

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to elections; **[list of things this ordinance does]**; making technical corrections; and amending Section 2.04.370 and Chapter 2.04, Subchapter VIII of the Seattle Municipal Code.

..body

WHEREAS, ...; and

WHEREAS, ...; and

WHEREAS, ...; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2.04.370 of the Seattle Municipal Code, which section was last amended by Initiative 122, is amended as follows:

2.04.370 Mandatory limits on contributions((=))

* * *

G. The limitations in this ((~~section~~)) Section 2.04.370 shall be adjusted commencing before the 2019 election cycle, and prior to each election cycle thereafter, by ((~~SEEC~~)) 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 the effective date of this measure or the prior adjustment, as calculated by the United States Department of Labor. The declaration of the Washington State Department of Labor and Industries each September 30 regarding the rate by which Washington State's minimum wage rate is to be increased effective the following January 1, shall be the authoritative determination of the rate or percentage of increase or decrease to be adjusted, except that SEEC may round off the new figures ~~((up or~~

1 ~~down, to the nearest \$5 or \$10 increment, as it deems proper))~~ to amounts as judged most
2 convenient for public understanding.

3 Section 2. Chapter 2.04, Subchapter VIII of the Seattle Municipal Code, enacted by
4 Initiative 122, is amended as follows:

5 SMC 2.04.165 - Reports of personal financial affairs:

6 A. The following shall file a statement of financial affairs:

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

9 2. Every elected official and every candidate for a future election shall after January
10 1st and before April 15th of each year file with the City Clerk a statement of financial affairs for
11 the preceding calendar year, unless a statement for that same twelve month period has already
12 been filed with the City Clerk. Any elected official whose term of office expires immediately
13 after December 31st shall file the statement required to be filed by this section for the year that
14 ended on that December 31st.

15 3. Every person appointed to a vacancy in an elective office shall within two weeks
16 of being so appointed file with the City Clerk a statement of financial affairs for the preceding
17 twelve months.

18 4. A statement of a candidate or appointee filed during the period from January 1st
19 to April 15th shall cover the period from January 1st of the preceding calendar year to the time of
20 candidacy or appointment if the filing of the statement would relieve the individual of a prior
21 obligation to file a statement covering the entire preceding calendar year.

22 5. No individual may be required to file more than once in any calendar year.

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

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

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

6 a. Occupation, name of employer, and business address; and

7 b. Each bank or savings account or insurance policy in which any such person or
8 persons owned a direct financial interest that exceeded ~~\$5,000~~24,000 at any time during the
9 reporting period; each other item of intangible personal property in which any such person or
10 persons owned a direct financial interest, the value of which exceeded ~~\$500~~2,400 during the
11 reporting period; the name, address, and nature of the entity; and the nature and highest value of
12 each such direct financial interest during the reporting period; and

13 c. The name and address of each creditor to whom the value of ~~\$500~~2,400 or more
14 was owed; the original amount of each debt to each such creditor; the amount of each debt
15 owed to each creditor as of the date of filing; the terms of repayment of each such debt; and the
16 security given, if any, for each such debt; provided, that debts arising out of a "retail installment
17 transaction" as defined in Chapter 63.14 RCW (Retail Installment Sales Act) need not be
18 reported; and

19 d. Every public or private office, directorship, and position held as trustee; and

20 e. All persons for whom any legislation, rule, rate, or standard has been prepared,
21 promoted, or opposed for current or deferred compensation; provided, that for the purposes of
22 this subsection, "compensation" does not include payments made to the person reporting by the
23 governmental entity for which such person serves as an elected official for his or her service in

1 office; the description of such actual or proposed legislation, rules, rates, or standards; and the
2 amount of current or deferred compensation paid or promised to be paid; and

3 f. The name and address of each governmental entity, corporation, partnership, joint
4 venture, sole proprietorship, association, union, or other business or commercial entity from
5 whom compensation has been received in any form of a total value of ~~\$500~~2,400 or more; the
6 value of the compensation; and the consideration given or performed in exchange for the
7 compensation; and

8 g. The name of any corporation, partnership, joint venture, association, union, or
9 other entity in which is held any office, directorship, or any general partnership interest, or an
10 ownership interest of ten (10) percent or more; the name or title of that office, directorship, or
11 partnership; the nature of ownership interest; and with respect to each such entity: (i) with
12 respect to a governmental unit in which the official seeks or holds any office or position, if the
13 entity has received compensation in any form during the preceding twelve months from the
14 governmental unit, the value of the compensation and the consideration given or performed in
15 exchange for the compensation; (ii) the name of each governmental unit, corporation,
16 partnership, joint venture, sole proprietorship, association, union, or other business or
17 commercial entity from which the entity has received compensation in any form in the amount of
18 ~~\$2,500~~12,000 or more during the preceding twelve months and the consideration given or
19 performed in exchange for the compensation; provided, that the term "compensation" for
20 purposes of this subsection B 1gii does not include payment for water and other utility services at
21 rates approved by the Washington State Utilities and Transportation Commission or the
22 legislative authority of the public entity providing the service; provided, further, that with respect
23 to any bank or commercial lending institution in which is held any office, directorship,

1 partnership interest, or ownership interest, it shall only be necessary to report either the name,
2 address, and occupation of every director and officer of the bank or commercial lending
3 institution and the average monthly balance of each account held during the preceding twelve
4 months by the bank or commercial lending institution from the government entity for which the
5 individual is an official or candidate or professional staff member, or all interest paid by a
6 borrower on loans from and all interest paid to a depositor by the bank or commercial lending
7 institution if the interest exceeds ~~\$600~~2,900; and

8 h. A list, including legal or other sufficient descriptions as prescribed by the
9 Commission of all real property in The State of Washington, the assessed valuation of which
10 exceeds ~~\$2,500~~12,000 in which any direct financial interest was acquired during the preceding
11 calendar year, and a statement of the amount and nature of the financial interest and of the
12 consideration given in exchange for that interest; and

13 i. A list, including legal or other sufficient descriptions as prescribed by the
14 Commission, of all real property in The State Of Washington, the assessed valuation of which
15 exceeds ~~\$2,500~~12,000 in which any direct financial interest was divested during the preceding
16 calendar year, and a statement of the amount and nature of the consideration received in
17 exchange for that interest, and the name and address of the person furnishing the consideration;
18 and

