accordance with the provisions of RCW Chapter 9.46, or (c) events at
8 which an entry fee is charged, so long as the total of all the per person entry fees for the
9 campaign's low-cost fundraiser events held in a single election cycle does not exceed (~~Twenty-~~
10 ~~five Dollars (\$25))~~ \$25; and

11 2. Any such fundraising activity conforms with such other standards as the Commission may
12 adopt as rules under the Administrative Code (~~Chapter 3.02~~) to prevent frustration of the
13 purposes of this chapter.
14

15 B. No person responsible for receiving money at such activity shall knowingly accept payment
16 from a person of more than (~~Twenty-five Dollars (\$25))~~ \$25 unless the name and address of the
17 person making such payment are obtained for disclosure in the report to be filed pursuant to
18 subsection C of this section.
19

20 C. On the report of deposit of the funds derived from a low-cost fundraising activity, in
21 accordance with Section 2.04.180, the campaign treasurer or a deputy campaign treasurer
22 making the deposit shall include the following information:
23

- 24 1. The date on which the activity occurred;
25 2. The location at which the activity occurred;
26



- 1 3. A precise description of the fundraising methods used in the activity;
- 2 4. The monetary value of wagers made and prizes distributed for winning wagers, where
- 3 appropriate;
- 4 5. The name and address of each person who contributed goods or services to the candidate or
- 5 political committee for sale at the activity if the fair market value of the goods or services
- 6 contributed equals more than (~~Twenty-five Dollars (\$25))~~ \$25 in the aggregate from such
- 7 person, together with a precise description of each item or service contributed and its estimated
- 8 market value; and
- 9
- 10 6. The name and address of each person whose identity can be ascertained and who makes
- 11 payments to the candidate or political committee at such activity of more than (~~Twenty-five~~
- 12 ~~Dollars (\$25))~~ \$25.
- 13

14 Section 11. Section 2.04.230, which was last amended by Ordinance 120145, is amended
15 as follows:

16 2.04.230 Continuing political committee -- Reports.

17 ***

18 B. A continuing political committee shall file with the City Clerk a report on the tenth day of the
19 month detailing its activities for the preceding calendar month in which the committee has
20 received a contribution or made an expenditure, unless its total contributions received and total
21 expenditures are each (~~Two Hundred Dollars (\$200))~~ \$200 or less. A continuing political
22 committee, which does not file a report for the preceding month, shall accumulate its unreported
23 contributions and expenditures, and on the tenth day of the month after its aggregate unreported
24 contributions or expenditures exceed (~~Two Hundred Dollars (\$200))~~ \$200, it shall file a
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1 consolidated report detailing its receipts and expenditures covering the months for which no
2 report was filed. The report shall be on a form supplied by the ((Administrator)) Executive
3 Director and shall include the following information:

- 4 1. The information required by Section 2.04.260;
5 2. Each expenditure made to retire previously accumulated debts of the committee; identified by
6 recipient, amount, and date of payments;
7 3. Such other information as the ((Administrator)) Executive Director shall prescribe by rule
8 adopted pursuant to the Administrative Code.1
9

10 C. A continuing political committee shall file reports as required by this chapter until the earlier
11 of: (1) the date the continuing political committee dissolves; or (2)(a) in the case of a continuing
12 political committee that contributes to or makes independent expenditures in support of
13 candidates, the end of the latest election cycle of the candidates to whom the continuing political
14 committee contributed or for whom it made independent expenditures, or (b) in the case of a
15 continuing political committee that contributes to ballot proposition committees, the date of the
16 latest of the final reports filed pursuant to Section 2.04.250 B((3))4 by the ballot proposition
17 committees to which the continuing political committee contributed. In addition, if the
18 continuing political committee has debt at the end of the relevant election cycle or after the
19 relevant final report has been filed, it shall continue to file reports as required by this chapter
20 until such debt is paid or forgiven. When the continuing political committee's obligation to file
21 reports ends as set forth in this subsection, it shall submit a final report. Upon submitting a final
22 report, the duties of the campaign treasurer other than record retention shall cease and there shall
23 be no obligation to make any further reports.
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1 D. The campaign treasurer shall maintain books of account accurately reflecting all contributions
2 and expenditures on a current basis within five ~~((5))~~ business days of receipt or expenditure.

3 During the eight ~~((8))~~ days immediately preceding the date of any election, for which the
4 committee has received any contributions or made any expenditures, the books of account shall
5 be kept current within one ~~((1))~~ business day, and On the eighth day preceding any election, the
6 books of account shall be open for public inspection for at least two ~~((2))~~ consecutive hours
7 between 8 a.m. and 8 p.m. For the five business days immediately preceding the date of any
8 election ~~((Monday through Friday, excluding legal holidays))~~, the books of account shall be
9 available by appointment between ~~((eight (:)8(:00)))~~ a.m. and ~~((eight (:)8(:00)))~~ p.m., as
10 specified in the committee's statement of organization filed pursuant to Section 2.04.160, as now
11 or hereafter amended, at the principal campaign headquarters or, if there is no campaign
12 headquarters, at the address of the campaign treasurer or other such place as may be authorized
13 by the ~~((Administrator))~~ Executive Director.

14 ***

15 F. The campaign treasurer shall preserve books of accounts, bills, receipts, and all other
16 financial records of the campaign or political committee for five ~~((5))~~ calendar years following
17 the year in which the transaction occurred.

18 Section 12. Section 2.04.250, which was last amended by Ordinance 122457, is amended
19 as follows:

20 2.04.250 Treasurer's reports -- Procedures.

21 A. On the day the statement of organization is required under Section 2.04.160 or Section
22 2.04.170 to be filed with the City Clerk, a report of all contributions received and expenditures
23



1 made prior to that date shall be filed with the City Clerk. Such report of contributions and
2 expenditures is not required if no contributions were received and no expenditures were made
3 prior to that date.

4 B. At the following intervals each campaign treasurer shall file with the City Clerk a further
5 report of the contributions received and expenditures made since the date of the last report:

6 1. On the ~~((twenty first (21st)))~~ 21st day and seventh ~~((7th))~~ day immediately preceding the date
7 on which the election is to be held; and

8 2. On the tenth ~~((10th))~~ day of the first ~~((1st))~~ month after the election;

9 3. On the tenth day of each month in which no other reports are required to be filed under this
10 section; provided, that such report shall only be filed if the committee has received a contribution
11 or made an expenditure in the preceding calendar month and either the total contributions
12 received or total expenditures made since the last such report exceed ~~((Two Hundred Dollars~~
13 ~~(\$200)))~~ \$200;

14 4. In the case of a City general election or a special election held in conjunction with any general
15 election, the campaign treasurer shall file a final report no later than the tenth (10th) day of May
16 after the date of the general election; and in the case of a special election that is not held in
17 conjunction with any general election, the final report shall be filed no later than the tenth (10th)
18 day of the sixth ~~((6th))~~ month after the date of the special election.

19 The period for which activity shall be reported (the "reporting period") in the required reports
20 shall be as follows:

21 a. The report to be filed ~~((twenty one ((21)))~~ 21 days before the election shall report all
22 contributions received and expenditures made from the closing date of the last report filed
23



1 through the end of the ~~((fifth-5th))~~ business day before the date of the report.

2 b. The report to be filed seven ~~((7))~~ days before the election shall report all contributions
3 received and expenditures made from the closing date of the last report filed through the end of
4 one ~~((1))~~ business day before the date of the report.

5 c. Reports which are to be filed on the tenth ~~((10th))~~ day of the month shall report all
6 contributions received and expenditures made from the closing date of the last report filed
7 through the last day of the month preceding the date of the report.

8
9 C. For the period beginning the first ~~((1st))~~ day of the fourth ~~((4th))~~ month preceding the date
10 on which the special or general election is held and ending on the Monday eight ~~((8))~~ days
11 before the date of that election, the campaign treasurer or deputy treasurer shall file with the City
12 Clerk each Monday a report of each contribution deposited during the previous seven ~~((7))~~
13 days. On the Monday eight ~~((8))~~ days before the date of the election and each day thereafter
14 until and including the date of the election, the campaign treasurer or deputy treasurer shall file
15 with the City Clerk a report of each deposited contribution on the same day that the deposit is
16 made in the campaign depository. On the day after the date on which the general or special
17 election is held and each day thereafter until and including the Tuesday after the date of the
18 election, the campaign treasurer or deputy treasurer shall file with the City Clerk a report of each
19 deposited contribution on the same day that the deposit is made in the campaign depository if the
20 contributions deposited that day total ~~((Five Hundred Dollars-\$500))~~ \$500 or more.

21
22
23 D. Each report filed pursuant to this section 2.04.250 shall contain (1) the name and address of
24 each person making a contribution of more than ~~((Twenty Five Dollars-\$25))~~ \$25 or an
25 aggregate of contributions totaling more than ~~((Twenty Five Dollars-\$25))~~ \$25 during the
26



1 applicable period; (2) the dollar amount of each such contribution; (3) the aggregate contributed
2 by each such contributor during the applicable period; and (4) the occupation and the employer's
3 name, city and state of each individual whose aggregate contributions during the applicable
4 period equal more than ~~((One Hundred Dollars (\$100)))~~ \$100. Contributions from any person that
5 total ~~((Twenty Five Dollars (\$25)))~~ \$25 or less in the applicable period may be reported by a
6 ~~((candidate, candidate committee, ballot proposition committee or continuing))~~ political
7 committee as a lump sum without identifying the contributor(s) by name. The campaign treasurer
8 shall retain a copy of each report in his or her campaign records. ~~((Each record shall be certified
9 as correct by the campaign treasurer or a deputy campaign treasurer making the deposit.))~~

10 E. The campaign treasurer shall maintain books of account accurately reflecting all contributions
11 and expenditures on a current basis within five ~~((5))~~ business days of receipt or expenditures.

12 During the eight ~~((8))~~ days immediately preceding the date of any election for which the
13 political committee has received any contributions or made any expenditures, the books of
14 account shall be kept current within one ~~((1))~~ business day, and On the eighth day preceding
15 any election, the books of account shall be open for public inspection for at least two ~~((2))~~
16 consecutive hours between 8 a.m. and 8 p.m. For the five business days immediately preceding
17 the date of any election ~~((Monday through Friday, excluding legal holidays)), the books of~~
18 account shall be available by appointment between ~~((eight (:)8(:00)))~~ a.m. and ~~((eight~~
19 ~~((:)8(:00)))~~ p.m., as specified in the committee's statement of organization filed pursuant to
20 Section 2.04.160 at the principal campaign headquarters or, if there is no campaign
21 headquarters, at the address of the campaign treasurer or such other place as may be authorized
22 by the Administrator. The campaign treasurer or candidate shall preserve books of account, bills,
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1 receipts, and all other financial records of the campaign or political committee for five ~~((5))~~
2 calendar years following the year during which the transaction occurred.

3 F. All reports filed pursuant to this section shall be certified as correct by the candidate and the
4 campaign treasurer, except that a report reporting only a deposit may instead be certified as
5 correct by the candidate or the campaign treasurer or the deputy treasurer who made that deposit.

6 G. Copies of all reports filed pursuant to this section shall be readily available for public
7 inspection for at least two ~~((2))~~ consecutive hours ~~((Monday through Friday, excluding legal~~
8 ~~holidays))~~ on the eighth day before the election, between ~~((eight-))~~8~~((:))~~ a.m. and ~~((eight~~
9 ~~:))~~8~~((:))~~ p.m., as specified in the committee's statement of organization filed pursuant to Section
10 2.04.160, at the principal campaign headquarters or, if there is no campaign headquarters, at the
11 address of the campaign treasurer or other such place as may be authorized by the
12 ~~((Administrator))~~ Executive Director. During the five business days before the election, the
13 reports shall be available for public inspection by appointment between 8 a.m and 8 p.m.

14 H. Assets may be carried into a new campaign of the same candidate for the same office or
15 disposed of in the manner provided in Section 2.04.375 B. Debt may be carried into a new
16 campaign of the same candidate for the same office, but may not be carried into a new campaign
17 of the same candidate for a different office, and may not be transferred to another candidate.

18 Section 13. Section 2.04.260, which was last amended by Ordinance 120831, is amended
19 as follows:

20 2.04.260 Treasurer's reports – Contents.

