

January 11, 1993
LP/NR/pb rules.ord

Introduced by: Greg Nickels
Larry Phillips

Proposed No.: 92-771

ORDINANCE NO. **10742**

AN ORDINANCE adopting rules relating to
campaign contributions limitations.

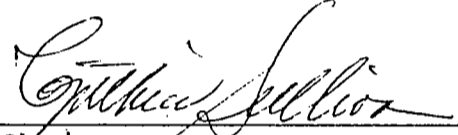
BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Pursuant to K.C.C. 1.05.¹¹⁵~~135~~, the public rules
relating to campaign contribution limitations with respect to
political campaigns for county offices, as contained in
Attachment A, are hereby approved and adopted.

INTRODUCED AND READ for the first time this 12th day
of October, 1992.

PASSED this 22nd day of February, 1993


KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


VICE Chair

ATTEST:


Clerk of the Council

APPROVED this 5th day of MARCH, 1993


King County Executive

Attachments: Rules Relating to Campaign Contributions

10742

Campaign Contribution Limitations with Respect to Political Campaigns
for County Offices

1.0 SUBJECT TITLE:

Campaign contribution limitations with respect to political campaigns for county offices.

1.1 Effective Date:

1.2 Type of Action: Superseding Public Rule ELE 9-3 (PR)
7/19/91

1.3 Key Words: Political campaigns, campaign contribution, campaign spending, election cycle

2.0 PURPOSE:

To provide a process for monitoring and ensuring compliance with campaign contribution limitations for county political campaigns as specified by the King County Code. All candidates for the offices of Executive, County Council and Assessor must comply with Local, State and Federal rules, regulations, and laws. These rules only implement K.C.C. 1.05.

3.0 ORGANIZATIONS AFFECTED:

3.1 All candidates for the offices of County Executive, County Council, and County Assessor.

3.2 Political committees in support of candidates for county elective offices.

3.3 Political parties which partisan candidates represent while running for county office.

3.4 King County Division of Records and Elections, Department of Executive Administration.

4.0 REFERENCES:

4.1 Ordinances 8970, 10473, and 10632 as codified in K.C.C. 1.05

4.2 RCW 42.17

4.3 Chapter 390-161 Washington Administrative Code

10742**5.0 DEFINITIONS:**

- 5.1 "Candidate" means any individual who seeks election to public office set out in K.C.C. 1.05.030 whether or not successfully. An individual shall be deemed to be seeking election when he or she first: receives contributions or makes expenditures or reserves space for facilities with intent to promote his or her candidacy for office, announces publicly, or files for office, whichever occurs first.
- 5.2 "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. Contribution does not include interest on money deposited in a political committee's account, ordinary home hospitality, volunteer in-kind labor or incidental expenses not in excess of \$25 personally paid for by a voluntary campaign worker. Contributions other than money or its equivalent shall be deemed to have a monetary value equal 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 the King County Code by the actual cost of consumables furnished in connection with the purchase of such tickets, and only the excess over the actual cost of such consumables shall be deemed a contribution.
- 5.3 "Effective date of the election to fill the newly created position" means the election certification date.
- 5.4 "Domicile" means the place where the individual contributor to county campaigns resides.

- 5.5 "Election cycle" means the period commencing on the election certification date after the last prior election for the affected office until the election certification date of the next election for said office. In the case of a newly created position, the election cycle shall be the period commencing on the effective date the position is created until the election certification date of the newly created position.
- 5.6 "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. 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:
- 1) 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
 - 2) The value of in-kind labor; or
 - 3) Fines paid as a result of any penalties imposed on a candidate for noncompliance with K.C.C. 1.05.
- 5.7 "Fair advertising" means any publication, literature or media advertising, which bears the clear and conspicuous identification of the sponsoring candidate's name.
- 5.8 "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.

