

Chapter 2.04 ELECTION CAMPAIGN CONTRIBUTIONS

Subchapter I Definitions

2.04.010 Definitions

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

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

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

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

"Campaign treasurer" and "deputy campaign treasurer" mean the individuals appointed by a candidate or political committee, pursuant to Section 2.04.170 to perform the duties specified in this Chapter 2.04.

"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 is deemed to seek election when the individual first:

1. Solicits or receives contributions; or
2. Makes expenditures or reserves space or facilities with intent to promote the individual's candidacy for office; or
3. Announces publicly or files for office; or
4. Purchases commercial advertising space or broadcast time to promote the individual's candidacy; or
5. Makes expenditures or solicits or receives contributions to explore the possibility of seeking election to City office; or
6. Gives consent to another person to take on behalf of the individual any of the actions in subsections 1, 2, 4, or 5 of this definition.

"Charter" means the Charter of The City of Seattle.

"Chief executive officer" means the highest-ranking officer or decision-making individual with authority over a corporation's affairs.

"City" means The City of Seattle.

"Commercial advertiser" means any person who sells the service of communicating messages or producing political advertising.

"Commission" means the Seattle Ethics and Elections Commission established by Section 3.70.010.

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

"Contribution" means a loan, loan guarantee, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or transfer of anything of value, including personal and professional services, for less than full consideration, but does not include:

1. Interest on moneys deposited in a political committee's account;
2. Ordinary home hospitality;
3. The rendering of legal or accounting services on behalf of a candidate or an authorized political committee, but only to the extent that the services are for the purpose of ensuring compliance with City, county, or state election or public disclosure laws;
4. The rendering of personal services of the sort commonly performed by volunteer campaign workers;
5. Incidental expenses personally incurred by campaign workers not in excess of \$25, in the aggregate, during the applicable period, personally paid for by a volunteer campaign worker; or
6. An internal political communication primarily limited to the members of a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization. For purposes of this definition, "members" are those who (a) regularly pay dues in exchange for benefits from the organization, or (b) are able to vote, directly or indirectly, for at least one member of the organization's governing board, or (c) adhere to a code of conduct, the violation of which may subject the members to sanctions that could adversely affect their livelihood, or (d) participate in the organization's policy-formulating committees.

For the purposes of this Chapter 2.04, contributions other than money or its equivalents shall be deemed to have a money value equivalent to the fair market value of the contribution. Sums paid for tickets to fundraising events such as dinners and parties are contributions; however, the amount of any such contribution may be reduced for the purpose of complying with the reporting requirements of this Chapter 2.04 by the actual cost of consumables furnished in connection with the purchase of such tickets, and only the excess over actual cost of such consumables shall be deemed a contribution. Without limiting the foregoing, the financing by a person of the dissemination, distribution, or publication, in whole or in part, of broadcast, written graphic, or other form of political advertising prepared or approved by a candidate, a political committee, or the authorized agent of a candidate or political committee is a contribution to the candidate or political committee.

"Corporation" means a corporation, company, limited liability company, limited partnership, business trust, business association, or other similar entity.

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

"Election" includes any primary, general, or special election for public office by the City or any election in which a ballot proposition is submitted to the voters of the City; provided, that an election in which the qualifications for voting include requirements other than those set forth in Article VI, Section 1 of the Constitution of the state shall not be considered an election for purposes of this Chapter 2.04.

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

"Election cycle" means (a) in the case of a City general election, except as provided in subsection (b) below, that period that begins on January 1 in the year prior to the general election for the office the candidate is seeking and ends on April 30 of the year following the general election for the office the candidate is seeking; or (b) in the case of an election to fill an unexpired term, "election cycle" means the period beginning on the earlier of the day the vacancy or the day the impending vacancy is publicly announced and ending five months after the election.

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

"Expenditure" means a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. "Expenditure" also includes a promise to pay; and a payment or transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, benefiting or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For purposes of this Chapter 2.04, expenditures other than money or its equivalent shall be deemed to have a monetary value equal to the fair market value of the expenditure. "Expenditure" shall not include: (a) the partial or complete repayment by a candidate or political committee of the principal of a loan, the receipt of which loan has been properly reported, or (b) the value of in-kind labor, or (c) fines or any amounts returned to the election campaign account as a result of any penalties imposed on a candidate for violating this Chapter 2.04.

"Final report" means the report described as a final report in Section 2.04.375.

"Foreign-influenced corporation" means a corporation for which at least one of the following conditions is met:

1. A single foreign owner holds, owns, controls, or otherwise has direct or indirect beneficial ownership of one percent or more of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the corporation;
2. Two or more foreign owners, in aggregate, hold, own, control, or otherwise have direct or indirect beneficial ownership of five percent or more of the total equity, outstanding voting shares, membership units, or other applicable ownership interests of the corporation; or
3. A foreign owner participates directly or indirectly in the corporation's decision-making process with respect to the corporation's political activities in the United States.

"Foreign investor" means a person or entity that:

1. Holds, owns, controls, or otherwise has direct or indirect beneficial ownership of equity, outstanding voting shares, membership units, or other applicable ownership interests of a corporation; and
2. Is a government of a foreign country; a foreign political party; a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; or an individual who is not a citizen of the United States or a national of the United States and who is not lawfully admitted for permanent residence.

"Foreign owner" means (1) a foreign investor; or (2) a corporation wherein a foreign investor holds, owns, controls, or otherwise has directly or indirectly acquired beneficial ownership of equity or voting shares in an amount that is equal to or greater than 50 percent of the total equity or outstanding voting shares.

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

"Independent expenditure" means an expenditure on behalf of or opposing any election campaign, when such expenditure:

1. Is made independently of the candidate, the candidate's political committee or agent, or any ballot proposition committee or its officers or agents;
2. Is made without the prior consent, or the collusion or cooperation, of the candidate, the candidate's agent or political committee, or the ballot proposition committee or its officers or agents; and
3. Is not a contribution as defined in this Section 2.04.010.

An independent expenditure is made by a person on the earliest of the following events: (a) the person agrees with a vendor or provider of services to make an independent expenditure; or (b) the person incurs the obligation to make an independent expenditure; or (c) the person pays for an independent expenditure.

"Independent expenditure committee" means any political committee that makes an independent expenditure, or makes contributions to other independent expenditure committees, totaling \$1,000 or more in an election cycle for a City election.

"Knowledge." A person knows or acts knowingly or with knowledge when:

1. The person is aware of a fact, facts, or circumstances or result described by an offense in this Title 2; or
2. The person has information that would lead a reasonable person to believe that facts exist, which facts are described by an ordinance defining the offense, in violation of this Title 2.

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

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

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

"Public Disclosure Commission (PDC)" means the Public Disclosure Commission established by RCW 42.17A.100.

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

"Qualified public communication" means any paid advertisement (including search engine marketing, display advertisements, video advertisements, native advertisements, and sponsorships) that communicates a message relating to any political matter of local importance, including (1) legislation, as defined in Section 2.06.010, or (2) an elected official's position on such legislation, in an effort to influence the development, proposal, drafting, consideration, reconsideration, promotion, adoption, enactment, rejection, approval, disapproval, veto, or failure to take action upon such legislation.

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

As used in this Chapter 2.04, the singular shall include the plural and conversely, and any gender shall include all others as the context requires.

(Ord. 126036 , § 2, 2020; Ord. 126035 , § 2, 2020; Ord. 124694 , § 1, 2015; Ord. 124018 , § 1, 2012; Ord. 123070 , § 1, 2009; Ord. 123011 , § 3, 2009; Ord. 120831 § 1, 2002 [cross-reference update]; Ord. 120145 § 1, 2000; Ord. 118569 §§ 1, 2, 1997; Ord. 117308 , §§ 1—4, 1994; Ord. 116005 , § 3, 1991 [department head name change]; Ord. 111223 § 1, 1983; Ord. 107978 § 2, 1979; Ord. 107772 § 2, 1979; Ord. 106653 § 2, 1977.)

Subchapter II Administration

2.04.060 Executive Director—Duties

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

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- A. Relieve, by published regulations of general applicability, candidates or political committees of obligations to comply with some or all of the reporting provisions of this Chapter 2.04 relating to disclosure of campaign finances, if they have not received contributions nor made expenditures of more than \$5,000 plus, in the case of candidates, the amount of the candidate's filing fee provided by law, in connection with any election campaign; and
 - B. Require that forms developed and prepared by the PDC be utilized for the reports and statements required to be made under this Chapter 2.04 and Chapter 2.06; provided, that whenever the Executive Director determines that any such form is not reasonably appropriate for the purposes of this Chapter 2.04 and Chapter 2.06, he or she may develop and provide suitable forms as are reasonably necessary, and require such forms to be utilized for such purposes;
 - C. Encourage persons required to make reports under this Chapter 2.04 and Chapter 2.06 to use the PDC-published manuals that set forth recommended uniform methods of bookkeeping and reporting;
 - D. Compile and maintain a current list of all filed reports and statements;
 - E. Investigate whether properly completed statements and reports have been filed within the times required by this Chapter 2.04 and Chapter 2.06;
 - F. Review all registrations and reports required under this Chapter 2.04 and Chapter 2.06 for completeness and internal consistency;
 - G. Independently verify entries on registrations and reports required under this Chapter 2.04 and Chapter 2.06 and other forms selected on an arithmetically random basis;
 - H. By January 15 of each even-numbered year, prepare and publish a report setting forth, as to each committee promoting or opposing a candidate or ballot issue on the ballot the previous year, the amounts and sources of all contributions and the amounts and purposes of all expenditures received by or made by those committees; and prepare and publish such other reports as in his or her judgment will tend to promote the purposes of this Chapter 2.04;
 - I. Determine upon written complaint or upon his or her own initiative, in accordance with Section 2.04.070, that a violation of this Chapter 2.04 or Chapter 2.06 has occurred, and report such apparent violation to the Commission or report such apparent violation of this Chapter 2.04 to the PDC; provided that the Executive Director shall have the authority to resolve with the person who has apparently violated this Chapter 2.04 or Chapter 2.06, what the Executive Director determines to be minor and inadvertent, violations without referring the matter to the Commission for a hearing, or referring an apparent violation of this Chapter 2.04 to the PDC for a hearing; provided further that the Executive Director shall report violations of this Chapter 2.04 to the PDC only in the event the Commission is unable to hear the matter;
 - J. Have access to reports filed with the City Clerk in accordance with this Chapter 2.04 and make copies thereof available at no charge for public inspection with duplicates available during regular office hours at a reasonable cost to the person requesting such duplicates;
 - K. Keep, for a period of time not less than five years from the date of filing, copies of all official reports, records and statements furnished by the City Clerk to the Executive Director for public inspection;
 - L. Review, four months prior to the beginning of any municipal campaign year the costs of campaigning, and recommend to the City Council whether or not Sections 2.04.370 through 2.04.450 should be amended;
 - M. Determine whether the evidence submitted by a candidate for Mayor, City Council, or City Attorney meets the eligibility requirements for receiving public matching funds;
 - N. Accept campaign contracts from candidates for Mayor, City Council, or City Attorney;

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- O. Monitor contributions and expenditures of candidates and notify candidates who are close to their voluntary expenditure limitations.
 - P. Prepare, publish, and update, as appropriate, documents written in plain language explaining the provisions of Chapter 2.06 and, further, develop and implement other methods to educate the public, including, but not limited to, employers and lobbyists concerning the requirements of Chapter 2.06;
 - Q. Annually publish and disseminate a directory of registered lobbyists that sets forth the name, employer(s), if applicable, and telephone number of each registered lobbyist;
 - R. Prepare and publish an annual report to the Seattle City Council as to the effectiveness of Chapter 2.06 and its enforcement;
 - S. Review at least every five years the reporting thresholds and penalties of Chapter 2.06. Promptly upon completion of each review, the Executive Director shall recommend to the Seattle City Council necessary changes, if any, to the reporting thresholds and penalties of Chapter 2.06;
 - T. Prepare and publish such reports as in the Executive Director's judgment will address the purposes of Chapter 2.06 including reports and statistics concerning lobbying and enforcement of Chapter 2.06.