21 A. Each report required under Section 2.04.250 shall disclose:

22 1. The funds on hand at the beginning of the reporting period;



- 1 2. The name and address of each person who has made one ~~((1))~~ or more contributions during
2 the reporting period, together with:
- 3 a. The money value and date of each contribution,
- 4 b. The aggregate value of all contributions received from each such person during the applicable
5 period,
- 6 c. The occupation and the employer's name, city and state of each individual whose contributions
7 in the aggregate during the applicable period exceed ~~((One Hundred Dollars (\$100)))~~ \$100.
8 Contributions of ~~((Twenty Five Dollars (\$25)))~~ \$25 or less in the aggregate from any one ~~((1))~~
9 person during the applicable period may be reported as one ~~((1))~~ lump sum so long as the
10 campaign treasurer maintains a separate list of the contributor's names, addresses, and the
11 amounts of each of their contributions but if the treasurer does not maintain such a list, then the
12 name, address, and amount of each contribution shall be reported;
- 13
- 14 3. Each loan, promissory note, or security instrument to be used by or for the benefit of the
15 candidate or political committee made by any person, together with the names and addresses of
16 the lender and each person liable directly, indirectly, or contingently and the date and amount of
17 each such loan, promissory note, or security instrument;
- 18
- 19 4. The name and address of each political committee from which the reporting committee or
20 candidate received, or to which that committee or candidate made, any transfer of funds, together
21 with the amounts, dates, and purpose of all such transfers;
- 22
- 23 5. All other contributions not otherwise listed or exempted;
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1 6. The name and address of each person to whom one or more expenditures were made in the
2 aggregate amount of more than ~~((Fifty Dollars (\$50)))~~ \$50 during the reporting period, and the
3 amount, date, and purpose of each such expenditure;

4 7. The total sum of expenditures;

5 8. The surplus or deficit of contributions over expenditures;

6 9. The disposition made of any surplus of contributions over expenditures;

7
8 10. Such other information as the Commission requires by rule adopted pursuant to the
9 Administrative Code¹ in conformance with the policies and purposes of this chapter;

10 11. Funds received from a political committee not domiciled in the state and not otherwise
11 required to report under this chapter (a "nonreporting committee"). Such funds shall be
12 ~~((forfeited to the state))~~ returned unless the nonreporting committee ~~((has filed or within ten (10)~~
13 ~~days following such receipt shall))~~ files with the City Clerk no later than the tenth day of the
14 month following any month in which a contribution is made a statement disclosing:
15

16 a. The name and address of the nonreporting committee,

17 b. The purposes of the nonreporting committee,

18 c. The names, addresses, and titles of its officers or, if it has no officers, the names, addresses,
19 and titles of its responsible leaders,

20 d. A statement whether the nonreporting committee is a continuing one,

21 e. The name and office sought of each candidate in the City in support of whom the nonreporting
22 committee made an expenditure,

23 f. The City ballot proposition concerning which the nonreporting committee made an
24 expenditure, and whether such committee is in favor of or opposed to such proposition,
25
26



1 g. The name and address of each person residing in the state or corporation which has a place of
2 business in the state that has made one (~~((1))~~) or more contributions in the aggregate of more
3 than

4 (~~((Twenty five Dollars (\$25)))~~) \$25 to the nonreporting committee during the current calendar
5 year, together with the money value and date of such contributions,

6 h. The name and address of each person in the state to whom an expenditure was made by the
7 nonreporting committee on behalf of a candidate or political committee, the amount, date and
8 purpose of such expenditure, and the total sum of such expenditures; and

9
10 12. Investments made of campaign funds under Section 2.04.215 and interest dividends and/or
11 other income received.

12 B. The correctness of each report shall be certified as required by all applicable laws and
13 ordinances.

14
15 Section 14. The title of Section 2.04.265, which was last amended by Ordinance 120831,
16 is amended as follows:

17 2.04.265 Special reports of late contributions totaling (~~((over))~~) One Thousand Dollars or more --
18 Certain late contributions prohibited.

19 A. During the (~~((twenty one (21)))~~) 21 day period before the election in which the candidate or
20 proposition will appear on the ballot, the treasurer or deputy treasurer shall file with the
21 Commission a special report of each contribution or aggregate of contributions that: (1) equals or
22 exceeds (~~((One Thousand Dollars (\$1,000)))~~) \$1,000; (2) is from a single person or entity; and (3)
23 is received during that (~~((twenty one (21)))~~) 21 day period or was received before that period
24 began but was not yet reported. Such report shall be filed electronically by 4:30 p.m. the next
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1 business day after receipt of the contribution or of the time the aggregate contributions equal or
2 exceed ~~((One Thousand Dollars (\$1,000)))~~ \$1,000 or, in the case of contributions received but
3 not reported prior to the twenty-first day, such report shall be filed by 4:30 p.m. on the twenty-
4 first day prior to the election. Contributions reported under this section shall also be reported to
5 the City Clerk as required by other provisions of this chapter.

6 B. It is a violation of this chapter for any person to make or for any candidate or political
7 committee to accept from any one (1) person contributions reportable under this chapter in the
8 aggregate exceeding ~~((Five Thousand Dollars (\$5,000)))~~ \$5,000 within the ~~((twenty-one (21)))~~
9 21 days before a primary, general, or special election in which the candidate or ballot proposition
10 appears on the ballot.

11
12 Section 15. Section 2.04.270, which was last amended by Ordinance 120915, is amended
13 as follows:

14 2.04.270 Independent expenditures; contributions to out-of-state committees -- Reports.

15 A. 1. Every independent expenditure not required to be reported pursuant to Sections
16 2.04.180 through 2.04.210, 2.04.230, 2.04.250 and 2.04.260 shall be reported pursuant to this
17 subsection A.

18 2. Each person who makes an independent expenditure that by itself or when added to all
19 other such independent expenditures made by the same person, in connection with the same
20 position or proposition, equals ~~((One Hundred Dollars (\$100)))~~ \$100 or more, or for which no
21 reasonable estimate of monetary value is practicable, shall within five ~~((5))~~ business days of
22 making the independent expenditure or of the date on which the expenditures in the aggregate
23 equal ~~((One Hundred Dollars (\$100)))~~ \$100 or more, whichever occurs first, file with the City
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1 Clerk an initial report of all independent expenditures made during such campaign prior to and
2 including such date.

3 Each person who, (~~within twenty one (21))~~ 21 days before an election makes an
4 independent expenditure that by itself, or when added to all other independent expenditures made
5 previously during those (~~within twenty one (21))~~ 21 days, equals or exceeds (~~One Thousand~~
6 ~~Dollars (\$1,000))~~ \$1,000 shall by 4:30 p.m. the next business day after making each such
7 independent expenditure file electronically with the Commission a special report of that
8 independent expenditure.
9 independent expenditure.

10 3. At the following intervals each person who is required to file an initial report pursuant to
11 subsection A2 of this section shall file with the City Clerk a further report of the independent
12 expenditures made since the date of the last report:

13 a. On the (~~twenty first (21st))~~ 21st day and the seventh (~~(7th))~~ day preceding the date on
14 which the election is to be held; and

15 b. On the tenth (~~(10th))~~ day of the first (~~(1st))~~ month after the election; and

16 c. On the tenth day of each month in which no other reports are required to be filed pursuant to
17 this subsection A; provided, that such further reports required by this subsection A3 shall be filed
18 only if the reporting person has made an independent expenditure since the date of the last
19 previous report filed.
20 previous report filed.
21

22 4. All reports filed pursuant to this subsection A shall be certified as correct by the reporting
23 person.

24 5. Each report required by subsections A2 and A3 of this section shall disclose for the period
25 beginning at the end of the period for the last previous report filed or, in the case of an initial
26



1 report, beginning at the time of the first independent expenditure, and ending not more than five
2 ~~((5))~~ days prior to the date the report is due:

- 3 a. The name and address of the person filing the report;
- 4 b. The name and address of each person to whom an independent expenditure was made in the
5 aggregate amount of more than ~~((Twenty-Five Dollars (\$25)))~~ \$25 in the reporting period, and the
6 amount, date, and purpose of each such expenditure; provided, that if no reasonable estimate of
7 the monetary value of a particular independent expenditure is practicable, it shall be sufficient to
8 report instead a precise description of services, property, or rights furnished through the
9 expenditure and where appropriate to attach a copy of the item produced or distributed by the
10 expenditure;
- 11 c. The total sum of all independent expenditures made during the applicable period to date; and
- 12 d. Such other information as the Commission, in conformance with the policies and purposes of
13 this chapter, requires by rule adopted pursuant to the Administrative Code.

14 B. 1. Any person who contributes in the aggregate amount of ~~((One Hundred Dollars~~
15 ~~(\$100)))~~ \$100 or more during the preceding ~~((twelve (12)))~~ 12 month period to any political
16 committee not domiciled in the state or not otherwise required to report under this chapter, if the
17 person reasonably expects such political committee to make contributions in respect to any
18 election covered by this chapter, shall file with the City Clerk a report signed by the contributor
19 disclosing the contributor's name and address, the date, nature, purpose, amount, and recipient of
20 such contribution, and any instructions given as to the use or disbursement of such contribution.

21 2. The initial report shall be filed with the City Clerk within five ~~((5))~~ days after the
22 date on which the amount of ~~((One Hundred Dollars (\$100)))~~ \$100 or more is reached, and each
23



1 subsequent report shall be filed within ~~((5))~~ days after each subsequent contribution is made to
2 the same such political committee.

3 C. A person with the expectation of making an independent expenditure or expenditures by
4 disseminating an advertising message or messages that the person reasonably expects to be
5 received, read, viewed or heard by ~~((one thousand (1,000)))~~ 1,000 or more individuals in a single
6 calendar year shall, within two ~~((2))~~ business days after the initial dissemination of the
7 advertisement, deliver a copy of each such advertisement to the offices of the ~~((Seattle Ethics and
8 Elections))~~ Commission, along with a statement disclosing the method of dissemination of the
9 advertisement and an estimate of the expected quantity of the advertising. This requirement
10 applies only to all independent expenditures that are required to be reported, i.e., an individual
11 spending ~~((One Hundred Dollars (\$100)))~~ \$100 or more of his or her own funds and anyone
12 spending any amount of the funds of others. This disclosure does not substitute for the disclosure
13 requirements of other sections of this chapter.
14
15

16 Section 15. Subsection A of Section 2.04.275, which was last amended by Ordinance
17 120831, is amended as follows:

18 2.04.275 Certification of independent expenditures -- Special reports of late independent
19 expenditures.
20

21 A. Each person and each officer of the committee or entity who made an independent
22 expenditure each shall file, with the report required in Sections 2.04.180 through 2.04.210,
23 2.04.230, 2.04.250, 2.04.260 and 2.04.270, his or her notarized affidavit or declaration under
24 penalty of perjury. The affidavit or declaration shall state that the maker has made reasonable
25 inquiry and determined that as to each of the following, the expenditure was made without
26



1 consultation, collusion, or cooperation with (1) any candidate(~~(candidate)~~) or political
2 committee(~~(or ballot proposition committee)~~) that a reasonable person making the independent
3 expenditure would expect to benefit from the expenditure; (2) the officers of such (~~(candidate's~~
4 ~~or proposition's)~~) political committee; or (3) such candidate's or committee's agents.

5 B. Each person who, within (~~(twenty-one (21))~~) 21 days before an election makes an
6 independent expenditure that by itself, or when added to all other independent expenditures made
7 previously during those (~~(twenty-one (21))~~) 21 days, equals or exceeds (~~(One Thousand Dollars~~
8 ~~(\$1,000))~~) \$1,000 or has made such an expenditure that has not yet been reported, shall by 4:30
9 p.m. the next business day after making each such independent expenditure file electronically
10 with the Commission a special report of that independent expenditure, or, in the case of
11 expenditures made prior to the twenty-first day, such report will be filed by 4:30 p.m. on the
12 twenty-first day prior to the election. Expenditures reported under this section shall also be
13 reported to the City Clerk when and as required by other provisions of this chapter.

14
15
16 Section 16. Section 2.04.280, which was last amended by Ordinance 106653, is amended
17 as follows:

18 2.04.280 Commercial advertisers' duty to report.

19 A. Each commercial advertiser that has accepted or provided political advertising during the
20 election campaign shall maintain open for public inspection during the campaign and for a period
21 of no less than three (~~((3))~~) years after the date of the applicable election, during normal business
22 hours, documents and books of account which shall specify:

- 23 1. The names and addresses of persons from whom it accepted political advertising;
- 24 2. The exact nature and extent of the advertising services rendered; and



1 3. The consideration and the manner of paying that consideration for such services.

2 B. Each commercial advertiser that must comply with subsection A of this section shall deliver
3 to the ((Administrator)) Executive Director, upon his or her request, copies of such information
4 as must be maintained open for public inspection pursuant to subsection A of this section.

5 Section 17. Section 2.04.290, which was last amended by Ordinance 120831, is amended
6 as follows:

7 2.04.290 Identification of contributions and communications.

8 ***

9
10 B. 1. All audio and video broadcast political advertising, whether relating to candidates or ballot
11 propositions, shall include the sponsor's name. All other political advertising, whether relating to
12 candidates or ballot propositions, ((shall include)) must state "paid for by" or "sponsored by,"
13 followed by the sponsor's name and address. Political advertising paid for by someone other than
14 an agent of the committee that benefits from the advertising, i.e., in-kind contributions, must
15 state "paid for by..." followed by the name and address of the person who paid for the
16 advertising, and "sponsored by" followed by the name and address of the committee(s) that will
17 benefit from the advertising. The use of an assumed name shall be unlawful.

18
19 2. In addition to the materials required by subsection B1 of this section, all political advertising
20 undertaken as an independent expenditure by a person or entity, other than a bona fide political
21 party as defined in RCW 42.17.020(5), must include the following statement on the
22 communication "NOTICE TO VOTERS (Required by law): This advertisement is not authorized
23 or approved by any candidate. It is paid for by (name, address, city, state)." If the advertisement
24 undertaken as an independent expenditure is undertaken by a nonindividual, other than a bona
25
26



1 fide political party as defined in RCW 42.17.020(5), then the following notation must also be
2 included: "Top Five Contributors," followed by a listing of the names of the five persons or
3 entities who or which, during the ~~((twelve (12)))~~ 12-month period before the date of the
4 advertisement, made to the sponsor of the advertisement the largest contributions reportable
5 under this chapter.

6 3. The statements and listings of contributors required by subsections B1 and B2 of this section
7 shall:
8

- 9 a. Appear on the first page or fold of the written communication in at least ten ~~((10))~~-point
10 type, or in type at least ten ~~((10))~~ percent of the largest size type used in a written
11 communication directed at more than one ~~((1))~~ voter, such as a billboard or poster, whichever
12 is larger;
13 b. Not be subject to the half-tone or screening process;
14 c. Be set apart from any other printed matter; and
15 d. Be clearly spoken on any broadcast advertisement.
16

17 Section 18. Section 2.04.320, which was last amended by Ordinance 106653, is amended
18 as follows:

19 2.04.320 Exemption from disclosure requirements.

20
21 A. An exemption from the disclosure requirements of this chapter shall be granted by the
22 ~~((FCPC))~~ Commission to a political association or political committee if such political
23 association or political committee has applied in writing to the ~~((FCPC))~~ Commission for such
24 exemption and has demonstrated by a reasonable probability that the compelled disclosure of
25 contributors' names will subject the contributors to threats, harassment, or reprisals from either
26



1 government officials or private parties, and that as a result of such disclosure it is reasonably
2 probable that advocacy of a dissident view will be hindered and the right to free association
3 chilled.