- 5.9 "Independent expenditure" means expenditures on behalf of, or opposing the election of, any candidate, when such expenditure is made independently of the candidate or his/her political committee or agent 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.
- 5.10 "Most recent campaign" shall be only the individual candidate's most recent political campaign in Washington State that met Public Disclosure Commission (PDC) filing requirements.
- 5.11 "Own resources" means a candidate's personal funds or property; provided, however, that it shall not include:
- 1) A candidate's surplus campaign funds as defined in R.C.W. 42.17.020 from a prior campaign for an elected position, except for such surplus funds as have been transferred to a candidate's personal account pursuant to RCW 42.17.095(2).
 - 2) Excess campaign funds as defined in 2 U.S.C., Section 439 (a) and 11 CFR, Section 113.2, or contributions received for a campaign for any other office.
- 5.12 "Person" means any individual, association, corporation, candidate, committee, political committee, political party, partnership or other entity.
- 5.13 "Political campaign" means a series of organized, planned activities intended to assist in electing a candidate for county office.

- 5.14 "Political committee" means any person (except a candidate or an individual dealing with his/her own funds or property) having the expectation of receiving contributions or making expenditures in support or opposition to any candidate and which has filed as a political committee pursuant to RCW 42.17.
- 5.15 "Political party" shall mean a major political party or a new or minor party which is established pursuant to RCW 29.42.
- 5.16 "Resident" means an individual natural person whose domicile is within the boundaries of King County.

6.0 POLICIES:

6.1 Policies.

- 6.1.1 The County finds that in the interest of the public health, safety, and welfare, it is necessary to safeguard the integrity of the political process. Therefore, the county election process and county government should be protected from undue influence by individuals and groups making large contributions to the election campaigns of candidates for Executive, County Council, and Assessor. The county election process and county government should be protected from even the appearance of undue influence by individuals or groups contributing to candidates for Executive, County Council, and Assessor. The confidence of the public in a fair and democratic election process is vital. In the high cost of election campaigning, there can be an issue of improper influence, real or perceived, exercised by campaign contributors over elected officials. It is the policy of this county to foster broad-based citizen involvement in financing election campaigns. The county further finds that public confidence can also be enhanced by broadening public disclosure requirements with respect to the transfer and use of surplus campaign funds.

6.1.2 The County finds that limitations on contributions of money, services and materials by individuals or groups to county election campaigns should be imposed by law to protect the public health, safety, welfare, and the integrity of the process. These limitations, however, should be reasonable, so as not to discourage personal expression.

6.1.3 The County finds it is in the public interest to encourage the widest participation of the public in the electoral process in order to reduce the dependence of candidates on large contributions and to increase public knowledge of the candidates and election issues. Public matching funds for campaign purposes are necessary for voluntary expenditure limitations to be successful, however, State law prohibits the use of public funds to finance political campaigns for state or local office.

6.2 Organization and Administration.

6.2.1 The Department of Executive Administration or its designee is responsible for implementing policies regarding King County Code 1.05. The responsible agency designated within the department shall be the Records and Elections Division.

6.2.2 Within the Records and Elections Division, there is established a Campaign Contribution Program Section (CCPS). The Division Manager shall designate a Program Administrator who shall be specifically responsible for ensuring that the County's public policies are properly implemented and enforced.

6.2.3 Internal procedures shall be established between the Manager of the Records and Elections Division and the Director of the Department of Executive Administration to ensure that all aspects of program administration are properly administered.

6.3 Mandatory Limitations on Contributions.

- 6.3.1 Elections Cycle Contributions from Persons other than Political Committees. All persons, except political committees, are prohibited from making contributions during the election cycle totaling more than \$650 in the aggregate to any candidate for Executive, County Council or Assessor.
- 6.3.2 Election Cycle Contributions from Political Committees. No political committee may make contributions during the election cycle totaling more than \$1,000 in the aggregate to any candidate for Executive, County Council, or Assessor.
- 6.3.3 Acceptance of Contributions by County Office Candidates from Persons other than Political Committees. No candidate for Executive, County Council, or Assessor shall accept or receive in an election cycle campaign contributions totaling more than \$650 in the aggregate from persons other than political committees.
- 6.3.4 Acceptance of Contributions by County Office Candidates from Political Committees. No candidate for Executive, County Council, or Assessor shall accept or receive in an election cycle campaign contributions totaling more than \$1,000 in the aggregate from political committees.
- 6.3.5 Each spouse in a single-income family may contribute up to \$650 to the same candidate in an election cycle.
- 6.3.6 Unless otherwise instructed, a contribution drawn upon a joint account shall be attributed in equal proportion to each of the account holders as identified by the names printed on the face of the check or negotiable instrument.

