

**CITY OF SEATTLE**  
**ORDINANCE** \_\_\_\_\_  
COUNCIL BILL 118299

AN ORDINANCE making technical corrections to the Election Campaign Contributions Code, amending Sections 2.04.010, 2.04.150, 2.04.155, 2.04.180, 2.04.265, 2.04.270, 2.04.290, and 2.04.340.

WHEREAS, the State recently recodified its Elections Code, rendering outdated references to the State Code in Seattle's Code; and

WHEREAS, when it serves the public interest, the City strives for harmony between the provisions of State and City law; NOW, THEREFORE,

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

Section 1. Section 2.04.010 of the Seattle Municipal Code, last amended by Ordinance 124018, is amended as follows:

**2.04.010 Definitions.**

\* \* \*

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

~~((a-))~~1. Solicits or receives contributions; or

~~((b-))~~2. Makes expenditures or reserves space or facilities with intent to promote his or her candidacy for office; or

~~((e-))~~3. Announces publicly or files for office; or

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



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

5 \* \* \*

6 "Public office" means any elective office of the City.

7  
8 "Sponsor" means the candidate, political committee or person paying for the political  
9 advertising. If a person acts as an agent for another or is reimbursed by another for the payment,  
10 the agent's principal or the source of the reimbursement is the sponsor.

11 As used in this chapter, the singular shall include the plural and conversely, and any  
12 gender, any other, as the context requires.

13 ~~("Commission" means the Seattle Ethics and Elections Commission established by~~  
14 ~~Section 3.70.010.~~

15  
16 ~~"Officer of a political committee" means the following persons: the treasurer, any~~  
17 ~~person designated by the committee as an officer on the statement of organization filed with the~~  
18 ~~City Clerk, and any person who alone or in conjunction with other persons makes contribution,~~  
19 ~~expenditure, strategic or policy decisions on behalf of the committee.~~

20  
21 ~~"Sponsor" as used in subsection 2.04.290B means the candidate, political~~  
22 ~~committee or person paying for the political advertising. If a person acts as an agent for another~~  
23 ~~or is reimbursed by another for the payment, the agent's principal or the source of the~~  
24 ~~reimbursement is the sponsor.))~~

1 Section 2. Section 2.04.150 of the Seattle Municipal Code, last amended by Ordinance  
2 116005, is amended as follows:

3 **2.04.150 Intent of chapter—~~((F))interpretation—~~((C))construction.~~~~**

4 A. It is the public policy of the City:

5 \* \* \*

6 7. That it is desirable to have legislation at the municipal level complementary to  
7 the concept of disclosure established in Initiative 276 (RCW Chapter ~~((42.17))42.17A~~);

8 \* \* \*

9  
10  
11 Section 3. Section 2.04.155 of the Seattle Municipal Code, last amended by Ordinance  
12 123070, is amended as follows:

13 **2.04.155 Electronic filing required—~~((E))exemption.~~**

14 A. Each candidate or political committee that expects to receive or receives ~~(((\$10,000))~~  
15 \$5,000 or more in aggregate contributions during the applicable period must file all reports  
16 required by this chapter with the City Clerk by electronic transmission of the required  
17 information. All political committees that (1) are neither ballot proposition nor candidate  
18 political committees, and (2) expect to make contributions or expect to make expenditures,  
19 including independent expenditures of \$5,000 or more, in the aggregate during the applicable  
20 period, to or for the benefit of candidates or candidate political committees or to or for the  
21 benefit of ballot proposition political committees must file all reports required by this chapter  
22 with the City Clerk by electronic transmission. The electronic format of the filing and the method  
23 of transmission shall meet requirements designated in rules adopted by the Commission. In  
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28

1 addition, each political committee that files electronically with the PDC must file electronically  
2 with the City Clerk.