4 B. The decision to grant or deny an exemption from disclosure, including the basis for the
5 decision~~((with the reason or reasons therefore))~~, shall be set out in writing with a copy given to
6 the political association or committee and a copy kept on file in the ~~((Office of Election~~
7 ~~Administrator))~~ Commission's offices for public inspection.

8
9 Section 19. Section 2.04.370, which was last amended by Ordinance 120831, is amended
10 as follows:

11 2.04.370 Mandatory limitations on contributions.

12 ***

13
14 B. No person shall contribute more than ~~((Six Hundred Dollars (\$600)))~~ \$600 to any candidate
15 for Mayor, member of the City Council, or City Attorney of the city, in any election cycle.

16 ***

17 D. No candidate for Mayor, member of the City Council or City Attorney of the City
18 shall solicit or receive campaign contributions of more than ~~((Six Hundred Dollars (\$600)))~~ \$600
19 from any person in any election cycle; provided:

20
21 1. a. The limitations imposed by this section shall not apply to a candidate's contributions
22 of his or her own resources to his or her own campaign, or contributions to the candidate's
23 campaign by the candidate or the candidate's spouse or state registered domestic partner of their
24 jointly owned assets ~~((of their marital community))~~;



1 b. The limitations imposed by this section apply to contributions of the candidate's
2 spouse's or state registered domestic partner's separate property;

3 2. The limitations imposed by this section shall not apply to independent expenditures as
4 defined by this chapter; and

5 3. The limitations imposed by this section shall not apply to the value of in-kind labor;
6 and
7

8 4. The limitations imposed by this section shall not apply to contributions consisting of
9 the rendering of clerical or computer services on behalf of a candidate or an authorized political
10 committee, to the extent that the services are for the purpose of ensuring compliance with City,
11 county, or state election or public disclosure laws.

12 ~~((E. Adjustment Index.~~

13 ~~1. In March of each even-numbered calendar year, the Commission shall promulgate a rule in
14 accordance with Chapter 3.02 of the Seattle Municipal Code. This Rule may increase the dollar
15 amount in subsection A based on changes in economic conditions as reflected by the Implicit
16 Price Deflator of the United States Domestic Product as published by the United States
17 Department of Commerce Bureau of Economic Analysis (IPD). If application of the IPD would
18 result in a decrease in the dollar amount, the dollar amount shall remain unchanged.~~

19 ~~2. The new dollar amounts established by the Commission shall be determined by multiplying
20 the base amount provided in this section (Six Hundred Dollars \$600) by the percentage change
21 in the most recently published IPD since January 1, 2000. The resulting amount shall be added to
22 the amount derived from the multiplication of the base amount, and the amount resulting from
23 that calculation shall be rounded to the nearest whole dollar amount that can be divided by fifty~~



1 ~~(50). In cases where the unrounded amount derived from this procedure is exactly Twenty five~~
2 ~~Dollars (\$25) different from the two (2) nearest numbers evenly divisible by Fifty Dollars (\$50),~~
3 ~~the amount shall be rounded up to the next number evenly divisible by Fifty Dollars (\$50). The~~
4 ~~new dollar amount shall become effective May 1st of the even numbered calendar year. Once~~
5 ~~adopted, any increase in the contribution limit shall be effective for all election cycles that have~~
6 ~~not ended by May 1st of that even numbered year.~~

7
8 ~~3. This subsection shall expire six (6) years after the effective date of the enabling ordinance.))~~

9 Section 20. Section 2.04.375, which was last amended by Ordinance 120145, is amended
10 as follows:

11 2.04.375 Reporting and disposition of campaign funds after election.

12 A. 1. Each candidate or supporting committee for a candidate ~~((for City office, including~~
13 ~~the offices of Mayor, City Attorney or member of the City Council)), shall cease receipt of~~
14 ~~campaign contributions and dispose of the funds remaining in the campaign account in~~
15 ~~accordance with subsection B below, on or before the ((thirtieth)) 30th day of April in the year~~
16 ~~following the date of the election for the office the candidate sought, except for special elections.~~
17 ~~In the case of a special election, each candidate or supporting committee for a candidate shall~~
18 ~~cease receipt of campaign contributions and dispose of the funds remaining in the campaign~~
19 ~~account, in accordance with subsection B below, on or before the ((thirtieth)) 30th day of the~~
20 ~~fifth month after the special election for the office the candidate sought. By the tenth day of May~~
21 ~~in the year after the election for the office the candidate sought, each candidate or supporting~~
22 ~~committee for a candidate shall file a final report reflecting the disposition of the remaining~~
23 ~~funds, except for special elections. In the case of a special election, each candidate or supporting~~



1 committee for a candidate shall file that final report by the tenth day of the sixth month after the
2 special election for the office the candidate sought.

3 2. If a candidate or supporting committee for a candidate for City office has campaign
4 debt outstanding on April 30th in the year following the date of the general election for the office
5 the candidate sought, or on the ((thirtieth)) 30th day of the fifth month after the special election
6 for the office the candidate sought, the debt may be transferred to a new campaign of the same
7 candidate for the same office.
8

9 3. Except for supporting committees for candidates that are governed by subsection A1 of
10 this section and continuing political committees, each political committee (hereafter in this
11 subsection A3 "committee") shall cease receipt of contributions and dispose of the funds
12 remaining in the campaign account, in accordance with subsection B below, on or before the
13 ((thirtieth)) 30th day of April in the year following the date of the election for which the
14 committee received contributions or made expenditures, except for special elections. In the case
15 of a special election, each committee shall cease receipt of contributions and dispose of the funds
16 remaining in the campaign account, in accordance with subsection B below, on or before the
17 ((thirtieth)) 30th day of the fifth month after the special election for which the committee received
18 contributions or made expenditures. By the tenth day of May in the year after the election
19 for((e)) which the committee received contributions or made expenditures, each committee shall
20 file a final report reflecting the disposition of the remaining funds, except for special elections. In
21 the case of a special election, each committee shall file that final report by the tenth day of the
22 sixth month after the special election for which the committee received contributions or made
23 expenditures.
24
25
26



1 4. Except for supporting committees for candidates that are governed by subsection A2 of
2 this section and continuing political committees, if a political committee (hereafter in this
3 subsection A4 "committee") has campaign debt outstanding on April 30th in the year following
4 the date of the general election for which the committee received contributions or made
5 expenditures, or on the ~~((thirtieth))~~ 30th day of the fifth month after the special election for
6 which the committee received contributions or made expenditures, the debt may be transferred to
7 another political committee or to a continuing political committee, which shall, until such debt
8 has been paid or forgiven, file the reports that would have been required of the committee
9 transferring the debt had that committee not filed its final report under subsection A3 of this
10 section.
11

12 B. The surplus funds, including each capital asset for which the ~~((campaign))~~ candidate
13 or political committee paid ~~((Two Hundred Dollars (\$200)))~~ \$200 or more, or reported as an in-
14 kind contribution with a value of ~~((Two Hundred Dollars (\$200)))~~ \$200 or more, ~~((of a~~
15 ~~candidate, of a political committee supporting a candidate, of a political committee supporting or~~
16 ~~opposing a ballot proposition, and of a continuing political committee))~~ may be disposed of only
17 in one ~~((1))~~ or more of the following ways:
18

19 1. Return the surplus to contributors in respective amounts not to exceed each
20 contributor's original contribution;
21

22 2. Transfer the surplus to the personal account of a candidate, or of a treasurer or other
23 individual as reimbursement for lost earnings incurred as a result of the election campaign. Such
24 lost earnings shall be verifiable as unpaid salary or, when the candidate, treasurer or individual is
25 not salaried, as an amount not to exceed income received by the candidate, treasurer, or
26



1 individual for services rendered during an appropriate corresponding time period. All lost
2 earnings incurred shall be documented, and a record thereof shall be maintained by the
3 candidate, treasurer, or individual or by the political committee as the lost earnings accrue. The
4 committee shall maintain such information as a part of the campaign records;

5 3. Transfer the surplus to a political party or to a caucus of the state legislature;

6 4. Donate the surplus to a charitable organization registered in accordance with RCW
7 Chapter 19.09;

8 5. Transmit the surplus to the state treasurer for deposit in the general fund;

9 6. Hold the cash surplus in the campaign depository or depositories designated in
10 accordance with RCW 42.17.050 and in the case of capital assets hold them in the custody of the
11 candidate or officer of the campaign committee for possible use in a future election campaign for
12 the same office last sought by the candidate or for a future election campaign for a ballot
13 proposition on the same topic, and report the transfer of such funds or assets as a disposition in
14 accordance with Section 2.04.260 and RCW 42.17.090 ((and ~~SMC Section 2.04.260~~)). If the
15 candidate subsequently announces or publicly files for office, or if a ballot proposition political
16 committee is established for a future proposition on the same topic, information as appropriate
17 shall be reported in accordance with Sections 2.04.170 through 2.04.260 and RCW 42.17.040
18 through 42.17.090 ((and ~~SMC Sections 2.04.170 through 2.04.260~~)). If a subsequent office is not
19 sought, or if a subsequent election campaign for a ballot proposition on the same topic does not
20 occur, the surplus held shall be disposed of in accordance with the requirements of this chapter;

21 7. A candidate who was elected to the office sought, or that candidate's political
22 committee, may hold the surplus campaign funds in a separate account for that individual's
23



1 nonreimbursed expenses of that public office and report any such disposition in accordance with
2 ((SMC)) 2.04.480(F). The separate account required under this subsection shall not be used for
3 deposits of campaign funds that are not surplus or of office funds solicited or received under
4 ((SMC)) Section 2.04.480;

5 8. A ballot proposition political committee may become a continuing political committee
6 and use the funds to support or oppose candidates and ballot propositions and must report in
7 accordance with ((SMC)) Sections 2.04.230 through 2.04.290; or
8

9 9. With the written approval of the contributor, a candidate or the candidate's political
10 committee may use or permit the use of contributions, whether or not surplus, solicited for or
11 received by the candidate or the candidate's political committee from that contributor to further
12 the candidacy of the individual for an office other than the office designated on the statement of
13 organization. If the contributor does not approve the use of his or her contribution to further the
14 candidacy of the individual for an office other than the office designated on the statement of
15 organization at the time of the contribution, the contribution must be considered surplus funds
16 and disposed of in accordance with this chapter.
17

18 Section 21. Section 2.04.480, which was last amended by Ordinance 117308, is amended
19 as follows:

20 2.04.480 Public office fund – What constitutes, restrictions on use, limitations on contributions –
21 Reporting of – Disposal of remaining funds.
22

23 A. (~~The Mayor, each City Council member, and the City Attorney~~) Each elected
24 official, upon election to office, may each establish an individual account for the deposit of
25



1 contributions solicited and received for the purpose of defraying non-reimbursed public office
2 related expenses. Such accounts shall be called public office funds.

3 ***

4 G. Any funds which remain in a public office fund after all permissible public office
5 related expenses have been paid may only be disposed of in one (1) or more of the following
6 ways:

7
8 1. Returned to contributors in respective amounts not to exceed each contributor's
9 original contribution; or

10 2. Donated to a charitable organization registered in accordance with Chapter 19.09
11 RCW; or

12 3. Transferred to the ~~((Seattle Ethics and Elections))~~ Commission for deposit into the City
13 general fund.

14
15 Section 22. Section 2.04.500, which was last amended by Ordinance 118569, is amended
16 as follows:

17 2.04.500 Civil remedies and sanctions.

18 A. 1. Upon determining pursuant to Sections 2.04.070 through 2.04.090 that a violation has
19 occurred, the Commission may issue an order requiring the party to take particular action in
20 order to comply with the law, and in addition, or alternatively, may impose sanctions up to ~~((Five
21 Thousand Dollars (\$5,000)))~~ \$5,000 for each violation.

22
23 2. Upon determining that a contribution was illegally made or accepted, in addition to the
24 remedies in subsection A1, the Commission may order the return of a contribution illegally
25 made, and impose a penalty of two ~~((2))~~ times the amount of a contribution illegally made or
26



1 accepted by a person who violates Section 2.04.180, 2.04.200, 2.04.210, 2.04.215, 2.04.240,
2 2.04.290, 2.04.300, 2.04.370, or 2.04.480.

3 3. Upon determining that a report was filed excessively late, in addition to the remedies in
4 subsection A1, the Commission may impose a penalty of two ~~((2))~~ times the amount of each
5 deposit or expenditure for each deposit or expenditure that was reported excessively late. A
6 report is excessively late if it was due more than ~~((twenty-one (21)))~~ 21 days before the election
7 in which the candidate or ballot proposition appeared on the ballot, but was not filed at least
8 ~~((twenty-one (21)))~~ 21 days before that election. A report is also excessively late if it was due
9 within ~~((twenty-one (21)))~~ 21 days before the election in which the candidate or ballot
10 proposition appeared on the ballot, but was not timely filed.

11 4. In addition to the actions in subsections A1, A2, and A3 above, the Commission may forward
12 the determination of violation to the Seattle City Attorney or the King County Prosecutor for
13 prosecution. If the court finds that the violation of any provision of this chapter by any candidate
14 or political committee probably affected the outcome of any election, the result of the election
15 may be held void and a special election held within ~~((sixty (60)))~~ 60 days of such finding. Any
16 action to void an election shall be commenced within one ~~((1))~~ year of the date of the election
17 in question. It is intended that this remedy be imposed freely in all appropriate cases to protect
18 the right of the electorate to an informed and knowledgeable vote.