6.3.7 Unless otherwise instructed, a monetary contribution conveyed by written instrument containing multiple signatures shall be attributed equally to the persons signing the instrument.

6.3.8 A contribution made to a political committee and earmarked for a specific candidate shall be attributed to the actual contributor.

6.3.9 Exceptions. The limitations imposed by this section shall not apply to:

- 1) A candidate's contributions of his/her own resources to his/her own campaign; and
- 2) Independent expenditures as defined in K.C.C. 1.05; and
- 3) The value of in-kind labor; and
- 4) Contributions to our expenditures from public office funds made consistent with the provisions of RCW 42.17.243.

6.4 Surplus Campaign Funds/Contributions Received by Candidates in Connections with a Campaign for Another Office.

6.4.1 In addition to the requirements imposed by State and Federal law, the following restrictions apply to the use of surplus campaign funds. Surplus Campaign funds, as defined by R.C.W. 42.17.020, from a candidate's prior campaign and contributions received by candidates in connection with a campaign for another office may be used by that candidate for the candidate's current campaign only to the extent that such funds are derived from contributions that were within the dollar

limitations imposed by the King County Code. If such funds are from a campaign which is not governed by the ordinance, a candidate may use only so much of each contribution previously received as would have been allowable as a contribution under the ordinance if it had applied to that campaign. The source of such funds shall be determined to be derived from the most recent contributions received by such candidate or that candidate's political committee which in total equal the amount of such funds.

6.4.2 A candidate must file a statement with the Records and Elections Division and PDC which identifies any surplus funds which are transferred to the candidate's current campaign and which includes the following information:

- 1) The original contributor;
- 2) The original date of the contribution;
- 3) The amount originally contributed;
- 4) The portion of each contribution transferred to the current campaign.

6.5 The Director of Executive Administration or his/her designee shall review PDC C-3 reports to determine compliance with the provisions of K.C.C. 1.05.

6.5.1 Internal Overage Reports (campaign contribution) will be generated by the Department of Executive Administration or its designee when candidate's acceptance of contributions exceed the campaign contributions limitations. Candidates will be notified by certified letter to correct any discrepancies within three days of receipt of such notice. If left

unresolved, the Department of Executive Administration or its designee will then forward the information with supporting documents to the Office of the Prosecuting Attorney.

6.6 Penalties. The violation or failure to comply with the provisions of K.C.C. 1.05 shall constitute a civil violation for which a monetary fine of up to \$1,000 shall be assessed. Each violation shall be a separate violation and shall be subject to the fine. An action seeking to establish the fact of a violation and imposition of a monetary fine under this section shall be commenced with the assistance of the County Prosecuting Attorney.

7.0 PROCEDURES:

ACTION BY

ACTION

7.1 Campaign Disclosure.

Candidates for Executive,
County Council, or
Assessor

7.1.1

Will submit campaign disclosure reports as required by RCW 42, using the prescribed Public Disclosure Commission (PDC) Campaign Disclosure Report Form, "C" series and F-1, as prescribed by law and regulation. See also Washington State PDC Campaign Disclosure instructions issued in annual manuals, available from the PDC and the Records and Elections Division, for procedures pertaining to forms completion and submission. See Attachment 9.1 for a summary of public disclosure reports filed by judicial and local office candidates.

- 1) "C" series Campaign Disclosure Report Forms are available from the Division of Records and Elections, Room 553, King County Administration Building, 500 4th Avenue, Seattle, WA 98104.

- 2) The Public Disclosure Commission's Form F-1 is available from the PDC, 403 Evergreen Plaza Building FJ42, Olympia, WA 98504.

7.1.2 File all Campaign Disclosure Reports (C-Series) with the PDC and a copy with the Records and Elections Division. PDC Form F-1 is filed only with the PDC.

7.1.3 File with the Manager of the Records and Elections Division a King County Financial Disclosure Statement. See Attachment 9.2.

Campaign
Committees
Associated With
Affected Candidates

7.1.4 File reports in the same manner and using the same forms as candidates except where C-series forms specifically designed for campaign committees are called for in the state regulations. See Attachment 9.3 for a summary of disclosure reports filed by political committees in Washington State.

Director,
Department of
Executive
Administration or
his/her designee

7.1.5 Reviews campaign disclosure reports to ensure that campaign contributions reported are within the policy criteria stated in Section 6.3 of these rules.

