

Ordinance No. 119442

Council Bill No. 112641

The City of Seattle  
Council Bill/Ordinance

Relating to the Seattle Ethics and Elections Commission; providing for the reporting of financial affairs and gifts by candidates and elected officials and amending Chapters 2.04 and 4.16 SMC in accordance therewith.

4/13/99 Gov

4-19-99 Full

CF No. \_\_\_\_\_

Date Introduced: <u>4-12-99</u>		
Date 1st Referred: <u>4-12-99</u>	To: (committee) <u>Government, Education &amp; Labor</u>	
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage: <u>4-19-99</u>	Full Council Vote:	
Date Presented to Mayor: <u>4-19-99</u>	Date Approved: <u>APR 23 1999</u>	
Date Returned to City Clerk: <u>APR 26 1999</u>	Date Published: <u>7/99</u>	T.O. _____ P.T. <input checked="" type="checkbox"/>
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

This file is complete and ready

Law Dept. Review

# The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: Donaldson  
Councilmember

## Committee Action:

TP, JD

4/17/99 Govt, Education and Labor Committee, 2-0 <sup>0</sup> <sub>Pass</sub>

4-19-99 Full Council: Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: \_\_\_\_\_  
(initial/date)

Law Dept. Review

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ORDINANCE 119442

AN ORDINANCE relating to the Seattle Ethics and Elections Commission; providing for the reporting of financial affairs and gifts by candidates and elected officials and amending Chapters 2.04 and 4.16 SMC in accordance therewith.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Chapter 2.04 of the Seattle Municipal Code is amended by adding a new section as follows:

**2.04.165 Reports of personal financial affairs**

A. The following shall file statement of financial affairs:

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

(2) Every elected official 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. 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.

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

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

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

6 (a) Occupation, name of employer, and business address; and

7 (b) Each bank or savings account or insurance policy in which any such person or persons owned a  
8 direct financial interest that exceeded five thousand dollars (\$5,000) at any time during the reporting period;  
9 each other item of intangible personal property in which any such person or persons owned a direct financial  
10 interest, the value of which exceeded five hundred dollars (\$500.00) during the reporting period; the name,  
11 address, and nature of the entity; and the nature and highest value of each such direct financial interest  
12 during the reporting period; and

13 (c) The name and address of each creditor to whom the value of five hundred dollars (\$500.00) or  
14 more was owed; the original amount of each debt to each such creditor; the amount of each debt owed to  
15 each creditor as of the date of filing; the terms of repayment of each such debt; and the security given, if  
16 any, for each such debt: PROVIDED, That debts arising out of a "retail installment transaction" as defined in  
17 chapter 63.14 RCW (Retail Installment Sales Act) need not be reported; and

18 (d) Every public or private office, directorship, and position held as trustee; and

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

1 (f) The name and address of each governmental entity, corporation, partnership, joint venture, sole  
2 proprietorship, association, union, or other business or commercial entity from whom compensation has  
3 been received in any form of a total value of five hundred dollars or more; the value of the compensation;  
4 and the consideration given or performed in exchange for the compensation; and

5 (g) The name of any corporation, partnership, joint venture, association, union, or other entity in  
6 which is held any office, directorship, or any general partnership interest, or an ownership interest of ten  
7 percent or more; the name or title of that office, directorship, or partnership; the nature of ownership  
8 interest; and with respect to each such entity: (i) With respect to a governmental unit in which the official  
9 seeks or holds any office or position, if the entity has received compensation in any form during the  
10 preceding twelve months from the governmental unit, the value of the compensation and the consideration  
11 given or performed in exchange for the compensation; (ii) the name of each governmental unit, corporation,  
12 partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity  
13 from which the entity has received compensation in any form in the amount of two thousand five hundred  
14 dollars (\$2,500) or more during the preceding twelve months and the consideration given or performed in  
15 exchange for the compensation: PROVIDED, That the term "compensation" for purposes of this subsection  
16 (1)(g)(ii) does not include payment for water and other utility services at rates approved by the Washington  
17 state utilities and transportation commission or the legislative authority of the public entity providing the  
18 service: PROVIDED, FURTHER, That with respect to any bank or commercial lending institution in which  
19 is held any office, directorship, partnership interest, or ownership interest, it shall only be necessary to report  
20 either the name, address, and occupation of every director and officer of the bank or commercial lending  
21 institution and the average monthly balance of each account held during the preceding twelve months by the  
22 bank or commercial lending institution from the governmental entity for which the individual is an official  
23 or candidate or professional staff member, or all interest paid by a borrower on loans from and all interest  
24