(Ord. 123070, § 2, 2009; Ord. 122645, § 2, 2008; Ord. 121223, § 1, 2003; Ord. 120794, § 11, 2002; Ord. 120145, § 2, 2000; Ord. 119441, § 1, 1999; Ord. 117242, § 1, 1994; Ord. 116368, § 11, 1992; Ord. 116005, § 14, 1991; Ord. 115718, § 1, 1991; Ord. 112005, § 1, 1984; Ord. 111223, § 2, 1983; Ord. 107772, § 3, 1979; Ord. 106653, § 16, 1977.)

2.04.070 Complaint procedure

- A. Any registered voter of the City may file with the Executive Director a complaint, in writing, under oath alleging a violation of this Chapter 2.04. Under oath means that the complaint includes a statement substantially as follows: "I declare under penalty of perjury of the laws of the State of Washington that the information in this complaint is true and correct," or that the complaint is subscribed and sworn to before a notary public or other official authorized to administer oaths.
- B. Any person may file with the Executive Director a complaint, in writing, under oath alleging a violation of Chapter 2.06.
- C. Upon receipt of a complaint alleging a violation of Chapter 2.04 or Chapter 2.06, the Executive Director shall conduct an investigation. The Executive Director shall commence an investigation:
 - 1. Within ten days after receipt of the complaint if the complaint relates to an alleged violation of this Chapter 2.04 during the pending election and is received before the date of the final election for the office or the proposition; and
 - 2. Within 30 days in other instances.
- D. The Executive Director shall dismiss the complaint alleging a violation of this Chapter 2.04 or Chapter 2.06 (1) if he or she determines that all of the alleged facts, if true, do not constitute a violation; or (2) if he or she determines after an investigation that (a) there is no reasonable ground to believe that a violation has occurred; or (b) the violation was inadvertent and minor. Such a dismissal shall be in writing, setting forth the facts found, and the provisions of law upon which the dismissal is based, and the Director's reasoning. The Executive Director shall provide a copy of the dismissal to the complainant, to the person named in the complaint as the alleged violator, and to the Commission.

(Ord. 122645, § 3, 2008; Ord. 117308, § 5, 1994; Ord. 106653, § 17, 1977.)

2.04.075 Procedure—Charges and hearing

- A. The Executive Director shall initiate an enforcement proceeding if, after investigation, he or she has reason to believe that a material violation of this Chapter 2.04 or Chapter 2.06 has occurred. An enforcement action is initiated by delivering a charging document to the person charged and the Commission and scheduling a hearing on the charges. The document shall describe the alleged conduct that is the basis of the charge and set out the provisions of this Chapter 2.04 or Chapter 2.06 alleged to have been violated. No hearing shall be scheduled while a recommendation of the Executive Director for a settlement is awaiting action by the Commission.
- B. The hearing before the Commission shall commence as promptly as practical and no later than the following:
 - 1. If the Executive Director issues the charging document alleging a violation of this Chapter 2.04 between 60 days immediately preceding and 48 hours immediately preceding 7 a.m. on the date of the election to which the alleged conduct at issue is related, the hearing shall commence within ten days of issue or half the time before the election, whichever is less, but in no event upon less than 24 hours' notice, given pursuant to subsection 2.04.075.C, to the person charged and the public;
 - 2. In all other cases, including cases alleging a violation of Chapter 2.06, and in those cases in which the requirement in subsection 2.04.075.B.1 for 24 hours' notice makes it impossible to commence the hearing within half the time before the election, the hearing shall commence within 30 days from the date that the Executive Director issues the charging document;
 - 3. The person charged and the Executive Director may, by mutual agreement, stipulate to a later date for the hearing. The Commission may delay or continue a hearing in order to accommodate an attempt to make a settlement or for other good cause.
- C. The Executive Director shall cause notice of a hearing to be served on the person charged and on the public as follows:
 - 1. The notice of hearing shall include:
 - a. A statement of the time, place, and matter(s) to be considered;
 - b. A statement of the legal authority under which the hearing is to be held;
 - c. Reference to the particular sections of the Seattle Municipal Code alleged to have been violated.
 - 2. Notice may be served on the person charged by sending it through the U.S. mail, first class postage pre-paid, or by personal service, or through regular internal City mail service.
 - 3. Notice may be served on the public by sending it to each daily local newspaper of general circulation through the U.S. mail, first class postage pre-paid, personal delivery, facsimile, or email.
- D. Upon completion of the hearing, the Commission shall issue a written determination stating whether this Chapter 2.04 or Chapter 2.06 was violated, the facts found, and the applicable sections of the Code. If the charging document concerns an alleged violation of this Chapter 2.04 related to an election to be held within seven days of issuing the charging document, the written determination shall be made within 48 hours of the completion of the hearing; in other instances, the determination shall be made within 72 hours. A copy of the determination shall be delivered to the complainant, and to the person charged with the violation. The Commission may forward its determination to the City Attorney or to the King County Prosecuting Attorney.
- E. A violation of Chapter 2.04 or Chapter 2.06 may be proven by a preponderance of the evidence and need not be proven beyond a reasonable doubt. If the Commission determines that a violation has occurred, the Commission may issue an order pursuant to Section 2.04.500 or subsection 2.06.130.F. In any case the Commission may refer the matter to the City Attorney or to the King County Prosecuting Attorney.

(Ord. 123070, § 3, 2009; Ord. 122645, § 4, 2008; Ord. 118569, § 3, 1997; Ord. 117308, § 6, 1994.)

2.04.090 Ethics and Elections Commission—Powers and duties

The Commission shall have the following duties and powers:

- A. The Commission shall hear and make written determination of complaints alleging violation of this Chapter 2.04 or Chapter 2.06. All hearings shall be conducted as hearings of a "contested case" under Chapter 3.02, insofar as the times and procedures of Chapter 3.02 are practical within the constraints of Section 2.04.075, and in accordance with the Commission's rules and regulations.
- B. The Commission may require any person against whom a complaint has been filed, or any person who is reasonably believed to have information material to the determination of the charges before the Commission, to appear at a designated time and place in the City, to give such information under oath, and to produce all accounts, bills, receipts, books, papers, and documents which may be relevant or material to an investigation authorized by this Chapter 2.04 or Chapter 2.06.
- C. The Commission shall adopt, promulgate, amend, and rescind suitable administrative rules and regulations for the conduct of hearings, which rules and regulations shall be promulgated pursuant to the provisions of Chapter 3.02.
- D. The Commission shall, upon proper application made to it, conduct hearings and, when appropriate, grant exemptions from the disclosure requirements of this Chapter 2.04 as provided in Section 2.04.320 and from the registration and reporting requirements of Chapter 2.06 as provided in Section 2.06.070.
- E. The Commission shall make public, pursuant to subsection 2.04.075.C, not less than 24 hours in advance, the time and date of any hearing set to determine whether a violation has occurred and the question or issues to be considered.
- F. The Commission shall review and may revise, at least once every five years but no more often than every two years, the monetary reporting thresholds and reporting code values of this Chapter 2.04. The Commission shall only revise the monetary reporting thresholds and reporting code values for the purpose of recognizing economic changes and changes to analogous state law reporting requirements. Revisions shall be adopted as rules under Chapter 3.02.

(Ord. 123070, § 4, 2009; Ord. 122645, § 5, 2008; Ord. 117308, § 7, 1994; Ord. 106653, § 19, 1977.)

Subchapter III Campaign Disclosure

2.04.150 Intent, interpretation, and construction of chapter

- A. It is the public policy of the City:
 - 1. That political campaign contributions and expenditures be fully disclosed to the public and that secrecy in the sources and application of such contributions be avoided;
 - 2. That the people have the right to expect from their elected representatives the utmost of integrity, honesty, and fairness in their dealings;
 - 3. That the people shall be assured that the private financial dealings of their public officials, and of candidates for those offices, present no conflict of interest between the public trust and private interest;

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4. That our representative form of government is founded on a belief that those entrusted with the offices of government have nothing to fear from full public disclosure of their financial and business holdings, provided those officials deal honestly and fairly with the people;
 5. That public confidence in municipal government is essential and must be promoted by all possible means;
 6. That public confidence in municipal government can best be sustained by assuring the people of the impartiality and honesty of the officials in all public transactions and decisions;
 7. That it is desirable to have legislation at the municipal level complementary to the concept of disclosure established in chapter 42.17A RCW;
 8. That small contributions by individual contributors are to be encouraged, and that not requiring the reporting of small contributions may tend to encourage such contributions;
 9. That the public's right to know of the financing of political campaigns far outweighs any right that this matter remain secret and private; and
 10. That, mindful of the right of individuals to privacy and of the desirability of the efficient administration of government, full access to information concerning the conduct of municipal government must be assured as a fundamental and necessary precondition to the sound governance of a free society.
- B. The provisions of this Chapter 2.04 shall be liberally construed to promote complete disclosure of all information respecting the financing of political campaigns so as to assure continuing public confidence of fairness of elections, and so as to assure that the public interest will be fully protected. In promoting such complete disclosure, however, this chapter shall be enforced so as to ensure that the information disclosed will not be misused by arbitrary and capricious purposes and to ensure that all persons reporting under this Chapter 2.04 will be protected from harassment and unfounded allegations based on information they have freely disclosed.
- C. Further, it is the intent of the Council that this Chapter 2.04 be interpreted and applied consistent with the de minimis maxim, that inadvertent minor violations of this Chapter 2.04 may be corrected and cured without full hearing in a manner consistent with the spirit and intent of this Chapter 2.04.

(Ord. 124694 , § 2, 2015 [cross-reference update and style cleanup]; Ord. 116005 , § 14(part), 1991; Ord. 106653, § 1, 1977.)

2.04.155 Electronic filing required—exemption

- A. Each candidate or political committee that expects to receive or receives \$5,000 or more in aggregate contributions during the applicable period must file all reports required by this Chapter 2.04 with the City Clerk by electronic transmission of the required information. All political committees that (1) are neither ballot proposition nor candidate political committees, and (2) expect to make contributions or expect to make expenditures, including independent expenditures of \$5,000 or more, in the aggregate during the applicable period, to or for the benefit of candidates or candidate political committees or to or for the benefit of ballot proposition political committees must file all reports required by this Chapter 2.04 with the City Clerk by electronic transmission. The electronic format of the filing and the method of transmission shall meet requirements designated in rules adopted by the Commission. In addition, each political committee that files electronically with the PDC must file electronically with the City Clerk.
- B. The Executive Director may exempt a candidate or a committee from the requirements of this Section 2.04.155 where the candidate or the committee has shown that the requirements constitute an undue burden.

(Ord. 124694 , § 3, 2015; Ord. 123070, § 5, 2009; Ord. 120145 , § 3, 2000; Ord. 118569 , § 4, 1997.)

2.04.156 Electronic filing—Certification

All reports required by this Chapter 2.04 that are filed electronically shall be certified as true and correct by the treasurer and candidate in accordance with procedures specified in rules adopted by the Commission. A report not so certified shall be deemed not to have been filed.

(Ord. 123070, § 6, 2009 [style cleanup]; Ord. 118569 , § 5, 1997.)

2.04.160 Political committees to file statement of organization

- A. 1. Except as provided in subsection 2.04.160.A.2, the officers of each political committee, within two weeks after the date when they first have the expectation of receiving contributions or making expenditures in any election campaign, or 20 days before the election, whichever is earlier, shall file a statement of organization with the City Clerk.
2. The officer(s) of each political committee first having the expectation of receiving contributions or making expenditures during and for that election campaign 21 or fewer days before an election shall file a statement of organization within three business days of the time when they first have the expectation of receiving contributions or making expenditures.
- B. The statement of organization shall include but not be limited to:
1. The name and address of the committee;
 2. The names and addresses of all related or affiliated committees or other persons, and the nature of the relationship or affiliation;
 3. The names, addresses, and titles of its officers; or if it has no officers, the names, addresses, and titles of its responsible leaders;
 4. The names and addresses of its campaign treasurer and campaign depository;
 5. A statement whether the committee is a continuing one;
 6. The name and office sought of each candidate whom the committee is supporting or opposing;
 7. The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition;
 8. What distribution of surplus funds will be made in the event of dissolution;
 9. The street address of the place at which and the hours during which the committee will make available for public inspection its books of account and all reports filed in accordance with Section 2.04.250; and
 10. Such other information as the Executive Director, in keeping with the policies and purposes of this Chapter 2.04, requires by rule adopted pursuant to Chapter 3.02.
- C. Any material change in information previously submitted in a statement of organization shall be reported to the City Clerk within ten days of such change.