7.1.6 Reports noncompliance to the King County Prosecuting Attorney for action in accordance with the policies set forth in K.C.C. 1.05.120, using a form designed by the Director, Department of Executive Administration or his/her designee.

8.0 RESPONSIBILITIES:

- 8.1 Candidates for the offices of County Executive, County Council and County Assessor complete and file public disclosure reports as required by state law and regulations (see Section 7.0) and as further supplemented by these rules and comply with contribution limitations.

8.2 The Department of Executive Administration or its designee shall provide written responses resolving questions of a procedural nature that are not expressly addressed in these rules.

9.0 ATTACHMENTS:

- 9.1 Summary of Public Disclosure Reports filed by Judicial and Local Office Candidates
- 9.2 Financial Disclosure Statement
- 9.3 Summary Of Disclosure Reports filed by Political Committees in Washington State

10742

**ATTACHMENT 9.1
SUMMARY OF
PUBLIC DISCLOSURE REPORTS
FILED BY JUDICIAL AND LOCAL OFFICE CANDIDATES**

PDC FORM	WHAT IT CONTAINS	WHEN DUE
F-1 Financial Affairs Statement	Sources of income, real estate transactions, bank accounts, stocks, debts owed, business holdings and business customers.	Within 2 weeks of becoming a candidate.
C-1 Candidate Registration	Purpose of committee, committee officers, name of treasurer, bank.	Within 2 weeks of becoming a candidate.
C-3 Cash Receipts, Monetary Contributions	Names of contributors, amounts, addresses.	For primary and general elections— Between July and general election day, within 8 business days of receipt of contribution. For special elections—During last 4 months before election, within 8 business days of contributor's receipt. Other periods—When C-4 is filed. Contributions over \$500. See instructions.
Schedule L (Part 1)	Name and address of contributor (gender), amount of loan, interest rate, repayment schedule.	
Attachment Aa	Names and addresses of contributors donating and purchasing auction items.	
C-4 Receipts and Expenditure Summary Schedule A	Totals for campaign itemized expenditures	Same day as C-1 if contributions received or expenditures made. 21 days before each election 7 days before each election 10th of the first month after election For periods not covered by the above reports, 10th of each month to cover preceding calendar month when there are \$200 in contributions or expenditures since last C-4.
Schedule B	Itemized expenses, contribution summary	
Schedule C	In-kind contributions, pledges, orders placed.	
Schedule L (Parts 2-4)	Corrections, adjustments. Details regarding loan payments and loans forgiven and outstanding.	

SPECIAL SITUATION REPORTS

- C-6** Contributions and Expenditures by Out-of-State Committees is used by political committees domiciled outside Washington State to report contributions made to in-state candidates and committees. This report must be filed by the out-of-state committee within ten days of contributor's receipt.
- C-8** Independent Expenditures is used by persons making campaign expenditures of \$100 or more which are not made to a candidate or political committee.

**File Financial Affairs Statement (F-1) with PDC only.
File Campaign Disclosure Reports (C series) with PDC and your county elections office.
Reports are considered filed as of postmark date.**

ATTACHMENT 9.2

553 King County Administration Building
500 Fourth Avenue (MS 5A)
Seattle, WA 98104-2337
(206) 296-1586

REVISED 1/93

FINANCIAL DISCLOSURE STATEMENT

TO BE COMPLETED BY ALL ELECTED COUNTY OFFICIALS; EMPLOYEES APPOINTED BY THE COUNTY EXECUTIVE OR DEPARTMENT DIRECTORS AND SUBJECT TO APPROVAL BY THE COUNTY EXECUTIVE; ALL EMPLOYEES OF THE COUNCIL; AND THOSE EMPLOYEES WHOSE OFFICIAL DUTIES ARE TO NEGOTIATE AND/OR AWARD CONTRACTS.

IN ACCORDANCE WITH K.C.C. 3.04.050, PLEASE PROVIDE THE INFORMATION REQUESTED AND RETURN THIS FORM EITHER WITHIN TEN (10) DAYS OF APPOINTMENT OR BY APRIL 15TH, WHICHEVER APPLIES, TO THE KING COUNTY BOARD OF ETHICS.