1 paid to a depositor by the bank or commercial lending institution if the interest exceeds six hundred dollars  
2 (\$600.00); and

3 (h) A list, including legal or other sufficient descriptions as prescribed by the commission of all real  
4 property in the state of Washington, the assessed valuation of which exceeds two thousand five hundred  
5 dollars (\$2,500) in which any direct financial interest was acquired during the preceding calendar year, and a  
6 statement of the amount and nature of the financial interest and of the consideration given in exchange for  
7 that interest; and

8 (i) A list, including legal or other sufficient descriptions as prescribed by the Commission, of all real  
9 property in the state of Washington, the assessed valuation of which exceeds two thousand five hundred  
10 dollars (\$2,500) in which any direct financial interest was divested during the preceding calendar year, and a  
11 statement of the amount and nature of the consideration received in exchange for that interest, and the name  
12 and address of the person furnishing the consideration; and

13 (j) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real  
14 property in the state of Washington, the assessed valuation of which exceeds two thousand five hundred  
15 dollars (\$2,500) in which a direct financial interest was held: PROVIDED, That if a description of the  
16 property has been included in a report previously filed, the property may be listed, for purposes of this  
17 provision, by reference to the previously filed report; and

18 (k) A list, including legal or other sufficient-descriptions as prescribed by the commission, of all real  
19 property in the state of Washington, the assessed valuation of which exceeds five thousand dollars  
20 (\$5,000.00), in which a corporation, partnership, firm, enterprise, or other entity had a direct financial  
21 interest, in which corporation, partnership, firm, or enterprise a ten percent or greater ownership interest was  
22 held; and

23 (l) A list of each occasion, specifying date, donor, and amount, at which food and beverage in excess  
24 of fifty dollars (\$50.00) was accepted from a source other than the City provided all or a portion;

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

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

5 (2) Where an amount is required to be reported under subsection (1) (a) through (m) of this section,  
6 it shall be sufficient to comply with the requirement to report whether the amount is less than one thousand  
7 dollars (\$1,000), at least one thousand dollars (\$1,000) but less than five thousand dollars (\$5,000), at least  
8 five thousand dollars (\$5,000) but less than ten thousand dollars (\$10,000), at least ten thousand dollars  
9 (\$10,000) but less than twenty-five thousand dollars (\$25,000), or twenty-five thousand dollars (\$25,000) or  
10 more. An amount of stock may be reported by number of shares instead of by market value. No provision  
11 of this subsection may be interpreted to prevent any person from filing more information or more detailed  
12 information than required.

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

16 C. Concealing identity of source of payment is prohibited--Exception

17 No payment shall be made to any person required to report under this chapter and no payment shall  
18 be accepted by any such person, directly or indirectly, in a fictitious name, anonymously, or by one person  
19 through an agent, relative, or other person in such a manner as to conceal the identity of the source of the  
20 payment or in any other manner so as to effect concealment except that the commission may issue  
21 categorical and specific exemptions to the reporting of the actual source when there is an undisclosed  
22 principal for recognized legitimate business purposes.