(Ord. 123070, § 7, 2009 [department head name change]; Ord. 120831 , § 2, 2002; Ord. 118569 , § 6, 1997; Ord. 116368 , § 12, 1992 [position name change]; Ord. 111223 , § 3, 1983; Ord. 106653 , § 3, 1977.)

2.04.165 Reports of personal financial affairs

- 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 12 months.
 2. Every elected official and every candidate for a future election shall, after January 1 and before April 15 of each year, file with the City Clerk a statement of financial affairs for the preceding calendar year, unless a statement for that same 12-month period has already been filed with the City Clerk. Any elected official whose term of office expires immediately after December 31 shall file the statement required to be filed by this Section 2.04.165 for the year that ended on that December 31.
 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 12 months.
 4. A statement of a candidate or appointee filed during the period from January 1 to April 15 shall cover the period from January 1 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 2.04.165 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 2.04 shall disclose for the reporting individual and each member of the individual's 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 \$24,000 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 \$2,400 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 \$2,400 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 as of May 1, 2018 (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 2.04.165.B.1, "compensation" does not include payments made to the person reporting by the governmental entity for which such person serves as an elected official for the official's 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

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- 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 \$2,400 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 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:
 - 1) 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;
 - 2) 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 \$12,000 or more during the preceding 12 months and the consideration given or performed in exchange for the compensation; provided, that the term "compensation" for purposes of this subsection 2.04.165.B.1.g.2 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 12 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 \$2,900; 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 \$12,000 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 \$12,000 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 \$12,000 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 \$24,000, in which a corporation, partnership, firm, enterprise, or other entity had a direct financial interest, in which

corporation, partnership, firm, or enterprise a ten 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 to carry out the purposes and policies of this Chapter 2.04, as the Commission shall prescribe by rule.
2. If an amount is required to be reported under subsections 2.04.165.B.1.a through 2.04.165.B.1.m, 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, 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 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. No payment shall be made to any person required to report under this Chapter 2.04 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.

(Ord. 125611 , § 1, 2018; Initiative 122 , § 4, 2015; Ord. 123070, § 8, 2009; Ord. 120145 , § 4, 2000; Ord. 119442 , § 1, 1999.)

2.04.170 Campaign treasurer—Depository—Identified

- A. Each candidate within two 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 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.
- 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 days after their appointment.

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- 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 a political committee shall designate and file with the City Clerk, within ten days after such designation, the name and address of any successor.
- 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.

(Ord. 119442 , § 2, 1999; Ord. 118569 , § 7, 1997; Ord. 117308 , § 8, 1994; Ord. 116368 , § 13, 1992; Ord. 111223 , § 4, 1983; Ord. 106653 , § 4, 1997.)

2.04.180 Contributions by written instrument or credit card—Deposit of contributions in designated account

- A. No person may make a contribution of more than \$60, other than an in-kind contribution, except by a written instrument containing the name of the contributor and the name of the payee except that candidates and political committees may, consistent with rules adopted by the Commission, receive contributions by credit card, if the contributor's identity is verified as required for compliance with Section 2.04.260.
- B. 1. All monetary contributions received by a candidate, political committee, campaign treasurer, or deputy campaign treasurer shall be deposited within five business days after receipt by the campaign treasurer or a deputy campaign treasurer in a campaign depository in an account established and designated for that purpose. If the deposit is made by a deputy campaign treasurer, the original or a copy of the deposit shall be forwarded to the campaign treasurer for retention with campaign records.
2. If a candidate or committee is unable to open a bank account in time to make a deposit within five business days of receipt of contribution, the candidate or committee shall return the contribution to the contributor no later than five business days after receiving the contribution.

(Ord. 124694 , § 4, 2015; Ord. 120831 , § 3, 2002; Ord. 120433 , § 1, 2001 [added a subsection C that expired August 15, 2007]; Ord. 120145 , § 5, 2000; Ord. 118569 , § 8, 1997; Ord. 111223 , § 5, 1983; Ord. 106653 , § 5(a), 1977.)

2.04.200 Multiple accounts

Political committees that support or oppose more than one candidate or ballot proposition, or exist for more than one purpose, may maintain multiple separate bank accounts within the same designated depository for such purposes; provided, that each such account shall bear the same name followed by an appropriate designation which accurately identifies its separate purpose, and provided further, that transfers of funds that must be reported under subsection 2.04.260.A.4 may not be made from more than one such account.

(Ord. 106653 , § 5(c), 1977.)

2.04.210 Unidentified contributions

Accumulated unidentified contributions, other than those made by persons whose names must be maintained on a separate and private list by a political committee's campaign treasurer pursuant to subsection 2.04.260.A.2, that total in excess of one percent of the total accumulated contributions received in the current

calendar year or \$300, whichever is more, shall not be deposited, used, or expended, but shall be returned to the donor if his or her identity can be ascertained. If the donor's identity cannot be ascertained, the contribution shall escheat to the state, and shall be paid to the State Treasurer for deposit in the State General Fund.

(Ord. 106653 , § 5(d), 1977.)

2.04.215 Interim investment of campaign funds; earnings

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

(Ord. 123070, § 9, 2009; Ord. 118569 , § 9, 1997; Ord. 111223 , § 12, 1983.)

2.04.220 Low-cost fundraising activities—Reports

- A. A campaign treasurer or deputy campaign treasurer may report funds derived from low-cost fundraising activities as such, in accordance with the provisions of subsection 2.04.220.C, in lieu of reporting such funds pursuant to Section 2.04.210; provided, that:
1. The income resulting from the conduct of the activity is derived solely from either: (a) the retail sale of goods or services at prices that do not exceed a reasonable approximation of the fair market value of each item or service sold at the activity, (b) a gambling operation licensed, conducted, or operated in accordance with the provisions of chapter 9.46 RCW, or (c) events at which an entry fee is charged, so long as the total of all the per person entry fees for the campaign's low-cost fundraiser events held in a single election cycle does not exceed \$25; and
 2. Any such fundraising activity conforms with such other standards as the Commission may adopt as rules under Chapter 3.02 to prevent frustration of the purposes of this Chapter 2.04.
- B. No person responsible for receiving money at such activity shall knowingly accept payment from a person of more than \$25 unless the name and address of the person making such payment are obtained for disclosure in the report to be filed pursuant to subsection 2.04.220.C.
- C. On the report of deposit of the funds derived from a low-cost fundraising activity, in accordance with Section 2.04.180, the campaign treasurer or a deputy campaign treasurer making the deposit shall include the following information:
1. The date on which the activity occurred;
 2. The location at which the activity occurred;
 3. A precise description of the fundraising methods used in the activity;
 4. The monetary value of wagers made and prizes distributed for winning wagers, where appropriate;
 5. The name and address of each person who contributed goods or services to the candidate or political committee for sale at the activity if the fair market value of the goods or services contributed equals more than \$25 in the aggregate from such person, together with a precise description of each item or service contributed and its estimated market value; and
 6. The name and address of each person whose identity can be ascertained and who makes payments to the candidate or political committee at such activity of more than \$25.

(Ord. 123070, § 10, 2009 [style update]; Ord. 120831, § 4, 2002; Ord. 117308, § 9, 1994; Ord. 116368, § 14, 1992 [position name change]; Ord. 111223, § 6, 1983; Ord. 106653, § 6, 1977.)

2.04.230 Continuing political committee—Reports

- A. In addition to the provisions of this Section 2.04.230, a continuing political committee shall file and report on the same conditions and at the same times as any other committee in accordance with the provisions of Sections 2.04.160 through 2.04.210.
- B. A continuing political committee shall file with the City Clerk a report on the tenth day of the month detailing its activities for the preceding calendar month in which the committee has received a contribution or made an expenditure, unless its total contributions received and total expenditures are each \$200 or less. A continuing political committee, which does not file a report for the preceding month, shall accumulate its unreported contributions and expenditures, and on the tenth day of the month after its aggregate unreported contributions or expenditures exceed \$200, it shall file a consolidated report detailing its receipts and expenditures covering the months for which no report was filed. The report shall be on a form supplied by the Executive Director and shall include the following information:
 - 1. The information required by Section 2.04.260;
 - 2. Each expenditure made to retire previously accumulated debts of the committee; identified by recipient, amount, and date of payments;
 - 3. Such other information as the Executive Director shall prescribe by rule adopted pursuant to Chapter 3.02.
- C. A continuing political committee shall file reports as required by this Chapter 2.04 until the earlier of: (1) the date the continuing political committee dissolves; or (2)(a) in the case of a continuing political committee that contributes to or makes independent expenditures in support of candidates, the end of the latest election cycle of the candidates to whom the continuing political committee contributed or for whom it made independent expenditures, or (b) in the case of a continuing political committee that contributes to ballot proposition committees, the date of the latest of the final reports filed pursuant to subsection 2.04.250.B.4 by the ballot proposition committees to which the continuing political committee contributed. In addition, if the continuing political committee has debt at the end of the relevant election cycle or after the relevant final report has been filed, it shall continue to file reports as required by this Chapter 2.04 until such debt is paid or forgiven. When the continuing political committee's obligation to file reports ends as set forth in this subsection, it shall submit a final report. Upon submitting a final report, the duties of the campaign treasurer other than record retention shall cease and there shall be no obligation to make any further reports.
- D. The campaign treasurer shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditure. During the eight days immediately preceding the date of any election, for which the committee has received any contributions or made any expenditures, the books of account shall be kept current within one business day. On the eighth day preceding any election, the books of account shall be open for public inspection for at least two consecutive hours between 8 a.m. and 8 p.m. For the five business days immediately preceding the date of any election, the books of account shall be available by appointment between 8 a.m. and 8 p.m., as specified in the committee's statement of organization filed pursuant to Section 2.04.160, as now or hereafter amended, at the principal campaign headquarters or, if there is no campaign headquarters, at the address of the campaign treasurer or other such place as may be authorized by the Executive Director.
- E. All reports filed pursuant to this section shall be certified as correct by the campaign treasurer.

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

(Ord. 123070, § 11, 2009; Ord. 120145, § 6, 2000; Ord. 118569, § 10, 1997; Ord. 116368, § 15, 1992 [position name change]; Ord. 111223, § 7, 1983; Ord. 106653, § 7, 1977.)

2.04.240 Authorization of expenditures—Recordkeeping

No expenditures shall be made or incurred by any candidate or political committee except on the authority of the campaign treasurer or the candidate. A record of all such expenditures shall be maintained by the campaign treasurer.

(Ord. 106653, § 8, 1977.)

2.04.250 Treasurer's reports—Procedures

- A. On the day the statement of organization is required under Section 2.04.160 or Section 2.04.170 to be filed with the City Clerk, a report of all contributions received and expenditures made prior to that date shall be filed with the City Clerk. Such report of contributions and expenditures is not required if no contributions were received and no expenditures were made prior to that date.
- B. At the following intervals each campaign treasurer shall file with the City Clerk a further report of the contributions received and expenditures made since the date of the last report:
1. On the 21st day and seventh day before the date on which the election is to be held; and
 2. On the tenth day of the first month after the election;
 3. On the tenth day of each month in which no other reports are required to be filed under this Section 2.04.250; provided, that such report shall only be filed if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed \$200;
 4. In the case of a City general election or a special election held in conjunction with any general election, the campaign treasurer shall file a final report no later than the tenth day of May after the date of the general election; and in the case of a special election that is not held in conjunction with any general election, the final report shall be filed no later than the tenth day of the sixth month after the date of the special election.