19 B. Whether or not there is an administrative determination as provided in subsection A, the
20 violation or failure to comply with the provisions of Sections 2.04.160 through 2.04.290
21 (regarding campaign reporting), or Section 2.04.370 (regarding contribution limitations) ~~((or~~
22 ~~Section 2.04.310 of this chapter (regarding political signs)))~~ shall constitute an infraction, not
23



1 subject to the Seattle Criminal Code, for which a monetary fine, not to exceed ((Five Thousand
2 Dollars (\$5,000))) \$5,000, may be assessed by a court, however, a person or entity who violates
3 Section 2.04.370 may be subject to a civil fine of ((Five Thousand Dollars (\$5,000))) \$5,000 or
4 be required to return the illegal contribution and pay a penalty of two ((2)) times the amount of
5 the contribution illegally made or accepted, whichever is greater. Violation of the ordinance and
6 existence of an infraction may be proven by a preponderance of the evidence and need not be
7 proven beyond a reasonable doubt. An action seeking to establish the fact of an infraction and
8 imposition of a monetary fine under this section may be commenced by the City Attorney at a
9 request of a majority of the Commission.
10

11 ***

12 Section 23. The code section amendments contained in this ordinance are declared to be
13 separate and severable. The invalidity of any code section amendment or portion of any code
14 section amendment of this ordinance, or the invalidity of the application thereof to any person or
15 circumstance shall not affect the validity of the remainder code section amendments contained in
16 this ordinance, or the validity of the application of the amendments to other persons or
17 circumstances.
18

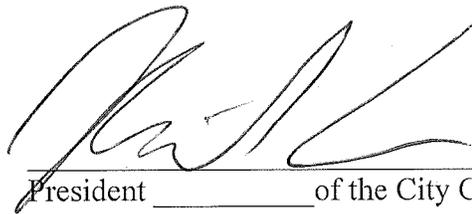
19 Section 24. This ordinance shall take effect and be in force 30 days from and after its
20 approval by the Mayor, but if not approved and returned by the Mayor within ten days after
21 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.
22

23 Passed by the City Council the 17th day of August, 2009, and
24 signed by me in open session in authentication of its passage this

25 17th day of August, 2009.
26

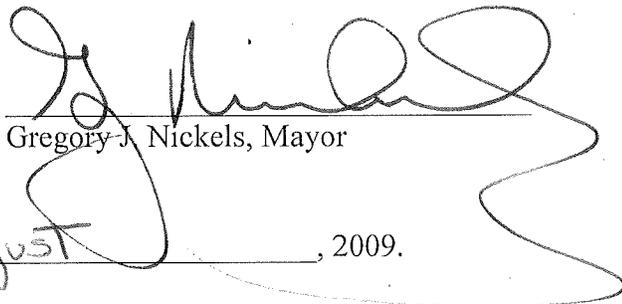


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President _____ of the City Council

Approved by me this 25th day of August, 2009.



Gregory J. Nickels, Mayor

Filed by me this 26th day of August, 2009.



City Clerk *Catherine*

(Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Legislative	Mike Fong/5-1675	N/A

Legislation Title: AN ORDINANCE related to the Seattle Elections code, making technical amendments to update terminology and conform city law to state law where appropriate by amending sections 2.04.010, 2.04.060, 2.04.075, 2.04.090, 2.04.155, 2.04.156, 2.04.160, 2.04.165, 2.04.215, 2.04.220, 2.04.230, 2.04.250, 2.04.260, 2.04.265, 2.04.270, 2.04.280, 2.04.290, 2.04.320, 2.04.370, 2.04.375, 2.04.480, 2.04.500.

• **Summary of the Legislation:**

This ordinance reflects changes proposed by the Seattle Ethics and Elections Commission (SEEC) to update terminology and make technical amendments to the City's Elections Code. Other changes include amending the code to conform city law with state law for consistency in areas where there are no compelling reasons for there to be differences.

• **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

In August of 2008, the SEEC discussed and reviewed proposed changes to the City's Elections Code. One area of focus was conforming state laws related to 'mini-reporting' with city code. Given the opportunity, Councilmember Clark requested the Commission to also review whether any other technical amendments or corrections were needed and Director Barnett compiled a package of generally non-substantive changes to the Elections Code. Two provisions are worth noting: one amendment would bring the treatment of domestic partners in accordance with recent changes to state law; a second change would conform the City's Financial Interest Statements thresholds with state law.

• *Please check one of the following:*

This legislation does not have any financial implications. *(Stop here and delete the remainder of this document prior to saving and printing.)*





City of Seattle

Ethics and Elections Commission

May 6, 2009

BY E-MAIL and HAND

Councilmember Sally J. Clark
Chair, Planning, Land Use and Neighborhoods Committee
City Hall
Seattle, WA 98104

Dear Councilmember Clark:

I am pleased to send to you a draft ordinance that would make several technical amendments to the Elections Code. The vast majority of the changes address outdated terminology in the Elections Code. For example, the Code still contains references to the Elections Administrator and the Fair Campaign Practices Commission, two terms which have not been utilized in more than a decade. Other changes conform city law to state law where there are not persuasive reasons for city law to differ from state law.

I look forward to the Planning, Land Use and Neighborhoods Committee's consideration of these changes, and am available to provide whatever assistance I can if you or other Councilmembers have questions.

Very truly yours,

Wayne Barnett
Executive Director

cc: Councilmember Tim Burgess, Vice-Chair, PLUNC
Councilmember Tom Rasmussen, Member, PLUNC
City Council President Richard Conlin
Regina LaBelle, Counsel to the Mayor
Seattle Ethics and Elections Commission

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

Tel: (206) 684-8500, Fax: (206) 684-8590, E-Mail: ethicsandelections@seattle.gov, Web: <http://www.seattle.gov/ethics>

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123070

STATE OF WASHINGTON – KING COUNTY

--SS.

244023
CITY OF SEATTLE, CLERKS OFFICE

No.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

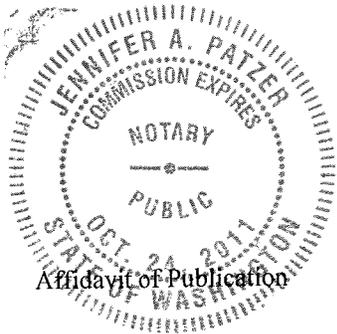
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123070 ORDINANCE

was published on

08/31/09

The amount of the fee charged for the foregoing publication is the sum of \$2,830.00, which amount has been paid in full.



Subscribed and sworn to before me on
08/31/09 _____

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

2072
123070

City of Seattle

ORDINANCE 123070

AN ORDINANCE related to the Seattle Elections code, making technical amendments to update terminology and conform city law to state law where appropriate by amending sections 2.04.010, 2.04.060, 2.04.075, 2.04.090, 2.04.155, 2.04.166, 2.04.160, 2.04.165, 2.04.215, 2.04.220, 2.04.230, 2.04.250, 2.04.260, 2.04.265, 2.04.270, 2.04.280, 2.04.290, 2.04.320, 2.04.370, 2.04.375, 2.04.480, 2.04.500.

WHEREAS, the Ethics and Elections Commission has reviewed the Elections Code and recommends several technical amendments to the Elections Code, as well as amendments to the Code to eliminate unnecessary differences between State and City law;

NOW THEREFORE, SEATTLE AS FOLLOWS:

Section 1. Section 2.04.010, which was last amended by Ordinance 120831, is amended as follows:

2.04.010 Definitions.

(1-) "Administrative Code" means the Administrative Code of the City, ((Ordinance 102228-1) Chapter 3.02, as amended.

(2-) "(Administrator" means the Executive Director of the Ethics and Elections Commission of the City.)

(3-) "Agency" means all offices, boards, departments, divisions, commissions and similar subdivisions of the City.

"Applicable period" means the following periods: (a) for a candidate or a candidate's authorized political committee, the election cycle; (b) for a ballot proposition political committee, from the time the campaign activity begins until the end of the period covered by the final report; and (c) for a continuing political committee, a single calendar year.

(4-) "Ballot proposition" means any measure, question, initiative, referendum, recall, or Charter amendment submitted to, or proposed for submission to, the voters of the City.

(5-) "Campaign depository" means a bank designated by a candidate or political committee pursuant to Section 2.04.170.

(6-) "Campaign treasurer" and "deputy campaign treasurer" mean the individuals appointed by a candidate or political committee, pursuant to Section 2.04.170 to perform the duties specified in this chapter.

(7-) "Election cycle" means (a) in the case of a City general election, except as provided in subsection 7(b) below, that period that begins on the first day of May during the year following the previous general election for the office the candidate is seeking and ends on the thirtieth day of April of the year following the general election for the office the candidate is seeking; or (b) in the case of an election to fill an unexpired term, "election cycle" means the period beginning on the earlier of the day the vacancy or the day the impending vacancy is publicly announced and ending five ((5)) months after the election.

(8-) "Candidate" means any individual who seeks election to the office of Mayor, member of the City Council, or City Attorney of the City, whether or not successfully. An individual shall be deemed to seek election when he or she first:

- a. Solicits or receives contributions; or
- b. Makes expenditures or reserves space or facilities with intent to promote his or her candidacy for office; or
- c. Announces publicly or files for office; or
- d. Purchases commercial advertising space or broadcast time to promote his or her candidacy; or
- e. Makes expenditures or solicits or receives contributions to explore the possibility of seeking election to City office; or
- f. Gives his or her consent to another person to take on behalf of the individual any of the actions in subsections 8a or 8b, 8d or 8e of this section.

(9-) "Charter" means the Charter of The City of Seattle.

(10-) "City" means The City of Seattle.

(11-) "Commercial advertiser" means any person who sells 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 or radio stations, billboard companies, direct mail advertising companies, printing companies, or otherwise) political advertising.

(12-) "Continuing political committee" means a political committee which is an organization of continuing existence not established in anticipation of any particular election.

(13-) "Contribution" means a loan, loan guarantee, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or transfer of anything of value, including personal and professional services, for less than full consideration, but does not include (a) interest on moneys deposited in a political committee's account; (b) ordinary home hospitality; (c) the rendering of legal or accounting services on behalf of a candidate or an authorized political committee but only to the extent that the services are for the purpose of ensuring compliance with City, county or state election or public disclosure laws; (d) the rendering of personal services of the sort commonly performed by volunteer campaign workers; (e) incidental expenses personally incurred by campaign workers not in excess of (Twenty-five Dollars (\$25)) \$25, in the aggregate, during the applicable period, personally paid for by a volunteer campaign worker; or (f) an internal political communication primarily limited to the members of 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. For purposes of this definition, members are those who (i) regularly pay dues in exchange for benefits from the organization, or (ii) are able to vote, directly or indirectly, for at least one (1) member of the organization's governing board, or (iii) adhere to a code of conduct, the violation of which may subject the members to sanctions that could adversely affect their livelihood, or (iv) participate in the organization's policy-formulating committees. For the purposes of this chapter, contributions other than money or its equivalents shall be deemed to have a money value equivalent to the fair market value of the contribution. Sums paid for tickets to fundraising events such as dinners and parties are contributions; however, the amount of any such contribution may be reduced for the purpose of complying with the reporting requirements of this chapter by the actual cost of consumables furnished in connection with the purchase of such tickets, and only the excess over actual cost of such consumables shall be deemed a contribution. Without limiting the foregoing, the financing by a person of the dissemination, distribution, or publication, in whole or in part, of broadcast, written graphic, or other form of political advertising prepared or approved by a candidate, a political committee, or the authorized agent of a candidate or political committee is a contribution to the candidate or political committee.

((14-)) "Elected Official" means any person elected at a general or special election to the office of Mayor, member of the City Council, or City Attorney of the City and any person appointed to fill a vacancy in any such office.

((15-)) "Election" includes any primary, general, or special election for public office by the City or any election in which a ballot proposition is submitted to the voters of the City; provided, that an election in which the qualifications for voting include requirements other than those set forth in Article VI, Section 1 (Amendment 63) of the Constitution of the state shall not be considered an election for purposes of this chapter.

((16-)) "Election campaign" means any campaign in support of or in opposition to a candidate for election to public office of the City and any campaign in support of or in opposition to a ballot proposition.

"Executive Director" means the Executive Director of the Ethics and Elections Commission of the City.

((17-)) "Expenditure" means a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. "Expenditure" also includes a promise to pay, and a payment or transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, benefiting or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For purposes of this chapter, expenditures other than money or its equivalent shall be deemed to have a monetary value equal to the fair market value of the expenditure. "Expenditure" shall not include: (a) the partial or complete repayment by a candidate or political committee of the principal of a loan, the receipt of which loan has been properly reported, or (b) the value of in-kind labor, or (c) fines or any amounts returned to the election campaign account as a result of any penalties imposed on a candidate for violating this chapter.

((18-)) ("Fair Campaign Practices Commission (FCPC)" means the Seattle Ethics and Elections Commission established by Section 3.70.010.)

((19-)) "Final report" means the report described as a final report in Section 2.04.((250))375.

((20-)) "In-kind labor" means services provided by a person who volunteers all, or a portion, of his/her time to a candidate's election campaign, and who is not paid by any person for such services.

((21-)) "Independent expenditure" means an expenditure on behalf of, or opposing (the election of, any candidate, or any City ballot proposition) any election campaign, when such expenditure is made independently of the candidate, his/her political committee, or agent, or of any ballot proposition committee or its officers or agents, and when such expenditure is made without the prior consent, or the collusion, or the cooperation, of the candidate or his/her agent or political committee, or the ballot proposition committee or its officers or agents, and when such expenditure is not a contribution as defined in ((SMC)) Section 2.04.010 (13). An independent expenditure is made by a person on the earliest of the following events: (a) the person agrees with a vendor or provider of services to make an independent expenditure; or (b) the person incurs the obligation to make an independent expenditure; or (c) the person pays for an independent expenditure.

((22-)) "Person" means an individual, partnership, joint venture, public or private corporation, association, federal, state or local government entity or agency however constituted, candidate, committee, political committee, continuing political committee, political party, executive committee thereof, or any other organization or group of persons, however organized.

((23-)) "Political advertising" means 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 in any election campaign.

((24-)) "Political committee" means any person (except a candidate or an individual dealing with his own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition.

((25-)) "Public Disclosure Commission (PDC)" means the Public Disclosure Commission established by RCW 42.17.350.

((26-)) "Public office" means any elective office of the City.

((27-)) As used in this chapter, the singular shall include the plural and conversely, and any gender, any other, as the context requires.

((28-)) "Commission" means the Seattle Ethics and Elections Commission established by Section 3.70.010.

