



**Legislative Department
Office of City Clerk
Memorandum**

Date: April 6, 2015
To: Pete Holmes, City Attorney
From: Monica Martinez Simmons, City Clerk 
Subject: Notification of Proposed Initiative 122 (Corrected Version Filed 4/6/15)

Please find attached updated Clerk File No. 319323, which contains a corrected version of proposed Initiative Measure No. 122, a proposed initiative "to reduce influence of money, ensure accountability, prevent corruption, and create a 'Democracy Vouchers' program for public finance of local campaigns allowing everyone's voice to be heard."

This initiative was filed with the Office of the City Clerk on Monday, April 6, 2015, at 12:06 p.m. and is being transmitted to you for preparation of a ballot title pursuant to Article IV, Section 1.B of the City Charter and Seattle Municipal Code, Section 2.08. This corrected initiative measure will replace the original that was filed on Friday, April 3, 2015 and includes the following contact information: Cleveland Stockmeyer, 8056 Sunnyside Ave., N., Seattle, WA 98103; phone number (206) 419-4385; email address cleve@clevelandstockmeyer.com.

Thank you for your attention to this matter. If I may assist in any way, please contact me at 684-8361.

Attachment (Updated CF 319323)

cc: Mayor Murray
City Councilmembers
Wayne Barnett, Executive Director, Seattle Ethics and Elections Commission



City of Seattle Legislative Department
Office of the City Clerk

Monica Martinez Simmons, City Clerk

Via E-Mail and USPS

April 6, 2015

Cleveland Stockmeyer, PLLC
8056 Sunnyside Ave. N.
Seattle, WA 98103

SUBJECT: *Proposed Initiative Measure No. 122, relating to a "Democracy Vouchers" program for public finance of local campaigns* **(Corrected version 4/6/15)**

Dear Mr. Stockmeyer:

This notice acknowledges the receipt and filing of the subject corrected initiative measure with the Office of the City Clerk on Monday, April 6, 2015, at 12:06 p.m. The identification number (IM No. 122) will remain the same.

The submitted petition has been reviewed for compliance with the appropriate formatting requirements. As provided for in SMC 2.08.040, the petition is in acceptable form.

Please be advised the corrected initiative measure was transmitted to the City Attorney's Office for review and preparation of a ballot title. The Office of the City Clerk will be in contact with you in writing and by telephonic notification no later than the end of business on Monday, April 13, 2015, for the purpose of transmitting the final ballot title for the initiative measure.

Should you have any questions regarding the process or the information contained herein, please contact me at 206-684-8361 or by email at monica.simmons@seattle.gov.

Sincerely,

A handwritten signature in blue ink, reading "Monica B. Simmons", with a long horizontal flourish extending to the right.

Monica Martinez Simmons
City Clerk

Corrected
Version 4/6/15

FILED
CITY OF SEATTLE

2015 APR -6 PM 12:06

CITY CLERK

CLEVELAND STOCKMEYER PLLC

8056 SUNNYSIDE AVE. N.

SEATTLE, WA 98103

TEL (206) 419-4385

cleve@clevelandstockmeyer.com

April 6, 2015

BY HAND

Monica Martinez Simmons, City Clerk

600 Fourth Avenue, Third Floor

Seattle WA 98004

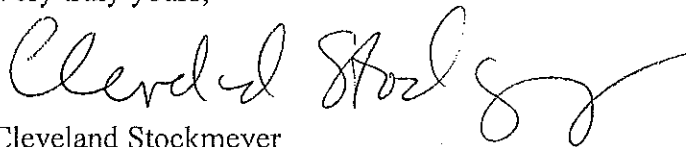
Re: Proposed initiative petition to reduce influence of money, ensure accountability, prevent corruption, and create a "Democracy Vouchers" program for public finance of local campaigns allowing everyone's voice to be heard.

Dear City Clerk:

Please find enclosed for filing a hard copy of proposed initiative measure no. 122, a petition to reduce the influence of money, ensure accountability, and prevent corruption in City of Seattle government, also creating a "Democracy Voucher" program for public finance of local campaigns in regular people in Seattle could all participate in making campaign contributions using \$100 of Democracy Vouchers -- so that everyone's voice may be heard. I sent the word version by e mail earlier today. I am the contact person or coordinator, for all communications from your office or the City Attorney, for this proposed petition. My contact address, phone and e mail are stated in the letterhead above. I am representing sponsor/petitioner Estevan Munoz-Howard of Honest Elections Seattle Initiative; PO Box 20664, Seattle, WA 98102; tel.: (206) 436-0292; e mail address, info@honestelectionsseattle.org and website, honestelectionsseattle.org. As noted, all communications from your office should be directed to me.

Thank you for your attention to this important process. I very much appreciate the responsiveness and professionalism of your office, and staff.

Very truly yours,



Cleveland Stockmeyer

Encl.: Honest Elections Seattle Initiative on 11"x17" paper

FILED
CITY OF SEATTLE
2015 APR -6 PM 12:00
CITY CLERK

Please return signed petitions to/Contact us at:

Honest Elections Seattle Initiative No. 122

PO Box 20664, Seattle, WA 98102
tel.: (206) 436-0292
e mail: info@honestelectionsseattle.org
website: honestelectionsseattle.org

INITIATIVE PETITION FOR SUBMISSION TO THE SEATTLE CITY COUNCIL. To the City Council of The City of Seattle: We, the undersigned registered voters of The City of Seattle, State of Washington, propose and ask for the enactment as an ordinance of the measure known as Initiative Measure No. 122, entitled:
THE CITY OF SEATTLE INITIATIVE MEASURE NUMBER 122

[ballot title to come]

Should this measure be enacted into law?
Yes
No

a full, true and correct copy of which is included herein, and we petition the Council to enact said measure as an ordinance, and, if not enacted within forty-five (45) days from the time of receipt thereof by the City Council, then to be submitted to the qualified electors of The City of Seattle for approval or rejection at the next regular election or at a special election in accordance with Article IV, Section 1 of the City Charter; and each of us for himself or herself says: I have personally signed this petition; I am a registered voter of The City of Seattle, State of Washington, and my residence address is correctly stated

WARNING: Ordinance 94289 provides as follows: "Section 1. It is unlawful for any person 1. To sign or decline to sign any petition for a City initiative, referendum, or Charter amendment, in exchange for any consideration or gratuity or promise thereof; or 2. To give or offer any consideration or gratuity to anyone to induce him or her to sign or not to sign a petition for a City initiative, referendum, or Charter amendment; or 3. To interfere with or attempt to interfere with the right of any voter to sign or not to sign a petition for a City initiative, referendum, or Charter amendment by threat, intimidation or any other corrupt means or practice; or 4. To sign a petition for a City initiative, referendum, or Charter amendment with any other than his or her true name, or to knowingly sign more than one (1) petition for the same initiative, referendum, or Charter amendment measure, or to sign any such petition knowing that he or she is not a registered voter of The City of Seattle." "Section 2. Any person violating any of the provisions of this ordinance shall upon conviction thereof be punishable by a fine of not more than Five Hundred Dollars (\$500) or by imprisonment in the City Jail for a period not to exceed six (6) months, or by both such fine and imprisonment.

(*Only Registered Seattle Voters Can Sign This Petition*)

Petitioner's Signature	Printed Name	Residence Address Street & Number	Date Signed
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AN ACT relating to reducing the influence of money, ensuring accountability, and preventing corruption in City of Seattle government.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF SEATTLE:

Section 1. A new Subchapter VIII titled, “Honest Elections Seattle,” is added to the Seattle Municipal Code, Chapter 2.04 - ELECTION CAMPAIGN CONTRIBUTIONS, as follows:

NEW SECTION 2.04.600 – Purpose and Authority. (a) **Purpose.** This people’s initiative measure builds honest elections in the City of Seattle (“City” or “Seattle”) and prevents corruption, by: giving more people an opportunity to have their voices heard in our democracy; ensuring a fair elections process that holds our elected leaders accountable to us by strengthening voters’ control over City government; banning campaign contributions by City contractors and entities using paid lobbyists; lowering campaign contribution limits; tightening prohibitions on lobbying by former elected officials (the “revolving door” problem); expanding requirements for candidates to disclose their financial holdings and interests; and increasing fines on violators of campaign rules. This measure also creates a Democracy Voucher campaign public finance program (“Democracy Voucher Program” or “Program”) to expand the pool of candidates for city offices and to safeguard the people’s control of the elections process in Seattle. (b) **Authority of the People.** The People have vested legislative powers of the City in a Mayor and City Council, but reserved to themselves independent of the Mayor and the City Council the power to propose for themselves measures dealing with any matter within the realm of local affairs or municipal business. That power includes the use of an initiative petition to submit to the qualified electors of the city a measure as authorized by RCW 84.55.050 to exceed the limitations of regular property taxes contained in RCW Chapter 84.55, as it now exists or may hereinafter be amended. The authority of the people to adopt this measure is also specifically authorized and reserved to the electors of the City of Seattle by RCW 42.17A.550, which allows a city to use locally derived public funds (whether from taxes, fees, penalties or other sources) to publicly finance local political campaigns, if the proposal to do so is submitted to City of Seattle voters for their adoption and approval, or rejection.

NEW SECTION 2.04.601 – No Campaign Contributions from City Contractors or their PACs. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution for himself or herself or for any political party, political committee, campaign committee or public office fund, directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. If the first sentence of this section is invalidated then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution of more than \$250 in one calendar year, directly or indirectly, from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. If the second sentence of this section is invalidated then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution of more than \$250, for himself or herself or for any political party, political committee, campaign committee or public office fund, directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. In all cases such a candidate or office holder may solicit and accept assignment of Democracy Vouchers without such solicitation or assignment being considered a violation of this section. If any part of this section is held invalid the remainder shall be construed to effect the anticorruption purposes of this section to the maximum extent allowable.

NEW SECTION 2.04.602 – No Campaign Contributions From Regulated Corporations/Industries that Hire Lobbyists. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution directly or indirectly from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution, for himself or herself or for any political party, political committee, campaign committee or public office fund, from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. If the first sentence of this section is invalidated, then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution of more than \$250 in any one calendar year, directly or indirectly from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. If the second sentence of this section is invalidated, then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution of more than \$250, for himself or herself or for any political party, political committee, campaign committee or public office fund, from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. In all cases such a candidate or office holder may solicit and accept assignment of Democracy Vouchers without such solicitation or assignment being considered a violation of this section. If any part of this section is held invalid the remainder shall be construed to effect the anticorruption purposes of this section to the maximum extent allowable.