19 j. A list, including legal or other sufficient descriptions as prescribed by the
20 Commission, of all real property in The State of Washington, the assessed valuation of which
21 exceeds ~~\$2,500~~12,000 in which a direct financial interest was held; provided, that if a description
22 of the property has been included in a report previously filed, the property may be listed, for
23 purposes of this provision, by reference to the previously filed report; and

1 k. A list, including legal or other sufficient descriptions as prescribed by the
2 Commission, of all real property in The State of Washington, the assessed valuation of which
3 exceeds ~~\$5,000~~24,000, in which a corporation, partnership, firm, enterprise, or other entity had a
4 direct financial interest, in which corporation, partnership, firm, or enterprise a ten (10) percent
5 or greater ownership interest was held; and

6 l. A list of each occasion, specifying date, donor, and amount, at which food and
7 beverage in excess of \$50 was accepted from a source other than the City provided all or portion;
8 and

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

12 n. Such other information as the Commission may deem necessary in order to
13 properly carry out the purposes and policies of this chapter, as the Commission shall prescribe by
14 rule.

15 **Subchapter VIII Honest Elections Seattle**

16 **2.04.600 Purpose and ~~((Authority:))~~ authority**

17 ~~((a))~~ A. Purpose. This ~~((people's initiative measure))~~ Subchapter VIII's purpose is to
18 build~~((s))~~ honest elections in the City ~~((of Seattle ("City" or "Seattle")))~~ and prevent~~((s))~~
19 corruption~~((r))~~ by: giving more people an opportunity to have their voices heard in ~~((our))~~
20 democracy; ensuring a fair elections process that holds ~~((our))~~ elected leaders accountable to
21 ~~((us))~~ the people by strengthening voters'~~residents'~~ control over City government; banning
22 campaign contributions by certain City contractors and entities using paid lobbyists; lowering
23 campaign contribution limits; tightening prohibitions on lobbying by former elected officials (the

1 "revolving door" problem); and expanding requirements for candidates to disclose their financial
2 holdings and interests(~~(; and increasing fines on violators of campaign rules)~~). This ~~((measure))~~
3 Subchapter VIII also creates a ~~((Democracy Voucher))~~ democracy voucher ~~campaign~~-public
4 finance program ("Democracy Voucher Program" or "Program" in this Subchapter VIII) to
5 expand the pool of candidates for ~~((city))~~ City offices and to safeguard the people's control of the
6 elections process in Seattle.

7 ~~((b))~~ B. Authority of the ~~((People))~~ people. The ~~((People))~~ people have vested
8 legislative powers of the City in a Mayor and City Council, but reserved to themselves
9 independent of the Mayor and the City Council the power to propose for themselves measures
10 dealing with any matter within the realm of local affairs or municipal business. That power
11 includes the use of an initiative petition to submit to the qualified electors of the city a measure
12 as authorized by RCW 84.55.050 to exceed the limitations of regular property taxes contained in
13 chapter 84.55 RCW ~~((Chapter 84.55))~~, as it now exists or may hereinafter be amended. The
14 authority of the people to adopt this measure is also specifically authorized and reserved to the
15 electors of the City of Seattle by RCW 42.17A.550, which allows a city to use locally derived
16 public funds (whether from taxes, fees, penalties or other sources) to publicly finance local
17 political campaigns, if the proposal to do so is submitted to City of Seattle voters for their
18 adoption and approval, or rejection.

19 **~~2.04.601 ((No Campaign Contributions from City Contractors or their PACs.))~~**

20 **Contributions from certain City contractors prohibited**

21 A.

22 1. No Mayor, City Council~~((;))~~member₂ or City Attorney₂ or any candidate for any
23 such position₂ shall knowingly accept any contribution directly or indirectly from any entity or

1 person who in the prior two years has earned or received more than \$250,000, under a
2 contractual relationship with the City.

3 2. If subsection 2.04.601.A.1 is invalidated, then no Mayor, City Councilmember,
4 or City Attorney, or any candidate for any such position shall knowingly accept any contribution
5 of more than \$250 in one calendar year, directly or indirectly, from any entity or person who in
6 the prior two years has earned or received more than \$250,000, under a contractual relationship
7 with the City.

8 B.

9 1. No Mayor, City Council(-)member, or City Attorney, or any candidate for any
10 such position, shall knowingly solicit a contribution for ((himself or her))self or for any political
11 party, political committee, campaign committee, or public office fund, directly or indirectly from
12 any entity or person who in the prior two years has earned or received more than \$250,000,
13 under a contractual relationship with the City. ((If the first sentence of this section is invalidated
14 then no Mayor, City Council member or City Attorney or any candidate for any such position
15 shall knowingly accept any contribution of more than \$250 in one calendar year, directly or
16 indirectly, from any entity or person who in the prior two years has earned or received more than
17 \$250,000, under a contractual relationship with the City. If the second sentence of this section))

18 2. If subsection 2.04.601.B.1 is invalidated, then no Mayor, City Council((
19))member, or City Attorney, or any candidate for any such position, shall knowingly solicit a
20 contribution of more than \$250, for ((himself or her))self or for any political party, political
21 committee, campaign committee, or public office fund, directly or indirectly from any entity or
22 person who in the prior two years has earned or received more than \$250,000, under a
23 contractual relationship with the City.

Commented [IB1]: This is a relocation of the “first sentence of this section” material with some cleanup.

Besides the overall goals of this legislation, the particular reason I’m organizing this way is because “first sentence of this section” and “second sentence of this section” are arguably relative terms. Were you to think of a court’s invalidation of the first sentence as literally removing it from the law, that makes a new first sentence...

I’m 98% sure all this would function properly regardless of my edits, but this is a clear way to organize that 2% away.

1 C. ~~((In all cases such a candidate or office holder may solicit))~~ Neither soliciting ((and))
2 nor accepting assignment of ~~((Democracy Vouchers without such solicitation or assignment~~
3 ~~being considered))~~ democracy vouchers is a violation of this ((section)) Section 2.04.601.

4 D. If any part of this ~~((section))~~ Section 2.04.601 is ~~((held invalid))~~ invalidated, the
5 remainder shall be construed to effect the anticorruption purposes of this ~~((section))~~ Section
6 2.04.601 to the maximum extent allowable.

