HOUSE BILL 1781

State of Washington 69th Legislature 2025 Regular Session

By Representatives Marshall and Barkis

AN ACT Relating to enforcement actions by the public disclosure commission; amending RCW 42.17A.755 and 29B.60.020; providing an effective date; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 Sec. 1. RCW 42.17A.755 and 2019 c 428 s 38 are each amended to 6 read as follows:

7 (1) The commission may initiate or respond to a complaint, 8 request a technical correction, or otherwise resolve matters of 9 compliance with this chapter, in accordance with this section. <u>The</u> 10 <u>commission and the executive director may not consider the partisan</u> 11 <u>affiliation of a respondent, if any, when determining the appropriate</u> 12 <u>resolution of a matter pursuant to this section.</u> If a complaint is 13 filed with or initiated by the commission, the commission must:

(a) Dismiss the complaint or otherwise resolve the matter in
 accordance with subsection (2) of this section, as appropriate under
 the circumstances after conducting a preliminary review;

(b) Initiate an investigation to determine whether a violation has occurred, conduct hearings, and issue and enforce an appropriate order, in accordance with chapter 34.05 RCW and subsection (3) of this section; or

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1 (c) Refer the matter to the attorney general, in accordance with 2 subsection (4) of this section.

3 (2) (a) For complaints of remediable violations or requests for technical corrections, the commission may, by rule, delegate 4 authority to its executive director to resolve these matters in 5 6 accordance with subsection (1)(a) of this section, provided the executive director consistently applies such authority. The executive 7 director shall use the scoring system developed by the commission by 8 rule pursuant to subsection (3) of this section when resolving these 9 matters. 10

(b) The commission shall, by rule, develop additional processes 11 12 by which a respondent may agree by stipulation to any allegations and pay a penalty subject to a schedule of violations and penalties, 13 unless waived by the commission as provided for in this section. Any 14 stipulation must be referred to the commission for review. 15 If 16 approved or modified by the commission, agreed to by the parties, and 17 the respondent complies with all requirements set forth in the stipulation, the matter is then considered resolved and no further 18 action or review is allowed. 19

(3) If the commission initiates an investigation, an initial hearing must be held within ninety days of the complaint being filed. Following an investigation, in cases where it chooses to determine whether a violation has occurred, the commission shall hold a hearing pursuant to the administrative procedure act, chapter 34.05 RCW. Any order that the commission issues under this section shall be pursuant to such a hearing.

(a) The person against whom an order is directed under this section shall be designated as the respondent. The order may require the respondent to cease and desist from the activity that constitutes a violation and in addition, or alternatively, may impose one or more of the remedies provided in RCW 42.17A.750(1) (b) through (h), or other requirements as the commission determines appropriate to effectuate the purposes of this chapter.

34 (b) The commission may assess a penalty in an amount not to 35 exceed ten thousand dollars per violation, unless the parties 36 stipulate otherwise. Any order that the commission issues under this 37 section that imposes a financial penalty must be made pursuant to a 38 hearing, held in accordance with the administrative procedure act, 39 chapter 34.05 RCW.

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1 (c) (i) The commission has the authority to waive a penalty for a first-time violation. A second violation of the same requirement by 2 the same person, regardless if the person or individual committed the 3 for a different political committee or violation 4 incidental committee, shall result in a penalty. Successive violations of the 5 6 same requirement shall result in successively increased penalties. The commission may suspend any portion of an assessed penalty 7 contingent on future compliance with this chapter. The commission 8 must create a schedule to enhance penalties based on repeat 9 10 violations by the person. Penalties for violations that are not remediable violations or requests for technical corrections may not 11 be waived without the unanimous approval of the commission. The 12 authority of the commission to waive penalties must be consistently 13 applied. The commission shall use the scoring system developed 14 pursuant to (c)(ii) of this subsection when determining whether to 15 16 waive penalties.

17 <u>(ii) The commission, by rule, shall develop a scoring system</u> 18 <u>consisting of objective criteria for determining situations in which</u> 19 <u>complaints may be dismissed with a waiver of penalties. The scoring</u> 20 <u>system may not take into account the political affiliation of the</u> 21 <u>respondent.</u>

(d) Any order issued by the commission is subject to judicial 22 23 review under the administrative procedure act, chapter 34.05 RCW. If the commission's order is not satisfied and no petition for review is 24 25 filed within thirty days, the commission may petition a court of competent jurisdiction of any county in which a petition for review 26 27 could be filed under that jurisdiction, for an order of enforcement. 28 Proceedings in connection with the commission's petition shall be in accordance with RCW 42.17A.760. 29

30 (4) In lieu of holding a hearing or issuing an order under this 31 section, the commission may refer the matter to the attorney general 32 consistent with this section, when the commission believes:

33 (a) Additional authority is needed to ensure full compliance with34 this chapter;

35 (b) An apparent violation potentially warrants a penalty greater 36 than the commission's penalty authority; or

37 (c) The maximum penalty the commission is able to levy is not38 enough to address the severity of the violation.

39 (5) Prior to filing a citizen's action under RCW 42.17A.775, a 40 person who has filed a complaint pursuant to this section must

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provide written notice to the attorney general if the commission does not, within ((90 [ninety])) <u>90</u> days of the complaint being filed with the commission, take action pursuant to subsection (1) of this section. A person must simultaneously provide a copy of the written notice to the commission.