NEW SECTION 2.04.605 – Expedited Reporting of Electronic Contributions. To ensure the Seattle Ethics and Elections Commission (“SEEC”) creates an electronic reporting system that increases transparency, does not discriminate against low budget campaigns, and takes advantage of advances in information technology, all candidates for City of Seattle electoral offices shall report to the Seattle City Clerk any campaign contribution made electronically upon deposit into a candidate’s account; provided that this provision shall take effect only after SEEC shall have determined that there are two or more electronic payment processing companies that have the capacity to report contributions to the SEEC as soon as the contribution is transferred to the candidate’s account. To give campaigns time to prepare for this section, SEEC shall establish the effective date of this section by rule published reasonably in advance of the election cycle in which campaigns shall comply. SEEC shall ensure that before a contribution is required to be publicly disclosed as received by a campaign it shall have reasonable opportunity to reject or return undesired or illegal contributions.

NEW SECTION 2.04.606 – Signature Gatherers Must Disclose if Paid for Signatures. Any person or entity that is a compensated or paid signature gatherer for any City of Seattle ballot measure, initiative, referendum, or charter amendment shall disclose to each person from whom a signature is sought, in writing via a conspicuous, legible sign, placard, or badge, stating “PAID SIGNATURE GATHERER.”

NEW SECTION 2.04.607 - Three-year Ban on Mayor, Councilmember, City Attorney or Top Staff Paid Lobbying. A former Mayor, City Council member, City Attorney, or City Department head or the highest paid aide or employee directly reporting to any of the foregoing, may not, during the period of three years after leaving City office or position, participate in paid lobbying as defined in SMC 2.06.010. If the foregoing sentence is invalidated, then a former Mayor, City Council member, City Attorney, or City Department head or the highest paid aide or employee directly reporting to any of the foregoing, may not, during the period of two years after leaving City office or position, participate in paid lobbying as defined in SMC 2.06.010.

NEW SECTION 2.04.620 - The Right to \$100 in Democracy Vouchers, For Assignment to Qualified Candidates. (a) **Democracy Vouchers.** Democracy Vouchers are vital to ensure the people of Seattle have equal opportunity to participate in political campaigns and be heard by candidates, to strengthen democracy, fulfill other purposes of this subchapter and prevent corruption. (b) **Issuance of Democracy Vouchers.** On the first business day in every municipal election year, SEEC shall mail to each person who was by the previous November 15th, duly registered to vote in the City of Seattle, at his or her address in the voter registration records, \$100 in vouchers (“Democracy Vouchers”) consisting of four Democracy Vouchers of \$25 each, except that SEEC may deliver Democracy Vouchers online or in other manners if the person receiving same elects other manner of delivery as provided in this subchapter. Thereafter SEEC shall regularly issue \$100 in Democracy Vouchers to any person becoming a duly registered City of Seattle voter after the previous November 15th, up until October 1st of the election year. To be consistent with federal law, any adult natural person who resides more than 30 days in the City of Seattle, and who is a registered voter, or is eligible to vote under local, state or federal law, or who is eligible under federal law to donate to a political campaign, but who has not received any Democracy Vouchers in the election cycle, may opt in to the Program and obtain an equivalent number of Democracy Vouchers by application to SEEC. Any eligible adult may request Democracy Vouchers be mailed or emailed to an address other than that indicated in the voter registration records, or be delivered at SEEC offices, as soon as SEEC shall have developed a secure system for such distributions of Democracy Vouchers, including distribution online, in person, or to an address not listed in voter registration records. No resident outside Seattle, no corporation or other non-human entity, no person under the age of 18 years, and no person ineligible to make political contributions under federal law, may receive a Democracy Voucher.

(c) **Form of Democracy Vouchers.** Each \$25 Democracy Voucher shall state the holder’s name, a unique voucher identification number, the election year, and words of assignment with blank spaces for the holder to designate a candidate and sign the holder’s name, and may include information SEEC deems helpful for verifying signatures such as the voter identification number and barcode, in substantially the following form:

\$25	1 of 4	Democracy Voucher for 20xx Election	Jane Q. Public
On [insert date] _____, 20xx, I, Jane Q. Public, a resident of the City of Seattle, assigned this Democracy Voucher to a candidate for mayor, city attorney or city council named _____.			
I attest that I obtained this Democracy Voucher properly and make this assignment freely, voluntarily and without duress or in exchange for any payment of any kind for this assignment, and not for any consideration of any kind, and that I am aware that assignment does not guarantee availability of funds and is irrevocable. Assignment is complete upon delivery to Seattle Ethics and Elections Commission, the named candidate, or her or his registered representative. Sale/transfer for consideration of this Democracy Voucher is strictly prohibited. Voucher may be redeemed only by qualifying candidates and only if such candidate has complied with additional contributions and spending limits and if funds are available.			
Signed: _____ on _____, 20xx.			
Jane Q. Public	voter ID and bar code	Voucher ID #123,456,789	

(d) **Assignment of Democracy Vouchers.** Vouchers are only transferable or assignable as stated herein. Any person properly obtaining and holding a Democracy Voucher may assign it by writing the name of the assignee candidate, and signing the holder’s name on and dating the Voucher where indicated thereon, and delivering the signed and dated Voucher to the candidate, or to SEEC, or to any candidate’s representative who shall be registered for this purpose with SEEC. Delivery may be by mail, in person (by any person the holder requests to deliver the voucher), or electronically via a secure SEEC online system. SEEC shall establish a secure online system for delivery of Democracy Vouchers (without prejudice to any eligible person’s right to receive Democracy Vouchers in the mail at his or her option) no later than prior to the 2017 election cycle, unless SEEC determines this target date is not practicable; and in any event no later than the 2019 election cycle.

(e) **Limitations on Assignment.** A person may only assign a Voucher to a candidate who has chosen to participate in the Seattle Democracy Voucher Program and who has filed a signed statement of participation and pledge with SEEC as described below. No Democracy Voucher may be assigned after the last business day in November following the election, or to any candidate filing for participation who then fails to qualify or becomes unqualified for the position sought or for the Program. A candidate or registered candidate representative may seek assignment in person or through representatives or by assisting a voter to access the SEEC secure online system. A valid assignment is irrevocable. A person may assign any number of his or her Democracy Vouchers to the same candidate in a given year. Assignment or transfer for cash or any consideration is prohibited. Offering to purchase, buy or sell a Democracy Voucher is prohibited. No person may give or gift a Democracy Voucher to another person, except by assigning it to a candidate as provided herein. Democracy Vouchers have no cash value and are not assets, income or property of the holder. A Democracy Voucher may not be assigned by proxy, power of attorney or by an agent.

(f) **Assignor Assumes Certain Risks.** A Democracy Voucher expires if the holder is no longer resident in the City of Seattle, or no longer or not eligible to make political contributions under federal law, if such circumstances take place prior to the assignment to a qualified candidate. The holder of a Democracy Voucher assumes the risk that he or she may change his or her mind after assignment, or that the Democracy Voucher may not have use or be redeemed due to any contingency, including but not limited to unavailability of Program funds; the assignee candidate reaching the “Campaign Spending Limit” (described and defined below); a candidate’s death, disqualification, dropping out, failure to redeem or use the Democracy Voucher; a candidate’s not qualifying or violating the terms of qualification; or otherwise.

NEW SECTION 2.04.630 - Candidates to Qualify By Showing Grass Roots Support and Agreeing to New Campaign and Contribution Limits; Redemption of Democracy Vouchers; New Limits on Use of Funds.

(a) **Only Qualified Candidates Redeem Democracy Vouchers.** Only a candidate who has filed with SEEC for participation in the Seattle Democracy Voucher Program may receive assignment of a Democracy Voucher. Only a candidate certified as qualified by SEEC may redeem a Democracy Voucher. Only a person eligible for and seeking the office of Mayor, City Attorney or City Council shall be eligible to file for Program participation.

(b) **Requirements for Program.** To seek qualification, the candidate shall file with SEEC, on or after July 1st the year before an election year and within two weeks after filing a declaration of candidacy, a sworn statement attesting to his or her intent to participate, asserting that the candidate shall timely file or has filed a declaration of candidacy for the office indicated, and that the candidate shall comply with Program requirements and applicable campaign laws. Such Program requirements are that the candidate: shall take part in at least three public debates for primary and general elections each (as defined by SEEC, and SEEC may waive or reduce the number of debates, if a qualifying candidate makes all reasonable efforts to participate in debates and similar public events); shall comply with campaign laws and spending and contribution limits; and, the candidate shall not knowingly solicit money for or on behalf of any political action committee, political party, or any organization that will make an independent expenditure for or against any City of Seattle candidate within the same election cycle (for the purposes of this section, appearing as a featured speaker at a fundraising event for a committee or entity shall constitute soliciting money for such committee or entity). Further Program requirements are that a candidate for Mayor shall not solicit or accept total contributions from any individual or entity in excess of a total of \$500 during one election cycle, and a candidate for City Attorney or City Council shall not solicit or accept total contributions from any individual or entity in excess of a total of \$250 during one election cycle (including any contribution used to qualify for Democracy Vouchers, but excluding the value of Democracy Vouchers assigned to such candidate) (subject to exceptions provided herein).

(c) Qualifying Contributions. To qualify for the Democracy Voucher Program, candidates shall show they have received at least the following numbers of “Qualifying Contributions” of at least \$10 but not more than the Program contribution limit for the office sought provided in SMC 2.04.630(b) from individual adults (18 years of age or older), who are human natural persons residing in the City of Seattle, and eligible under federal law to make political contributions: Mayoral candidates, at least 600; City Attorney candidates, at least 150; at-large City Council candidates, at least 400; and district City Council candidates, at least 150 (of which at least 75 shall be from individuals residing in the district sought to be represented by the candidate). SEEC shall maintain a list of qualified candidates and make it readily accessible to the public, including by publishing it on SEEC’s website.

(d) Campaign Spending Limit. Participating candidates shall comply with all campaign laws and not exceed the following “Campaign Spending Limits” (defined as (i) money spent to date (equal to prior expenditures, plus debts and obligations), and the value of any in kind donations reported, plus (ii) cash on hand and (iii) the value of unredeemed Vouchers on hand which the candidate shall have allocated to the primary or general election): Mayor \$400,000 for the primary election, and \$800,000 total (for both primary and general election); City Attorney, \$75,000 for the primary election, and \$150,000 total; at-large City Council, \$150,000 for the primary election, and \$300,000 total; district City Council, \$75,000 for the primary election and \$150,000 total.