7 **2.04.602 ((No Campaign Contributions From Regulated Corporations/Industries that Hire**
8 **Lobbyists.)) Contributions from certain donors persons who retain~~o~~ lobbyists prohibited**

9 A.

10 1. No Mayor, City Council((-)member₂ or City Attorney₂ or any candidate for any
11 such position shall knowingly accept any contribution directly or indirectly from any entity or
12 person who during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying
13 entity (as such terms are defined in ~~((SMC))~~ Section 2.06.010) for lobbying the City ~~((of~~
14 ~~Seattle))~~.

15 2. If subsection 2.04.602.A.1 is invalidated, then no Mayor, City Councilmember,
16 or City Attorney, or any candidate for any such position shall knowingly accept any contribution
17 of more than \$250 in any one calendar year, directly or indirectly from any entity or person who
18 during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such
19 terms are defined in Section 2.06.010) for lobbying the City.

20 B. No Mayor, City Council((-)member₂ or City Attorney₂ or any candidate for any such
21 position shall knowingly solicit a contribution, for ~~((himself or her))~~ self or for any political party,
22 political committee, campaign committee₂ or public office fund, from any entity or person who
23 during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such

Commented [BW2]: Self? Is this a new drafting convention?

1 terms are defined in ~~((SMC))~~ Section 2.06.010 for lobbying the City ~~((of Seattle))~~. ~~((If the first~~
2 ~~sentence of this section is invalidated, then no Mayor, City Council member or City Attorney or~~
3 ~~any candidate for any such position shall knowingly accept any contribution of more than \$250~~
4 ~~in any one calendar year, directly or indirectly from any entity or person who during the past 12~~
5 ~~month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined~~
6 ~~in SMC 2.06.010) for lobbying the City of Seattle. If the second sentence of this section))~~

7 2. If subsection 2.04.601.B.1 is invalidated, then no Mayor, City Council((-)member, or
8 City Attorney, or any candidate for any such position, shall knowingly solicit a contribution of
9 more than \$250, for ((himself or her))self or for any political party, political committee,
10 campaign committee, or public office fund, from any entity or person who during the past 12-
11 month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined
12 in ((SMC)) Section 2.06.010 for lobbying the City ((of Seattle)). In all cases such a candidate or
13 office holder may solicit and accept assignment of ((Democracy Vouchers)) democracy vouchers
14 without such solicitation or assignment being considered a violation of this ((section)) Section
15 2.04.602. If any part of this ((section)) Section 2.04.602 is held invalid the remainder shall be
16 construed to effect the anticorruption purposes of this ((section)) Section 2.04.602 to the
17 maximum extent allowable.

18 **2.04.605 Expedited ((Reporting of Electronic Contributions.)) reporting of electronic**
19 **contributions**

20 To ensure the ~~((Seattle Ethics and Elections))~~ Commission ~~((("SEEC")))~~ creates an electronic
21 reporting system that increases transparency, does not discriminate against low-budget
22 campaigns, and takes advantage of advances in information technology, all candidates for City
23 ~~((of Seattle))~~ electoral offices shall report to the ~~((Seattle))~~ City Clerk any campaign contribution

1 made electronically upon deposit into a candidate's account; provided that this ~~((provision))~~
2 requirement shall ~~((take effect))~~ exist only after ~~((SEEC shall have))~~ the Commission has
3 determined that there are two or more electronic payment processing companies that have the
4 capacity to report contributions to the ~~((SEEC))~~ Commission as soon as the contribution is
5 transferred to the candidate's account and reasonably in advance of the election cycle in which
6 campaigns shall comply. ~~((To give campaigns time to prepare for this section, SEEC))~~ The
7 Commission shall establish the effective date of this section by rule published reasonably in
8 advance of the election cycle in which campaigns shall comply. SEEC shall ensure that, before a
9 contribution is required to be publicly disclosed as received by a campaign, it shall have
10 reasonable opportunity to reject or return undesired or illegal contributions.

11 **2.04.606 ((Signature Gatherers Must Disclose if Paid for Signatures.)) Paid signature**
12 **gatherers' disclosure**

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

17 **2.04.607 Three-year ((Ban)) prohibition on Mayor, Councilmember, City Attorney, or**
18 **((Top Staff Paid Lobbying.)) top staff paid lobbying**

19 A. A former Mayor, City Council~~((-))~~member, City Attorney, or City Department head,
20 or the highest paid aide or employee directly reporting to any of the foregoing, may not, during
21 the period of three years after leaving City office or position, participate in paid lobbying as
22 defined in ~~((SMC))~~ Section 2.06.010.

1 B. If ~~((the foregoing sentence))~~ subsection 2.04.607.A is invalidated, then a former
2 Mayor, City Council~~((-))~~member, City Attorney, or City Department head₂ or the highest paid
3 aide or employee directly reporting to any of the foregoing, may not, during the period of two
4 years after leaving City office or position, participate in paid lobbying as defined in ~~((SMC))~~
5 Section 2.06.010.

6 **2.04.620 ~~((The Right to \$100 in Democracy Vouchers, For Assignment to Qualified~~**
7 **~~Candidates.))~~ Democracy voucher issuance**

8 ~~((a) Democracy Vouchers. Democracy Vouchers are vital to ensure the people of Seattle~~
9 ~~have equal opportunity to participate in political campaigns and be heard by candidates, to~~
10 ~~strengthen democracy, fulfill other purposes of this subchapter and prevent corruption.))~~

11 ~~((b) Issuance of Democracy Vouchers.))~~

12 A. On ~~the first business day~~[date] in every municipal election year, ~~((SEEC))~~ the
13 Commission shall mail to each person who was₂ by ~~the previous November 15~~[date]~~((th))~~, duly
14 registered to vote in ~~((the City of))~~ Seattle and an active voter as defined by 11 CFR 9428.2, at
15 ~~((his or her))~~ the person's address in the voter registration records, ~~((\$100 in vouchers~~
16 ~~("Democracy Vouchers") consisting of))~~ four ~~((Democracy Vouchers))~~ democracy vouchers of
17 \$25 each, except that ~~((SEEC))~~ the Commission may deliver ~~((Democracy Vouchers))~~
18 democracy vouchers online or in another manner~~((s))~~ if the person ~~((receiving same elects other~~
19 ~~manner of delivery))~~ chooses, as provided in this ~~((subchapter))~~ Section 2.04.620. Thereafter,
20 ~~((SEEC))~~ the Commission shall regularly issue ~~((\$100 in Democracy Vouchers))~~ four \$25
21 democracy vouchers to any person becoming a duly registered ~~((City of))~~ Seattle voter after the
22 ~~previous November 15~~[date]~~((th))~~, up until at least October 1~~((st))~~ of the election year, with
23 regular issuance after October 1 allowable in the Commission's discretion.