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

- a. The report to be filed 21 days before the election shall report all contributions received and expenditures made from the closing date of the last report filed through the end of the business day before the date of the report.
- b. The report to be filed seven days before the election shall report all contributions received and expenditures made from the closing date of the last report filed through the end of one business day before the date of the report.
- c. Reports that are to be filed on the tenth day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month before the date of the report.

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- C. For the period beginning the first day of the fourth month before the date on which the special election is held, or for the period beginning the first day of the fifth month before the date on which the general election is held, and ending on the Monday eight days before the date of that special or general election, the campaign treasurer or deputy treasurer shall file with the City Clerk each Monday a report of each contribution deposited during the previous seven days. On the Monday eight days before the date of the election and each day thereafter until and including the date of the election, the campaign treasurer or deputy treasurer shall file with the City Clerk a report of each deposited contribution on the same day that the deposit is made in the campaign depository.
- D. Each report filed pursuant to this Section 2.04.250 shall contain (1) the name and address of each person making a contribution of more than \$25 or an aggregate of contributions totaling more than \$25 during the applicable period; (2) the dollar amount of each such contribution; (3) the aggregate contributed by each such contributor during the applicable period; and (4) the occupation and the employer's name, city and state of each individual whose aggregate contributions during the applicable period equal more than \$100. Contributions from any person that total \$25 or less in the applicable period may be reported by a political committee as a lump sum without identifying the contributor(s) by name. The campaign treasurer shall retain a copy of each report in his or her campaign records.
- E. The campaign treasurer shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditures. During the eight days before the date of an election for which the political committee has received any contributions or made any expenditures, the books of account shall be kept current within one business day. On the eighth day before an election, the books of account shall be open for public inspection for at least two consecutive hours between 8 a.m. and 8 p.m. For the five business days before an election, the books of account shall be available by appointment between 8 a.m. and 8 p.m., as specified in the committee's statement of organization filed pursuant to Section 2.04.160 at the principal campaign headquarters or, if there is no campaign headquarters, at the address of the campaign treasurer or such other place as may be authorized by the Executive Director. The campaign treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for five calendar years following the year during which the transaction occurred.
- F. All reports filed pursuant to this Section 2.04.250 shall be certified as correct by the candidate and the campaign treasurer, except that a report reporting only a deposit may instead be certified as correct by the candidate or the campaign treasurer or the deputy treasurer who made that deposit.
- G. Copies of all reports filed pursuant to this Section 2.04.250 shall be readily available for public inspection for at least two consecutive hours on the eighth day before the election, between 8 a.m. and 8 p.m., as specified in the committee's statement of organization filed pursuant to Section 2.04.160, at the principal campaign headquarters or, if there is no campaign headquarters, at the address of the campaign treasurer or other such place as may be authorized by the Executive Director. For the five business days before an election, the reports shall be available by appointment between 8 a.m. and 8 p.m.
- H. Assets may be carried into a new campaign of the same candidate for the same office or disposed of in the manner provided in subsection 2.04.375.B. Debt may be carried into a new campaign of the same candidate for the same office, but may not be carried into a new campaign of the same candidate for a different office, and may not be transferred to another candidate.

(Ord. 123265, § 2, 2010; Ord. 123070, § 12, 2009; Ord. 122457, § 1, 2007; Ord. 121223, § 2, 2003; Ord. 120831, § 5, 2002; Ord. 118569, § 11, 1997; Ord. 117308, § 10, 1994; Ord. 116368, § 16, 1992 [position name change]; Ord. 111223, § 8, 1983; Ord. 106653, § 9, 1977.)

2.04.260 Treasurer's reports—Contents

- A. Each report required under Section 2.04.250 shall disclose:
1. The funds on hand at the beginning of the reporting period;
 2. The name and address of each person who has made one or more contributions during the reporting period, together with:
 - a. The money value and date of each contribution;
 - b. The aggregate value of all contributions received from each such person during the applicable period;
 - c. The occupation and the employer's name, city, and state of each individual whose contributions in the aggregate during the applicable period exceed \$100.

Contributions of \$25 or less in the aggregate from any one person during the applicable period may be reported as one lump sum so long as the campaign treasurer maintains a separate list of the contributors' names, addresses, and the amounts of each of their contributions, but if the treasurer does not maintain such a list, then the name, address, and amount of each contribution shall be reported;
 - d. A copy of the certification provided pursuant to subsection 2.04.270.D, by the chief executive officer of any corporation making a contribution, that the corporation is not a foreign-influenced corporation.
 3. Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, together with the names and addresses of the lender and each person liable directly, indirectly, or contingently and the date and amount of each such loan, promissory note, or security instrument;
 4. The name and address of each political committee from which the reporting committee or candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts, dates, and purpose of all such transfers;
 5. All other contributions not otherwise listed or exempted;
 6. The name and address of each person to whom one or more expenditures were made in the aggregate amount of more than \$50 during the reporting period, and the amount, date, and purpose of each such expenditure;
 7. The total sum of expenditures;
 8. The surplus or deficit of contributions over expenditures;
 9. The disposition made of any surplus of contributions over expenditures;
 10. Such other information as the Commission requires by rule adopted pursuant to Chapter 3.02 in conformance with the policies and purposes of this Chapter 2.04;
 11. Funds received from a political committee not domiciled in the state and not otherwise required to report under this Chapter 2.04 (a "nonreporting committee"). Such funds shall be returned unless the nonreporting committee files with the City Clerk no later than the tenth day of the month following any month in which a contribution is made a statement disclosing:
 - a. The name and address of the nonreporting committee,
 - b. The purposes of the nonreporting committee,

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- c. The names, addresses, and titles of its officers or, if it has no officers, the names, addresses, and titles of its responsible leaders,
 - d. A statement whether the nonreporting committee is a continuing one,
 - e. The name and office sought of each candidate in the City in support of whom the nonreporting committee made an expenditure,
 - f. The City ballot proposition concerning which the nonreporting committee made an expenditure, and whether such committee is in favor of or opposed to such proposition,
 - g. The name and address of each person residing in the state or corporation which has a place of business in the state that has made one or more contributions in the aggregate of more than \$25 to the nonreporting committee during the current calendar year, together with the money value and date of such contributions,
 - h. The name and address of each person in the state to whom an expenditure was made by the nonreporting committee on behalf of a candidate or political committee, the amount, date, and purpose of such expenditure, and the total sum of such expenditures; and
12. Investments made of campaign funds under Section 2.04.215 and interest dividends and/or other income received.

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

(Ord. 126035 , § 3, 2020; Ord. 123070, § 13, 2009; Ord. 120831 , § 6, 2002; Ord. 118569 , § 12, 1997; Ord. 116368 , § 17, 1992 [position name change]; Ord. 111223 , § 9, 1983; Ord. 106653 , § 10, 1977.)

2.04.265 Special reports of late contributions totaling \$1,000 or more

During the 21 day period before the election in which the candidate or proposition will appear on the ballot, the treasurer or deputy treasurer shall file with the Commission a special report of each contribution or aggregate of contributions that: (1) equals or exceeds \$1,000; (2) is from a single person or entity; and (3) is received during that 21 day period or was received before that period began but was not yet reported. Such report shall be filed electronically by 4:30 p.m. the next business day after receipt of the contribution or of the time the aggregate contributions equal or exceed \$1,000 or, in the case of contributions received but not reported prior to the twenty-first day, such report shall be filed by 4:30 p.m. on the twenty-first day prior to the election. Contributions reported under this Section 2.04.265 shall also be reported to the City Clerk as required by other provisions of this Chapter 2.04.

(Ord. 124694 , § 5, 2015; Ord. 123070, § 14, 2009; Ord. 120831 , § 6, 2002; Ord. 120145 , § 7, 2000; Ord. 118569 , § 13, 1997.)

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

A. 1. Every independent expenditure not required to be reported pursuant to Sections 2.04.180 through 2.04.210, 2.04.230, 2.04.250, and 2.04.260 shall be reported pursuant to this subsection 2.04.270.A.

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

Clerk an initial report of all independent expenditures made during such campaign prior to and including such date.

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

3. At the following intervals each person who is required to file an initial report pursuant to subsection 2.04.270.A.2 shall file with the City Clerk a further report of the independent expenditures made since the date of the last report:
 - a. On the 21st day and the seventh day preceding the date on which the election is to be held; and
 - b. On the tenth day of the first month after the election; and
 - c. On the tenth day of each month in which no other reports are required to be filed pursuant to this subsection 2.04.270.A; provided, that such further reports required by this subsection 2.04.270.A.3 shall be filed only if the reporting person has made an independent expenditure since the date of the last previous report filed.
 4. All reports filed pursuant to this subsection 2.04.270.A shall be certified as correct by the reporting person.
 5. Each report required by subsections 2.04.270.A.2 and 2.04.270.A.3 shall disclose for the period beginning at the end of the period for the last previous report filed or, in the case of an initial report, beginning at the time of the first independent expenditure, and ending not more than five days prior to the date the report is due:
 - a. The name and address of the person filing the report;
 - b. The name and address of each person to whom an independent expenditure was made in the aggregate amount of more than \$25 in the reporting period, and the amount, date, and purpose of each such expenditure; provided, that if no reasonable estimate of the monetary value of a particular independent expenditure is practicable, it shall be sufficient to report instead a precise description of services, property, or rights furnished through the expenditure and where appropriate to attach a copy of the item produced or distributed by the expenditure;
 - c. The total sum of all independent expenditures made during the applicable period to date; and
 - d. Such other information as the Commission, in conformance with the policies and purposes of this Chapter 3.02, requires by rule adopted pursuant to Chapter 3.02.
- B. 1. Any person who contributes in the aggregate amount of \$100 or more during the preceding 12 month period to any political committee not domiciled in the state or not otherwise required to report under this Chapter 2.04, if the person reasonably expects such political committee to make contributions in respect to any election covered by this chapter, shall file with the City Clerk a report signed by the contributor disclosing the contributor's name and address, the date, nature, purpose, amount, and recipient of such contribution, and any instructions given as to the use or disbursement of such contribution.
2. The initial report shall be filed with the City Clerk within five days after the date on which the amount of \$100 or more is reached, and each subsequent report shall be filed within days after each subsequent contribution is made to the same such political committee.
- C. A person with the expectation of making an independent expenditure or expenditures by disseminating an advertising message or messages that the person reasonably expects to be received, read, viewed or heard by 1,000 or more individuals in a single calendar year shall, within two business days after the initial dissemination of the advertisement, deliver a copy of each such advertisement to the offices of the

Commission, along with a statement disclosing the method of dissemination of the advertisement and an estimate of the expected quantity of the advertising. This requirement applies only to all independent expenditures that are required to be reported, i.e., an individual spending \$100 or more of the individual's own funds and anyone spending any amount of the funds of others. This disclosure does not substitute for the disclosure requirements of other sections of this Chapter 2.04.

- D. Any corporation making an independent expenditure or contributing to an independent expenditure committee shall, within seven business days after making such expenditure or contribution, file with the City Clerk a statement of certification signed by its chief executive officer under penalty of perjury, avowing that after due inquiry, the corporation was not a foreign-influenced corporation on the date such expenditure or contribution was made. The corporation shall also provide a copy of the statement of certification to any independent expenditure committee to which it makes a contribution.

(Ord. 126035 , § 4, 2020; Ord. 124694 , § 6, 2015 [cross-reference update and other cleanup]; Ord. 123070, § 15, 2009 [style update]; Ord. 120915 , § 1, 2002; Ord. 120831 , § 8, 2002; Ord. 120145 , § 8, 2000; Ord. 118569 , § 14, 1997; Ord. 116368 , § 18, 1992 [position name change]; Ord. 111223 , § 10, 1983; Ord. 106653 , § 11, 1977.)

Reviser's note—Ord. 123070 had two Sections 15.