((29-)) "Officer of a political committee" means the following persons: the treasurer, any person designated by the committee as an officer on the statement of organization filed with the City Clerk, and any person who alone, or in conjunction with other persons makes contributions, expenditures, strategic or policy decisions on behalf of the committee.

((30-)) ("Applicable period" means the following periods: (a) for a candidate or a candidate's authorized political committee, the election cycle; (b) for a ballot proposition political committee, from the time the campaign activity begins until the end of the period covered by the final report; and (c) for a continuing political committee, a single calendar year.)

((31-)) "Sponsor" as used in subsection 2.04.290 B means the candidate, political committee or person paying for the political advertising. If a person acts as an agent for another or is reimbursed by another for the payment, the agent's principal or the source of the reimbursement is the sponsor.

Section 2. Section 2.04.060, which was last amended by Ordinance 121223, is amended as follows:

2.04.060 Executive Director -- Duties.

The Executive Director of the ((Seattle Ethics and Elections)) Commission shall be responsible for the management of said office, may in the exercise of such duties consult with the Seattle Ethics and Elections Commission and in that connection is authorized to:

A. Relieve, by published regulations of general applicability, candidates or political committees of obligations to comply with some or all of the reporting provisions of this chapter relating to disclosure of campaign finances, if they have not received contributions nor made expenditures of more than ((Three Thousand Five Hundred Dollars (\$3,500))) \$5,000 plus, in the case of candidates, the amount of the candidate's filing fee provided by law, in connection with any election campaign; and

B. Require that forms developed and prepared by the PDC be utilized for the reports and statements required to be made under this chapter; provided, that whenever the Executive Director determines that any such form is not reasonably appropriate for the purposes of this chapter, he or she may develop and provide suitable forms as are reasonably necessary, and require such forms to be utilized for such purposes;

C. Encourage persons required to make reports under this chapter to use the PDC published manual that sets forth recommended uniform methods of bookkeeping and reporting;

D. Compile and maintain a current list of all filed reports and statements;

E. Investigate whether properly completed statements and reports have been filed within the times required by this chapter;

F. Review all disclosure reports for completeness and internal consistency;

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G. Independently verify entries on disclosure reports and other forms selected on an arithmetically random basis;

H. By (December 22nd) January 15th of each (odd) even-numbered year, prepare and publish a report setting forth, as to each committee promoting or opposing a candidate or ballot issue on the ballot (that) the previous year, the amounts and sources of all contributions and the amounts and purposes of all expenditures received by or made by those committees; and prepare and publish such other reports as in his or her judgment will tend to promote the purposes of this chapter;

I. Determine upon written complaint or upon his or her own initiative, in accordance with Section 2.04.070, that a violation of this chapter has occurred, and report such apparent violation to either the (Seattle Ethics and Elections) Commission or the PDC; provided that the Executive Director shall have the authority to resolve with the person who has apparently violated this chapter, what the Executive Director determines to be minor and inadvertent, (de minimus) violations without referring the matter to the (Seattle Ethics and Elections) Commission or the PDC for a hearing; provided further that the Executive Director shall report violations to the PDC only in the event the (Seattle Ethics and Elections) Commission is unable to hear the matter;

J. Have access to reports filed with the City Clerk in accordance with this chapter and make copies thereof available at no charge for public inspection with duplicates available during regular office hours at a reasonable cost to the person requesting such duplicates;

K. Keep, for a period of time not less than five ((5)) years from the date of filing, copies of all official reports, records and statements furnished by the City Clerk to the Executive Director for public inspection;

L. Review, four ((4)) months prior to the beginning of any municipal campaign year the costs of campaigning, and recommend to the City Council whether or not Sections 2.04.370 through 2.04.450 should be amended;

M. Determine whether the evidence submitted by a candidate for Mayor, City Council or City Attorney meets the eligibility requirements for receiving public matching funds;

N. Accept campaign contracts from candidates for Mayor, City Council, or City Attorney;

O. Monitor contributions and expenditures of candidates and notify candidates who are close to their voluntary expenditure limitations.

Section 3. Section 2.04.075, which was last amended by Ordinance 118569, is amended as follows:

2.04.075 Procedure -- Charges and hearing.

A. The Executive Director shall initiate an enforcement proceeding if, after investigation, he or she has reason to believe that a material violation of Chapter 2.04 has occurred. An enforcement action is initiated by delivering a charging document to the person charged and the (Seattle Ethics and Elections Commission) Commission ((2)) and scheduling a hearing on the charges. The document shall describe the alleged conduct that is the basis of the charge and set out the provisions of Chapter 2.04 alleged to have been violated. No hearing shall be scheduled while a recommendation of the Executive Director for a settlement is awaiting action by the Commission.

B. The hearing before the Commission shall commence as promptly as practical and no later than the following:

1. If the Executive Director issues the charging document alleging a violation of Chapter 2.04 between (sixty-(60)) 60 days immediately preceding and (forty-eight-(48)) 48 hours immediately preceding (seven-(7-00)) 7 a.m. on the date of the election to which the alleged conduct at issue is related, the hearing shall commence within ten ((10)) days of issue or half the time before the election, whichever is less, but in no event upon less than ((twenty-four-(24)) 24 hours' notice, given pursuant to subsection C of this section, to the person charged and the public;

2. In all other cases, including cases alleging a violation of Chapter 2.06, and in those cases in which the requirement in subsection B1 for ((twenty-four-(24)) 24 hours' notice makes it impossible to commence the hearing within half the time before the election, the hearing shall commence within ((thirty-(30)) 30 days from the date that the Executive Director issues the charging document;

3. The person charged and the Executive Director may, by mutual agreement, stipulate to a later date for the hearing. The Commission may delay or continue a hearing in order to accommodate an attempt to make a settlement or for other good cause.

C. The Executive Director shall cause notice of a hearing to be served on the person charged and on the public as follows:

1. The notice of hearing shall include:

- A statement of the time, place, and matter(s) to be considered;
- A statement of the legal authority under which the hearing is to be held;
- Reference to the particular sections of the Seattle Municipal Code alleged to have been violated.

2. Notice may be served on the person charged by sending it through the U.S. mail, first class postage pre-paid, or by personal service, or through regular internal City mail service.

3. Notice may be served on the public by sending it to each daily local newspaper of general circulation through the U.S. mail, first class postage pre-paid, (or-by) personal delivery, (or-by) facsimile, or e-mail and by posting it on the bulletin board in the main lobby of the building in which the City Council chambers are located and on the bulletin board in the Commission office.

D. Upon completion of the hearing, the Commission shall issue a written determination stating whether Chapter 2.04 or Chapter 2.06 was violated, the facts found, and the applicable sections of the Code.

If the charging document concerns an alleged violation of Chapter 2.04 related to an election to be held within seven ((7)) days of issuing the charging document, the written determination shall be made within ((forty-eight-(48)) 48 hours of the completion of the hearing; in other instances, the determination shall be made within ((seventy-two-(72)) 72 hours. A copy of the determination shall be delivered to the complainant, and to the person charged with the violation. The Commission may forward its determination to the City Attorney or to the King County Prosecuting Attorney.

Section 4. Section 2.04.090, which was last amended by Ordinance 117308, is amended as follows:

2.04.090 Ethics and Elections Commission -- Powers and duties.

The (Seattle Ethics and Elections) Commission shall have the following duties and powers:

A. The Commission shall hear and make written determination of complaints alleging violation of this chapter. All hearings shall be conducted as hearings of a "contested case" under the Administrative Code, (Seattle Municipal Code Chapter 3.02) insofar as the times and procedures of ((Chapter 3.02)) the Administrative Code are practical within the constraints of Section 2.04.075, and in accordance with the Commission's rules and regulations.

E. The Commission shall make public, pursuant to Section 2.04.075 C, not less than ((twenty-four-(24)) 24 hours in advance, the time and date of any hearing set to determine whether a violation has occurred and the question or issues to be considered.

F. The Commission shall review and may revise, at least once every five years but no more often than every two years, the monetary reporting thresholds and reporting code values of this chapter. The Commission shall only revise the monetary reporting thresholds and reporting code values for the purpose of recognizing economic changes and offsets to analogous state law reporting requirements. Revisions shall be adopted as rules under the Administrative Code.

Section 5. Section 2.04.155, which was last amended by Ordinance 120145, is amended as follows:

2.04.155 Electronic filing required -- Exemption.

A. Each candidate or (ballot proposition) political committee that expects to receive or receives ((Twenty-five Thousand Dollars \$25,000)) \$10,000 or more in aggregate contributions during the applicable period must file all reports required by this chapter with the City Clerk by electronic transmission of the required information. All political committees that (1) are neither ballot proposition nor candidate political committees, and (2) expect to make contributions or expect to make expenditures, including independent expenditures of ((Five Thousand Dollars \$5,000)) \$5,000 or more, in the aggregate during the applicable period, to or for the benefit of candidates or candidate political committees or to or for the benefit of ballot proposition political committees must file all reports required by this chapter with the City Clerk by electronic transmission (of the required information). The electronic format of the filing and the method of transmission shall meet requirements designated in rules adopted by the Commission. In addition, each political committee that files electronically with the PDC must file electronically with the City Clerk.

Section 6. Section 2.04.156, which was last amended by Ordinance 118569, is amended as follows:

2.04.156 Electronic filing -- Certification.

All reports required by this chapter that are filed electronically shall be certified as true and correct by the treasurer and candidate in accordance with procedures specified in rules adopted by the ((Ethics and Elections) Commission). A report not so certified shall be deemed not to have been filed.

Section 7. Section 2.04.160, which was last amended by Ordinance 120831, is amended as follows:

2.04.160 Political committees to file statement of organization.

A. 1. Except as provided in subsection A2, below, the officers of each political committee, within two ((2)) weeks after the date when they first have the expectation of receiving contributions or making expenditures in any election campaign, or ((twenty-(20)) 20 days before the election, whichever is earlier, shall file a statement of organization with the City Clerk.

2. The officer(s) of each political committee first having the expectation of receiving contributions or making expenditures during and for that election campaign ((twenty-one-(21)) 21 or fewer days before an election shall file a statement of organization within three ((3)) business days of the time when they first have the expectation of receiving contributions or making expenditures.

B. The statement of organization shall include but not be limited to:

1. The name and address of the committee;

2. The names and addresses of all related or affiliated committees or other persons, and the nature of the relationship or affiliation;

3. The names, addresses, and titles of its officers; or if it has no officers, the names, addresses, and titles of its responsible leaders;

4. The names and addresses of its campaign treasurer and campaign depository;

5. A statement whether the committee is a continuing one;

6. The name and office sought of each candidate whom the committee is supporting or opposing;

7. The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition;

8. What distribution of surplus funds will be made in the event of dissolution;

9. The street address of the place at which and the hours during which the committee will make available for public inspection its books of account and all reports filed in accordance with Section 2.04.250; and

10. Such other information as the ((Administrator) Executive Director, in keeping with the policies and purposes of this chapter, requires by rule adopted pursuant to the Administrative Code.1

C. Any material change in information previously submitted in a statement of organization shall be reported to the City Clerk within ten ((10)) days of such change.

Section 8. 2.04.165, which was last amended by Ordinance 120145, is amended as follows:

2.04.165 Reports of personal financial affairs.

A. The following shall file statement of financial affairs:

1. Every candidate shall within two ((2)) weeks of becoming a candidate file with the City Clerk a statement of financial affairs for the preceding twelve ((12)) months.

2. Every elected official and every candidate for a future election shall after January 1st and before April 15th of each year file with the City Clerk a statement of financial affairs for the preceding calendar year, unless a statement for that same twelve ((12)) month period has already been filed with the City Clerk. Any elected official whose term of office expires immediately after December 31st shall file the statement required to be filed by this section for the year that ended on that December 31st.

3. Every person appointed to a vacancy in an elective office shall within two ((2)) weeks of being so appointed file with the City Clerk a statement of financial affairs for the preceding twelve ((12)) months.

4. A statement of a candidate or appointee filed during the period from January 1st to April 15th shall cover the period from January 1st of the preceding calendar year to the time of candidacy or appointment if the filing of the statement would relieve the individual of a prior obligation to file a statement covering the entire preceding calendar year.

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5. No individual may be required to file more than once in any calendar year.