1 ~~B. A~~ To be consistent with federal law, any adult natural person who resides ~~has resided~~
2 in Seattle more than 30 days ~~in the ((City of)) Seattle prior and , and who is a registered voter, or~~
3 is eligible to vote under local, state, or federal law, or who is eligible under federal law to donate
4 to a political campaign, but who has not received any ~~((Democracy Vouchers))~~ democracy
5 vouchers in the election cycle, may opt in to the ~~((Program))~~ program and obtain ~~an equivalent~~
6 ~~number of ((Democracy Vouchers))~~ democracy vouchers by application to ~~((SEEC))~~ the
7 Commission. Any eligible adult may request ((Democracy Vouchers)) Democracy vouchers
8 may be mailed or emailed to an address other than that indicated in the voter registration
9 records, ~~or be delivered at ((SEEC)) Commission offices, as soon as ((SEEC shall have)) the~~
10 ~~Commission has developed a secure system for ((such distributions of Democracy Vouchers))~~
11 ~~voucher distribution((, including distribution online, in person, or to an address not listed in voter~~
12 ~~registration records))~~. ~~No resident outside Seattle, no corporation or other non human entity, no~~
13 ~~person under the age of 18 years, and no person ineligible to make political contributions under~~
14 ~~federal law((,)) may receive a ((Democracy Voucher))~~ democracy voucher.

15 ~~((e) Form of Democracy Vouchers.)~~ **2.04.622 Democracy voucher form**

16 Each ~~\$25 ((Democracy Voucher))~~ democracy voucher shall state the holder's name, a unique
17 voucher identification number, the election year, and words of assignment with blank spaces for
18 the ~~holder voucher~~ to designate a candidate and sign the holder's name, and may include
19 information SEEC deems helpful for verifying signatures such as the voter identification number
20 and barcode, in substantially the following form:
21

\$25	1 of 4	Democracy Voucher for 20xx Election	Jane Q. Public
On [insert date] _____ / _____ / _____, 20xx, I, Jane Q. Public, a resident of the City of Seattle, assigned this Democracy Voucher to a candidate for mayor, city attorney or city council named _____.			
I attest that I obtained this Democracy Voucher properly and make this assignment freely, voluntarily and without duress or in exchange for any payment of any kind for this assignment, and not for any consideration of any kind, and that I am aware that assignment does not guarantee availability of funds and is irrevocable. Assignment is complete upon delivery to Seattle Ethics and Elections Commission, the named candidate, or ((her or his)) the candidate's registered representative. Sale/transfer for consideration of this Democracy Voucher is strictly prohibited. Voucher may be redeemed only by qualifying candidates and only if such candidate has complied with additional contributions and spending limits and if funds are available.			
I am assigning this voucher to the qualified candidate for the City office of Seattle City Attorney <u>Seattle City Council</u> whose name is printed <u>shown</u> here:			

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 Seattle Ethics and Elections Commission, the candidate, or her or his registered representative. Vouchers may only be assigned to qualified candidates.			
Signed: _____ on _____, 20xx.			
Jane Q. Public	voter ID and bar code	Voucher ID #123,456,789	

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- 1 ~~((d))~~ Assignment of Democracy Vouchers. ~~Vouchers~~) **2.04.624 Democracy voucher**
- 2 **assignment, delivery, and receipt**
- 3 A. Democracy vouchers are only transferable or assignable as stated ~~((herein))~~ in this
- 4 Section 2.04.624. Any person properly obtaining and holding a ~~((Democracy Voucher))~~
- 5 democracy voucher may assign it by: ~~writing the name of the assignee candidate~~ ~~((, and))~~ ;
- 6 signing the holder's name on and dating the ~~((Voucher))~~ democracy voucher where indicated
- 7 thereon ~~((;))~~ ; and delivering the signed and dated ~~((Voucher))~~ democracy voucher to the

1 candidate, or to ~~((SEEC))~~ the Commission, or to any candidate's representative who shall be
2 registered for this purpose with ~~((SEEC))~~ the Commission. Delivery may be by mail, in person
3 (by any person the holder requests to deliver the voucher), or electronically via a secure
4 ~~((SEEC))~~ Commission online system. ~~((SEEC))~~ The Commission shall establish a secure online
5 system for delivery of ~~((Democracy Vouchers))~~ democracy vouchers (without prejudice to any
6 eligible person's ~~((right))~~ option to receive ~~((Democracy Vouchers))~~ democracy vouchers in the
7 mail ~~((at his or her option))~~ no later than prior to the 2017 election cycle, unless ~~((SEEC))~~ the
8 Commission determines this target date is not practicable; and in any event no later than the 2019
9 election cycle. The Commission also shall determine how it shall receive properly assigned
10 vouchers that were not directly delivered to it.

11 ~~((e) Limitations on Assignment.)~~ B. A person may only assign a ~~((Voucher))~~
12 democracy voucher to a candidate who has chosen to participate in the ~~((Seattle Democracy~~
13 ~~Voucher))~~ Program and who has filed a signed ~~statement of participation and~~ pledge with
14 ~~((SEEC))~~ as described ~~((below))~~ in this Subchapter VIII.

15 C. No ~~((Democracy Voucher))~~ democracy voucher may be assigned after the last
16 business day in November following the election, or to any candidate filing for participation who
17 then fails to qualify or becomes unqualified for the position sought or for the Program. A
18 candidate or registered candidate representative may seek assignment in person or through
19 representatives or by assisting a voter to access the ~~((SEEC))~~ the Commission secure online
20 system. A valid assignment is irrevocable.

21 D. A person may assign any number of ~~((his or her Democracy Vouchers))~~ the person's
22 democracy vouchers to the same candidate in a given year.

1 E. Assignment or transfer for cash or any consideration is prohibited. Offering to
2 purchase, buy, or sell a ~~((Democracy Voucher))~~ democracy voucher is prohibited. No person
3 may give or gift a ~~((Democracy Voucher))~~ democracy voucher to another person, except by
4 assigning it to a candidate as provided herein. ~~((Democracy Vouchers))~~ Democracy vouchers
5 have no cash value and are not assets, income, or property of the holder. A ~~((Democracy~~
6 ~~Voucher))~~ democracy voucher may not be assigned by proxy, power of attorney, or ~~((by))~~ an
7 agent.