3 B. The Executive Director may exempt a candidate or a committee from the  
4 requirements of this ~~((s))~~Section 2.04.155 where the candidate or the committee has shown that  
5 the requirements constitute an undue burden.  
6

7  
8 Section 4. Section 2.04.180 of the Seattle Municipal Code, last amended by Ordinance  
9 120831, is amended as follows:

10 **2.04.180 Contributions by written instrument or credit card—~~((D))~~deposit of**  
11 **contributions in designated account.**

12 A. No person may make a contribution of more than ~~((Fifty-five Dollars (\$55)))~~ \$60,  
13 other than an in-kind contribution, except by a written instrument containing the name of the  
14 contributor and the name of the payee, except that candidates and political committees may,  
15 consistent with rules adopted by the Commission, receive contributions by credit card, if the  
16 contributor's identity is verified as required for compliance with ~~((SMC))~~ Section 2.04.260.  
17  
18 ~~((RCW 42.17.740(1).))~~

19 \* \* \*

20  
21  
22 Section 5. Section 2.04.265 of the Seattle Municipal Code, last amended by Ordinance  
23 123070, is amended as follows:

24 **2.04.265 Special reports of late contributions totaling ~~((One Thousand Dollars))~~ \$1,000 or**  
25 **more(~~(—Certain late contributions prohibited.)~~)**  
26



1 Section 7. Section 2.04.290 of the Seattle Municipal Code, last amended by Ordinance  
2 123070, is amended as follows:

3 **2.04.290 Identification of contributions and communications.**

4 A. No contribution shall be made and no expenditure shall be incurred, directly or  
5 indirectly, in a fictitious name, anonymously, or by one person through an agent, relative, or  
6 other person in such a manner as to conceal the identity of the source of the contribution or in  
7 any other manner so as to effect concealment.  
8

9 B.1. All audio and video broadcast political advertising, whether relating to candidates or  
10 ballot propositions, ~~((shall include))~~ must state "paid for by" or "sponsored by," followed by the  
11 sponsor's name. All other political advertising, whether relating to candidates or ballot  
12 propositions, must state "paid for by" or "sponsored by," followed by the sponsor's name and  
13 address. ~~((Political advertising paid for by someone other than an agent of the committee that~~  
14 ~~benefits from the advertising, i.e., in-kind contributions, must state "paid for by..." followed by~~  
15 ~~the name and address of the person who paid for the advertising, and "sponsored by" followed by~~  
16 ~~the name and address of the committee(s) that will benefit from the advertising.))~~ The use of an  
17 assumed name ~~((shall be))~~ is unlawful.  
18

19  
20 2. In addition to the materials required by subsection ~~((B1 of this section))~~  
21 2.04.290.B.1, all political advertising undertaken as an independent expenditure by a person or  
22 entity, other than a bona fide political party as defined in RCW ~~((42.17.020(5)))~~ 42.17A.005(6),  
23 must include the following ~~((statement on))~~ as part of the communication: ~~((("NOTICE TO~~  
24 ~~VOTERS (Required by law): This advertisement is not authorized or approved by any candidate.~~  
25 ~~It is paid for by (name, address, city, state)."~~ If the advertisement undertaken as an independent  
26

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

6 (a) The statement: "No candidate authorized this ad. It is paid for by  
7 (name, address, city, state)";

8 (b) If the sponsor is a political committee, the statement: "Top Five  
9 Contributors," followed by a listing of the names of the five persons or entities making the  
10 largest contributions in excess of \$700 reportable under this chapter during the twelve month  
11 period before the date of the advertisement or communication; and

12 (c) If the sponsor is a political committee established, maintained, or  
13 controlled directly, or indirectly through the formation of one or more political committees, by  
14 an individual, corporation, union, association, or other entity, the full name of that individual or  
15 entity.

16 3. Political advertising costing \$1,000 or more supporting or opposing ballot  
17 measures sponsored by a political committee must include the information on the "Top Five  
18 Contributors" consistent with subsections 2.04.290.B.2.b. A series of political advertising  
19 sponsored by the same political committee, each of which is under \$1,000, must include the  
20 "Top Five Contributors" information required by Section 2.04.290 once their cumulative value  
21 reaches \$1,000 or more.