2.04.275 Certification of independent expenditures—Special reports of late independent expenditures

- A. Each person and each officer of the committee or entity who made an independent expenditure each shall file, with the report required in Sections 2.04.180 through 2.04.210, 2.04.230, 2.04.250, 2.04.260 and 2.04.270, his or her notarized affidavit or declaration under penalty of perjury. The affidavit or declaration shall state that the maker has made reasonable inquiry and determined that as to each of the following, the expenditure was made without consultation, collusion, or cooperation with (1) any candidate or political committee that a reasonable person making the independent expenditure would expect to benefit from the expenditure; (2) the officers of such political committee; or (3) such candidate's or committee's agents.
- B. Each person who, within 21 days before an election makes an independent expenditure that by itself, or when added to all other independent expenditures made previously during those 21 days, equals or exceeds \$1,000 or has made such an expenditure that has not yet been reported, shall by 4:30 p.m. the next business day after making each such independent expenditure file electronically with the Commission a special report of that independent expenditure, or, in the case of expenditures made prior to the 21st day, such report will be filed by 4:30 p.m. on the 21st day prior to the election. Expenditures reported under this section shall also be reported to the City Clerk when and as required by other provisions of this Chapter 2.04.

(Ord. 123070, § 15, 2009 [department head name change and other cleanup]; Ord. 120831 , § 9, 2002; Ord. 120145 , § 9, 2000; Ord. 118569 , § 15, 1997.)

Reviser's note—Ord. 123070 had two Sections 15.

2.04.280 Commercial advertisers' duty to report

- A. Each commercial advertiser that has accepted or provided political advertising and/or a qualified public communication during the election campaign shall maintain documents and books of account open for public inspection during normal business hours through the campaign and for a period of no less than three years after the date of the applicable election. In the case of a qualified public communication, each commercial advertiser shall maintain documents and books of account open for public inspection from the first date on which the qualified public communication appears and for no less than four years after the last

date on which the qualified public communication appeared. Such documents and books of account shall contain:

1. The names and addresses of persons from whom it accepted political advertising or qualified public communications, including, if the person is a business entity, a list of the chief executive officers or members of the executive committee or of the board of directors of such entity;
 2. The exact nature and extent of the advertising services rendered, including:
 - a. The advertisement;
 - b. The rates charged for the advertisement;
 - c. The name of:
 - 1) The candidate or elected official to which the advertisement refers and the office to which the candidate is seeking election or which the elected official holds,
 - 2) The election to which the advertisement refers, or
 - 3) The legislative issue to which the advertisement refers (as applicable);
 - d. In the case of services provided to or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and
 3. The consideration and the manner of paying that consideration for such services.
- B. Each commercial advertiser that must comply with subsection 2.04.280.A shall deliver to the Executive Director, upon the Director's request, copies of such information as must be maintained open for public inspection pursuant to subsection 2.04.280.A.

(Ord. 126036 , § 3, 2020; Ord. 123070, § 16, 2009; Ord. 106653 , § 12, 1977.)

2.04.290 Identification of contributions and communications

- A. No contribution shall be made and no expenditure shall be incurred, 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 contribution or in any other manner so as to effect concealment.
- B. 1. All audio and video broadcast political advertising, whether relating to candidates or ballot propositions, must state "paid for by" or "sponsored by," followed by the sponsor's name. All other political advertising, whether relating to candidates or ballot propositions, must state "paid for by" or "sponsored by," followed by the sponsor's name and address. The use of an assumed name is unlawful.
2. In addition to the materials required by subsection 2.04.290.B.1, all political advertising undertaken as an independent expenditure by a person or entity, other than a bona fide political party as defined in RCW 42.17A.005(6), must include the following as part of the communication:
- a. The statement: "No candidate authorized this ad. It is paid for by (name, address, city, state)";
 - b. If the sponsor is a political committee, the statement: "Top Five Contributors," followed by a listing of the names of the five persons or entities making the largest contributions in excess of \$700 reportable under this Chapter 2.04 during the 12 month period before the date of the advertisement or communication; and
 - c. If the sponsor is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the full name of that individual or entity.

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3. Political advertising costing \$1,000 or more supporting or opposing ballot measures sponsored by a political committee must include the information on the "Top Five Contributors" consistent with subsection 2.04.290.B.2.b. A series of political advertising sponsored by the same political committee, each of which is under \$1,000, must include the "Top Five Contributors" information required by Section 2.04.290 once their cumulative value reaches \$1,000 or more.
 4. The statements and listings of contributors required by subsections 2.04.290.B.1, 2.04.290.B.2, and 2.04.290.B.3 must:
 - a. Appear on the first page or fold of the written communication in at least ten-point type, or in type at least ten percent of the largest size type used in a written communication directed at more than one voter, such as a billboard or poster, whichever is larger;
 - b. Not be subject to the half-tone or screening process;
 - c. Be set apart from any other printed matter; and
 - d. Be clearly spoken on any broadcast advertisement.

(Ord. 124694 , § 7, 2015; Ord. 123070, § 17, 2009; Ord. 120831 , § 10, 2002; Ord. 120145 , § 10, 2000; Ord. 106653 , § 13, 1977.)

2.04.300 Prohibition against use of public office facilities in campaigns

No elected official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of public office or agency include but are not limited to use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the officer or agency; provided, that the foregoing provisions of this Section 2.04.300 shall not apply to the following activities:

- A. Action taken at an open public meeting by the City Council to express a collective decision or to actually vote upon a motion, proposal, resolution, order or ordinance, or to support or oppose a ballot proposition so long as (1) any required notice of the meeting includes the title and number of the ballot proposition, and (2) members of the City Council or members of the public are afforded an approximate equal opportunity for the expression of an opposing view;
- B. A statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry; and
- C. Activities that are part of the normal and regular conduct of the office or agency.

(Ord. 117308 , § 11, 1994; Ord. 106653 , § 14, 1977.)

2.04.320 Exemption from disclosure requirements

- A. An exemption from the disclosure requirements of this Chapter 2.04 shall be granted by the Commission to a political association or political committee if such political association or political committee has applied in writing to the Commission for such exemption and has demonstrated by a reasonable probability that the compelled disclosure of contributors' names will subject the contributors to threats, harassment, or reprisals from either government officials or private parties, and that as a result of such disclosure it is reasonably probable that advocacy of a dissident view will be hindered and the right to free association chilled.

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

(Ord. 123070, § 18, 2009; Ord. 106653, § 24, 1977.)

2.04.330 Late filing—Civil assessments

- A. The City Clerk shall stamp, write on, or mark mechanically or electronically on each statement or report filed under this Chapter 2.04 the date and time it is received.
- B. Failure to file any statement or report on the date due or mail the same to the City Clerk, postage prepaid, on the date due, shall subject a candidate, campaign treasurer, political committee or officer of a political committee to a late filing penalty, as follows:
1. A civil assessment of \$50 for each day that the report is due but not filed for failing to make a timely filing;
 2. A civil assessment of \$150 per day for any statement or report that is due within 30 days of an election for each day the statement or report is not filed up to and including election day; and
 3. A civil assessment of \$50 per day that any other statement or report is due and is not filed, and for each day after election day a statement or report in subsection 2.04.330.B.2 is due and remains unfiled.

Failure to file each statement or report is a separate infraction.

- C. A filing received by mail shall be deemed filed on the date of the postmark. A filing received by facsimile or electronically shall be deemed filed when the transmission has been completely received. The Commission may adopt rules to specify how that receipt date and time is determined in each medium. It shall be a defense that a filing made solely by mail was lost in the mail.
- D. The Executive Director shall determine and collect the amounts due. A person aggrieved by a determination of the Executive Director may appeal to the Commission. The decision of the Commission after a hearing shall be final.

(Ord. 124757, § 1, 2015; Ord. 118569, § 16, 1997; Ord. 117308, § 12, 1994; Ord. 116368, § 19, 1992 [department head/position name change]; Ord. 111223, § 13, 1983.)

Subchapter IV Campaign Contributions Limited

2.04.340 Personal use of contributions—when permitted

Contributions received and reported under this Chapter 2.04 may be transferred to the personal account of a candidate, or, in the case of a ballot proposition political committee, to the personal account of a treasurer or other individual, or expended for such candidate's, treasurer's, or individual's personal use only under one or more of the following circumstances:

- A. As reimbursement for or loans to cover lost earnings incurred as a result of campaigning or services performed for the political committee. Such lost earnings shall be verifiable as unpaid salary, or when the individual is not salaried, as an amount not to exceed income received by the individual for services rendered during an appropriate, corresponding time period. All lost earnings incurred shall be

documented and a record thereof shall be maintained by the individual or the individual's political committee. The political committee shall maintain such information in the campaign records;

- B. As reimbursement for direct out-of-pocket election campaign and post-election campaign related expenses made by the individual. To receive reimbursement from the political committee, the individual shall provide the political committee with written documentation as to the amount, date, and description of each expense, and the political committee shall maintain such information in the campaign records;
- C. As repayment of loans made by the individual to political committees, which repayment shall be reported pursuant to Section 2.04.250. Contributions may not be used, however, to reimburse a candidate for loans made by the candidate to the candidate's own political committee or campaign in an amount totaling more than the amount provided in RCW 42.17A.445(3) and WAC 390-05-400;
- D. As payment of salary, wages, and benefits or any other payment for services rendered by an individual to a campaign, but not in payment for services rendered by a candidate to that candidate's campaign.

(Ord. 124694 , § 8, 2015 [cross-reference update and other cleanup]; Ord. 118569 , § 17, 1997.)

2.04.350 Findings of fact—Limitations to be imposed.

- A. The City finds that, in the interest of the public health, safety, and welfare, the municipal election process and municipal government should be protected from undue influence by individuals and groups making large contributions to the election campaigns of candidates for Mayor, City Council, and City Attorney.
- B. The City finds that, in the interest of the public health, safety, and welfare, the municipal election process and municipal government should be protected from even the appearance of undue influence by individuals or groups contributing to candidates for Mayor, City Council, and City Attorney.
- C. The City therefore finds that limitations on contributions of money, services, and materials by individuals or groups to municipal election campaigns should be imposed by law to protect the public health, safety, and welfare. These limitations, however, should be reasonable, so as not to discourage personal expression.

(Ord. 116368 , § 20, 1992; Ord. 110909 , § 2(part), 1982 [permanently enacted expiring language with no amendments]; Ord. 107772 , § 1, 1979 [added § 13-A to Ord. 106653 , 1977].)

2.04.360 Application

Sections 2.04.350 through 2.04.370 apply only to candidates in any primary, general, or special election for the offices of Mayor, City Council, and City Attorney of The City of Seattle.

(Ord. 126035 , § 5, 2020; Ord. 116368 , § 21, 1992; Ord. 110909 , § 2, 1982 [permanently enacted expiring language with no amendments]; Ord. 107772 , § 1, 1979 [added § 13-B to Ord. 106653 , 1977].)

2.04.370 Mandatory limitations on contributions to candidates

- 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 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.

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- 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 from any person in any election cycle.
- E. Contributions from foreign-influenced corporations prohibited
1. No candidate for Mayor, member of the City Council, or City Attorney of the City shall solicit or receive campaign contributions from a foreign-influenced corporation.
 2. Any corporation making a contribution to a candidate for Mayor, member of the City Council, or City Attorney of The City of Seattle shall, within seven business days after making such contribution, file with the City Clerk a statement of certification signed by its chief executive officer under penalty of perjury, avowing that after due inquiry, the corporation was not a foreign-influenced corporation on the date such contribution was made. The corporation shall also provide a copy of the statement of certification to any campaign to which it contributes.
- F. The limitations imposed by this Section 2.04.370 shall not apply to:
1. A candidate's contributions of the candidate's own resources to the candidate's 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 except as provided by Section 2.04.400;
 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.
- G. The limitations imposed by this Section 2.04.370 shall apply to contributions of the candidate's spouse's or state registered domestic partner's separate property.
- H. The limitations in this Section 2.04.370 shall be adjusted commencing before the 2019 election cycle, and prior to each election cycle thereafter, by the Commission 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 November 24, 2015 or the prior adjustment, as calculated by the United States Department of Labor. The declaration of the Washington State Department of Labor and Industries every 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 the Commission may round off the new figures to amounts judged most convenient for public understanding.