8 ~~((f) Assignor Assumes Certain Risks.))~~ F. A ~~((Democracy Voucher))~~ democracy voucher
9 expires if the holder is no longer a resident ~~((in the City of))~~ Seattle, or no longer or not eligible
10 to make political contributions under federal law, if such circumstances take place prior to ~~the~~
11 ~~assignment to a qualified candidate~~ receipt of voucher by the Commission. The holder of a
12 ~~((Democracy Voucher))~~ democracy voucher assumes the risk that ~~((he or she))~~ the holder may
13 wish to change ~~((his or her mind after))~~ the assignment, or that the ~~((Democracy Voucher))~~
14 democracy voucher may not ~~have use or~~ be redeemed due to any contingency, including but not
15 limited to: unavailability of Program funds; the assignee candidate reaching the "Campaign
16 Spending Limit" (described and defined ~~((below))~~ in this Subchapter VIII); a candidate's death,
17 disqualification, dropping out, or failure to redeem or use the ~~((Democracy Voucher))~~ democracy
18 voucher; and a candidate's not qualifying or violating the terms of qualification~~((; or otherwise))~~.

19 **~~2.04.630 ((Candidates to Qualify By Showing Grass Roots Support and Agreeing to New~~**
20 **~~Campaign and Contribution Limits; Redemption of Democracy Vouchers; New Limits on~~**
21 **~~Use of Funds.))~~ Candidate qualification**

22 ~~((a) Only Qualified Candidates Redeem Democracy Vouchers.))~~ A. Only a candidate
23 who has filed with ~~((SEEC))~~ the Commission for participation in the ~~((Seattle Democracy~~

1 ~~Voucher~~) Program may receive assignment of a (~~Democracy Voucher~~) democracy voucher.
2 Only a candidate certified as qualified by (~~SEEC~~) the Commission may redeem a (~~Democracy~~
3 ~~Voucher~~) democracy voucher. Only a person eligible for and seeking the office of Mayor, City
4 Attorney, or City Council shall be eligible to file for Program participation.

5 (~~(b) Requirements for Program~~) B. To seek qualification, the candidate shall file with
6 (~~SEEC~~) the Commission, on or after July 1 (~~(st)~~) the year before (~~(an)~~) a municipal election year
7 and within two weeks after filing a declaration of candidacy, a sworn statement attesting to (~~his~~
8 ~~or her~~) the candidate's intent to participate, asserting that the candidate shall timely file or has
9 filed a declaration of candidacy for the office indicated, and that the candidate shall comply with
10 (~~Program requirements and~~) applicable campaign laws (~~(-Such Program requirements are that~~
11 ~~the candidate shall take)~~) and the following:

12 1. Taking part in at least three public debates for primary and general elections
13 each (as defined by (~~SEEC~~) the Commission, and (~~SEEC~~) the Commission may waive or
14 reduce the number of debates, if a qualifying candidate makes all reasonable efforts to participate
15 in debates and similar public events); (~~shall comply with campaign laws and spending and~~
16 ~~contribution limits; and, the candidate shall not)~~)

17 2. Not knowingly soliciting money for or on behalf of any political action
18 committee, political party, or any organization that will make an independent expenditure for or
19 against any City (~~(of Seattle)~~) candidate within the same election cycle (for the purposes of this
20 subsection 2.04.630.B.2. appearing as a featured speaker at a fundraising event for a committee
21 or entity (~~(shall)~~) constitutes soliciting money) (~~(for such committee or entity). Further Program~~
22 ~~requirements are that a candidate for Mayor shall not)~~) : and

1 3. Not soliciting or accepting total contributions from any individual or entity in
2 excess of ~~((a total of))~~ \$500 for Mayoral candidates or \$250 for City Attorney or City Council
3 candidates during one election cycle~~((, and a candidate for City Attorney or City Council shall~~
4 ~~not solicit or accept total contributions from any individual or entity in excess of a total of \$250~~
5 ~~during one election cycle))~~, including any contribution used to qualify for ~~((Democracy~~
6 ~~Vouchers))~~ democracy vouchers, but excluding the value of ~~((Democracy Vouchers))~~ democracy
7 vouchers assigned to such candidate~~((s))~~ (subject to exceptions provided ~~((herein))~~ in this
8 Subchapter VIII).

9 ~~((c) Qualifying Contributions.))~~ C. To qualify for the ~~((Democracy Voucher))~~ Program,
10 candidates shall show they have received at least the following numbers of ~~((Qualifying~~
11 ~~Contributions"))~~ qualifying contributions of at least \$10 but not more than the Program
12 contribution limit for the office sought provided in ~~((SMC))~~ subsection 2.04.630~~((b))~~ B from
13 ~~((individual adults (18 years of age or older), who are human natural persons residing in the City~~
14 ~~of Seattle, and))~~ adult Seattle residents eligible under federal law to make political contributions:
15 Mayoral candidates, ~~((at least))~~ 600; City Attorney candidates, ~~((at least))~~ 150; at-large City
16 Council candidates, at ~~((least))~~ 400; and district City Council candidates, ~~((at least))~~ 150 (of
17 which at least 75 shall be from individuals residing in ~~((the))~~ that district ~~((sought to be~~
18 ~~represented by the candidate))~~. ~~((SEEC))~~ The Commission shall maintain a list of qualified
19 candidates and make it readily accessible to the public, including by publishing it on ~~((SEEC's))~~
20 the Commission's website.

21 D. A candidate loses qualification for the Program by publicly withdrawing or otherwise
22 abandoning the race, failing to advance to the general election, or the Commission finding
23 sufficient material violations of election laws or Program requirements, such as violation of

1 spending or contribution limits, or fraudulent or attempted fraudulent assignment of democracy
2 vouchers.