(e) Further Limits on Redemption. A qualified candidate may collect Democracy Vouchers for the general election before the primary election takes place and allocate same to the general election without such Vouchers counting against the Campaign Spending Limit for the primary election, but may not redeem Vouchers for the general election unless such candidate advances to the general election.

(f) Remedies for Exceeding Campaign Spending Limit. If a qualified candidate demonstrates to SEEC that he or she has an opponent (whether or not participating in the Program) whose campaign spending has exceeded the Campaign Spending Limit for the position sought as indicated above, where SEEC deems the excess material it shall allow such candidate to choose to be released from the Campaign Spending Limit and campaign contribution limits for the Program, in which case SEEC shall allow such candidate to redeem his or her Democracy Vouchers received theretofore or thereafter up to the amount of the Campaign Spending Limit only, then allow such candidate to engage in campaign fundraising without regard to any Program requirements. SEEC shall also release a qualifying candidate from the Campaign Spending Limit to the extent that it is shown (on application of a Seattle candidate or citizen) that said qualified candidate faces independent expenditures as defined in SMC 2.04.010 adverse to the candidate or in favor of an opponent and the sum of such independent expenditures plus said candidate’s opponent’s campaign spending materially exceeds the Campaign Spending Limit for that office.

(g) Loss of Qualification. A candidate loses qualification for the Program by publicly announcing withdrawal, abandoning the race, failing to advance to the general election, or if SEEC finds sufficient material violations of election laws or Program requirements such as violation of spending or contribution limits, or fraudulent or attempted fraudulent assignment of Democracy Vouchers.

(h) Redemption of Vouchers. SEEC shall redeem Democracy Vouchers only after verifying the assignment by ensuring the Voucher was issued to an eligible person, and verifying the signature written in the words of assignment, and only if redemption shall not put the candidate over the Campaign Spending Limit and only if Program funds are available. To verify signatures SEEC may employ the division of King County Records and Elections which verifies signatures for initiative petitions or mail-in ballots. SEEC shall redeem Democracy Vouchers on published regular redemption dates that shall be no less frequent than twice a month and may redeem Vouchers on other dates notified in advance if SEEC deems it practicable. SEEC shall not redeem any Democracy Voucher received by SEEC after the first business day in the month of December after the general election.

(i) Limits on Use of Voucher Proceeds. Candidates shall use Democracy Voucher proceeds only for campaign costs or debts for the relevant office and election cycle, and may not use such proceeds after a reasonable period (to be set by SEEC) following the election to pay campaign debts. Candidates shall not use Democracy Voucher proceeds for any cash payments or in violation of any law; nor to pay the candidate (except to repay or reimburse a loan to his or her political committee or campaign in an amount not greater than that provided in RCW 42.17A.445(3) or WAC 390-05-400) or pay a member of the candidate’s immediate family as defined in RCW 4.16.030; pay any entity in which the candidate or an immediate family member holds a ten percent or greater ownership interest; pay any amount over fair market value for any services, goods, facilities or things of value; pay any penalty or fine; or pay any inaugural costs or office funds cost.

(j) Return of Democracy Voucher Proceeds. A candidate who has redeemed a Democracy Voucher, then withdraws, dies, becomes ineligible, loses qualification, or is eliminated in any primary or general election or wins a general election, shall within a reasonable period, as defined by SEEC, pay all debts and obligations, account to SEEC and restore to SEEC and the Program “Unspent Democracy Voucher Proceeds.” SEEC shall define “Unspent Democracy Voucher Proceeds” by rule.

NEW SECTION 2.04.658 - Transparency. Assigning a Democracy Voucher is a public act and recipients of Democracy Vouchers shall expect same to be public and made public and shall have no expectation of privacy in registering to obtain Democracy Vouchers or in assigning same. All Democracy Voucher holders are on notice the process is public and transparent, except that SEEC shall not publish mail, email or other addresses to which Democracy Vouchers are sent. SEEC shall make transparent at its offices and on its website all assignments and redemptions of Democracy Vouchers including recipient name, Democracy Voucher identification number and suffix, date assigned, to whom assigned, when redeemed and amount redeemed. SEEC shall provide other necessary means to make the Seattle Democracy Voucher process and Program open and transparent so that each Democracy Voucher recipient and the media and public may track assignments of Democracy Vouchers to assist in exposing any potential forgery, fraud, or misconduct regarding same. If a Democracy Voucher recipient believes that his or her Democracy Voucher was lost, stolen or fraudulently or improperly assigned or redeemed, SEEC shall require a notarized declaration or affidavit or additional process in its judgment to find the relevant facts then provide relief it deems appropriate including Democracy Voucher replacement, cancellation of assignment or reimbursement of any improperly obtained Program funds. SEEC shall promulgate rules and regulations for such proceedings and cases where it receives duplicate copies of the same Democracy Voucher and shall ensure that any Democracy Voucher recipient may attempt to show, without any filing fee or charge, the facts of loss, theft, destruction or forgery of or duress in or other improper acts concerning or in the assignment of the Democracy Voucher. Such process shall include procedures through mails or in person and shall include an online process when and if SEEC develops same. SEEC shall also provide forms, and for in-person procedures, a notary at SEEC offices during normal business hours for this purpose, without charge. In all cases, no Democracy Voucher assignment shall be deemed invalid or revocable simply because the assignor changes opinion or changes his or her mind, gets new information from or about any candidate or campaign, or based on any allegation of misstatement or misinformation by any candidate or any person, or any other source, or for any reason other than duplicate voucher or forgery, threats, coercion, or physical duress, shown by clear and convincing evidence. SEEC shall issue regulations providing remedies and consequences for such acts, which may include, for sufficient material violation of Program requirements, campaign laws, or any acts of intentional forgery, threats, duress, or coercion in obtaining assigned Democracy Vouchers, an order requiring a candidate to return to the Program any proceeds of Democracy Vouchers or disqualifying a candidate from the Program.

NEW SECTION 2.04.690 - Transition; SEEC Administration Authority; Penalties; Crimes; Severability.

(a) Transition. To allow accumulation of Program funds, in the 2017 election only and notwithstanding other provisions of this subchapter, no Mayoral candidate shall be eligible to participate in the Program or receive or redeem Democracy Vouchers.

(b) SEEC to administer. SEEC shall implement and administer the Program, Program funds, and provisions in this subchapter including issuing and promulgating appropriate regulations, forms, rules, information packets, procedures, and enforcement mechanisms. SEEC shall through rule making carry out the provisions of this subchapter including but not limited to making regulations, defining terms, establishing other rules or promulgating any other administrative regulations or guidelines not inconsistent with the provisions of this subchapter. Anything herein said to be done by SEEC, other than such rule making, shall be done by its Executive Director or another person indicated in SEEC regulations or a duly approved printer or contractor. Prior to each election cycle, SEEC shall inform the public about Democracy Vouchers and the Program. SEEC shall publish appropriate guidebooks for candidates and Democracy Voucher recipients, and all forms, instructions, brochures and documents necessary and proper for this Program, which shall include key documents accessible to those with visual or other disability, and translations into languages other than English spoken by a significant number of Seattle residents, which shall be presumed initially to include Spanish, Vietnamese, Cantonese, Mandarin, Somali, Tagalog, Korean, Cambodian, Amharic, Oromo, Tigrinya, Laotian, Thai, and Russian. Prior to each election cycle, SEEC may reasonably adjust the Campaign Spending Limits, the dollar amounts for and numbers of qualifying contributions, the contribution limits per contributor provided in SMC 2.04.630(b) (but SEEC shall not set a contribution limit for qualifying candidates that exceeds the contribution limit specified for candidates in SMC 2.04.370, or the number or value of Democracy Vouchers provided to each eligible person, in order to account for inflation or deflation, and ensure the goals and purposes of the Program including democracy and accountability, high rates of candidate participation, heavy utilization of vouchers by those who have not previously donated to Seattle political campaigns,, and high public satisfaction with the Program. After each election cycle SEEC shall review the Program and submit reports to the public and City Council. Promptly after the effective date of this measure, SEEC shall project Program revenue, expenditures, and Democracy Voucher Program Funds (“Program Funds”) balances from 2016 through at least 2021, and shall revise and update such projections regularly, and at all times shall manage Program Funds as a fiduciary, ensuring proper accumulation and distribution of funds, during nonelection and election years, to achieve Program purposes and goals. In making such projections and administering this Program, SEEC shall consider all relevant circumstances including differing Campaign Spending Limits for different offices, differing funding needs in mayoral and non-mayoral election years, and the need to manage the Program and funds to seek to ensure participation by candidates. SEEC before January 1st of each municipal election year shall manage and prudently conserve Program Funds, by considering and projecting Program Funds availability and disbursements for that year and publicizing such projections which shall include and consider needs of participating candidates, needs for conservation of funds for future years or reserve accumulation, prudent operating cost and cost of administration, and prudent conservation of public resources. To assure candidates that ample funds will be available for Voucher redemptions and to assure the public that Voucher fund redemptions will be prudently managed, by January 1st of each municipal election year, SEEC shall publish an “Available Program Funds Limit” for that year for Voucher redemptions. In setting the Available Program Funds Limit, SEEC shall use its best efforts to reasonably project and ensure that adequate Program Funds are available for that election year consistent with this subchapter, its goals and purposes and all reasonably foreseeable circumstances and contingencies and shall set aside at least an amount needed for six primary and two general election candidates for each position in that year’s election to qualify and spend their respective Campaign Spending Limit using Democracy Vouchers only (rather than private contributions, except for private contributions used to qualify). During any municipal election year, as soon as SEEC receives or reasonably believes it shall receive Democracy Vouchers for redemption in excess of the Available Program Funds Limit for that year, then Program Funds shall be deemed unavailable and SEEC shall publicly announce same and set a prompt deadline date for Democracy Voucher delivery, following which SEEC shall consider Democracy Vouchers received and available Program Funds and shall allocate remaining available Program Funds proportionately per unredeemed verified Democracy Vouchers on hand, pro rata among all participating candidates for all offices without discrimination. If any special election is called, SEEC shall set aside Program Funds for such election in an amount it deems appropriate, and shall be empowered to act and change, alter, or modify or set and implement standards, procedures, limits and deadlines as similar as may be practicable to those provided in this subchapter as SEEC deems proper and necessary for such special election, taking care to not unduly prejudice accumulation of funds for the Program.