(Ord. 126035 , § 6, 2020; Ord. 125611 , § 2, 2018; Initiative 122 , § 5, 2015; Ord. 124018 , § 2, 2012; Ord. 123070 , § 20, 2009; Ord. 120831 , § 11, 2002; Ord. 120321 , § 1, 2001 [added a subsection E that expired August 15, 2007]; Ord. 120145 , § 11, 2000; Ord. 118569 , § 18, 1997; Ord. 117308 , § 13, 1994; Ord. 116368 , § 22, 1992; Ord. 110909 , § 2, 1982; Ord. 107978 , § 1, 1979; Ord. 107772 , § 1, 1977 [added § 13-C to Ord. 106653 , 1977].)

Reviser's note—Pursuant to subsection 2.04.370.H, Rule 17 of the Seattle Elections Code Administrative Rules set the 2020 contribution limit referred to in subsection 2.04.370.B as \$550 as of February 5, 2020.

2.04.375 Reporting and disposition of campaign funds after election

- A. 1. Each candidate or supporting committee for a candidate shall cease receipt of campaign contributions and dispose of the funds remaining in the campaign account in accordance with subsection 2.04.375.B, on or April 30 in the year following the date of the election for the office the candidate sought, except for special elections. In the case of a special election, each candidate or supporting committee for a candidate shall

cease receipt of campaign contributions and dispose of the funds remaining in the campaign account, in accordance with subsection 2.04.375.B, on or before the 30th day of the fifth month after the special election for the office the candidate sought. By May 10 in the year after the election for the office the candidate sought, each candidate or supporting committee for a candidate shall file a final report reflecting the disposition of the remaining funds, except for special elections. In the case of a special election, each candidate or supporting committee for a candidate shall file that final report by the tenth day of the sixth month after the special election for the office the candidate sought.

2. If a candidate or supporting committee for a candidate for City office has campaign debt outstanding on April 30 in the year following the date of the general election for the office the candidate sought, or on the 30th day of the fifth month after the special election for the office the candidate sought, the debt may be transferred to a new campaign of the same candidate for the same office.
 3. Except for supporting committees for candidates that are governed by subsection 2.04.375.A.1 of this section and continuing political committees, each political committee (hereafter in this subsection 2.04.375.A.3 "committee") shall cease receipt of contributions and dispose of the funds remaining in the campaign account, in accordance with subsection 2.04.375.B, on or before April 30 in the year following the date of the election for which the committee received contributions or made expenditures, except for special elections. In the case of a special election, each committee shall cease receipt of contributions and dispose of the funds remaining in the campaign account, in accordance with subsection 2.04.375.B, on or before the 30th day of the fifth month after the special election for which the committee received contributions or made expenditures. By May 10 in the year after the election for which the committee received contributions or made expenditures, each committee shall file a final report reflecting the disposition of the remaining funds, except for special elections. In the case of a special election, each committee shall file that final report by the tenth day of the sixth month after the special election for which the committee received contributions or made expenditures.
 4. Except for supporting committees for candidates that are governed by subsection 2.04.375.A.2 and continuing political committees, if a political committee (hereafter in this subsection 2.04.375.A.4 "committee") has campaign debt outstanding on April 30 in the year following the date of the general election for which the committee received contributions or made expenditures, or on the 30th day of the fifth month after the special election for which the committee received contributions or made expenditures, the debt may be transferred to another political committee or to a continuing political committee, which shall, until such debt has been paid or forgiven, file the reports that would have been required of the committee transferring the debt had that committee not filed its final report under subsection 2.04.375.A.3.
- B. The surplus funds, including each capital asset for which the candidate or political committee paid \$200 or more, or reported as an in-kind contribution with a value of \$200 or more, may be disposed of only in one or more of the following ways:
1. Return the surplus to contributors in respective amounts not to exceed each contributor's original contribution;
 2. Transfer the surplus to the personal account of a candidate, or of a treasurer or other individual as reimbursement for lost earnings incurred as a result of the election campaign. Such lost earnings shall be verifiable as unpaid salary or, when the candidate, treasurer or individual is not salaried, as an amount not to exceed income received by the candidate, treasurer, or individual for services rendered during an appropriate corresponding time period. All lost earnings incurred shall be documented, and a record thereof shall be maintained by the candidate, treasurer, or individual or by the political committee as the lost earnings accrue. The committee shall maintain such information as a part of the campaign records;
 3. Transfer the surplus to a political party or to a caucus of the state legislature;

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4. Donate the surplus to a charitable organization registered in accordance with chapter 19.09 RCW;
 5. Transmit the surplus to the state treasurer for deposit in the general fund;
 6. A candidate who was elected to the office sought, or that candidate's political committee, may transfer the surplus campaign funds to an account created under Section 2.04.480 for that individual's nonreimbursed expenses of that public office. This transfer shall be treated as a contribution for purposes of Section 2.04.480;
 7. A ballot proposition political committee may become a continuing political committee and use the funds to support or oppose candidates and ballot propositions and must report in accordance with Sections 2.04.230 through 2.04.290.

(Ord. 124018, § 3, 2012; Ord. 123070, § 20, 2009; Ord. 120145, § 12, 2000; Ord. 118569, § 19, 1997; Ord. 117308, § 14, 1994.)

2.04.380 Solicitation of contributions by elected officials, candidates or their agents

- A. No elected official, candidate, or an official's or candidate's agent may knowingly solicit, directly or indirectly, a contribution to an office fund created under Section 2.04.180, a candidate for public office, a political party, or a political committee from a City employee or any member of a City board or commission.
- B. This Section 2.04.380 shall not prohibit an elected official or a candidate from soliciting contributions from City employees if any of the following conditions apply, and the solicitation does not otherwise violate the provisions of this Chapter 2.04:
 1. The solicitation is part of a general solicitation made to a significant segment of the public that may include, but does not target, City employees;
 2. The solicitation is part of a general solicitation made at a gathering that may include, but does not target, City employees;
 3. The solicitation is made to a City employee who, subsequent to July 24, 2009, makes an unsolicited contribution to the elected official or candidate for public office, political party, or political committee making the solicitation;
 4. The solicitation is made to a City employee who expressly requests to be added to a mailing list from the elected official or candidate for public office, political party, or political committee; and
 5. Any other similar circumstance as may be prescribed by rule by the Commission pursuant to Section 3.70.100.
- C. Nothing in this Section 2.04.380 prohibits a City employee from making a contribution to an elected official or candidate, and nothing in this Section 2.04.380 prohibits an elected official or candidate from accepting a contribution from a City employee.

(Ord. 123268, § 1, 2010; Ord. 123011, § 1, 2009.)

2.04.385 Solicitation by supervisors

No supervisor employed by the City may solicit a contribution to an office fund created under Section 2.04.180, a candidate for public office, a political party, or a political committee from any person whom he or she supervises.

(Ord. 123268, § 2, 2010; Ord. 123011, § 2, 2009.)

2.04.400 Independent expenditures

- A. No foreign-influenced corporation shall make an independent expenditure in elections for or against candidates for the offices of Mayor, City Council, or City Attorney of The City of Seattle, nor a contribution to an independent expenditure committee that has conveyed, implicitly or explicitly, that contributions to the committee may be used in elections for or against candidates for the offices of Mayor, City Council, or City Attorney of The City of Seattle.
- B. An independent expenditure committee may dedicate any contributions that do not comply with the restrictions of Section 2.04.400 for use in elections outside Seattle or for other lawful purposes.

(Ord. 126035 , § 7, 2020.)

Subchapter VI Office Funds

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

- A. Each elected official, upon election to office, may each establish an individual account for the deposit of contributions solicited and received for the purpose of defraying non-reimbursed public office related expenses. Such accounts shall be called public office funds.
- B. Contributions to public office funds shall not be transferred to a political committee nor used to promote or oppose a candidate or ballot issue.
- C. No person shall make a public office fund contribution to a candidate for City office who is not an elected official before that candidate is elected to City office or to a person appointed to fill a vacancy in a City elected office who is not an elected official before the person is appointed to City office. No candidate for City office who is not an elected official shall accept a public office fund contribution before that candidate is elected to City office and no person appointed to fill a vacancy in a City elected office who is not an elected official shall accept a public office fund contribution before the person is appointed to fill the vacancy in the City elected office.
- D. No person shall make a public office fund contribution of more than \$250 to each City Elected Official in any calendar year.
- E. No City elected official shall accept or receive a public office fund contribution of more than \$250 from any person in any calendar year, provided that this limitation shall not apply to the elected official's contributions of his or her own resources to his or her own office fund or to any transfer of funds pursuant to subsection 2.04.375.B.6.
- F. Within two weeks of receiving his or her first public office fund contribution, the elected official shall establish a separate account and file a report of organization to the City Clerk as provided in Sections 2.04.160 and 2.04.170. On the tenth day of each month following a month in which a public office fund contribution was received or an expenditure was made, the elected official shall file reports with the City Clerk in compliance with Sections 2.04.180 through 2.04.260, except that the \$200 transaction criteria stated in subsection 2.04.250.B.3 shall not apply. The late filing provisions of Section 2.04.330 shall apply.
- G. Any funds which remain in a public office fund after all permissible public office related expenses have been paid may only be disposed of in one or more of the following ways:

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

(Ord. 124018, § 3, 2012; Ord. 123070, § 21, 2009; Ord. 117308, § 15, 1994.)

Subchapter VII Violation—Penalty

2.04.500 Civil remedies and sanctions

- A. 1. Upon determining pursuant to Sections 2.04.070 through 2.04.090 that a violation has occurred, the Commission may issue an order requiring the party to take particular action in order to comply with the law, and in addition, or alternatively, may impose sanctions up to \$5,000 for each violation.
 2. Upon determining that a contribution was illegally made or accepted, in addition to the remedies in subsection 2.04.500.A.1, the Commission may order the return of a contribution illegally made, and impose a penalty of two times the amount of a contribution illegally made or accepted by a person who violates Section 2.04.180, 2.04.200, 2.04.210, 2.04.215, 2.04.240, 2.04.290, 2.04.300, 2.04.370, or 2.04.480.
 3. Upon determining that a report was filed excessively late, in addition to the remedies in subsection 2.04.500.A.1, the Commission may impose a penalty of two times the amount of each deposit or expenditure for each deposit or expenditure that was reported excessively late. A report is excessively late if it was due more than 21 days before the election in which the candidate or ballot proposition appeared on the ballot, but was not filed at least 21 days before that election. A report is also excessively late if it was due within 21 days before the election in which the candidate or ballot proposition appeared on the ballot, but was not timely filed.
 4. In addition to the actions in subsections 2.04.500.A.1, 2.04.500.A.2, and 2.04.500.A.3, the Commission may forward the determination of violation to the Seattle City Attorney or the King County Prosecutor for prosecution. If the court finds that the violation of any provision of this chapter by any candidate or political committee probably affected the outcome of any election, the result of the election may be held void and a special election held within 60 days of such finding. Any action to void an election shall be commenced within one year of the date of the election in question. It is intended that this remedy be imposed freely in all appropriate cases to protect the right of the electorate to an informed and knowledgeable vote.
- B. Whether or not there is an administrative determination as provided in subsection 2.04.500.A, the violation or failure to comply with the provisions of Sections 2.04.160 through 2.04.290 (regarding campaign reporting) or Section 2.04.370 (regarding contribution limitations) shall constitute an infraction, not subject to Title 12A, for which a monetary fine, not to exceed \$5,000, may be assessed by a court ; however, a person or entity who violates Section 2.04.370 may be subject to a civil fine of \$5,000 or be required to return the illegal contribution and pay a penalty of two times the amount of the contribution illegally made or accepted, whichever is greater. Violation of this Chapter 2.04 and existence of an infraction may be proven by a preponderance of the evidence and need not be proven beyond a reasonable doubt. An action seeking to establish the fact of an infraction and imposition of a monetary fine under this section may be commenced by the City Attorney at a request of a majority of the Commission.
- C. Any candidate who fails to comply with the requirements of this Chapter 2.04 or conditions of his/her campaign contract shall be ineligible to receive further such funds until in compliance. Any candidate who

exceeds the expenditure limitation for which he/she has contracted shall immediately return to the appropriate City account \$3 for every \$1 he/she has overspent in that election to a maximum amount equal to the total sum of public funds he/she has received.