3 **2.04.632 Democracy voucher redemption**

4 A. After receiving a democracy voucher pursuant to subsection 2.04.624.A, the

5 Commission shall ~~redeem it and~~ disburse ~~the value of the voucher-its~~ proceeds only:

6 1. If redemption shall not put the candidate over the campaign spending limit;

7 2. If Program funds are available;

8 3. After verifying ~~the assignment by ensuring~~ the democracy voucher was ~~issued~~
9 ~~received from~~ an eligible person; and

10 4. After verifying the signature written in the words of assignment. To verify
11 signatures, the Commission may ~~employ contract with the division of King County Elections that~~
12 ~~verifies signatures for initiative petitions or mail-in ballots.~~

13 B. The Commission shall redeem democracy vouchers on ~~published~~ regular redemption
14 dates no less than twice a month. ~~The Commission may redeem Vouchers on other dates notified~~
15 ~~in advance if practicable.~~ The Commission shall not redeem any democracy voucher it receives
16 after the first business day in the month of December ~~after the general election.~~

17 C. A ~~qualified~~ candidate may collect democracy vouchers for the general election before
18 the primary election takes place and allocate democracy vouchers to the general election without
19 such vouchers counting against the campaign spending limit for the primary election. A qualified
20 candidate may not redeem democracy vouchers for the general election unless that candidate
21 advances to the general election.

22 **2.04.634 Campaign spending**

23 A. As used in this Subchapter VIII, “campaign spending limit” means the ~~sum-greater~~ of:

1 1. The value of unredeemed democracy vouchers assigned to the candidate
2 that the candidate can redeem without exceeding the limits in Section 2.04.634.B, plus

3 a. Total contributions received, or

4 b. Money spent to date (equal to prior expenditures, plus debts and
5 obligations).

6 B. ((d) Campaign Spending Limit.) Participating candidates shall comply with all
7 campaign laws and not exceed the following (~~"Campaign Spending Limits" (defined as (i)~~
8 ~~money spent to date (equal to prior expenditures, plus debts and obligations), and the value of~~
9 ~~any in-kind donations reported, plus (ii) cash on hand and (iii) the value of unredeemed Vouchers~~
10 ~~on hand which the candidate shall have allocated to the primary or general election))) campaign~~
11 ~~spending limits, subject to subsection 2.04.690.D:~~

12 1. Mayor, \$400,000 for the primary election, and \$800,000 total (for both primary
13 and general election);

14 2. City Attorney, \$75,000 for the primary election, and \$150,000 total;

15 3. ~~((at large))~~ At-large City Council, \$150,000 for the primary election, and
16 \$300,000 total; and

17 4. ~~((district))~~ District City Council, \$75,000 for the primary election and \$150,000
18 total.

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

1 ~~((f) Remedies for Exceeding Campaign Spending Limit.)~~ C. If a qualified candidate
2 demonstrates to ~~((SEEC))~~ the Commission that ~~((he or she has))~~ the campaign spending of an
3 opponent (whether or not participating in the Program) ~~((whose campaign spending))~~ has
4 exceeded the ~~((Campaign Spending Limit))~~ campaign spending limit for the position sought ~~((as~~
5 ~~indicated above)), ~~((where SEEC))~~ the Commission shall, ~~if it deems the excess material~~ unless it
6 finds the excess spending inadvertent and minor, ~~((it shall))~~ allow such candidate ~~((to choose))~~ to
7 be released from the ~~((Campaign Spending Limit))~~ campaign spending limit and campaign
8 contribution limits for the Program~~((, in which case SEEC))~~ . If the candidate ~~chooses to be is~~
9 released, the Commission shall allow such candidate to redeem ~~((his or her))~~ ~~Democracy~~
10 ~~democracy Vouchers vouchers received theretofore or thereafter~~ up to ~~the such an~~ amount ~~that~~
11 ~~the calculation of campaign spending in Section 2.04.634.A does not exceed of~~ the ~~((Campaign~~
12 ~~Spending Limit))~~ campaign spending limit ~~only, ~~((then allow))~~ after which~~ such candidate ~~((to))~~
13 may engage in campaign fundraising without regard to ~~any the campaign spending limit or the~~
14 ~~contribution limit for program participants~~ ~~Program requirements.~~ ~~((SEEC))~~~~

15 D. The Commission shall also release a ~~qualifying-qualified~~ candidate from the
16 ~~((Campaign Spending Limit))~~ campaign spending limit to the extent that it is shown (on
17 application of a Seattle candidate or citizen) that ~~said such~~ qualified candidate faces independent
18 expenditures, as defined in ~~((SMC))~~ Section 2.04.010, adverse to the candidate or in favor of an
19 opponent and the sum of such independent expenditures plus said candidate's opponent's
20 campaign spending ~~materially~~ exceeds the ~~((Campaign Spending Limit))~~ campaign spending
21 limit for that office, ~~and the excess is not inadvertent and minor.~~ ~~If the candidate is released, the~~
22 ~~Commission shall allow such candidate to redeem democracy vouchers up to such an amount~~
23 ~~that the calculation of campaign spending in Section 2.04.634.A does not exceed the campaign~~

1 spending limit, after which such candidate may engage in campaign fundraising without regard
2 to the campaign spending limit or the contribution limit for program participants.

3
4 ~~((g) Loss of Qualification. A candidate loses qualification for the Program by publicly~~
5 ~~announcing withdrawal, abandoning the race, failing to advance to the general election, or if~~
6 ~~SEEC finds sufficient material violations of election laws or Program requirements such as~~
7 ~~violation of spending or contribution limits, or fraudulent or attempted fraudulent assignment of~~
8 ~~Democracy Vouchers.~~

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

19 ~~((i) Limits on Use of Voucher Proceeds.))~~ D. Candidates ~~((shall))~~ may use ~~((Democracy~~
20 ~~Voucher))~~ democracy voucher proceeds only for campaign costs or debts for the relevant office
21 and election cycle, and may not use such proceeds after a reasonable period (to be set by
22 ~~((SEEC))~~ the Commission) following the election to pay campaign debts. Candidates shall not
23 use ~~((Democracy Voucher))~~ democracy voucher proceeds;

1 1. ~~((for))~~ For any cash payments ~~((of))~~ ;

2 2. ~~((in))~~ In violation of any law; ~~((not))~~

3 3. ~~((to))~~ To pay the candidate (except to repay or reimburse a loan to ~~((his or her))~~)

4 the candidate's political committee or campaign in an amount not greater than that provided in

5 RCW 42.17A.445(3) or WAC 390-05-400 ~~((of))~~ ;

6 4. To pay a member of the candidate's immediate family as defined in ~~((RCW))~~

7 Section 4.16.030;

8 5. To pay any entity in which the candidate or an immediate family member holds

9 a ten percent or greater ownership interest;

10 6. To pay any amount over fair market value for any services, goods, facilities, or

11 things of value;

12 7. To pay any penalty or fine; ~~((of))~~

13 8. To pay any inaugural costs; or

14 9. To pay any office funds costs.