(c) Penalties. No penalty provision in this subchapter shall diminish any other penalty or remedy under any other law. Participating candidates who make expenditures in excess of the Campaign Spending Limit shall be subject to a civil penalty of twice the amount of the expenditure in excess of such limit, unless SEEC determines that the overspending is insignificant or trivial. All enforcement, administrative and other powers, procedures, rights, duties, remedies, process, civil penalties and other provisions in SMC 2.04.060, 2.04.070, 2.04.075, 2.04.090, 2.04.500, 2.04.510, 2.04.520, 2.16.010 and 2.16.020, relating to violations of election campaign contributions laws or initiative laws, shall apply in case of violations of this subchapter, and all penalties, remedies or consequences applicable to violations of SMC 2.04 or 2.06 shall be applicable for any violation of this subchapter, including but not limited to an order requiring the party to take particular action in order to comply with the law, and in addition, or alternatively, sanctions up to \$5,000 for each violation.

(d) Crimes. A person is guilty of trafficking in a Democracy Voucher if the person knowingly purchases, buys, or pays consideration for any Democracy Voucher or knowingly sells, conveys for consideration or receives consideration for any Democracy Voucher; or attempts same. A person is guilty of theft of a Democracy Voucher if he or she steals (defined as when one knowingly obtains or exerts unauthorized control over with intent to deprive the proper holder or recipient thereof) or attempts to steal, a Democracy Voucher. A person is guilty of the crime of forgery of a Democracy Voucher if, with intent to injure or defraud, he or she attempts to falsely make, complete, or alter a Democracy Voucher or its assignment or possess, utter, offer, dispose of, or put off as true a Democracy Voucher or written assigned Democracy Voucher that he or she knows is forged. For purposes of this section, “falsely alter” means to change, without authorization by the holder or recipient of the Voucher entitled to grant it, a Democracy Voucher by means of erasure, obliteration, deletion, insertion of new matter, transposition of matter, or in any other manner; to “falsely complete” means to make a Democracy Voucher assignment complete by adding or inserting matter, including but not limited to a forged signature, without the authority of the person entitled to assign the Voucher; to “falsely make” means to make or draw a complete or incomplete Democracy Voucher which purports to be authentic, but which is not authentic either because the ostensible maker is fictitious or because, if real, he or she did not authorize the making or drawing or signing thereof; and “forged” or “forgery” means a Democracy Voucher which has been falsely made, completed, or altered. A person is guilty of possession of a stolen Democracy Voucher if he, she or it, being other than the recipient of a proper assignment of a Democracy Voucher, knowingly receives, retains, possesses, conceals or disposes of another’s Democracy Voucher knowing that it has been stolen and withholds or appropriates the same to the use of any person other than the true owner or person entitled thereto. A person is guilty of trafficking in a stolen Democracy Voucher if the person attempts to traffic in a stolen Democracy Voucher, meaning to sell, transfer, distribute, dispense, or otherwise dispose of such stolen Democracy Voucher pertaining to another person, or to buy, receive, possess, or obtain control of same with intent to sell, transfer, distribute, dispense, or otherwise dispose of the property to another person. The crimes of trafficking in a Democracy Voucher, theft or forgery of a Democracy Voucher, possession of a stolen Democracy Voucher, or trafficking in a stolen Democracy Voucher, are each a gross misdemeanor punishable by a fine not to exceed \$5,000 or, by imprisonment for a term of up to 364 days, or both, or as otherwise provided by State law. In this subsection the term “person,” “he,” “she” or “actor” include any natural person, and, in addition, a corporation, a joint stock association, an unincorporated association or a political committee. In cases of all crimes defined by this subsection the Court may also require restitution to the Program of all costs of prosecution, including attorneys fees, as well as any amounts misappropriated or the face value of Democracy Vouchers misused and in case of crimes by a candidate or political committee the Court also may require return of all funds received from the Program in that election cycle consistent with equity, due process and proportional justice and or may disqualify such political committee or candidate from participating in the Program for that election cycle.

(e) Severability and captions. Provisions of this subchapter and its sections are separate and severable. The invalidity of any part or its application to any circumstance, shall not affect the validity of other parts or application to other circumstances. Captions provided are not substantive. The City Clerk may renumber or reformat this subchapter, this ordinance or these sections, for proper codification in the Seattle Municipal Code, without changing the substance.

Section 2. Funding; Lift of Levy Lids for Regular Property Taxes – Submittal and Amount.

To allow funding of the Seattle Democracy Voucher Program, provided in Section 1 above, the qualified electors of the City of Seattle hereby resolve to allow funding through a levy lift under RCW 84.55.050 and resolve that the City’s legislative authority may fund the Program pursuant to that authorization or alternatively through the general fund or any other lawful source of funds of its choosing. The taxes authorized in this section may be levied for collection in 2016 through 2025, raising up to \$30,000,000 in aggregate over a period of up to ten years. The City shall not levy more than \$3,000,000 (about 2.5 cents per \$1,000 of assessed value) for this purpose in the first year, and in each subsequent year, in addition to the maximum amount of regular property taxes it would have been limited to by RCW 84.55.010 in the absence of voter approval under this ordinance, plus other authorized lid lifts. In 2016, total City regular property taxes collected would not exceed \$3.60 per

\$1,000 of assessed value. Proceeds from the tax authorized in this section shall be used only to fund the Seattle Democracy Vouchers Program as provided in Section 1 of this measure, and any amendments thereto adopted by future Council ordinance. Pursuant to RCW 84.55.050(5), the maximum regular property taxes that may be levied in 2025 for collection in 2026 and in later years shall be computed as if the levy lid in RCW 84.55.010 had not been lifted under this ordinance. The tax authorized in this section shall not be collected to the extent the City allocates funds sufficient to establish and pay for the Program from other sources. Program funds including but not limited to any proceeds from the levy authorized herein, interest or earnings thereon, any amounts returned from candidates, and other funds allocated for the Program, shall be used for purposes of this ordinance and Program funds may be temporarily deposited or invested in such manner as may be lawful for the investment of City money, and interest and other earnings shall be used for the same purposes as the proceeds.

Section 3. SMC 2.06.130 - Civil Remedies and Sanctions, is amended as follows:
Upon determining pursuant to SMC 2.04.060 through SMC 2.04.090 that a violation of this chapter 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) per violation. Any person who fails to file a properly completed registration or report within the time required by this chapter may also be subject to a civil penalty of ~~Ten Dollars (\$10)~~ Seventy Five Dollars (\$75) per day for each day each such delinquency continues except that during the last 30 days before any election such fine shall be at least Two Hundred Fifty Dollars (\$250) per day and up to \$1,000 per day in the discretion of SEEC, for each day such delinquency continues.

Section 4. SMC 2.04.165 - Reports of personal financial affairs, is amended as follows:
A. The following shall file a statement of financial affairs:
1. Every candidate shall within two weeks of becoming a candidate file with the City Clerk a statement of financial affairs for the preceding twelve 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 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 weeks of being so appointed file with the City Clerk a statement of financial affairs for the preceding twelve 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.
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 as to 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 \$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 \$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 \$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 \$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 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 \$2,500 or more during the preceding twelve months and the consideration given or performed in exchange for the compensation; provided, that the term "compensation" for purposes of this subsection B1gii 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 months by the bank or commercial lending institution from the government 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 \$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 \$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 \$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 \$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 \$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 \$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 \$1,000, at least \$1,000 but less than \$5,000, at least \$5,000 but less than \$10,000, at least \$10,000 but less than \$25,000, ~~or at least \$25,000 but less than \$100,000, at least \$100,000 but less than \$200,000, at least \$200,000 but less than \$1,000,000, at least \$1,000,000 but less than \$5,000,000, or \$5,000,000 or more.~~ an amount of stock shall be reported by number of shares instead of by market value at the time of reporting. Each person reporting shall also report his or her reasonably estimated net worth. 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 5. SMC 2.04.370 - Mandatory limitations on contributions, is amended as follows:
A. No person shall make a contribution to any candidate for Mayor, member of the City Council, or City Attorney of the City, except in the election cycle for that candidate as defined in Section 2.04.010
B. No person shall contribute more than ~~\$500,700~~ to any candidate for Mayor, member of the City Council, or City Attorney of the City, in any election cycle.
C. A candidate for Mayor, member of the City Council, or City Attorney of the City, may only accept or receive a campaign contribution during an election cycle as defined in Section 2.04.010
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 ~~\$500,700~~ from any person in any election cycle.
E. The limitations imposed by this section 2.04.370 shall not apply to:
1. 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;
2. Independent expenditures as defined by this Chapter 2.04
3. The value of in-kind labor; and
4. 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.
F. The limitations imposed by this section shall apply to contributions of the candidate's spouse's or state registered domestic partner's separate property.
G. The limitations in this section shall be adjusted commencing before the 2019 election cycle, and prior to each election cycle thereafter, by SEEC to account for inflation or deflation using the consumer price index for urban wage earners and clerical workers, CPI-W, or a successor index, for the period since the effective date of this measure or the prior adjustment, as calculated by the United States Department of Labor. The declaration of the Washington State Department of Labor and Industries each September 30 regarding the rate by which Washington State's minimum wage rate is to be increased effective the following January 1, shall be the authoritative determination of the rate or percentage of increase or decrease to be adjusted, except that SEEC may round the new figure up or down, to the nearest \$5 or \$10 increment, as it deems proper.

Section 6. The provisions of Seattle Municipal Code sections 2.04.400, 2.04.410, 2.04.420, 2.04.430, 2.04.440, 2.04.50, 2.04.460 and 2.04.470 are repealed.

Sponsor Information: Honest Elections Seattle Initiative
PO Box 20664, Seattle, WA 98102
tel.: (206) 436-0292
e mail: info@honestelectionsseattle.org
website: honestelectionsseattle.org

XXXXXXXXXXXXXXXXXXXXX
[1” x 2” bar code here]
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union bug recycle bug



City of Seattle Legislative Department
Office of the City Clerk

Monica Martinez Simmons, City Clerk

Via E-Mail and USPS

April 3, 2015

Cleveland Stockmeyer, PLLC
8056 Sunnyside Ave. N.
Seattle, WA 98103

SUBJECT: *Proposed Initiative Measure No.122, relating to a "Democracy Vouchers" program for public finance of local campaigns*

Dear Mr. Stockmeyer:

This notice acknowledges the receipt and filing of the subject proposed initiative measure with the Office of the City Clerk on Friday, April 3, 2015, at 11:13 a.m. An identification number was issued to the initiative measure upon filing and provided for your record.