FOR REPORTING PURPOSES, "FAMILY" INCLUDES HUSBAND, WIFE, BROTHER, SISTER, FATHER, MOTHER, SON, AND DAUGHTER. "PERSON" DESIGNATES ANY INDIVIDUAL, PARTNERSHIP, ASSOCIATION, CORPORATION, FIRM, INSTITUTION, OR OTHER ENTITY, WHETHER OR NOT OPERATED FOR PROFIT.

PLEASE TYPE OR PRINT ALL INFORMATION

DATE: _____

NAME: _____

POSITION TITLE: _____

DO YOU NEGOTIATE AND/OR AWARD COUNTY CONTRACTS? YES ____ NO ____

A. List all sources of income over \$1500.00:

Source of Income	Type of Business	Address

B. Do you have a direct financial interest in any mutual fund or other "person" or enterprise in excess of \$1500.00 (policies of insurance issued either to yourself or your spouse, accounts in banks, savings and loan associations or credit unions are not considered financial interest)?

Yes _____ No _____

10742

Financial Disclosure Statement
Page 2 of 3

If you answered yes, please list:

Mutual Fund/Enterprise	Type of Business	Address

C. List any office, directorship, or trusteeship in any "person" or other governmental entity which does business in King County and which is held by you or members of your family:

Name/Relationship	Type of Business	Position Held

D. List, by legal description or popular address, all real property owned by you or a member of your family in King County. Include options to buy if the property is valued in excess of \$1500.00:

Address	Name of Owner	Relationship to Employee

E. List all real property located in King County and divested by you or a member of your family during the reporting year and valued in excess of \$1500.00:

Address	Name of Owner	Amount Divested

10742

F. This section is to be completed by attorneys who practiced before state and local regulatory agencies within the preceding twelve months:

1. List the name of the "person" of which you are a member, partner, or employee:

2. List the name(s) of agencies that you practice before:

3. List the amount of gross compensation in excess of \$1500.00 received by the "person" and attorney respectively as a result of your practice before such agencies in the last twelve (12) months:

ATTESTATION:

I, _____, CERTIFY UNDER PENALTY OF PERJURY THAT THIS STATEMENT IS TRUE, ACCURATE, AND COMPLETE.

SIGNED THIS _____ DAY OF _____, 199__.

Please attach additional sheets if necessary.

ATTACHMENT 9.3
**Summary of Disclosure Reports
 Filed by Political Committees in Washington State**

10742

PDC FORM	WHAT IT CONTAINS	WHEN DUE
C-1pc Political Committee Registration	Purpose of committee, committee officers, name of treasurer, bank.	Within 2 weeks of forming committee or, if form within 3 weeks of election, due within 3 business days.
C-3 Cash Receipts, Monetary Contributions. Schedule L (Part 1) Attachment Au	Names of contributors, amounts, addresses. Name and address of contributor (lender), amount of loan, interest rate, repayment schedule. Names and addresses of contributors donating and purchasing auction items.	For primary and general elections-- Between July and general election day, within 3 business days of receipt of contribution. For special elections--During last 4 months before election, within 3 business days of contributor's receipt. Other periods--When C-4 is filed. Contributions over \$500. See instructions.
C-4 Receipts and Expenditure Summary Schedule A Schedule B Schedule C Schedule L (Parts 2-4)	Totals for campaign. Itemized expenses, contribution summary. In-kind contributions, pledges, orders placed. Corrections, adjustments. Details regarding loan payments and loans forgiven and outstanding.	Same day as C-1pc if contributions received or expenditures made. • 21 days before each election • 7 days before each election • 10th of the first month after election For periods not covered by the above reports, 10th of each month to cover preceding calendar month when there are \$200 in contributions or expenditures since last C-4.

SPECIAL SITUATION REPORTS

C-5 Contributions and Expenditures by Out-of-State Committees is used by political committees domiciled outside Washington State to report contributions made to in-state candidates and committees. This report must be filed by the out-of-state committee within ten days of contributor's receipt.

C-6 Independent Expenditures is used by persons making campaign expenditures of \$100 or more that are not made to, or in conjunction with, a candidate or political committee.

File Campaign Disclosure Reports ("C" series) with PDC and your county elections office.
 Reports are considered filed as of postmark date.