6. Each statement of financial affairs filed under this section shall be sworn to as its truth and accuracy.

B. The statement of financial affairs report shall contain the following:

1. The statement of financial affairs required by this chapter shall disclose for the reporting individual and each member of his or her immediate family:

a. Occupation, name of employer, and business address; and

b. Each bank or savings account or insurance policy in which any such person or persons owned a direct financial interest that exceeded ((Five Thousand Dollars (\$5,000))) \$5,000 at any time during the reporting period; each other item of intangible personal property in which any such person or persons owned a direct financial interest, the value of which exceeded ((Five Hundred Dollars (\$500))) \$500 during the reporting period; the name, address, and nature of the entity; and the nature and highest value of each such direct financial interest during the reporting period; and

c. The name and address of each creditor to whom the value of ((Five Hundred Dollars (\$500))) \$500 or more was owed; the original amount of each debt to each such creditor; the amount of each debt owed to each creditor as of the date of filing; the terms of repayment of each such debt; and the security given, if any, for each such debt; provided, that debts arising out of a "retail installment transaction" as defined in Chapter 63.14 RCW (Retail Installment Sales Act) need not be reported; and

d. Every public or private office, directorship, and position held as trustee; and

e. All persons for whom any legislation, rule, rate, or standard has been prepared, promoted, or opposed for current or deferred compensation; provided, that for the purposes of this subsection, "compensation" does not include payments made to the person reporting by the governmental entity for which such person serves as an elected official for his or her service in office; the description of such actual or proposed legislation, rules, rates, or standards; and the amount of current or deferred compensation paid or promised to be paid; and

f. The name and address of each governmental entity, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from whom compensation has been received in any form of a total value of ((Five Hundred Dollars (\$500))) \$500 or more; the value of the compensation; and the consideration given or performed in exchange for the compensation; and

g. The name of any corporation, partnership, joint venture, association, union, or other entity in which is held any office, directorship, or any general partnership interest, or an ownership interest of ten (10) percent or more; the name or title of that office, directorship, or partnership; the nature of ownership interest; and with respect to each such entity: (i) with respect to a governmental unit in which the official seeks or holds any office or position, if the entity has received compensation in any form during the preceding twelve ((12)) months from the governmental unit, the value of the compensation and the consideration given or performed in exchange for the compensation; (ii) the name of each governmental unit, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from which the entity has received compensation in any form in the amount of ((Two Thousand Five Hundred Dollars (\$2,500))) \$2,500 or more during the preceding twelve ((12)) months and the consideration given or performed in exchange for the compensation; provided, that the term "compensation" for purposes of this subsection B1g1 does not include payment for water and other utility services at rates approved by the Washington State Utilities and Transportation Commission or the legislative authority of the public entity providing the service; provided, further, that with respect to any bank or commercial lending institution in which is held any office, directorship, partnership interest, or ownership interest, it shall only be necessary to report either the name, address, and occupation of every director and officer of the bank or commercial lending institution and the average monthly balance of each account held during the preceding twelve ((12)) months by the bank or commercial lending institution from the governmental entity for which the individual is an official or candidate or professional staff member, or all interest paid by a borrower on loans from and all interest paid to a depositor by the bank or commercial lending institution if the interest exceeds ((Six Hundred Dollars (\$600))) \$600; and

h. A list, including legal or other sufficient descriptions as prescribed by the Commission of all real property in The State of Washington, the assessed valuation of which exceeds ((Two Thousand Five Hundred Dollars (\$2,500))) \$2,500 in which any direct financial interest was acquired during the preceding calendar year, and a statement of the amount and nature of the financial interest and of the consideration given in exchange for that interest; and

i. A list, including legal or other sufficient descriptions as prescribed by the Commission, of all real property in The State of Washington, the assessed valuation of which exceeds Two ((Thousand Five Hundred Dollars (\$2,500))) \$2,500 in which any direct financial interest was divested during the preceding calendar year, and a statement of the amount and nature of the consideration received in exchange for that interest, and the name and address of the person furnishing the consideration; and

j. A list, including legal or other sufficient descriptions as prescribed by the Commission, of all real property in The State of Washington, the assessed valuation of which exceeds ((Two Thousand Five Hundred Dollars (\$2,500))) \$2,500 in which a direct financial interest was held; provided, that if a description of the property has been included in a report previously filed, the property may be listed, for purposes of this provision, by reference to the previously filed report; and

k. A list, including legal or other sufficient descriptions as prescribed by the Commission, of all real property in The State of Washington, the assessed valuation of which exceeds ((Five Thousand Dollars (\$5,000))) \$5,000, in which a corporation, partnership, firm, enterprise, or other entity had a direct financial interest, in which corporation, partnership, firm, or enterprise a ten (10) percent or greater ownership interest was held; and

l. A list of each occasion, specifying date, donor, and amount, at which food and beverage in excess of ((Fifty Dollars (\$50))) \$50 was accepted from a source other than the City provided all or portion; and

m. A list of each occasion, specifying date, donor, and amount, at a source other than the City paid for or otherwise provided all or a portion of the travel or seminars, educational programs or other training; and

n. Such other information as the Commission may deem necessary in order to properly carry out the purposes and policies of this chapter, as the Commission shall prescribe by rule.

2. Where an amount is required to be reported under subsections B1a through m of this section, it shall be sufficient to comply with the requirement to report whether the amount is less than ((One Thousand Dollars (\$1,000))) \$1,000, at least ((One Thousand Dollars (\$1,000))) \$1,000 but less than ((Five Thousand Dollars (\$5,000))) \$5,000, at least ((Five Thousand Dollars (\$5,000))) \$5,000 but less than ((Ten Thousand Dollars (\$10,000))) \$10,000, at least ((Ten Thousand Dollars (\$10,000))) \$10,000 but less than ((Twenty-five Thousand Dollars (\$25,000))) \$25,000, or ((Twenty-five Thousand Dollars (\$25,000))) \$25,000 or more. An amount of stock may be reported by number of shares instead of by market value. No provision of this subsection may be interpreted to prevent any person from filing more information or more detailed information than required. 3. Items of value given to an official's or employee's spouse or family member are attributable to the official or employee, except the item is not attributable if an independent business, family, or social relationship exists between the donor and the spouse or family member.

C. Concealing Identity of Source of Payment is Prohibited - Exception. No payment shall be made to any person required to report under this chapter and no payment shall be accepted by any such person, 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 payment or in any other manner so as to effect concealment except that the Commission may issue categorical and specific exemptions to the reporting of the actual source when there is an undisclosed principal for recognized legitimate business purposes.

Section 9. Section 2.04.215, which was last amended by Ordinance 118569, is amended as follows:

2.04.215 Interim investment of campaign funds; earnings.

A campaign treasurer (or political committee treasurer) may invest funds deposited in the campaign account in an account or indebtedness of a financial institution up to the amount of federal deposit insurance; United States bonds or certificates of indebtedness or those of a federal agency; and/or bonds or warrants of the state or any municipal corporation of the state. All interest, dividends, and/or other income derived from the investment and the principal when repaid shall be deposited in the campaign account.

Section 10. Section 2.04.220, which was last amended by Ordinance 120831, is amended as follows:

2.04.220 Low-cost fundraising activities -- Reports.

A. A campaign treasurer or deputy campaign treasurer may report funds derived from low-cost fundraising activities as such, in accordance with the provisions of subsection C of this section, in lieu of reporting such funds pursuant to Section 2.04.210; provided, that:

1. The income resulting from the conduct of the activity is derived solely from either: (a) the retail sale of goods or services at prices that do not exceed a reasonable approximation of the fair market value of each item or service sold at the activity, (b) a gambling operation licensed, conducted, or operated in accordance with the provisions of RCW Chapter 9.46, or (c) events at which an entry fee is charged, so long as the total of all the per person entry fees for the campaign's low-cost fundraiser events held in a single election cycle does not exceed ((Twenty-five Dollars (\$25))) \$25; and

2. Any such fundraising activity conforms with such other standards as the Commission may adopt as rules under the Administrative Code ((Chapter 3-02)) to prevent frustration of the purposes of this chapter.

B. No person responsible for receiving money at such activity shall knowingly accept payment from a person of more than ((Twenty-five Dollars (\$25))) \$25 unless the name and address of the person making such payment are obtained for disclosure in the report to be filed pursuant to subsection C of this section.

C. On the report of deposit of the funds derived from a low-cost fundraising activity, in accordance with Section 2.04.180, the campaign treasurer or a deputy campaign treasurer making the deposit shall include the following information:

1. The date on which the activity occurred;

2. The location at which the activity occurred;

3. A precise description of the fundraising methods used in the activity;

4. The monetary value of wagers made and prizes distributed for winning wagers, where appropriate;

5. The name and address of each person who contributed goods or services to the candidate or political committee for sale at the activity if the fair market value of the goods or services contributed equals more than ((Twenty-five Dollars (\$25))) \$25 in the aggregate from such person, together with a precise description of each item or service contributed and its estimated market value; and

6. The name and address of each person whose identity can be ascertained and who makes payments to the candidate or political committee at such activity of more than ((Twenty-five Dollars (\$25))) \$25.

Section 11. Section 2.04.230, which was last amended by Ordinance 120145, is amended as follows:

2.04.230 Continuing political committee -- Reports.

B. A continuing political committee shall file with the City Clerk a report on the tenth day of the month detailing its activities for the preceding calendar month in which the committee has received a contribution or made an expenditure, unless its total contributions received and total expenditures are each ((Two Hundred Dollars (\$200))) \$200 or less. A continuing political committee, which does not file a report for the preceding month, shall accumulate its unreported contributions and expenditures, and on the tenth day of the month after its aggregate unreported contributions or expenditures exceed ((Two Hundred Dollars (\$200))) \$200, it shall file a consolidated report detailing its receipts and expenditures covering the months for which no report was filed. The report shall be on a form supplied by the ((Administrator)) Executive Director and shall include the following information:

1. The information required by Section 2.04.260;

2. Each expenditure made to retire previously accumulated debts of the committee, identified by recipient, amount, and date of payments;

3. Such other information as the ((Administrator)) Executive Director shall prescribe by rule adopted pursuant to the Administrative Code.1

C. A continuing political committee shall file reports as required by this chapter until the earlier of: (1) the date the continuing political committee dissolves; or (2)(a) in the case of a continuing political committee that contributes to or makes independent expenditures in support of candidates, the end of the latest election cycle of the candidates to whom the continuing political committee contributed or for whom it made independent expenditures, or (b) in the case of a continuing political committee that contributes to ballot proposition committees, the date of the latest of the final reports filed pursuant to Section 2.04.250 B((3))4 by the ballot proposition committees to which the continuing political committee contributed. In addition, if the continuing political committee has debt at the end of the relevant election cycle or after the relevant final report has been filed, it shall continue to file reports as required by this chapter until such debt is paid or forgiven. When the continuing political committee's obligation to file reports ends as set forth in this subsection, it shall submit a final report. Upon submitting a final report, the duties of the campaign treasurer other than record retention shall cease and there shall be no obligation to make any further reports.

D. The campaign treasurer shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five ((5)) business days of receipt or expenditure. During the eight ((8)) days immediately preceding the date of any election, for which the committee has received any contributions or made any expenditures, the books of account shall be kept current within one ((1)) business day, and on the eighth day preceding any election, the books of account shall be open for public inspection for at least two ((2)) consecutive hours between 8 a.m. and 3 p.m. For the five business days immediately preceding the date of any election ((Monday through Friday, excluding legal holidays)), the books of account shall be available by appointment between ((eight--(8))8((:00)) a.m. and ((eight--(8))8((:00)) p.m., as specified in the committee's statement of organization filed pursuant to Section 2.04.160, as now or hereafter amended, at the principal campaign headquarters, at the address of the campaign treasurer or other such place as may be authorized by the ((Administrator)) Executive Director.

F. The campaign treasurer shall preserve books of accounts, bills, receipts, and all other financial records of the campaign or political committee for five ((5)) calendar years following the year in which the transaction occurred.

Section 12. Section 2.04.250, which was last amended by Ordinance 122457, is amended as follows:

2.04.250 Treasurer's reports -- Procedures.

A. On the day the statement of organization is required under Section 2.04.160 or Section 2.04.170 to be filed with the City Clerk, a report of all contributions received and expenditures made prior to that date shall be filed with the City Clerk. Such report of contributions and expenditures is not required if no contributions were received and no expenditures were made prior to that date.

B. At the following intervals each campaign treasurer shall file with the City Clerk a further report of the contributions received and expenditures made since the date of the last report:

1. On the ((twenty-first (21st))) 21st day and seventh ((7th)) day immediately preceding the date on which the election is to be held; and

2. On the tenth ((10th)) day of the first ((1st)) month after the election;

3. On the tenth day of each month in which no other reports are required to be filed under this section; provided, that such report shall only be filed if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed ((Two Hundred Dollars (\$200))) \$200;

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4. In the case of a City general election or a special election held in conjunction with any general election, the campaign treasurer shall file a final report no later than the tenth (10th) day of May after the date of the general election; and in the case of a special election that is not held in conjunction with any general election, the final report shall be filed no later than the tenth (10th) day of the sixth ((6th)) month after the date of the special election.

The period for which activity shall be reported (the "reporting period") in the required reports shall be as follows:

a. The report to be filed ((twenty-one (21))) 21 days before the election shall report all contributions received and expenditures made from the closing date of the last report filed through the end of the ((fifth (5th))) business day before the date of the report. b. The report to be filed seven ((7)) days before the election shall report all contributions received and expenditures made from the closing date of the last report filed through the end of one ((1)) business day before the date of the report.

c. Reports which are to be filed on the tenth ((10th)) day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the report.

C. For the period beginning the first ((1st)) day of the fourth ((4th)) month preceding the date on which the special or general election is held and ending on the Monday eight ((8)) days before the date of that election, the campaign treasurer or deputy treasurer shall file with the City Clerk each Monday a report of each contribution deposited during the previous seven ((7)) days. On the Monday eight ((8)) days before the date of the election and each day thereafter until and including the date of the election, the campaign treasurer or deputy treasurer shall file with the City Clerk a report of each deposited contribution on the same day that the deposit is made in the campaign depository. On the day after the date on

which the general or special election is held and each day thereafter until and including the Tuesday after the date of the election, the campaign treasurer or deputy treasurer shall file with the City Clerk a report of each deposited contribution on the same day that the deposit is made in the campaign depository if the contributions deposited that day total ((Five Hundred Dollars (\$500))) \$500 or more.

D. Each report filed pursuant to this section 2.04.250 shall contain (1) the name and address of each person making a contribution of more than ((Twenty-Five Dollars (\$25))) \$25 or an aggregate of contributions totaling more than ((Twenty-Five Dollars (\$25))) \$25 during the applicable period; (2) the dollar amount of each such contribution; (3) the aggregate contributed by each such contributor during the applicable period; and (4) the occupation and the employer's name, city and state of each individual whose aggregate contributions during the applicable period equal more than ((One Hundred Dollars (\$100))) \$100. Contributions from any person that total ((Twenty-Five Dollars (\$25))) \$25 or less in the applicable period may be reported by a ((candidate, candidate committee, ballot proposition committee or continuing)) political committee as a lump sum without identifying the contributor(s) by name. The campaign treasurer shall retain a copy of each report in his or her campaign records. ((Each record shall be certified as correct by the campaign treasurer or a deputy campaign treasurer making the deposit.))