1                   ((3))4. The statements and listings of contributors required by subsections ((B1  
2 and B2 of this section shall))2.04.290.B.1, B.2, and B.3 must:

3                   a. Appear on the first page or fold of the written communication in at least  
4 ten-point type, or in type at least ten percent of the largest size type used in a written  
5 communication directed at more than one voter, such as a billboard or poster, whichever is  
6 larger;

7                   b. Not be subject to the half-tone or screening process;

8                   c. Be set apart from any other printed matter; and

9                   d. Be clearly spoken on any broadcast advertisement.  
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12                   Section 8. Section 2.04.340 of the Seattle Municipal Code, last amended by Ordinance  
13 118569, is amended as follows:

14                   **2.04.340 Personal use of contributions—((W))when permitted.**

15                   Contributions received and reported under this chapter may be transferred to the personal  
16 account of a candidate, or, in the case of a ballot proposition political committee, to the personal  
17 account of a treasurer or other individual, or expended for such candidate's, treasurer's or  
18 individual's personal use only under one ((+)) or more of the following circumstances:  
19

20                   \* \* \*

21                   C. As repayment of loans made by the individual to political committees, which  
22 repayment shall be reported pursuant to Section 2.04.250. Contributions may not be used,  
23 however, to reimburse a candidate for loans made by the candidate to the candidate's own  
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25  
26  
27

1 political committee or campaign in an amount totaling more than the amount provided in RCW  
2 ((42.17.125(3))) 42.17A.445(3) and WAC 390-05-400;

3 \* \* \*

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

9 Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2015, and  
10 signed by me in open session in authentication of its passage this  
11 \_\_\_\_ day of \_\_\_\_\_, 2015.

12  
13 \_\_\_\_\_  
14 President \_\_\_\_\_ of the City Council

15  
16 Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2015.

17  
18 \_\_\_\_\_  
19 Edward B. Murray, Mayor

20  
21 Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2015.

22  
23 \_\_\_\_\_  
24 Monica Martinez Simmons, City Clerk

25 (Seal)

**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
SEEC	Wayne Barnett/4-8577	Linda Taylor-Manning, 4-8376

**Legislation Title:**

AN ORDINANCE making technical corrections to the Election Campaign Contributions Code, amending Sections 2.04.010, 2.04.150, 2.04.155, 2.04.180, 2.04.265, 2.04.270, 2.04.290, and 2.04.340.

**Summary of the Legislation:**

This legislation updates the City's Election Campaign Contributions Code to take into account (1) the recent recodification of the State law governing campaign finance, and (2) the 9<sup>th</sup> Circuit Court of Appeals decision in *Family PAC v. McKenna*, (2011). It also makes other minor changes to the City's elections code, e.g., alphabetizing all of the definitions.

**Background:**

Every few years, Commission staff works to update the City's campaign finance laws to make sure they reflect current case law and that, to the extent it is serves the public interest, are consistent with State law.

X This legislation does not have any financial implications.

**Other Implications:**

a) Does the legislation have indirect financial implications, or long-term implications?

No.

b) What is the financial cost of not implementing the legislation?

N/A.

c) Does this legislation affect any departments besides the originating department?

No.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

N/A.

**e) Is a public hearing required for this legislation?**

No.

**f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**g) Does this legislation affect a piece of property?**

No.

**h) Other Issues:**

N/A.

**List attachments to the fiscal note below:**



# City of Seattle

Ethics and Elections Commission

December 17, 2014

Council President Tim Burgess  
Chair, Education and Governance Committee  
City Hall  
Seattle, WA 98104

Dear Council President Burgess:

At its November 5, 2014 meeting, the Commission unanimously endorsed the two attached pieces of legislation, both of which would make changes to the Elections Code.

The first piece of legislation makes primarily technical changes to the law, and was prompted by the recodification of RCW Chapter 42.17 as RCW Chapter 42.17A. It also eliminates the \$5,000 cap on contributions in the final 21 days before Election Day, a provision of the law held unconstitutional by the 9<sup>th</sup> Circuit Court of Appeals in *Family PAC v. McKenna* (2011). Finally, the proposed amendments would harmonize the State and City law on sponsor identification.

The other piece of legislation frees continuing political committees – commonly called PACs – from filing with the City if their sole involvement in City elections consists of contributions that do not exceed, in the aggregate, ten times the contribution limit. At present, there are approximately 40 PACs registered with the Commission, many of which do not participate in City elections to an extent that the Commission believes merit the filing of regular reports with the City.

With the 2015 elections on the horizon, the Commission urges that these bills be taken up as expeditiously as possible, so that prospective candidates and PACs will have time to familiarize themselves with the changes to the law as they begin to make plans for next year.

Very truly yours,

Wayne Barnett  
Executive Director

Enclosures

cc: Seattle Ethics and Elections Commission