- D. The following persons shall be liable for violation of this Chapter 2.04, and shall be subject to all penalties, civil remedies, and sanctions set forth in this Section 2.04.500, in Section 2.04.330, or elsewhere in this Chapter 2.04:
1. Each candidate whose campaign has violated any provision of this Chapter 2.04;
 2. Each officer of a ballot proposition political committee or continuing political committee whose committee has violated any provision of this Chapter 2.04; and
 3. Each individual violating any provision of this Chapter 2.04.

(Ord. 123070, § 22, 2009; Ord. 118569, §§ 20, 21, 1997; Ord. 117308, § 16, 1994; Ord. 112005, § 3, 1984; Ord. 111223, § 11, 1983; Ord. 110909, § 3, 1982; Ord. 109886, § 1, 1981; Ord. 108400, § 11, 1979; Ord. 107772, § 4, 1979; Ord. 106653, § 21, 1977.)

2.04.510 Enforcement

The Executive Director may investigate or cause to be investigated the activities of any person who there is reason to believe is or has been acting in violation of this Chapter 2.04 or Chapter 2.06, and may require any such person or any other person reasonably believed to have information concerning the activities of such person to appear at a time and place designated in the City, to give such information under oath and to produce all accounts, bills, receipts, books, papers, and documents which may be relevant or material to any investigation authorized under this Chapter 2.04 or Chapter 2.06.

(Ord. 122645, § 6, 2008; Ord. 117308, § 17, 1994; Ord. 106653, § 22, 1977.)

2.04.520 Attorney's fees—Costs—Punitive damages

In any action brought under this Chapter 2.04, the court may award to the City or to the County all costs of investigation and trial, including a reasonable attorney's fee to be fixed by the court. If the violation is found to have been intentional, the amount of the judgment, which shall for this purpose include the costs, may be trebled as punitive damages. If the defendant prevails, he or she shall be awarded all costs of trial, and may be awarded a reasonable attorney's fee to be fixed by the court to be paid by the City.

(Ord. 117308, § 18, 1994; Ord. 106653, § 23, 1977.)

Subchapter VIII Honest Elections Seattle

2.04.600 Purpose and authority

- A. Purpose. This Subchapter VIII's purpose is to build honest elections in the City and prevent corruption by: giving more people an opportunity to have their voices heard in democracy; ensuring a fair elections process that holds elected leaders accountable to the people by strengthening residents' control over City government; banning campaign contributions by certain City contractors and entities using paid lobbyists; lowering campaign contribution limits; tightening prohibitions on lobbying by former elected officials (the "revolving door" problem); and expanding requirements for candidates to disclose their financial holdings and interests. This Subchapter VIII also creates a democracy voucher public finance program ("democracy

voucher program" or "program" in this Subchapter VIII) 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 chapter 84.55 RCW, 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.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.601 Contributions from certain City contractors prohibited

- A. 1. No Mayor, City Councilmember, 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 to provide goods and/or services to the City.
2. If subsection 2.04.601.A.1 is invalidated, then no Mayor, City Councilmember, 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 to provide goods and/or services to the City.
- B. 1. No Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly solicit a contribution for themselves 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 to provide goods and/or services to the City.
2. If subsection 2.04.601.B.1 is invalidated, then no Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly solicit a contribution of more than \$250, for themselves 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 to provide goods and/or services to the City.
- C. Neither soliciting nor accepting assignment of democracy vouchers is a violation of this Section 2.04.601.
- D. If any part of this Section 2.04.601 is invalidated, the remainder shall be construed to effect the anticorruption purposes of this Section 2.04.601 to the maximum extent allowable.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.602 Contributions from certain entities or persons who retain lobbyists prohibited

- A. 1. No Mayor, City Councilmember, 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 Section 2.06.010) for lobbying the City.

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2. If subsection 2.04.602.A.1 is invalidated, then no Mayor, City Councilmember, 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 Section 2.06.010) for lobbying the City.

B. 1. No Mayor, City Councilmember, or City Attorney, or any candidate for any such position shall knowingly solicit a contribution, for themselves 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 Section 2.06.010) for lobbying the City.

2. If subsection 2.04.601.B.1 is invalidated, then no Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly solicit a contribution of more than \$250, for themselves 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 Section 2.06.010) for lobbying 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 2.04.602. If any part of this Section 2.04.602 is held invalid the remainder shall be construed to effect the anticorruption purposes of this Section 2.04.602 to the maximum extent allowable.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.605 Expedited reporting of electronic contributions

To ensure the Commission 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 electoral offices shall report to the City Clerk any campaign contribution made electronically upon deposit into a candidate's account; provided that this requirement shall exist only after the Commission has determined that there are two or more electronic payment processing companies that have the capacity to report contributions to the Commission as soon as the contribution is transferred to the candidate's account. The Commission shall provide notice reasonably in advance of the election cycle in which campaigns shall comply. The Commission shall ensure that, before a contribution is required to be publicly disclosed as received by a campaign, the campaign shall have reasonable opportunity to reject or return undesired or illegal contributions.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.606 Paid signature gatherers' disclosure

Any person or entity that is a compensated or paid signature gatherer for any City ballot measure, initiative, referendum, or Charter amendment shall disclose such to each person from whom a signature is sought, in writing via a conspicuous, legible sign, placard, or badge, stating "PAID SIGNATURE GATHERER."

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.607 Three-year prohibition on Mayor, Councilmember, City Attorney, or top staff paid lobbying

- A. A former Mayor, City Councilmember, 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 Section 2.06.010.

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- B. If subsection 2.04.607.A is invalidated, then a former Mayor, City Councilmember, 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 Section 2.06.010.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.620 Democracy voucher issuance

- A. No later than the first business day in March, the Commission shall mail to each person who was, by the previous December 31, duly registered to vote in Seattle and an active voter under RCW 29A.08.615 (as amended by Chapter 109, Laws of 2018), at the person's address in the voter registration records, \$100 in democracy vouchers, except that the Commission may deliver democracy vouchers online or in another manner if the person chooses, as provided in this Section 2.04.620. Thereafter, the Commission shall regularly issue \$100 in democracy vouchers to any person becoming a duly registered Seattle voter after the previous December 31, up until at least October 1 of the election year, with regular issuance after October 1 allowable in the Commission's discretion. Democracy vouchers may be mailed or emailed to an address other than that indicated in the voter registration records.
- B. Any adult natural person may opt in to the program and obtain democracy vouchers by application to the Commission if the person is eligible under federal law to donate to a political campaign, has continuously resided in Seattle for at least 30 days immediately preceding the application, and has not received any democracy vouchers in the election cycle.
- C. On the date that the Commission mails democracy vouchers to active voters, the Commission shall also notify inactive voters of their status as an inactive voter and their opportunity to receive democracy vouchers from the Commission.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.622 Democracy voucher form

Each democracy voucher shall substantially contain the information and substantially be in the form of Exhibit A for 2.04.622.

Exhibit A for 2.04.622

Seattle Democracy Voucher
Primary & General Election

NO CASH VALUE • NON-TRANSFERABLE
<<EXPIRATION DATE>>

\$25

I am assigning this voucher to the qualified candidate printed here:

Candidate Name:

I attest that I obtained this Democracy Voucher properly and make this assignment freely and not in exchange for payment of any kind. I am aware that assignment may not be changed and there is no guarantee of availability of funds. Assignment is complete upon delivery to the Seattle Ethics and Elections Commission, the candidate, or her or his registered representative. Vouchers may only be assigned to qualified candidates.

Signature:

Date:

Find a participating candidate at www.seattle.gov/democracyvoucher

(Ord. 125611 , § 3, 2018 [renumbered from 2.04.620(c)]; Initiative 122 , § 1, 2015.)

2.04.624 Democracy voucher assignment, delivery, and receipt

- A. Democracy vouchers are only transferable or assignable as stated in this Section 2.04.624. Any person properly obtaining and holding a democracy voucher may assign it by: signing the holder's name and dating the democracy voucher where indicated thereon; and delivering the signed and dated democracy voucher to the candidate, or to the Commission, or to any candidate's representative who shall be registered for this purpose with the Commission. Delivery may be by mail, in person (by any person the holder requests to deliver the voucher), or electronically via a secure Commission online system, or, with the agreement of King County, through ballot drop boxes when in use. The Commission shall establish a secure online system for delivery of democracy vouchers (without prejudice to any eligible person's option to receive democracy vouchers in the mail) prior to the 2017 election cycle, unless the Commission determines this target date is not practicable; and in any event no later than the 2019 election cycle. The Commission also shall determine how it shall receive properly assigned vouchers that were not directly delivered to it.
- B. A person may only assign a democracy voucher to a candidate who has chosen to participate in the Program and who has filed a signed pledge with the Commission as described in this Subchapter VIII.
- C. 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 Commission secure online system. A valid assignment is irrevocable.
- D. A person may assign any number of the person's democracy vouchers to the same candidate in a given year.
- E. 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 an agent.

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- F. A democracy voucher expires if the holder is no longer a resident of Seattle, or no longer or not eligible to make political contributions under federal law, if such circumstances take place prior to receipt of the voucher by the Commission. The holder of a democracy voucher assumes the risk that the holder may wish to change the assignment, or that the democracy voucher may not be redeemed due to any contingency, including but not limited to: unavailability of Program funds; the assignee candidate reaching the maximum campaign valuation under subsection 2.04.630.B; a candidate's death, disqualification, dropping out, or failure to redeem or use the democracy voucher; and a candidate's not qualifying or violating the terms of qualification.

(Ord. 125611 , § 3, 2018 [renumbered from 2.04.620(d-f)]; Initiative 122 , § 1, 2015.)

2.04.630 Candidate qualification

- A. Only a candidate who has filed with the Commission for participation in the Program may receive assignment of a democracy voucher. Only a candidate certified as qualified by the Commission 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. To seek qualification, the candidate shall file with the Commission, on or after July 1 the year before a municipal election year and within two weeks after filing a declaration of candidacy, a pledge attesting to the candidate's 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 applicable campaign laws and the following:
1. Taking part in at least three debates (as defined by the Commission) or similar public events for primary and general elections each (although the Commission may waive or reduce this requirement for good cause);
 2. Not knowingly soliciting 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 candidate within the same election cycle (for the purposes of this subsection 2.04.630.B.2, appearing as a featured speaker at a fundraising event for a committee or entity constitutes soliciting money); and
 3. Not soliciting or accepting total contributions from any individual or entity in excess of \$500 for Mayoral candidates or \$250 for City Attorney or City Council candidates 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 in this Subchapter VIII).
- C. To qualify for the Program, candidates shall show they have received at least the following numbers of signatures and qualifying contributions of at least \$10 but not more than the Program contribution limit for the office sought provided in subsection 2.04.630.B from adult Seattle residents eligible under federal law to make political contributions: Mayoral candidates, 600; City Attorney candidates, 400; at-large City Council candidates, 400; and district City Council candidates, 150 (of which at least 75 shall be from individuals residing in that district). Signatures and contributions may come from different residents. The Commission shall maintain a list of qualified candidates and make it readily accessible to the public, including by publishing it on the Commission's website.
- D. A candidate loses qualification for the Program by publicly withdrawing or otherwise abandoning the race, failing to advance to the general election, or the Commission finding sufficient material violations of election laws or Program requirements, such as violation of campaign valuation or contribution limit laws, or fraudulent or attempted fraudulent assignment of democracy vouchers.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.632 Democracy voucher redemption

- A. After receiving a democracy voucher pursuant to subsection 2.04.624.A, the Commission shall disburse the value of the voucher proceeds only:
 - 1. If redemption shall not put the candidate over the maximum campaign valuation;
 - 2. If Program funds are available;
 - 3. After verifying the democracy voucher was received from an eligible person; and
 - 4. After verifying the democracy voucher signature. To verify signatures, the Commission may contract with King County Elections.
- B. The Commission shall redeem democracy vouchers on regular redemption dates no less than twice a month.
- C. A candidate may collect democracy vouchers for the general election before the primary election takes place and allocate democracy vouchers to the general election without such vouchers counting against the maximum campaign valuation for the primary election. A qualified candidate may not redeem democracy vouchers for the general election unless that candidate advances to the general election.
- D. The Commission shall not redeem any democracy voucher it receives from a candidate that does not advance to the general election after the first business day in the month of September. The Commission shall not redeem any democracy voucher it receives from a general election candidate after the first business day in the month of December.