The submitted petition has been reviewed for compliance with the appropriate formatting requirements. As provided for in SMC 2.08.040, the petition is in acceptable form.

Please be advised the proposed initiative measure was transmitted to the City Attorney's Office for review and preparation of a ballot title. The Office of the City Clerk will be in contact with you in writing and by telephonic notification no later than the end of business on Friday, April 10, 2015, for the purpose of transmitting the final ballot title for the initiative measure.

Should you have any questions regarding the process or the information contained herein, please contact me at 206-684-8361 or by email at monica.simmons@seattle.gov.

Sincerely,

Monica Martinez Simmons
City Clerk



**Legislative Department
Office of City Clerk
Memorandum**

Date: April 3, 2015
To: Pete Holmes, City Attorney
From: Monica Martinez Simmons, City Clerk *MS*
Subject: Notification of Proposed Initiative 122 Submittal

Please find attached Clerk File No. 319323, which contains proposed Initiative Measure No. 122, a proposed initiative "to reduce influence of money, ensure accountability, prevent corruption, and create a 'Democracy Vouchers' program for public finance of local campaigns allowing everyone's voice to be heard."

The proposed initiative was filed with the Office of the City Clerk on Friday, April 3, 2015, at 11:13 a.m. The proposed initiative is being transmitted to you for preparation of a ballot title pursuant to Article IV, Section 1.B of the City Charter and Seattle Municipal Code, Section 2.08. The proposed initiative measure included the following contact information: Cleveland Stockmeyer, 8056 Sunnyside Ave., N., Seattle, WA 98103; phone number (206) 419-4385; email address cleve@clevelandstockmeyer.com.

Thank you for your attention to this matter. If I may assist in any way, please contact me at 684-8361.

Attachment (CF 319323)

cc: Mayor Murray
City Councilmembers
Wayne Barnett, Executive Director, Seattle Ethics and Elections Commission

City of Seattle
Legislative Department
Office of the City Clerk

Monica Martinez Simmons, City Clerk



PROPOSED INITIATIVE PETITION SUBMITTAL RECEIPT

Initiative No. 122

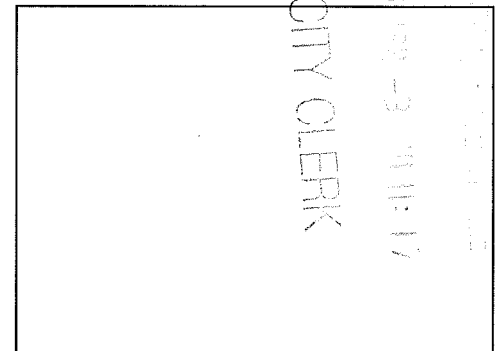
On April 3, 2015 at 11:15 a.m./p.m., I filed one paper and one electronic copy of a proposed Initiative Petition with the Seattle City Clerk.

Signed Cleveland Stockmeyer

CLEVELAND STOCKMEYER
Print Name

CITY CLERK ACKNOWLEDGEMENT OF RECEIPT

Date/Time Stamp:



Monica P. Simmons

Received by (City Clerk)

600 4th Avenue, Floor 3, PO Box 94728, Seattle, Washington 98124-4728

(206) 684-8344 Fax: (206) 386-9025 TTY: (206) 233-0025

email: clerk@seattle.gov

Accommodations for people with disabilities provided upon request. An equal opportunity employer

FILED
CITY OF SEATTLE
APR 3 2015
CITY CLERK

CLEVELAND STOCKMEYER PLLC

8056 SUNNYSIDE AVE. N.
SEATTLE, WA 98103
TEL (206) 419-4385
cleve@clevelandstockmeyer.com

April 3, 2015

BY HAND

Monica Martinez Simmons, City Clerk
600 Fourth Avenue, Third Floor
Seattle WA 98004

Re: Proposed initiative petition to reduce influence of money, ensure accountability, prevent corruption, and create a "Democracy Vouchers" program for public finance of local campaigns allowing everyone's voice to be heard.

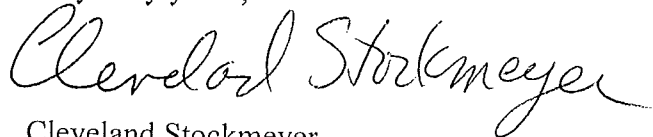
Dear City Clerk:

Please find enclosed for filing a hard copy and Word version of a proposed initiative petition to reduce the influence of money, ensure accountability, and prevent corruption in City of Seattle government, also creating a "Democracy Voucher" program for public finance of local campaigns in regular people in Seattle could all participate in making campaign contributions using \$100 of Democracy Vouchers -- so that everyone's voice may be heard.

I am the contact person or coordinator, for all communications from your office or the City Attorney, for this proposed petition. My contact address, phone and e mail are stated in the letterhead above. I am representing sponsor/petitioner Estevan Munoz-Howard of Honest Elections Seattle Initiative; PO Box 20664, Seattle, WA 98102; tel.: (206) 436-0292; e mail address, info@honestelectionsseattle.org and website, honestelectionsseattle.org. As noted, all communications from your office should be directed to me. I will send another electronic copy of the proposed petition, by e mail, in an hour or so. If there are any questions please do not hesitate to call, or e mail. I would also request that if you send any notice or letter by *regular* mail, that you also send a copy to me by *e mail* at the above e mail address.

Thank you for your attention to this important process and this initiative to strengthen democracy, ensure stronger accountability and reduce the influence of money in our local government. I very much appreciate the responsiveness and professionalism of your office, and staff.

Very truly yours,



Cleveland Stockmeyer

Encl.: Honest Elections Seattle Initiative on 11"x17" paper, and in Word on flash drive

Please return signed petitions to/Contact us at:

Honest Elections Seattle Initiative

PO Box 20664, Seattle, WA 98102

tel.: (206) 436-0292

e mail: info@honestelectionsseattle.org

website: honestelectionsseattle.org

INITIATIVE PETITION FOR SUBMISSION TO THE SEATTLE CITY COUNCIL. To the City Council of The City of Seattle: We, the undersigned registered voters of The City of Seattle, State of Washington, propose and ask for the enactment as an ordinance of the measure known as Initiative Measure No. 11x, entitled:

THE CITY OF SEATTLE INITIATIVE MEASURE NUMBER 11x

[ballot title to come]

Should this measure be enacted into law?

Yes

No

a full, true and correct copy of which is included herein, and we petition the Council to enact said measure as an ordinance, and, if not enacted within forty-five (45) days from the time of receipt thereof by the City Council, then to be submitted to the qualified electors of The City of Seattle for approval or rejection at the next regular election or at a special election in accordance with Article IV, Section 1 of the City Charter; and each of us for himself or herself says: I have personally signed this petition; I am a registered voter of The City of Seattle, State of Washington, and my residence address is correctly stated

WARNING: Ordinance 94289 provides as follows: "Section 1. It is unlawful for any person 1. To sign or decline to sign any petition for a City initiative, referendum, or Charter amendment, in exchange for any consideration or gratuity or promise thereof; or 2. To give or offer any consideration or gratuity to anyone to induce him or her to sign or not to sign a petition for a City initiative, referendum, or Charter amendment; or 3. To interfere with or attempt to interfere with the right of any voter to sign or not to sign a petition for a City initiative, referendum, or Charter amendment by threat, intimidation or any other corrupt means or practice; or 4. To sign a petition for a City initiative, referendum, or Charter amendment with any other than his or her true name, or to knowingly sign more than one (1) petition for the same initiative, referendum, or Charter amendment measure, or to sign any such petition knowing that he or she is not a registered voter of The City of Seattle." "Section 2. Any person violating any of the provisions of this ordinance shall upon conviction thereof be punishable by a fine of not more than Five Hundred Dollars (\$500) or by imprisonment in the City Jail for a period not to exceed six (6) months, or by both such fine and imprisonment.

(*Only Registered Seattle Voters Can Sign This Petition*)

Petitioner’s Signature	Printed Name	Residence Address Street & Number	Date Signed
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AN ACT relating to reducing the influence of money, ensuring accountability, and preventing corruption in City of Seattle government.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF SEATTLE:

Section 1. A new Subchapter VIII titled, “Honest Elections Seattle,” is added to the Seattle Municipal Code, Chapter 2.04 - ELECTION CAMPAIGN CONTRIBUTIONS, as follows:

NEW SECTION 2.04.600 – Purpose and Authority. (a) **Purpose.** This people’s initiative measure builds honest elections in the City of Seattle (“City” or “Seattle”) and prevents corruption, by: giving more people an opportunity to have their voices heard in our democracy; ensuring a fair elections process that holds our elected leaders accountable to us by strengthening voters’ control over City government; banning campaign contributions by City contractors and entities using paid lobbyists; lowering campaign contribution limits; tightening prohibitions on lobbying by former elected officials (the “revolving door” problem); expanding requirements for candidates to disclose their financial holdings and interests; and increasing fines on violators of campaign rules. This measure also creates a Democracy Voucher campaign public finance program (“Democracy Voucher Program” or “Program”) to expand the pool of candidates for city offices and to safeguard the people’s control of the elections process in Seattle. (b) **Authority of the People.** The People have vested legislative powers of the City in a Mayor and City Council, but reserved to themselves independent of the Mayor and the City Council the power to propose for themselves measures dealing with any matter within the realm of local affairs or municipal business. That power includes the use of an initiative petition to submit to the qualified electors of the city a measure as authorized by RCW 84.55.050 to exceed the limitations of regular property taxes contained in RCW Chapter 84.55, as it now exists or may hereinafter be amended. The authority of the people to adopt this measure is also specifically authorized and reserved to the electors of the City of Seattle by RCW 42.17A.550, which allows a city to use locally derived public funds (whether from taxes, fees, penalties or other sources) to publicly finance local political campaigns, if the proposal to do so is submitted to City of Seattle voters for their adoption and approval, or rejection.

NEW SECTION 2.04.601 – No Campaign Contributions from City Contractors or their PACs.

No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution for himself or herself or for any political party, political committee, campaign committee or public office fund, directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. If the first sentence of this section is invalidated then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution of more than \$250 in one calendar year, directly or indirectly, from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. If the second sentence of this section is invalidated then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution, for himself or herself or for any political party, political committee, campaign committee or public office fund, directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship with the City. In all cases such a candidate or office holder may solicit and accept assignment of Democracy Vouchers without such solicitation or assignment being considered a violation of this section. If any part of this section is held invalid the remainder shall be construed to effect the anticorruption purposes of this section to the maximum extent allowable.