E. The campaign treasurer shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five ((5)) business days of receipt or expenditures. During the eight ((8)) days immediately preceding the date of any election for which the political committee has received any contributions or made any expenditures, the books of account shall be kept current within one ((1)) business day, and on the eighth day preceding any election, the books of account shall be open for public inspection for at least two ((2)) consecutive hours between 8 a.m. and 8 p.m. For the five business days immediately preceding the date of any election ((Monday through Friday, excluding legal holidays)), the books of account shall be available by appointment between ((eight (8))) 8((:00)) a.m. and ((eight (8))) 8((:00)) p.m., as specified in the committee's statement of organization filed pursuant to Section 2.04.160 at the principal campaign headquarters or, if there is no campaign headquarters, at the address of the campaign treasurer or other such place as may be authorized by the Administrator. The campaign treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for five ((5)) calendar years following the year during which the transaction occurred.

F. All reports filed pursuant to this section shall be certified as correct by the candidate and the campaign treasurer, except that a report reporting only a deposit may instead be certified as correct by the candidate or the campaign treasurer or the deputy treasurer who made that deposit.

G. Copies of all reports filed pursuant to this section shall be readily available for public inspection for at least two ((2)) consecutive hours ((Monday through Friday, excluding legal holidays)) on the eighth day before the election, between ((eight (8))) 8((:00)) a.m. and ((eight (8))) 8((:00)) p.m., as specified in the committee's statement of organization filed pursuant to Section 2.04.160, at the principal campaign headquarters or, if there is no campaign headquarters, at the address of the campaign treasurer or other such place as may be authorized by the ((Administrator)) Executive Director. During the five business days before the election, the reports shall be available for public inspection by appointment between 8 a.m. and 8 p.m.

H. Assets may be carried into a new campaign of the same candidate for the same office or disposed of in the manner provided in Section 2.04.375 B. Debt may be carried into a new campaign of the same candidate for the same office, but may not be carried into a new campaign of the same candidate for a different office, and may not be transferred to another candidate.

Section 13. Section 2.04.260, which was last amended by Ordinance 120831, is amended as follows:

2.04.260 Treasurer's reports - Contents.

A. Each report required under Section 2.04.250 shall disclose:

1. The funds on hand at the beginning of the reporting period;

2. The name and address of each person who has made one ((1)) or more contributions during the reporting period, together with:

a. The money value and date of each contribution;

b. The aggregate value of all contributions received from each such person during the applicable period;

c. The occupation and the employer's name, city and state of each individual whose contributions in the aggregate during the applicable period exceed ((One Hundred Dollars (\$100))) \$100.

Contributions of ((Twenty-Five Dollars (\$25))) \$25 or less in the aggregate from any one ((1)) person during the applicable period may be reported as one ((1)) lump sum so long as the campaign treasurer maintains a separate list of the contributor's names, addresses, and the amounts of each of their contributions but if the treasurer does not maintain such a list, then the name, address, and amount of each contribution shall be reported;

3. Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, together with the names and addresses of the lender and each person liable directly, indirectly, or contingently and the date and amount of each such loan, promissory note, or security instrument;

4. The name and address of each political committee from which the reporting committee or candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts, dates, and purpose of all such transfers;

5. All other contributions not otherwise listed or exempted;

6. The name and address of each person to whom one or more expenditures were made in the aggregate amount of more than ((Fifty Dollars (\$50))) \$50 during the reporting period, and the amount, date, and purpose of each such expenditure;

7. The total sum of expenditures;

8. The surplus or deficit of contributions over expenditures;

9. The disposition made of any surplus of contributions over expenditures;

10. Such other information as the Commission requires by rule adopted pursuant to the Administrative Code in conformance with the policies and purposes of this chapter;

11. Funds received from a political committee not domiciled in the state and not otherwise required to report under this chapter (a "nonreporting committee"). Such funds shall be ((forfeited to the state)) returned unless the nonreporting committee ((has filed or within ten (10) days following such receipt shall)) files with the City Clerk no later than the tenth day of the month following any month in which a contribution is made a statement disclosing:

a. The name and address of the nonreporting committee;

b. The purposes of the nonreporting committee;

c. The names, addresses, and titles of its officers or, if it has no officers, the names, addresses, and titles of its responsible leaders;

d. A statement whether the nonreporting committee is a continuing one;

e. The name and office sought of each candidate in the City in support of whom the nonreporting committee made an expenditure;

f. The City ballot proposition concerning which the nonreporting committee made an expenditure, and whether such committee is in favor of or opposed to such proposition;

g. The name and address of each person residing in the state or corporation which has a place of business in the state that has made one ((1)) or more contributions in the aggregate of more than

((Twenty-Five Dollars (\$25))) \$25 to the nonreporting committee during the current calendar year, together with the money value and date of such contributions;

h. The name and address of each person in the state to whom an expenditure was made by the nonreporting committee on behalf of a candidate or political committee, the amount, date and purpose of such expenditure, and the total sum of such expenditures; and

12. Investments made of campaign funds under Section 2.04.215 and interest dividends and/or other income received.

B. The correctness of each report shall be certified as required by all applicable laws and ordinances.

Section 14. The title of Section 2.04.265, which was last amended by Ordinance 120831, is amended as follows:

2.04.265 Special reports of late contributions totaling ((over)) One Thousand Dollars or more - Certain late contributions prohibited.

A. During the ((twenty-one (21))) 21 day period before the election in which the candidate or proposition will appear on the ballot,

the treasurer or deputy treasurer shall file with the Commission a special report of each contribution or aggregate of contributions that: (1) equals or exceeds ((One Thousand Dollars (\$1,000))) \$1,000; (2) is from a single person or entity; and (3) is received during that ((twenty-one (21))) 21 day period or was received before that period began but was not yet reported. Such report shall be filed electronically by 4:30 p.m. the next business day after receipt of the contribution or of the time the aggregate contributions equal or exceed ((One Thousand Dollars (\$1,000))) \$1,000 or, in the case of contributions received but not reported prior to the twenty-first day, such report shall be filed by 4:30 p.m. on the twenty-first day prior to the election. Contributions reported under this section shall also be reported to the City Clerk as required by other provisions of this chapter.

B. It is a violation of this chapter for any person to make or for any candidate or political committee to accept from any one (1) person contributions reportable under this chapter in the aggregate exceeding ((Five Thousand Dollars (\$5,000))) \$5,000 within the ((twenty-one (21))) 21 days before a primary, general, or special election in which the candidate or ballot proposition appears on the ballot.

Section 15. Section 2.04.270, which was last amended by Ordinance 120915, is amended as follows:

2.04.270 Independent expenditures; contributions to out-of-state committees - Reports.

A. 1. Every independent expenditure not required to be reported pursuant to Sections 2.04.180 through 2.04.210, 2.04.230, 2.04.250 and 2.04.260 shall be reported pursuant to this subsection A.

2. Each person who makes an independent expenditure that by itself or when added to all other such independent expenditures made by the same person, in connection with the same position or proposition, equals ((One Hundred Dollars (\$100))) \$100 or more, or for which no reasonable estimate of monetary value is practicable, shall within five ((5)) business days of making the independent expenditure or of the date on which the expenditures in the aggregate equal ((One Hundred Dollars (\$100))) \$100 or more, whichever occurs first, file with the City Clerk an initial report of all independent expenditures made during such campaign prior to and including such date.

Each person who, ((within twenty-one (21))) 21 days before an election makes an independent expenditure that by itself, or when added to all other independent expenditures made previously during those ((within twenty-one (21))) 21 days, equals or exceeds ((One Thousand Dollars (\$1,000))) \$1,000 shall by 4:30 p.m. the next business day after making each such independent expenditure file electronically with the Commission a special report of that independent expenditure.

3. At the following intervals each person who is required to file an initial report pursuant to subsection A2 of this section shall file with the City Clerk a further report of the independent expenditures made since the date of the last report:

a. On the ((twenty-first (21st))) 21st day and the seventh ((7th)) day preceding the date on which the election is to be held; and

b. On the tenth ((10th)) day of the first ((1st)) month after the election; and

c. On the tenth day of each month in which no other reports are required to be filed pursuant to this subsection A; provided, that such further reports required by this subsection A3 shall be filed only if the reporting person has made an independent expenditure since the date of the last previous report filed.

4. All reports filed pursuant to this subsection A shall be certified as correct by the reporting person.

5. Each report required by subsections A2 and A3 of this section shall disclose for the period beginning at the end of the period for the last previous report filed or, in the case of an initial report, beginning at the time of the first independent expenditure, and ending not more than five ((5)) days prior to the date the report is due:

a. The name and address of the person filing the report;

b. The name and address of each person to whom an independent expenditure was made in the aggregate amount of more than ((Twenty-Five Dollars (\$25))) \$25 in the reporting period, and the amount, date, and purpose of each such expenditure; provided, that if no reasonable estimate of the monetary value of a particular independent expenditure is practicable, it shall be sufficient to report instead a precise description of services, property, or rights furnished through the expenditure and where appropriate to attach a copy of the item produced or distributed by the expenditure;

c. The total sum of all independent expenditures made during the applicable period to date; and

d. Such other information as the Commission, in conformance with the policies and purposes of this chapter, requires by rule adopted pursuant to the Administrative Code.

B. 1. Any person who contributes in the aggregate amount of ((One Hundred Dollars (\$100))) \$100 or more during the preceding ((twelve (12))) 12 month period to any political committee not domiciled in the state or not otherwise required to report under this chapter, if the person reasonably expects such political committee to make contributions in respect to any election covered by this chapter, shall file with the City Clerk a report signed by the contributor disclosing the contributor's name and address, the date, nature, purpose, amount, and recipient of such contribution, and any instructions given as to the use or disbursement of such contribution.

2. The initial report shall be filed with the City Clerk within five ((5)) days after the date on which the amount of ((One Hundred Dollars (\$100))) \$100 or more is reached, and each subsequent report shall be filed within ((5)) days after each subsequent contribution is made to the same such political committee.

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C. A person with the expectation of making an independent expenditure or expenditures by disseminating an advertising message or messages that the person reasonably expects to be received, read, viewed or heard by ((one thousand (1,000))) 1,000 or more individuals in a single calendar year shall, within two ((2)) business days after the initial dissemination of the advertisement, deliver a copy of each such advertisement to the offices of the ((Seattle Ethics and Elections)) Commission, along with a statement disclosing the method of dissemination of the advertisement and an estimate of the expected quantity of the advertising. This requirement applies only to all independent expenditures that are required to be reported, i.e., an individual spending ((One Hundred Dollars (\$100))) \$100 or more of his or her own funds and anyone spending any amount of the funds of others. This disclosure does not substitute for the disclosure requirements of other sections of this chapter.

Section 15. Subsection A of Section 2.04.275, which was last amended by Ordinance 120831, is amended as follows:

2.04.275 Certification of independent expenditures - Special reports of late independent expenditures.

A. Each person and each officer of the committee or entity who made an independent expenditure each shall file, with the report required in Sections 2.04.180 through 2.04.210, 2.04.230, 2.04.250, 2.04.260 and 2.04.270, his or her notarized affidavit or declaration under penalty of perjury. The affidavit or declaration shall state that the maker has made reasonable inquiry and determined that as to each of the following, the expenditure was made without consultation, collusion, or cooperation with (1) any candidate(s), (2) any political committee(s), (3) any ballot proposition committee(s), or (4) any other person making the independent expenditure would expect to benefit from the expenditure; (5) the officers of such (candidate's or proposition's) political committee; or (6) such candidate's or committee's agents.

B. Each person who, within ((twenty-one (21))) 21 days before an election makes an independent expenditure that by itself, or when added to all other independent expenditures made previously during those ((twenty-one (21))) 21 days, equals or exceeds ((One Thousand Dollars (\$1,000))) \$1,000 or has made such an expenditure that has not yet been reported, shall by 4:30 p.m. the next business day after making each such independent expenditure file electronically with the Commission a special report of that independent expenditure, or, in the case of expenditures made prior to the twenty-first day, such report will be filed by 4:30 p.m. on the twenty-first day prior to the election. Expenditures reported under this section shall also be reported to the City Clerk when and as required by other provisions of this chapter.

Section 16. Section 2.04.280, which was last amended by Ordinance 106653, is amended as follows:

2.04.280 Commercial advertisers' duty to report.

A. Each commercial advertiser that has accepted or provided political advertising during the election campaign shall maintain open for public inspection during the campaign and for a period of no less than three ((3)) years after the date of the applicable election, during normal business hours, documents and books of account which shall specify:

1. The names and addresses of persons from whom it accepted political advertising;
2. The exact nature and extent of the advertising services rendered, and
3. The consideration and the manner of paying that consideration for such services.

B. Each commercial advertiser that must comply with subsection A of this section shall deliver to the ((Administrator)) Executive Director, upon his or her request, copies of such information as must be maintained open for public inspection pursuant to subsection A of this section.

Section 17. Section 2.04.290, which was last amended by Ordinance 120831, is amended as follows:

2.04.290 Identification of contributions and communications.

B. 1. All audio and video broadcast political advertising, whether relating to candidates or ballot propositions, shall include the sponsor's name. All other political advertising, whether relating to candidates or ballot propositions, ((shall include)) must state "paid for by" or "sponsored by," followed by the sponsor's name and address. Political advertising paid for by someone other than an agent of the committee that benefits from the advertising, i.e., in-kind contributions, must state "paid for by..." followed by the name and address of the person who paid for the advertising, and "sponsored by" followed by the name and address of the committee(s) that will benefit from the advertising. The use of an assumed name shall be unlawful.

2. In addition to the materials required by subsection B1 of this section, all political advertising undertaken as an independent expenditure by a person or entity, other than a bona fide political party as defined in RCW 42.17.020(5), must include the following statement on the communication "NOTICE TO VOTERS (Required by law): This advertisement is not authorized or approved by any candidate. It is paid for by (name, address, city, state)." If the advertisement is undertaken as an independent expenditure is undertaken by a nonindividual, other than a bona fide political party as defined in RCW 42.17.020(5), then the following notation must also be included: "Top Five Contributors," followed by a listing of the names of the five persons or entities who or which, during the ((twelve (12))) 12-month period before the date of the advertisement, made to the sponsor of the advertisement the largest contributions reportable under this chapter.