23  
24

1 Section 2. Section 2.04.170 of the Seattle Municipal Code is amended as follows:

2 **2.04.170 Campaign treasurer-- Depository--identified.**

3 ~~((A. Each candidate, within two (2) weeks after becoming a candidate, shall file with the City Clerk a copy~~  
4 ~~of the personal financial disclosure form that is filed with the State Public Disclosure Commission.))~~

5 ((B)) A. Each candidate within two (2) weeks after becoming a candidate, and the officers of each political  
6 committee, at the time it is required to file a statement of organization, shall designate and file with the City  
7 Clerk the names and addresses of:

8 1. One (1) legally competent individual, who may be the candidate, to serve as a campaign treasurer;  
9 and

10 2. A bank, mutual savings bank, savings and loan association, or credit union doing business in this  
11 state to serve as campaign depository and the name under which the campaign account or accounts are  
12 maintained.

13 ((C)) B. A candidate, campaign treasurer, or other officers of a political committee may appoint as many  
14 deputy campaign treasurers as is considered necessary. The candidate or officers of a political committee shall  
15 file the names and addresses of the deputy campaign treasurers with the City Clerk within ten (10) days after  
16 their appointment.

17 ((D)) C. 1. A candidate or officers of a political committee may at any time remove a campaign treasurer  
18 or deputy campaign treasurer or change a designated campaign depository.

19 2. In the event of the death, resignation, removal, or change of a campaign treasurer or deputy  
20 campaign treasurer, or a change in depository, the candidate or officers of a political committee shall designate  
21 and file with the City Clerk within ten (10) days after such designation, the name and address of any successor.

22 ((E)) D. No campaign treasurer, deputy campaign treasurer, or campaign depository shall act or perform any  
23 function as such until its name and address are filed with the City Clerk.

24

1 Section 3. Subsection 4.16.080(A) is amended to read as follows:

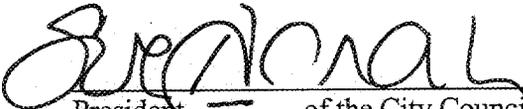
2 **4.16.080 Statements of financial interests.**

3 A. Officers and employees Subject to RCW 42.17.240. Every officer or employee of the City subject to the  
4 reporting requirements of RCW 42.17.240 shall file a duplicate copy of the ~~((required))~~ report required to be  
5 filed under SMC 2.04.165 with the Ethics and Elections Commission (the Commission) at the same time the  
6 original report is required to be filed with the Public Disclosure Commission.

7 Section 4. This ordinance shall take effect and be in force thirty (30) days from and after its approval  
8 by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall  
9 take effect as provided by Municipal Code Section 1.04.020.

10 Passed by the City Council the 19<sup>th</sup> day of April, 1999, and signed by me in open session in  
11 authentication of its passage this 19<sup>th</sup> day of April, 1999.

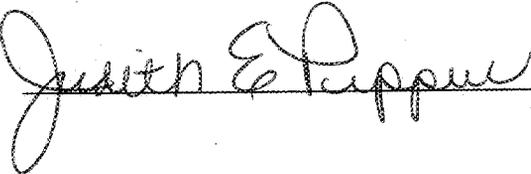
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\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this 23<sup>rd</sup> day of April, 1999.

  
\_\_\_\_\_  
Mayor

Filed by me this 26<sup>th</sup> day of April, 1999.

  
\_\_\_\_\_  
City Clerk

(Seal)

**STATE OF WASHINGTON - KING COUNTY**

105106  
City of Seattle, City Clerk

—ss.

No. FULL ORDINANCE

**Affidavit of Publication**

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

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

CT:ORD 119442

was published on  
05/06/99

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

[Signature]  
Subscribed and sworn to before me on  
05/06/99  
[Signature]

Notary Public for the State of Washington,  
residing in Seattle

**SPONSORSHIP**

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

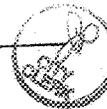
_____	_____
_____	_____
_____	_____
_____	_____

*[Handwritten Signature]*

**FOR CITY COUNCIL PRESIDENT USE ONLY**

COMMITTEE(S) REFERRED TO: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
PRESIDENT'S SIGNATURE



# City of Seattle

## ORDINANCE 119442

AN ORDINANCE relating to the Seattle Ethics and Elections Commission, providing for the reporting of financial affairs and gifts by candidates and elected officials and amending Chapters 2.04 and 4.16 SMC in accordance therewith.

### BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Chapter 2.04 of the Seattle Municipal Code is amended by adding a new section as follows:

#### 2.04.165 REPORTS OF PERSONAL FINANCIAL AFFAIRS

A. The following shall file statement of financial affairs:

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

(2) Every elected official 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. 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 upon 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 to as true and accurate.

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

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

(a) Occupation, name of employer, and business address; and

(b) Each bank or savings account or insurance policy in which any such person or persons owned a direct financial interest that exceeded five thousand dollars (\$5,000) at any time during the reporting period; each other item of intangible personal property in which any such person or persons owned a direct financial interest, the value of which exceeded five hundred dollars (\$500.00) during the reporting period; the name, address, and nature of the entity; and the nature and highest value of each such direct financial interest during the reporting period; and

(c) The name and address of each creditor to whom the value of five hundred dollars (\$500.00) 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 62.14 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, prompted, or opposed for current or deferred compensation. PROVIDED: That for the purposes of this subsection, "compensation" does not include payments made to the person reporting by the governmental entity for which such person serves as an elected official for his or her service in office; the description of such actual or proposed legislation, rules, rates, or standards; and the amount of current or deferred compensation paid or promised to be paid; and

(f) The name and address of each governmental entity, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from whom compensation has been received in any form of a total value of five hundred dollars 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, partner-

of stock may be reported by number of shares instead of by market value. No provision of this subsection may be interpreted to prevent any person from filing more information or more detailed information than required.

(3) Items of value given to an official 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 2. Section 2.04.170 of the Seattle Municipal Code is amended as follows:

#### 2.04.170 CAMPAIGN TREASURER -- DEPOSITORY -- IDENTIFIED

(A) Each candidate, within two (2) weeks after becoming a candidate, shall file with the City Clerk a copy of the personal financial disclosure form that is filed with the State Public Disclosure Commission.)

(B) A. Each candidate within two (2) weeks after becoming a candidate, and the officers of each political committee, at the time it is required to file a statement of organization, shall designate and file with the City Clerk the names and addresses of:

1. One (1) legally competent individual, who may be the candidate, to serve as a campaign treasurer; and 2. A bank, mutual savings bank, savings and loan association or credit union doing business in this state to serve as campaign depository and the name under which the campaign account or accounts are maintained.

(C) B. A candidate, campaign treasurer, or other officers of a political committee may appoint as many deputy campaign treasurers as is considered necessary. The candidate or officers of a political committee shall file the names and addresses of the deputy campaign treasurers with the City Clerk within ten (10) days after their appointment.

(D) C. 1. A candidate or officers of a political committee may at any time remove a campaign treasurer or deputy campaign treasurer or change a designated campaign depository.

2. In the event of the death, resignation, removal, or change of a campaign treasurer or deputy campaign treasurer, or a change in depository, the candidate or officers of the political committee shall designate and file with the City Clerk within ten (10) days after such designation, the name and address of any successor.

(E) D. No campaign treasurer, deputy campaign treasurer, or campaign depository shall act or perform any function as such until its name and address are filed with the City Clerk.

Section 3. Subsection 4.16.080(A) is amended to read as follows:

#### 4.16.080 STATEMENTS OF FINANCIAL INTERESTS

A. Officers and employees Subject to RCW 42.17.240. Every officer or employee of the City subject to the reporting requirements of RCW 42.17.240 shall file a duplicate copy of the (required) report required to be filed under SMC 2.04.165 with the Ethics and Elections Commission (the Commission) at the same time the original report is required to be filed with the Public Disclosure Commission.

Section 4. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 19th day of April, 1999, and signed by me in open session in authentication of its passage this 19th day of April, 1999.

SUE DONALDSON,  
President of the City Council,  
Approved by me this 23rd day of April, 1999.

PAUL SCHELL,  
Mayor,  
Filed by me this 26th day of April, 1999.

(Seal) JUDITH E. PIPPIN