NEW SECTION 2.04.602 – No Campaign Contributions From Regulated Corporations/Industries that Hire Lobbyists. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution directly or indirectly from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. No Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution, for himself or herself or for any political party, political committee, campaign committee or public office fund, from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. If the first sentence of this section is invalidated, then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly accept any contribution of more than \$250 in any one calendar year, directly or indirectly from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. If the second sentence of this section is invalidated, then no Mayor, City Council member or City Attorney or any candidate for any such position shall knowingly solicit a contribution, for himself or herself or for any political party, political committee, campaign committee or public office fund, from any entity or person who during the past 12 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in SMC 2.06.010) for lobbying the City of Seattle. In all cases such a candidate or office holder may solicit and accept assignment of Democracy Vouchers without such solicitation or assignment being considered a violation of this section. If any part of this section is held invalid the remainder shall be construed to effect the anticorruption purposes of this section to the maximum extent allowable.

NEW SECTION 2.04.605 – Expedited Reporting of Electronic Contributions. To ensure the Seattle Ethics and Elections Commission (“SEEC”) creates an electronic reporting system that increases transparency, does not discriminate against low budget campaigns, and takes advantage of advances in information technology, all candidates for City of Seattle electoral offices shall report to the Seattle City Clerk any campaign contribution made electronically upon deposit into a candidate’s account; provided that this provision shall take effect only after SEEC shall have determined that there are two or more electronic payment processing companies that have the capacity to report contributions to the SEEC as soon as the contribution is transferred to the candidate’s account. To give campaigns time to prepare for this section, SEEC shall establish the effective date of this section by rule published reasonably in advance of the election cycle in which campaigns shall comply. SEEC shall ensure that before a contribution is required to be publicly disclosed as received by a campaign it shall have reasonable opportunity to reject or return undesired or illegal contributions.

NEW SECTION 2.04.606 – Signature Gatherers Must Disclose if Paid for Signatures. Any person or entity that is a compensated or paid signature gatherer for any City of Seattle ballot measure, initiative, referendum, or charter amendment shall disclose to each person from whom a signature is sought, in writing via a conspicuous, legible sign, placard, or badge, stating “PAID SIGNATURE GATHERER.”

NEW SECTION 2.04.607 - Three-year Ban on Mayor, Councilmember, City Attorney or Top Staff Paid Lobbying. A former Mayor, City Council member, City Attorney, or City Department head or the highest paid aide or employee directly reporting to any of the foregoing, may not, during the period of three years after leaving City office or position, participate in paid lobbying as defined in SMC 2.06.010. If the foregoing sentence is invalidated, then a former Mayor, City Council member, City Attorney, or City Department head or the highest paid aide or employee directly reporting to any of the foregoing, may not, during the period of two years after leaving City office or position, participate in paid lobbying as defined in SMC 2.06.010.

NEW SECTION 2.04.620 - The Right to \$100 in Democracy Vouchers, For Assignment to Qualified Candidates. (a) **Democracy Vouchers.** Democracy Vouchers are vital to ensure the people of Seattle have equal opportunity to participate in political campaigns and be heard by candidates, to strengthen democracy, fulfill other purposes of this subchapter and prevent corruption. (b) **Issuance of Democracy Vouchers.** On the first business day in every municipal election year, SEEC shall mail to each person who was by the previous November 15th, duly registered to vote in the City of Seattle, at his or her address in the voter registration records, \$100 in vouchers (“Democracy Vouchers”) consisting of four Democracy Vouchers of \$25 each, except that SEEC may deliver Democracy Vouchers online or in other manners if the person receiving same elects other manner of delivery as provided in this subchapter. Thereafter SEEC shall regularly issue \$100 in Democracy Vouchers to any person becoming a duly registered City of Seattle voter after the previous November 15th, up until October 1st of the election year. To be consistent with federal law, any adult natural person who resides more than 30 days in the City of Seattle, and who is a registered voter, or is eligible to vote under local, state or federal law, or who is eligible under federal law to donate to a political campaign, but who has not received any Democracy Vouchers in the election cycle, may opt in to the Program and obtain an equivalent number of Democracy Vouchers by application to SEEC. Any eligible adult may request Democracy Vouchers be mailed or emailed to an address other than that indicated in the voter registration records, or be delivered at SEEC offices, as soon as SEEC shall have developed a secure system for such distributions of Democracy Vouchers, including distribution online, in person, or to an address not listed in voter registration records. No resident outside Seattle, no corporation or other non-human entity, no person under the age of 18 years, and no person ineligible to make political contributions under federal law, may receive a Democracy Voucher.

(c) **Form of Democracy Vouchers.** Each \$25 Democracy Voucher shall state the holder’s name, a unique voucher identification number, the election year, and words of assignment with blank spaces for the holder to designate a candidate and sign the holder’s name, and may include information SEEC deems helpful for verifying signatures such as the voter identification number and barcode, in substantially the following form:

\$25	1 of 4	Democracy Voucher for 20xx Election	Jane Q. Public
On [insert date] _____, 20xx, I, Jane Q. Public, a resident of the City of Seattle, assigned this Democracy Voucher to a candidate for mayor, city attorney or city council named _____.			
I attest that I obtained this Democracy Voucher properly and make this assignment freely, voluntarily and without duress or in exchange for any payment of any kind for this assignment, and not for any consideration of any kind, and that I am aware that assignment does not guarantee availability of funds and is irrevocable. Assignment is complete upon delivery to Seattle Ethics and Elections Commission, the named candidate, or her or his registered representative. Sale/transfer for consideration of this Democracy Voucher is strictly prohibited. Voucher may be redeemed only by qualifying candidates and only if such candidate has complied with additional contributions and spending limits and if funds are available.			
Signed: _____ on _____, 20xx.			
Jane Q. Public	voter ID and bar code	Voucher ID #123,456,789	

(d) **Assignment of Democracy Vouchers.** Vouchers are only transferable or assignable as stated herein. Any person properly obtaining and holding a Democracy Voucher may assign it by writing the name of the assignee candidate, and signing the holder’s name on and dating the Voucher where indicated thereon, and delivering the signed and dated Voucher to the candidate, or to SEEC, or to any candidate’s representative who shall be registered for this purpose with SEEC. Delivery may be by mail, in person (by any person the holder requests to deliver the voucher), or electronically via a secure SEEC online system. SEEC shall establish a secure online system for delivery of Democracy Vouchers (without prejudice to any eligible person’s right to receive Democracy Vouchers in the mail at his or her option) no later than prior to the 2017 election cycle, unless SEEC determines this target date is not practicable; and in any event no later than the 2019 election cycle.

(e) **Limitations on Assignment.** A person may only assign a Voucher to a candidate who has chosen to participate in the Seattle Democracy Voucher Program and who has filed a signed statement of participation and pledge with SEEC as described below. No Democracy Voucher may be assigned after the last business day in November following the election, or to any candidate filing for participation who then fails to qualify or becomes unqualified for the position sought or for the Program. A candidate or registered candidate representative may seek assignment in person or through representatives or by assisting a voter to access the SEEC secure online system. A valid assignment is irrevocable. A person may assign any number of his or her Democracy Vouchers to the same candidate in a given year. Assignment or transfer for cash or any consideration is prohibited. Offering to purchase, buy or sell a Democracy Voucher is prohibited. No person may give or gift a Democracy Voucher to another person, except by assigning it to a candidate as provided herein. Democracy Vouchers have no cash value and are not assets, income or property of the holder. A Democracy Voucher may not be assigned by proxy, power of attorney or by an agent.

(f) **Assignor Assumes Certain Risks.** A Democracy Voucher expires if the holder is no longer resident in the City of Seattle, or no longer or not eligible to make political contributions under federal law, if such circumstances take place prior to the assignment to a qualified candidate. The holder of a Democracy Voucher assumes the risk that he or she may change his or her mind after assignment, or that the Democracy Voucher may not have use or be redeemed due to any contingency, including but not limited to unavailability of Program funds; the assignee candidate reaching the “Campaign Spending Limit” (described and defined below); a candidate’s death, disqualification, dropping out, failure to redeem or use the Democracy Voucher; a candidate’s not qualifying or violating the terms of qualification; or otherwise.

NEW SECTION 2.04.630 - Candidates to Qualify By Showing Grass Roots Support and Agreeing to New Campaign and Contribution Limits; Redemption of Democracy Vouchers; New Limits on Use of Funds.

(a) **Only Qualified Candidates Redeem Democracy Vouchers.** Only a candidate who has filed with SEEC for participation in the Seattle Democracy Voucher Program may receive assignment of a Democracy Voucher. Only a candidate certified as qualified by SEEC may redeem a Democracy Voucher. Only a person eligible for and seeking the office of Mayor, City Attorney or City Council shall be eligible to file for Program participation.

(b) **Requirements for Program.** To seek qualification, the candidate shall file with SEEC, on or after July 1st the year before an election year and within two weeks after filing a declaration of candidacy, a sworn statement attesting to his or her intent to participate, asserting that the candidate shall timely file or has filed a declaration of candidacy for the office indicated, and that the candidate shall comply with Program requirements and applicable campaign laws. Such Program requirements are that the candidate: shall take part in at least three public debates for primary and general elections each (as defined by SEEC, and SEEC may waive or reduce the number of debates, if a qualifying candidate makes all reasonable efforts to participate in debates and similar public events); shall comply with campaign laws and spending and contribution limits; and, the candidate shall not knowingly solicit money for or on behalf of any political action committee, political party, or any organization that will make an independent expenditure for or against any City of Seattle candidate within the same election cycle (for the purposes of this section, appearing as a featured speaker at a fundraising event for a committee or entity shall constitute soliciting money for such committee or entity). Further Program requirements are that a candidate for Mayor shall not solicit or accept total contributions from any individual or entity in excess of a total of \$500 during one election cycle, and a candidate for City Attorney or City Council shall not solicit or accept total contributions from any individual or entity in excess of a total of \$250 during one election cycle (including any contribution used to qualify for Democracy Vouchers, but excluding the value of Democracy Vouchers assigned to such candidate) (subject to exceptions provided herein).