3. The statements and listings of contributors required by subsections B1 and B2 of this section shall:

- a. Appear on the first page or fold of the written communication in at least ten ((10)) point type, or in type at least ten ((10)) percent of the largest size type used in a written communication directed at more than one ((1)) voter, such as a billboard or poster, whichever is larger;
- b. Not be subject to the half-tone or screening process;
- c. Be set apart from any other printed matter; and
- d. Be clearly spoken on any broadcast advertisement.

Section 18. Section 2.04.320, which was last amended by Ordinance 106653, is amended as follows:

2.04.320 Exemption from disclosure requirements.

A. An exemption from the disclosure requirements of this chapter shall be granted by the ((FCPE)) Commission to a political association or political committee if such political association or political committee has applied in writing to the ((FCPE)) Commission for such exemption and has demonstrated by a reasonable probability that the compelled disclosure of contributors' names will subject the contributors to threats, harassment, or reprisals from either government officials or private parties, and that as a result of such disclosure it is reasonably probable that advocacy of a dissident view will be hindered and the right to free association chilled.

B. The decision to grant or deny an exemption from disclosure, including the basis for the decision ((with the reason or reasons therefore)), shall be set out in writing with a copy given to the political association or committee and a copy kept on file in the ((Office of Election Administrator)) Commission's offices for public inspection.

Section 19. Section 2.04.370, which was last amended by Ordinance 120831, is amended as follows:

2.04.370 Mandatory limitations on contributions.

B. No person shall contribute more than ((Six Hundred Dollars (\$600))) \$600 to any candidate for Mayor, member of the City Council, or City Attorney of the city, in any election cycle.

D. No candidate for Mayor, member of the City Council or City Attorney of the City shall solicit or receive campaign contributions of more than ((Six Hundred Dollars (\$600))) \$600 from any person in any election cycle; provided:

1. a. The limitations imposed by this section shall not apply to a candidate's contributions of his or her own resources to his or her own campaign, or contributions to the candidate's campaign by the candidate or the candidate's spouse or state registered domestic partner of their jointly owned assets ((of their marital community));

b. The limitations imposed by this section shall not apply to contributions of the candidate's spouse's or state registered domestic partner's separate property;

2. The limitations imposed by this section shall not apply to independent expenditures as defined by this chapter; and

3. The limitations imposed by this section shall not apply to the value of in-kind labor; and

4. The limitations imposed by this section shall not apply to contributions consisting of the rendering of clerical or computer services on behalf of a candidate or an authorized political committee, to the extent that the services are for the purpose of ensuring compliance with City, county, or state election or public disclosure laws.

((E-Adjustment Index.

1. In March of each even-numbered calendar year, the Commission shall promulgate a rule in accordance with Chapter 3.02 of the Seattle Municipal Code. This Rule may increase the dollar amount in subsection A based on changes in economic conditions as reflected by the Implicit Price Deflator of the United States Domestic Product as published by the United States Department of Commerce Bureau of Economic Analysis (IPD). If application of the IPD would result in a decrease in the dollar amount, the dollar amount shall remain unchanged.

2. The new dollar amounts established by the Commission shall be determined by multiplying the base amount provided in this section ((Six Hundred Dollars \$600)) by the percentage change in the most recently published IPD since January 1, 2000. The resulting amount shall be added to the amount derived from the multiplication of the base amount, and the amount resulting from that calculation shall be rounded to the nearest whole dollar amount that can be divided by fifty ((50)). In cases where the unrounded amount derived from this procedure is exactly Twenty-five Dollars ((25)) different from the two ((2)) nearest numbers evenly divisible by Fifty Dollars ((50)), the amount shall be rounded up to the next number evenly divisible by Fifty Dollars ((50)). The new dollar amount shall become effective May 1st of the even-numbered calendar year. Once adopted, any increase in the contribution limit shall be effective for all election cycles that have not ended by May 1st of that even-numbered year.

3. This subsection shall expire six ((6)) years after the effective date of the enabling ordinance.)

Section 20. Section 2.04.375, which was last amended by Ordinance 120145, is amended as follows:

2.04.375 Reporting and disposition of campaign funds after election.

A. 1. Each candidate or supporting committee for a candidate ((for City office, including the offices of Mayor, City Attorney or member of the City Council)), shall cease receipt of campaign contributions and dispose of the funds remaining in the campaign account in accordance with subsection B below, on or before the ((thirtieth)) 30th day of April in the year following the date of the election for the office the candidate sought, except for special elections. In the case of a special election, each candidate or supporting committee for a candidate shall cease receipt of campaign contributions and dispose of the funds remaining in the campaign account, in accordance with subsection B below, on or before the ((thirtieth)) 30th day of the fifth month after the special election for the office the candidate sought. By the tenth day of May in the year after the election for the office the candidate sought, each candidate or supporting committee for a candidate shall file a final report reflecting the disposition of the remaining funds, except for special elections. In the case of a special election, each candidate or supporting committee for a candidate shall file that final report by the tenth day of the sixth month after the special election for the office the candidate sought.

2. If a candidate or supporting committee for a candidate for City office has campaign debt outstanding on April 30th in the year following the date of the general election for the office the candidate sought, or on the ((thirtieth)) 30th day of the fifth month after the special election for the office the candidate sought, the debt may be transferred to

a new campaign of the same candidate for the same office.

3. Except for supporting committees for candidates that are governed by subsection A1 of this section and continuing political committees, each political committee (hereafter in this subsection A3 "committee") shall cease receipt of contributions and dispose of the funds remaining in the campaign account, in accordance with subsection B below, on or before the ((thirtieth)) 30th day of April in the year following the date of the election for which the committee received contributions or made expenditures, except for special elections. In the case of a special election, each committee shall cease receipt of contributions and dispose of the funds remaining in the campaign account, in accordance with subsection B below, on or before the ((thirtieth)) 30th day of the fifth month after the special election for which the committee received contributions or made expenditures. By the tenth day of May in the year after the election for ((e)) which the committee received contributions or made expenditures, each committee shall file a final report reflecting the disposition of the remaining funds, except for special elections. In the case of a special election, each committee shall file that final report by the tenth day of the sixth month after the special election for which the committee received contributions or made expenditures.

4. Except for supporting committees for candidates that are governed by subsection A2 of this section and continuing political committees, if a political committee (hereafter in this subsection A4 "committee") has campaign debt outstanding on April 30th in the year following the date of the general election for which the committee received contributions or made expenditures, or on the ((thirtieth)) 30th day of the fifth month after the special election for which the committee received contributions or made expenditures, the debt may be transferred to another political committee or to a continuing political committee, which shall, until such debt has been paid or forgiven, file the reports that would have been required of the committee transferring the debt had that committee not filed its final report under subsection A3 of this section.

B. The surplus funds, including each capital asset for which the ((campaign)) candidate or political committee paid ((Two Hundred Dollars (\$200))) \$200 or more, or reported as an in-kind contribution with a value of ((Two Hundred Dollars (\$200))) \$200 or more, ((of a candidate, of a political committee supporting a candidate, of a political committee supporting or opposing a ballot proposition, and of a continuing political committee)) may be disposed of only in one ((1)) or more of the following ways:

1. Return the surplus to contributors in respective amounts not to exceed each contributor's original contribution;
2. Transfer the surplus to the personal account of a candidate, or of a treasurer or other individual as reimbursement for lost earnings incurred as a result of the election campaign. Such lost earnings shall be verifiable as unpaid salary or, when the candidate, treasurer or individual is not salaried, as an amount not to exceed income received by the candidate, treasurer, or individual for services rendered during an appropriate corresponding time period. All lost earnings incurred shall be documented, and a record thereof shall be maintained by the candidate, treasurer, or individual or by the political committee as the lost earnings accrue. The committee shall maintain such information as a part of the campaign records;
3. Transfer the surplus to a political party or to a caucus of the state legislature;
4. Donate the surplus to a charitable organization registered in accordance with RCW Chapter 19.09;
5. Transmit the surplus to the state treasurer for deposit in the general fund;

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6. Hold the cash surplus in the campaign depository or depositories designated in accordance with RCW 42.17.050 and in the case of capital assets hold them in the custody of the candidate or officer of the campaign committee for possible use in a future election campaign for the same office last sought by the candidate or for a future election campaign for a ballot proposition on the same topic, and report the transfer of such funds or assets as a disposition in accordance with Section 2.04.260 and RCW 42.17.090 (and SMC Section 2.04.260). If the candidate subsequently announces or publicly files for office, or if a ballot proposition political committee is established for a future proposition on the same topic, information as appropriate shall be reported in accordance with Sections 2.04.170 through 2.04.260 and RCW 42.17.040 through 42.17.090 (and SMC Sections 2.04.170 through 2.04.260). If a subsequent office is not sought, or if a subsequent election campaign for a ballot proposition on the same topic does not occur, the surplus held shall be disposed of in accordance with the requirements of this chapter;

7. A candidate who was elected to the office sought, or that candidate's political committee, may hold the surplus campaign funds in a separate account for that individual's nonreimbursed expenses of that public office and report any such disposition in accordance with ((SMC)) 2.04.480(F). The separate account required under this subsection shall not be used for deposits of campaign funds that are not surplus or of office funds solicited or received under ((SMC)) Section 2.04.480;

8. A ballot proposition political committee may become a continuing political committee and use the funds to support or oppose candidates and ballot propositions and must report in accordance with ((SMC)) Sections 2.04.230 through 2.04.290; or

9. With the written approval of the contributor, a candidate or the candidate's political committee may use or permit the use of contributions, whether or not surplus, solicited for or received by the candidate or the candidate's political committee from that contributor to further the candidacy of the individual for an office other than the office designated on the statement of organization. If the contributor does not approve the use of his or her contribution to further the candidacy of the individual for an office other than the office designated on the statement of organization at the time of the contribution, the contribution must be considered surplus funds and disposed of in accordance with this chapter.

Section 21. Section 2.04.480, which was last amended by Ordinance 117308, is amended as follows:

2.04.480 Public office fund - What constitutes, restrictions on use, limitations on contributions - Reporting of - Disposal of remaining funds.

A. ((The Mayor, each City Council member, and the City Attorney)) Each elected official, upon election to office, may each establish an individual account for the deposit of contributions solicited and received for the purpose of defraying non-reimbursed public office related expenses. Such accounts shall be called public office funds.

G. Any funds which remain in a public office fund after all permissible public office related expenses have been paid may only be disposed of in one (1) or more of the following ways:

1. Returned to contributors in respective amounts not to exceed each contributor's original contribution; or
2. Donated to a charitable organization registered in accordance with Chapter 19.09 RCW; or
3. Transferred to the ((Seattle Ethics and Elections)) Commission for deposit into the City general fund.

Section 22. Section 2.04.500, which was last amended by Ordinance 118569, is amended as follows:

2.04.500 Civil remedies and sanctions.

A. 1. Upon determining pursuant to Sections 2.04.070 through 2.04.090 that a violation has occurred, the Commission may issue an order requiring the party to take particular action in order to comply with the law, and in addition, or alternatively, may impose sanctions up to ((Five Thousand Dollars (\$5,000))) \$5,000 for each violation.

2. Upon determining that a contribution was illegally made or accepted, in addition to the remedies in subsection A1, the Commission may order the return of a contribution illegally made, and impose a penalty of two ((2)) times the amount of a contribution illegally made or accepted by a person who violates Section 2.04.180, 2.04.200, 2.04.210, 2.04.215, 2.04.240, 2.04.290, 2.04.300, 2.04.370, or 2.04.480.

3. Upon determining that a report was filed excessively late, in addition to the remedies in subsection A1, the Commission may impose a penalty of two ((2)) times the amount of each deposit or expenditure for each deposit or expenditure that was reported excessively late. A report is excessively late if it was due more than ((twenty-one (21))) 21 days before the election in which the candidate or ballot proposition appeared on the ballot, but was not filed at least ((twenty-one (21))) 21 days before that election. A report is also excessively late if it was due within ((twenty-one (21))) 21 days before the election in which the candidate or ballot proposition appeared on the ballot, but was not timely filed.

4. In addition to the actions in subsections A1, A2, and A3 above, the Commission may forward the determination of violation to the Seattle City Attorney or the King County Prosecutor for prosecution. 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 the election may be held void and a special election held within ((sixty (60))) 60 days of such finding. Any action to void an election shall be commenced within

one ((1)) year of the date of the election in question. It is intended that this remedy be imposed freely in all appropriate cases to protect the right of the electorate to an informed and knowledgeable vote.

B. Whether or not there is an administrative determination as provided in subsection A, the violation or failure to comply with the provisions of Sections 2.04.160 through 2.04.290 (regarding campaign reporting), or Section 2.04.370 (regarding contribution limitations) ((or Section 2.04.310 of this chapter (regarding political signs))) shall constitute an infraction, not subject to the Seattle Criminal Code, for which a monetary fine, not to exceed ((Five Thousand Dollars (\$5,000))) \$5,000, may be assessed by a court, however, a person or entity who violates Section 2.04.370 may be subject to a civil fine of ((Five Thousand Dollars (\$5,000))) \$5,000 or be required to return the illegal contribution and pay a penalty of two ((2)) times the amount of the contribution illegally made or accepted, whichever is greater. Violation of the ordinance and existence of an infraction may be proven by a preponderance of the evidence and need not be proven beyond a reasonable doubt. An action seeking to establish the fact of an infraction and imposition of a monetary fine under this section may be commenced by the City Attorney at a request of a majority of the Commission.

Section 23. The code section amendments contained in this ordinance are declared to be separate and severable. The invalidity of any code section amendment or portion of any code section amendment of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder code section amendments contained in this ordinance, or the validity of the application of the amendments to other persons or circumstances.

Section 24. This ordinance shall take effect and be in force 30 days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 17th day of August, 2009, and signed by me in open session in authentication of its passage this 17th day of August, 2009.

Richard Conlin
President of the City Council

Approved by me this 25th day of August, 2009.

Gregory J. Nickels, Mayor

Filed by me this 26th day of August, 2009.

(Seal) City Clerk

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