15 ~~((j) Return of Democracy Voucher Proceeds.)~~ E. A candidate who has redeemed a

16 ~~((Democracy Voucher.))~~ democracy voucher and then withdraws, dies, becomes ineligible, loses

17 qualification, ~~((of))~~ is eliminated in any primary or general election, or wins a general election,

18 shall within a reasonable period, as defined by ~~((SEEC))~~ the Commission, pay all debts and

19 obligations, account to ~~((SEEC))~~ the Commission, and restore to ~~((SEEC))~~ the Commission and

20 the Program (~~("Unspent Democracy Voucher Proceeds." SEEC shall define "Unspent~~

21 ~~Democracy Voucher Proceeds" by rule.)~~ unspent democracy voucher proceeds, which the

22 Commission shall define by rule.

23 **2.04.658 Transparency**~~((s))~~

1 A. Assigning a ~~((Democracy Voucher))~~ democracy voucher is a public act ~~((and~~
2 ~~recipients))~~ . Recipients of ~~((Democracy Vouchers))~~ democracy vouchers shall expect the same
3 to be public and made public and shall have no expectation of privacy in registering to obtain
4 ~~((Democracy Vouchers))~~ , or in assigning ~~((same))~~ , democracy vouchers. All ~~((Democracy~~
5 ~~Voucher))~~ democracy voucher holders are on notice that the process is public and transparent,
6 except that ~~((SEEC))~~ the Commission shall not publish mail, email, or other addresses to which
7 ~~((Democracy Vouchers))~~ democracy vouchers are sent.

8 B. ~~((SEEC))~~ The Commission shall make transparent, at its offices and on its website, all
9 assignments and redemptions of ~~((Democracy Vouchers))~~ democracy vouchers, including
10 recipient name, ~~((Democracy Voucher))~~ democracy voucher identification number ~~and suffix,~~
11 date assigned, to whom assigned, and when redeemed, ~~and amount redeemed.~~ ~~((SEEC))~~ The
12 Commission shall provide other necessary means to make the ~~((Seattle Democracy Voucher))~~
13 democracy voucher process and Program open and transparent so that each ~~((Democracy~~
14 ~~Voucher))~~ democracy voucher recipient and the media and public ~~((may))~~ can track assignments
15 of ~~((Democracy Vouchers to assist in exposing any potential forgery, fraud, or misconduct~~
16 ~~regarding same))~~ democracy vouchers.

Commented [IB3]: Saying the information is published for a particular purpose invites people taking issue with the presentation if they don't like its optimization for fraud-finding. There's just no need for a purpose statement here.

1 C. If a ~~((Democracy Voucher))~~ democracy voucher recipient believes ~~((that his or her~~
2 ~~Democracy Voucher))~~ the recipient's democracy voucher was lost, stolen, or fraudulently or
3 improperly assigned or redeemed, ~~((SEEC))~~ the Commission shall~~may~~ require a notarized
4 declaration or affidavit or ~~((additional process in its judgment))~~ other process to find the relevant
5 facts ~~((then))~~ and provide relief it deems appropriate, including Democracy Voucher
6 replacement, cancellation of assignment, or reimbursement of any improperly obtained Program
7 funds.

8 D. ~~((SEEC))~~ The Commission shall promulgate rules and regulations ~~((for such~~
9 ~~proceedings and cases where it receives))~~ regarding its receipt of duplicate ~~((copies of the same~~
10 ~~Democracy Voucher))~~ democracy vouchers and shall ensure that any ~~((Democracy Voucher))~~
11 democracy voucher recipient may attempt to show, without any filing fee or charge, the facts of
12 loss, theft, destruction, ~~((or))~~ forgery of, ~~((or))~~ duress in, or other improper acts concerning or in
13 the assignment of the ~~((Democracy Voucher))~~ democracy voucher. Such process shall include
14 procedures through mails or in person and shall include an online process when and if ~~((SEEC))~~
15 the Commission develops ~~((same))~~ the process. ~~((SEEC))~~ The Commission shall also provide
16 forms~~(s)~~ and, for in-person procedures, a notary at ~~((SEEC))~~ Commission offices during normal
17 business hours for this purpose, without charge.

18 E. In all cases, no ~~((Democracy Voucher))~~ democracy voucher assignment shall be
19 deemed invalid or revocable ~~((simply because the assignor changes opinion or changes his or her~~
20 ~~mind, gets new information from or about any candidate or campaign, or based on any allegation~~
21 ~~of misstatement or misinformation by any candidate or any person, or any other source, or for~~
22 ~~any reason other than))~~ only unless for reason of being a duplicate voucher or forgery, threats,
23 coercion, or physical duress, shown by clear and convincing evidence. ~~((SEEC))~~ The

1 Commission shall issue regulations providing remedies and consequences for such acts, which
2 may include, for sufficient material violation of Program requirements, campaign laws, or any
3 acts of intentional forgery, threats, duress, or coercion in obtaining assigned ~~((Democracy~~
4 ~~Vouchers))~~ democracy vouchers, an order requiring a candidate to return to the Program any
5 proceeds of ~~((Democracy Vouchers))~~ democracy vouchers or disqualifying a candidate from the
6 Program.

7 **2.04.690 ~~((Transition; SEEC)) Administration ~~((Authority; Penalties; Crimes;~~~~**
8 **~~Severability.))~~**

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

12 ~~((b) SEEC to administer. SEEC))~~ **A.** The Commission shall implement and administer
13 the Program, Program funds, and provisions in this ~~((subchapter))~~ Subchapter VIII, including
14 issuing and promulgating appropriate regulations, forms, rules, information packets, procedures,
15 and enforcement mechanisms. ~~((SEEC))~~ The Commission shall through rule-making carry out
16 the provisions of this ~~((subchapter))~~ Subchapter VIII, including but not limited to making
17 regulations, defining terms, establishing other rules, or promulgating any other administrative
18 regulations or guidelines not inconsistent with the provisions of this ~~((subchapter))~~ Subchapter
19 VIII.

20 **B.** Anything ~~((herein))~~ in this Subchapter VIII said to be done by ~~((SEEC))~~ the
21 Commission, other than ~~((such))~~ rule-making, ~~shall~~ may be done by its Executive Director or
22 another person indicated in ~~((SEEC))~~ Commission regulations or a duly approved printer or
23 contractor.