(c) Qualifying Contributions. To qualify for the Democracy Voucher Program, candidates shall show they have received at least the following numbers of “Qualifying Contributions” of at least \$10 but not more than the Program contribution limit for the office sought provided in SMC 2.04.630(b) from individual adults (18 years of age or older), who are human natural persons residing in the City of Seattle, and eligible under federal law to make political contributions: Mayoral candidates, at least 600; City Attorney candidates, at least 150; at-large City Council candidates, at least 400; and district City Council candidates, at least 150 (of which at least 75 shall be from individuals residing in the district sought to be represented by the candidate). SEEC shall maintain a list of qualified candidates and make it readily accessible to the public, including by publishing it on SEEC’s website.

(d) Campaign Spending Limit. Participating candidates shall comply with all campaign laws and not exceed the following “Campaign Spending Limits” (defined as (i) money spent to date (equal to prior expenditures, plus debts and obligations), and the value of any in kind donations reported, plus (ii) cash on hand and (iii) the value of unredeemed Vouchers on hand which the candidate shall have allocated to the primary or general election): Mayor \$400,000 for the primary election, and \$800,000 total (for both primary and general election); City Attorney, \$75,000 for the primary election, and \$150,000 total; at-large City Council, \$150,000 for the primary election, and \$300,000 total; district City Council, \$75,000 for the primary election and \$150,000 total.

(e) Further Limits on Redemption. A qualified candidate may collect Democracy Vouchers for the general election before the primary election takes place and allocate same to the general election without such Vouchers counting against the Campaign Spending Limit for the primary election, but may not redeem Vouchers for the general election unless such candidate advances to the general election.

(f) Remedies for Exceeding Campaign Spending Limit. If a qualified candidate demonstrates to SEEC that he or she has an opponent (whether or not participating in the Program) whose campaign spending has exceeded the Campaign Spending Limit for the position sought as indicated above, where SEEC deems the excess material it shall allow such candidate to choose to be released from the Campaign Spending Limit and campaign contribution limits for the Program, in which case SEEC shall allow such candidate to redeem his or her Democracy Vouchers received theretofore or thereafter up to the amount of the Campaign Spending Limit only, then allow such candidate to engage in campaign fundraising without regard to any Program requirements. SEEC shall also release a qualifying candidate from the Campaign Spending Limit to the extent that it is shown (on application of a Seattle candidate or citizen) that said qualified candidate faces independent expenditures as defined in SMC 2.04.010 adverse to the candidate or in favor of an opponent and the sum of such independent expenditures plus said candidate’s opponent’s campaign spending materially exceeds the Campaign Spending Limit for that office.

(g) Loss of Qualification. A candidate loses qualification for the Program by publicly announcing withdrawal, abandoning the race, failing to advance to the general election, or if SEEC finds sufficient material violations of election laws or Program requirements such as violation of spending or contribution limits, or fraudulent or attempted fraudulent assignment of Democracy Vouchers.

(h) Redemption of Vouchers. SEEC shall redeem Democracy Vouchers only after verifying the assignment by ensuring the Voucher was issued to an eligible person, and verifying the signature written in the words of assignment, and only if redemption shall not put the candidate over the Campaign Spending Limit and only if Program funds are available. To verify signatures SEEC may employ the division of King County Records and Elections which verifies signatures for initiative petitions or mail-in ballots. SEEC shall redeem Democracy Vouchers on published regular redemption dates that shall be no less frequent than twice a month and may redeem Vouchers on other dates notified in advance if SEEC deems it practicable. SEEC shall not redeem any Democracy Voucher received by SEEC after the first business day in the month of December after the general election.

(i) Limits on Use of Voucher Proceeds. Candidates shall use Democracy Voucher proceeds only for campaign costs or debts for the relevant office and election cycle, and may not use such proceeds after a reasonable period (to be set by SEEC) following the election to pay campaign debts. Candidates shall not use Democracy Voucher proceeds for any cash payments or in violation of any law; nor to pay the candidate (except to repay or reimburse a loan to his or her political committee or campaign in an amount not greater than that provided in RCW 42.17A.445(3) or WAC 390-05-400) or pay a member of the candidate’s immediate family as defined in RCW 4.16.030; pay any entity in which the candidate or an immediate family member holds a ten percent or greater ownership interest; pay any amount over fair market value for any services, goods, facilities or things of value; pay any penalty or fine; or pay any inaugural costs or office funds cost.

(j) Return of Democracy Voucher Proceeds. A candidate who has redeemed a Democracy Voucher, then withdraws, dies, becomes ineligible, loses qualification, or is eliminated in any primary or general election or wins a general election, shall within a reasonable period, as defined by SEEC, pay all debts and obligations, account to SEEC and restore to SEEC and the Program “Unspent Democracy Voucher Proceeds.” SEEC shall define “Unspent Democracy Voucher Proceeds” by rule.

NEW SECTION 2.04.658 - Transparency. Assigning a Democracy Voucher is a public act and recipients of Democracy Vouchers shall expect same to be public and made public and shall have no expectation of privacy in registering to obtain Democracy Vouchers or in assigning same. All Democracy Voucher holders are on notice the process is public and transparent, except that SEEC shall not publish mail, email or other addresses to which Democracy Vouchers are sent. SEEC shall make transparent at its offices and on its website all assignments and redemptions of Democracy Vouchers including recipient name, Democracy Voucher identification number and suffix, date assigned, to whom assigned, when redeemed and amount redeemed. SEEC shall provide other necessary means to make the Seattle Democracy Voucher process and Program open and transparent so that each Democracy Voucher recipient and the media and public may track assignments of Democracy Vouchers to assist in exposing any potential forgery, fraud, or misconduct regarding same. If a Democracy Voucher recipient believes that his or her Democracy Voucher was lost, stolen or fraudulently or improperly assigned or redeemed, SEEC shall require a notarized declaration or affidavit or additional process in its judgment to find the relevant facts then provide relief it deems appropriate including Democracy Voucher replacement, cancellation of assignment or reimbursement of any improperly obtained Program funds. SEEC shall promulgate rules and regulations for such proceedings and cases where it receives duplicate copies of the same Democracy Voucher and shall ensure that any Democracy Voucher recipient may attempt to show, without any filing fee or charge, the facts of loss, theft, destruction or forgery of or duress in or other improper acts concerning or in the assignment of the Democracy Voucher. Such process shall include procedures through mails or in person and shall include an online process when and if SEEC develops same. SEEC shall also provide forms, and for in-person procedures, a notary at SEEC offices during normal business hours for this purpose, without charge. In all cases, no Democracy Voucher assignment shall be deemed invalid or revocable simply because the assignor changes opinion or changes his or her mind, gets new information from or about any candidate or campaign, or based on any allegation of misstatement or misinformation by any candidate or any person, or any other source, or for any reason other than duplicate voucher or forgery, threats, coercion, or physical duress, shown by clear and convincing evidence. SEEC shall issue regulations providing remedies and consequences for such acts, which may include, for sufficient material violation of Program requirements, campaign laws, or any acts of intentional forgery, threats, duress, or coercion in obtaining assigned Democracy Vouchers, an order requiring a candidate to return to the Program any proceeds of Democracy Vouchers or disqualifying a candidate from the Program.

NEW SECTION 2.04.690 - Transition: SEEC Administration Authority: Penalties: Crimes: Severability.

(a) Transition. To allow accumulation of Program funds, in the 2017 election only and notwithstanding other provisions of this subchapter, no Mayoral candidate shall be eligible to participate in the Program or receive or redeem Democracy Vouchers.

(b) SEEC to administer. SEEC shall implement and administer the Program, Program funds, and provisions in this subchapter including issuing and promulgating appropriate regulations, forms, rules, information packets, procedures, and enforcement mechanisms. SEEC shall through rule making carry out the provisions of this subchapter including but not limited to making regulations, defining terms, establishing other rules or promulgating any other administrative regulations or guidelines not inconsistent with the provisions of this subchapter. Anything herein said to be done by SEEC, other than such rule making, shall be done by its Executive Director or another person indicated in SEEC regulations or a duly approved printer or contractor. Prior to each election cycle, SEEC shall inform the public about Democracy Vouchers and the Program. SEEC shall publish appropriate guidebooks for candidates and Democracy Voucher recipients, and all forms, instructions, brochures and documents necessary and proper for this Program, which shall include key documents accessible to those with visual or other disability, and translations into languages other than English spoken by a significant number of Seattle residents, which shall be presumed initially to include Spanish, Vietnamese, Cantonese, Mandarin, Somali, Tagalog, Korean, Cambodian, Amharic, Oromo, Tigrinya, Laotian, Thai, and Russian. Prior to each election cycle, SEEC may reasonably adjust the Campaign Spending Limits, the dollar amounts for and numbers of qualifying contributions, the contribution limits per contributor provided in SMC 2.04.630(b) (but SEEC shall not set a contribution limit for qualifying candidates that exceeds the contribution limit specified for candidates in SMC 2.04.370, or the number or value of Democracy Vouchers provided to each eligible person, in order to account for inflation or deflation, and ensure the goals and purposes of the Program including democracy and accountability, high rates of candidate participation, heavy utilization of vouchers by those who have not previously donated to Seattle political campaigns,, and high public satisfaction with the Program. After each election cycle SEEC shall review the Program and submit reports to the public and City Council. Promptly after the effective date of this measure, SEEC shall project Program revenue, expenditures, and Democracy Voucher Program Funds (“Program Funds”) balances from 2016 through at least 2021, and shall revise and update such projections regularly, and at all times shall manage Program Funds as a fiduciary, ensuring proper accumulation and distribution of funds, during nonelection and election years, to achieve Program purposes and goals. In making such projections and administering this Program, SEEC shall consider all relevant circumstances including differing Campaign Spending Limits for different offices, differing funding needs in mayoral and non-mayoral election years, and the need to manage the Program and funds to seek to ensure participation by candidates. SEEC before January 1st of each municipal election year shall manage and prudently conserve Program Funds, by considering and projecting Program Funds availability and disbursements for that year and publicizing such projections which shall include and consider needs of participating candidates, needs for conservation of funds for future years or reserve accumulation, prudent operating cost and cost of administration, and prudent conservation of public resources. To assure candidates that ample funds will be available for Voucher redemptions and to assure the public that Voucher fund redemptions will be prudently managed, by January 1st of each municipal election year, SEEC shall publish an “Available Program Funds Limit” for that year for Voucher redemptions. In setting the Available Program Funds Limit, SEEC shall use its best efforts to reasonably project and ensure that adequate Program Funds are available for that election year consistent with this subchapter, its goals and purposes and all reasonably foreseeable circumstances and contingencies and shall set aside at least an amount needed for six primary and two general election candidates for each position in that year’s election to qualify and spend their respective Campaign Spending Limit using Democracy Vouchers only (rather than private contributions, except for private contributions used to qualify). During any municipal election year, as soon as SEEC receives or reasonably believes it shall receive Democracy Vouchers for redemption in excess of the Available Program Funds Limit for that year, then Program Funds shall be deemed unavailable and SEEC shall publicly announce same and set a prompt deadline date for Democracy Voucher delivery, following which SEEC shall consider Democracy Vouchers received and available Program Funds and shall allocate remaining available Program Funds proportionately per unredeemed verified Democracy Vouchers on hand, pro rata among all participating candidates for all offices without discrimination. If any special election is called, SEEC shall set aside Program Funds for such election in an amount it deems appropriate, and shall be empowered to act and change, alter, or modify or set and implement standards, procedures, limits and deadlines as similar as may be practicable to those provided in this subchapter as SEEC deems proper and necessary for such special election, taking care to not unduly prejudice accumulation of funds for the Program.