(Ord. 125611 , § 3, 2018.)

2.04.634 Campaign valuations, releases, and use of proceeds

- A. Participating candidates shall comply with all campaign laws and not exceed the corresponding maximum campaign valuation. A campaign valuation is:
 - 1. The value of unredeemed democracy vouchers assigned to the candidate that the candidate may redeem without exceeding the maximum in Table A for 2.04.634; plus
 - 2. The greater of:
 - a. Total contributions received; and
 - b. Money spent to date (equal to prior expenditures, plus debts and obligations).

The figures in Table A for 2.04.634 are the maximum campaign valuations for participating candidates and the campaign valuations for releases under subsection 2.04.634.B.

Table A for 2.04.634 Campaign valuations		
Position	Primary election (\$)	Total for primary and general elections (\$)
Mayor	400,000	800,000
At-large City Councilmember	150,000	300,000
District City Councilmember	75,000	150,000
City Attorney	150,000	300,000

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- B. A qualified candidate may demonstrate to the Commission that an opponent's campaign valuation, or the sum of an opponent's campaign valuation and independent expenditures either adverse to the candidate or in favor of at least one opponent, is higher than the relevant figure in Table A for 2.04.634. If the Commission does not find the excess valuation inadvertent and minor, the Commission shall allow the candidate to be released from the maximum campaign valuation. If the demonstration does not involve independent expenditures, the Commission also shall allow the candidate to be released from the campaign contribution limit. The Commission shall allow the released candidate to redeem democracy vouchers up to an amount that does not bring the campaign valuation above the maximum; after redemption, the candidate may engage in campaign fundraising without regard to anything in this subsection 2.04.634.B from which the candidate has been released.
- C. Candidates may 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 the Commission) following the election to pay campaign debts. Candidates shall not use democracy voucher proceeds:
1. For any cash payments;
 2. In violation of any law;
 3. To pay the candidate (except to repay or reimburse a loan to the candidate's political committee or campaign in an amount not greater than that provided in RCW 42.17A.445(3) or WAC 390-05-400);
 4. To pay a member of the candidate's immediate family as defined in Section 4.16.030;
 5. To pay any entity in which the candidate or an immediate family member holds a ten percent or greater ownership interest;
 6. To pay any amount over fair market value for any services, goods, facilities, or things of value;
 7. To pay any penalty or fine;
 8. To pay any inaugural costs; or
 9. To pay any office funds costs.
- E. A candidate who has redeemed a democracy voucher and then withdraws, dies, becomes ineligible, loses qualification, is eliminated in any primary or general election, or wins a general election, shall within a reasonable period, as defined by the Commission, pay all debts and obligations, account to the Commission, and restore to the Commission and the Program unspent democracy voucher proceeds, which the Commission shall define by rule.

(Ord. 125611 , § 3, 2018 [renumbered from 2.04.630(i-j)]; Initiative 122 , § 1, 2015.)

2.04.658 Transparency

- A. Assigning a democracy voucher is a public act. Recipients of democracy vouchers shall expect the same to be public and made public and shall have no expectation of privacy in registering to obtain, or in assigning, democracy vouchers. All democracy voucher holders are on notice that the process is public and transparent, except that the Commission shall not publish mail, email, or other addresses to which democracy vouchers are sent, unless required by chapter 42.56 RCW, or other applicable law.
- B. The Commission shall make transparent, at its offices and on its website, all assignments and redemptions of democracy vouchers, including recipient name, democracy voucher identification number, date assigned, to whom assigned, and when redeemed. The Commission shall provide other necessary means to make the democracy voucher process and Program open and transparent so that each democracy voucher recipient and the media and public can track assignments of democracy vouchers.

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- C. If a democracy voucher recipient believes the recipient's democracy voucher was lost, stolen, or fraudulently or improperly assigned or redeemed, the Commission may require a notarized declaration or affidavit or other process to find the relevant facts and provide relief it deems appropriate, including Democracy Voucher replacement, cancellation of assignment, or reimbursement of any improperly obtained Program funds.
 - D. The Commission shall promulgate rules and regulations regarding its receipt of duplicate democracy vouchers and shall ensure that a process exists for any democracy voucher recipient to attempt to show, without any filing fee or charge, the facts of loss, theft, destruction, forgery of, duress in, or other improper acts concerning or in the assignment of the democracy voucher. Such process shall at minimum include procedures to submit information through mails or in person.
 - E. In all cases, no democracy voucher assignment shall be deemed invalid or revocable unless for reason of being a duplicate voucher or forgery, threats, coercion, or physical duress, shown by clear and convincing evidence. The Commission 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.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.690 Administration

- A. The Commission shall implement and administer the Program, Program funds, and provisions in this Subchapter VIII, including issuing and promulgating appropriate regulations, forms, rules, information packets, procedures, and enforcement mechanisms. The Commission shall through rule-making carry out the provisions of this Subchapter VIII, 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 VIII.
- B. Anything in this Subchapter VIII said to be done by the Commission, other than rule-making, may be done by its Executive Director or another person indicated in Commission regulations or a duly approved printer or contractor.
- C. Prior to distributing democracy vouchers, the Commission shall inform the public about democracy vouchers and the Program. The Commission shall publish appropriate guidebooks for candidates and democracy vouchers recipients, and all forms, instructions, brochures and documents necessary and proper for the 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, presumed initially to include Spanish, Vietnamese, Cantonese, Mandarin, Somali, Tagalog, Korean, Cambodian, Amharic, Oromo, Tigrinya, Laotian, Thai, and Russian.
- D. Prior to each election cycle, the Commission may reasonably adjust the maximum campaign valuations, the dollar amounts for and numbers of qualifying contributions, the contribution limits per contributor provided in subsection 2.04.630.B (but the Commission shall not set a contribution limit for qualifying candidates that exceeds the contribution limit specified for candidates in Section 2.04.370), or the number or value of democracy vouchers provided to each eligible person, 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.

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- E. After each election cycle, the Commission shall review the Program and submit reports to the public and the City Council. The Commission shall project Program revenue, expenditures, and 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, the Commission shall consider all relevant circumstances, including differing maximum campaign valuations for different offices, differing funding needs in mayoral and non-mayoral election years, and the need to manage the Program and funds to seek participation by candidates.
 - F. By January 1 of each municipal election year, the Commission shall manage and prudently conserve Program funds by considering and projecting Program funds availability and disbursements for that year and by 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 and administration cost, and prudent conservation of public resources.
 - G. By January 1 of each municipal election year, to assure candidates that ample funds will be available for democracy voucher redemptions and to assure the public that democracy voucher fund redemptions will be prudently managed the Commission shall set and publish an "Available Program Funds Limit" for that year for democracy voucher redemptions. In setting the Available Program Funds Limit, the Commission shall work to reasonably project and ensure that adequate Program funds are available for that election year consistent with this Subchapter VIII and its goals and purposes 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 maximum campaign valuation amounts using democracy vouchers only (rather than private contributions, except for private contributions used to qualify).
 - H. During any municipal election year, as soon as the Commission 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 the Commission shall publicly announce the same and set a prompt deadline date for democracy voucher delivery. After the deadline, the Commission, considering democracy vouchers received and available Program funds, 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.
 - I. If any special election is called, the Commission shall set aside Program Funds for such election in an amount it deems appropriate. The Commission may set, implement, or modify standards, procedures, limits, and deadlines similar to those in this Subchapter VIII as the Commission deems proper and necessary for such special election, taking care to not unduly prejudice accumulation of Program funds.

(Ord. 125611 , § 3, 2018; Initiative 122 , § 1, 2015.)

2.04.692 Authority to issue penalties

- A. No penalty provision in this Subchapter VIII shall diminish any other penalty or remedy under any other law.
- B. All enforcement, administrative and other powers, procedures, rights, duties, remedies, process, civil penalties and other provisions in Section 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 to violations of this Subchapter VIII.
- C. Participating candidates who make expenditures in excess of the maximum campaign valuation shall be subject to a civil penalty of twice the excess, unless the Commission finds that the overspending is inadvertent and minor.

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- D. All penalties, remedies, or consequences applicable to violations of Chapter 2.04 or 2.06 shall apply to violations of this Subchapter VIII, including but not limited to an order requiring the party to take particular action in order to comply with the law and/or sanctions up to \$5,000 for each violation.

(Ord. 125611 , § 3, 2018 [renumbered from 2.04.690(c)]; Initiative 122 , § 1, 2015.)

2.04.694 Crimes

- A. A person is guilty of trafficking in a democracy voucher if the person knowingly purchases, buys, sells, pays consideration for, sells, conveys for consideration, or receives consideration for any democracy voucher or attempts to do so.
- B. A person is guilty of theft of a democracy voucher if the person knowingly obtains or exerts unauthorized control over, with intent to deprive the proper holder or recipient thereof a democracy voucher or attempts to do so.
- C. A person is guilty of the crime of forgery of a democracy voucher if, with intent to injure or defraud, the person 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 the person knows is forged. For purposes of this subsection 2.04.694.C,
1. "Falsely make" means to make or draw a complete or incomplete democracy voucher that purports to be authentic but is not authentic, either because the ostensible maker is fictitious or because, if real, the person did not authorize the making or drawing or signing thereof;
 2. "Falsely complete" means to complete a democracy voucher assignment by adding or inserting matter, including but not limited to a forged signature, without the authority of the person entitled to assign the democracy voucher; and
 3. "Falsely alter" means to change a democracy voucher, without authorization by the holder or recipient of the democracy voucher entitled to grant it, by means of erasure, obliteration, deletion, insertion of new matter, transposition of matter, or in any other manner.
- D. A person is guilty of possession of a stolen democracy voucher if the person, 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 that democracy voucher to the use of any person other than the true owner or person entitled thereto.
- E. 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 rightfully belonging to another person, or to buy, receive, possess, or obtain control of a democracy voucher with intent to sell, transfer, distribute, dispense, or otherwise dispose of the democracy voucher to another person.
- F. A person is guilty of falsifying qualification information if the person knowingly provides false information to the Commission regarding any element of qualifying for the Program, including but not limited to information provided regarding qualifying contributors or number of qualifying contributions under subsection 2.04.630.C.
- G. A crime in this Section 2.04.694 is a gross misdemeanor punishable by a fine not to exceed \$5,000 or imprisonment for a term of up to 364 days, or both, or as otherwise provided by State law.
- H. In this Section 2.04.694 the term "person" includes any natural person, a corporation, a joint stock association, an unincorporated association, and a political committee.

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- I. In cases of all crimes defined by this Section 2.04.694, 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. In cases 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 the political committee or candidate from participating in the Program for that election cycle.

(Ord. 125611 , § 3, 2018 [renumbered from 2.04.690(d)]; Initiative 122 , § 1, 2015.)

2.04.696 Severability and captions

Provisions of this Subchapter VIII 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.

(Ord. 125611 , § 3, 2018 [renumbered from 2.04.690(e)]; Initiative 122 , § 1, 2015.)