6 **Sec. 2.** RCW 29B.60.020 and 2024 c 164 s 491 are each amended to 7 read as follows:

8 (1) The commission may initiate or respond to a complaint, 9 request a technical correction, or otherwise resolve matters of 10 compliance with this title, in accordance with this section. <u>The</u> 11 <u>commission and the executive director may not consider the partisan</u> 12 <u>affiliation of a respondent, if any, when determining the appropriate</u> 13 <u>resolution of a matter pursuant to this section.</u> If a complaint is 14 filed with or initiated by the commission, the commission must:

(a) Dismiss the complaint or otherwise resolve the matter in
accordance with subsection (2) of this section, as appropriate under
the circumstances after conducting a preliminary review;

(b) Initiate an investigation to determine whether a violation has occurred, conduct hearings, and issue and enforce an appropriate order, in accordance with chapter 34.05 RCW and subsection (3) of this section; or

(c) Refer the matter to the attorney general, in accordance withsubsection (4) of this section.

24 (2) (a) For complaints of remediable violations or requests for 25 technical corrections, the commission may, by rule, delegate authority to its executive director to resolve these matters in 26 accordance with subsection (1)(a) of this section, provided the 27 28 executive director consistently applies such authority. The executive director shall use the scoring system developed by the commission by 29 rule pursuant to subsection (3) of this section when resolving these 30 31 matters.

32 (b) The commission shall, by rule, develop additional processes 33 by which a respondent may agree by stipulation to any allegations and 34 pay a penalty subject to a schedule of violations and penalties, 35 unless waived by the commission as provided for in this section. Any 36 stipulation must be referred to the commission for review. If 37 approved or modified by the commission, agreed to by the parties, and 38 the respondent complies with all requirements set forth in the

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stipulation, the matter is then considered resolved and no further action or review is allowed.

3 (3) If the commission initiates an investigation, an initial 4 hearing must be held within 90 days of the complaint being filed. 5 Following an investigation, in cases where it chooses to determine 6 whether a violation has occurred, the commission shall hold a hearing 7 pursuant to the administrative procedure act, chapter 34.05 RCW. Any 8 order that the commission issues under this section shall be pursuant 9 to such a hearing.

10 (a) The person against whom an order is directed under this 11 section shall be designated as the respondent. The order may require 12 the respondent to cease and desist from the activity that constitutes 13 a violation and in addition, or alternatively, may impose one or more 14 of the remedies provided in RCW 29B.60.010(1) (b) through (h), or 15 other requirements as the commission determines appropriate to 16 effectuate the purposes of this title.

17 (b) The commission may assess a penalty in an amount not to 18 exceed ten thousand dollars per violation, unless the parties 19 stipulate otherwise. Any order that the commission issues under this 20 section that imposes a financial penalty must be made pursuant to a 21 hearing, held in accordance with the administrative procedure act, 22 chapter 34.05 RCW.

23 (c) (i) The commission has the authority to waive a penalty for a first-time violation. A second violation of the same requirement by 24 25 the same person, regardless if the person or individual committed the 26 violation for a different political committee or incidental 27 committee, shall result in a penalty. Successive violations of the 28 same requirement shall result in successively increased penalties. The commission may suspend any portion of an assessed penalty 29 contingent on future compliance with this title. The commission must 30 31 create a schedule to enhance penalties based on repeat violations by 32 the person. Penalties for violations that are not remediable violations or requests for technical corrections may not be waived 33 without the unanimous approval of the commission. The authority of 34 the commission to waive penalties must be consistently applied. The 35 commission shall use the scoring system developed pursuant to (c) (ii) 36 of this subsection when determining whether to waive penalties. 37

38 (ii) The commission, by rule, shall develop a scoring system 39 consisting of objective criteria for determining situations in which 40 complaints may be dismissed with a waiver of penalties. The scoring 1 system may not take into account the political affiliation of the 2 respondent.

(d) Any order issued by the commission is subject to judicial 3 review under the administrative procedure act, chapter 34.05 RCW. If 4 the commission's order is not satisfied and no petition for review is 5 filed within 30 days, the commission may petition a court of 6 7 competent jurisdiction of any county in which a petition for review could be filed under that jurisdiction, for an order of enforcement. 8 9 Proceedings in connection with the commission's petition shall be in accordance with RCW 29B.60.030. 10

(4) In lieu of holding a hearing or issuing an order under this section, the commission may refer the matter to the attorney general consistent with this section, when the commission believes:

14 (a) Additional authority is needed to ensure full compliance with15 this title;

16 (b) An apparent violation potentially warrants a penalty greater 17 than the commission's penalty authority; or

18 (c) The maximum penalty the commission is able to levy is not 19 enough to address the severity of the violation.

(5) Prior to filing a citizen's action under RCW 29B.60.060, a person who has filed a complaint pursuant to this section must provide written notice to the attorney general if the commission does not, within 90 days of the complaint being filed with the commission, take action pursuant to subsection (1) of this section. A person must simultaneously provide a copy of the written notice to the commission.

27 <u>NEW SECTION.</u> Sec. 3. Section 1 of this act expires January 1, 28 2026.

29 <u>NEW SECTION.</u> Sec. 4. Section 2 of this act takes effect January 30 1, 2026.

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