(c) Penalties. No penalty provision in this subchapter shall diminish any other penalty or remedy under any other law. Participating candidates who make expenditures in excess of the Campaign Spending Limit shall be subject to a civil penalty of twice the amount of the expenditure in excess of such limit, unless SEEC determines that the overspending is insignificant or trivial. All enforcement, administrative and other powers, procedures, rights, duties, remedies, process, civil penalties and other provisions in SMC 2.04.060, 2.04.070, 2.04.075, 2.04.090, 2.04.500, 2.04.510, 2.04.520, 2.16.010 and 2.16.020, relating to violations of election campaign contributions laws or initiative laws, shall apply in case of violations of this subchapter, and all penalties, remedies or consequences applicable to violations of SMC 2.04 or 2.06 shall be applicable for any violation of this subchapter, including but not limited to an order requiring the party to take particular action in order to comply with the law, and in addition, or alternatively, sanctions up to \$5,000 for each violation.

(d) Crimes. A person is guilty of trafficking in a Democracy Voucher if the person knowingly purchases, buys, or pays consideration for any Democracy Voucher or knowingly sells, conveys for consideration or receives consideration for any Democracy Voucher; or attempts same. A person is guilty of theft of a Democracy Voucher if he or she steals (defined as when one knowingly obtains or exerts unauthorized control over with intent to deprive the proper holder or recipient thereof) or attempts to steal, a Democracy Voucher. A person is guilty of the crime of forgery of a Democracy Voucher if, with intent to injure or defraud, he or she attempts to falsely make, complete, or alter a Democracy Voucher or its assignment or possess, utter, offer, dispose of, or put off as true a Democracy Voucher or written assigned Democracy Voucher that he or she knows is forged. For purposes of this section, “falsely alter” means to change, without authorization by the holder or recipient of the Voucher entitled to grant it, a Democracy Voucher by means of erasure, obliteration, deletion, insertion of new matter, transposition of matter, or in any other manner; to “falsely complete” means to make a Democracy Voucher assignment complete by adding or inserting matter, including but not limited to a forged signature, without the authority of the person entitled to assign the Voucher; to “falsely make” means to make or draw a complete or incomplete Democracy Voucher which purports to be authentic, but which is not authentic either because the ostensible maker is fictitious or because, if real, he or she did not authorize the making or drawing or signing thereof; and “forged” or “forgery” means a Democracy Voucher which has been falsely made, completed, or altered. A person is guilty of possession of a stolen Democracy Voucher if he, she or it, being other than the recipient of a proper assignment of a Democracy Voucher, knowingly receives, retains, possesses, conceals or disposes of another’s Democracy Voucher knowing that it has been stolen and withholds or appropriates the same to the use of any person other than the true owner or person entitled thereto. A person is guilty of trafficking in a stolen Democracy Voucher if the person attempts to traffic in a stolen Democracy Voucher, meaning to sell, transfer, distribute, dispense, or otherwise dispose of such stolen Democracy Voucher pertaining to another person, or to buy, receive, possess, or obtain control of same with intent to sell, transfer, distribute, dispense, or otherwise dispose of the property to another person. The crimes of trafficking in a Democracy Voucher, theft or forgery of a Democracy Voucher, possession of a stolen Democracy Voucher, or trafficking in a stolen Democracy Voucher, are each a gross misdemeanor punishable by a fine not to exceed \$5,000 or, by imprisonment for a term of up to 364 days, or both, or as otherwise provided by State law. In this subsection the term “person,” “he,” “she” or “actor” include any natural person, and, in addition, a corporation, a joint stock association, an unincorporated association or a political committee. In cases of all crimes defined by this subsection the Court may also require restitution to the Program of all costs of prosecution, including attorneys fees, as well as any amounts misappropriated or the face value of Democracy Vouchers misused and in case of crimes by a candidate or political committee the Court also may require return of all funds received from the Program in that election cycle consistent with equity, due process and proportional justice and or may disqualify such political committee or candidate from participating in the Program for that election cycle.

(e) Severability and captions. Provisions of this subchapter and its sections are separate and severable. The invalidity of any part or its application to any circumstance, shall not affect the validity of other parts or application to other circumstances. Captions provided are not substantive. The City Clerk may renumber or reformat this subchapter, this ordinance or these sections, for proper codification in the Seattle Municipal Code, without changing the substance.

Section 2. Funding; Lift of Levy Lids for Regular Property Taxes – Submittal and Amount.

To allow funding of the Seattle Democracy Voucher Program, provided in Section 1 above, the qualified electors of the City of Seattle hereby resolve to allow funding through a levy lift under RCW 84.55.050 and resolve that the City’s legislative authority may fund the Program pursuant to that authorization or alternatively through the general fund or any other lawful source of funds of its choosing. The taxes authorized in this section may be levied for collection in 2016 through 2025, raising up to \$30,000,000 in aggregate over a period of up to ten years. The City shall not levy more than \$3,000,000 (about 2.5 cents per \$1,000 of assessed value) for this purpose in the first year, and in each subsequent year, in addition to the maximum amount of regular property taxes it would have been limited to by RCW 84.55.010 in the absence of voter approval under this ordinance, plus other authorized lid lifts. In 2016, total City regular property taxes collected would not exceed \$3.60 per

\$1,000 of assessed value. Proceeds from the tax authorized in this section shall be used only to fund the Seattle Democracy Vouchers Program as provided in Section 1 of this measure, and any amendments thereto adopted by future Council ordinance. Pursuant to RCW 84.55.050(5), the maximum regular property taxes that may be levied in 2025 for collection in 2026 and in later years shall be computed as if the levy lid in RCW 84.55.010 had not been lifted under this ordinance. The tax authorized in this section shall not be collected to the extent the City allocates funds sufficient to establish and pay for the Program from other sources. Program funds including but not limited to any proceeds from the levy authorized herein, interest or earnings thereon, any amounts returned from candidates, and other funds allocated for the Program, shall be used for purposes of this ordinance and Program funds may be temporarily deposited or invested in such manner as may be lawful for the investment of City money, and interest and other earnings shall be used for the same purposes as the proceeds.

Section 3. SMC 2.06.130 - Civil Remedies and Sanctions, is amended as follows:
Upon determining pursuant to SMC 2.04.060 through SMC 2.04.090 that a violation of this chapter 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) per violation. Any person who fails to file a properly completed registration or report within the time required by this chapter may also be subject to a civil penalty of ~~Ten Dollars (\$10)~~ Seventy Five Dollars (\$75) per day for each day each such delinquency continues except that during the last 30 days before any election such fine shall be at least Two Hundred Fifty Dollars (\$250) per day and up to \$1,000 per day in the discretion of SEEC, for each day such delinquency continues.

Section 4. SMC 2.04.165 - Reports of personal financial affairs, is amended as follows:
A. The following shall file a statement of financial affairs:
1. Every candidate shall within two weeks of becoming a candidate file with the City Clerk a statement of financial affairs for the preceding twelve 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 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 weeks of being so appointed file with the City Clerk a statement of financial affairs for the preceding twelve 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.
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 as to 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 \$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 \$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 \$500 or more was owned; 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 \$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 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 \$2,500 or more during the preceding twelve months and the consideration given or performed in exchange for the compensation; provided, that the term "compensation" for purposes of this subsection B1gii 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 months by the bank or commercial lending institution from the government 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 \$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 \$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 \$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 \$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 \$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 \$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 \$1,000, at least \$1,000 but less than \$5,000, at least \$5,000 but less than \$10,000, at least \$10,000 but less than \$25,000, ~~or at least \$25,000 but less than \$100,000, at least \$100,000 but less than \$200,000, at least \$200,000 but less than \$1,000,000, at least \$1,000,000 but less than \$5,000,000, or \$5,000,000 or more.~~ An amount of stock shall be reported by number of shares instead of by market value at the time of reporting. Each person reporting shall also report his or her reasonably estimated net worth. 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 5. SMC 2.04.370 - Mandatory limitations on contributions, is amended as follows:
A. No person shall make a contribution to any candidate for Mayor, member of the City Council, or City Attorney of the City, except in the election cycle for that candidate as defined in Section 2.04.010
B. No person shall contribute more than ~~\$500~~700 to any candidate for Mayor, member of the City Council, or City Attorney of the City, in any election cycle.
C. A candidate for Mayor, member of the City Council, or City Attorney of the City, may only accept or receive a campaign contribution during an election cycle as defined in Section 2.04.010
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 ~~\$500~~700 from any person in any election cycle.
E. The limitations imposed by this section 2.04.370 shall not apply to:
1. 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;
2. Independent expenditures as defined by this Chapter 2.04
3. The value of in-kind labor; and
4. 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.
F. The limitations imposed by this section shall apply to contributions of the candidate's spouse's or state registered domestic partner's separate property.
G. The limitations in this section shall be adjusted commencing before the 2019 election cycle, and prior to each election cycle thereafter, by SEEC to account for inflation or deflation using the consumer price index for urban wage earners and clerical workers, CPI-W, or a successor index, for the period since the effective date of this measure or the prior adjustment, as calculated by the United States Department of Labor. The declaration of the Washington State Department of Labor and Industries each September 30 regarding the rate by which Washington State's minimum wage rate is to be increased effective the following January 1, shall be the authoritative determination of the rate or percentage of increase or decrease to be adjusted, except that SEEC may round the new figure up or down, to the nearest \$5 or \$10 increment, as it deems proper.

Section 6. The provisions of Seattle Municipal Code sections 2.04.400, 2.04.410, 2.04.420, 2.04.430, 2.04.440, 2.04.50, 2.04.460 and 2.04.470 are repealed.

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