1 C. Prior to each election cycle, ~~((SEEC))~~ the Commission shall inform the public about
2 ~~((Democracy Vouchers))~~ democracy vouchers and the Program. ~~((SEEC))~~ The Commission shall
3 publish appropriate guidebooks for candidates and ~~((Democracy Voucher))~~ democracy vouchers
4 recipients, and all forms, instructions, brochures and documents necessary and proper for ~~((this))~~
5 the Program, which shall include key documents accessible to those with visual or other
6 disability, and translations into languages other than English spoken by a significant number of
7 Seattle residents, ~~((which shall be))~~ presumed initially to include Spanish, Vietnamese,
8 Cantonese, Mandarin, Somali, Tagalog, Korean, Cambodian, Amharic, Oromo, Tigrinya,
9 Laotian, Thai, and Russian.

10 D. Prior to each election cycle, ~~((SEEC))~~ the Commission may reasonably adjust the
11 ~~((Campaign Spending Limits))~~ campaign spending limits, the dollar amounts for and numbers of
12 qualifying contributions, the contribution limits per contributor provided in ~~((SMC 2.04.630(b)))~~
13 subsection 2.04.630.B (but ~~((SEEC))~~ the Commission shall not set a contribution limit for
14 qualifying candidates that exceeds the contribution limit specified for candidates in ~~((SMC))~~
15 Section 2.04.370, or the number or value of ~~((Democracy Vouchers))~~ democracy vouchers
16 provided to each eligible person, ~~((in order))~~ to account for inflation or deflation, and ensure the
17 goals and purposes of the Program including democracy and accountability, high rates of
18 candidate participation, heavy utilization of vouchers by those who have not previously donated
19 to Seattle political campaigns, and high public satisfaction with the Program.

20 E. After each election cycle, ~~((SEEC))~~ the Commission shall review the Program and
21 submit reports to the public and the City Council. ~~((Promptly after the effective date of this~~
22 ~~measure, SEEC))~~ the Commission shall project Program revenue, expenditures, and
23 ~~((Democracy Voucher))~~ Program Funds ~~((("Program Funds")))~~ balances from 2016 through at

1 least 2021, and shall revise and update such projections regularly, and at all times shall manage
2 Program Funds as a fiduciary, ensuring proper accumulation and distribution of funds, during
3 nonelection and election years, to achieve Program purposes and goals. In making such
4 projections and administering this Program, ~~((SEEC))~~ the Commission shall consider all relevant
5 circumstances, including differing ~~((Campaign Spending Limits))~~ campaign spending limits for
6 different offices, differing funding needs in mayoral and non-mayoral election years, and the
7 need to manage the Program and funds to seek ~~((to ensure))~~ participation by candidates.

8 F. ~~((SEEC before))~~ By January 1 ~~((st))~~ of each municipal election year, the Commission
9 shall manage and prudently conserve Program ~~((Funds,))~~ funds by considering and projecting
10 Program ~~((Funds))~~ funds availability and disbursements for that year and by publicizing such
11 projections, which shall include and consider needs of participating candidates, needs for
12 conservation of funds for future years or reserve accumulation, prudent operating and
13 administration cost ~~((and cost of administration))~~, and prudent conservation of public resources.

14 G. By January 1 of each municipal election year, ~~((To))~~ to assure candidates that ample
15 funds will be available for ~~((Voucher))~~ democracy voucher redemptions and to assure the public
16 that ~~((Voucher))~~ democracy voucher fund redemptions will be prudently managed ~~((, by January~~
17 1st of each municipal election year, SEEC)) the Commission shall set and publish an "Available
18 Program Funds Limit" for that year for ~~((Voucher))~~ democracy voucher redemptions. In setting
19 the Available Program Funds Limit, ~~((SEEC shall use its best efforts))~~ the Commission shall
20 work to reasonably project and ensure that adequate Program ~~((Funds))~~ funds are available for
21 that election year consistent with this ~~((subchapter,))~~ Subchapter VIII and its goals and purposes
22 ~~((and all reasonably foreseeable circumstances and contingencies))~~ and shall set aside at least an
23 amount needed for six primary and two general election candidates for each position in that

1 year's election to qualify and spend their respective ~~((Campaign Spending Limit))~~ campaign
2 spending limit using ~~((Democracy Vouchers))~~ democracy vouchers only (rather than private
3 contributions, except for private contributions used to qualify).

4 H. During any municipal election year, as soon as ~~((SEEC))~~ the Commission receives or
5 reasonably believes it shall receive ~~((Democracy Vouchers))~~ democracy vouchers for redemption
6 in excess of the Available Program Funds Limit for that year, then Program ~~((Funds))~~ funds shall
7 be deemed unavailable, and ~~((SEEC))~~ the Commission shall publicly announce the same and set
8 a prompt deadline date for ~~((Democracy Voucher))~~ democracy voucher delivery~~((, following~~
9 ~~which SEEC))~~ . After the deadline, the Commission, ((shall)) considering ~~((Democracy~~
10 ~~Vouchers))~~ democracy vouchers received and available Program ~~((Funds and))~~ funds, shall
11 allocate remaining available Program ~~((Funds))~~ funds proportionately per unredeemed verified
12 ~~((Democracy Vouchers))~~ democracy vouchers on hand, pro rata among all participating
13 candidates for all offices without discrimination.

14 I. If any special election is called, ~~((SEEC))~~ the Commission shall set aside Program
15 Funds for such election in an amount it deems appropriate~~((, and shall be empowered to act and))~~
16 . The Commission may ((change, alter, or modify or set and implement)) set, implement, or
17 modify standards, procedures, limits, and deadlines ~~((as))~~ similar ~~((as may be practicable))~~ to
18 those ~~((provided))~~ in this ~~((subchapter))~~ Subchapter VIII as ~~((SEEC))~~ the Commission deems
19 proper and necessary for such special election, taking care to not unduly prejudice accumulation
20 of Program funds ~~((for the Program))~~.

21 **2.04.692 Authority to issue penalties**

22 ~~((c) Penalties-))~~ A. No penalty provision in this ~~((subchapter))~~ Subchapter VIII shall
23 diminish any other penalty or remedy under any other law. ~~((Participating candidates who make~~

1 ~~expenditures in excess of the Campaign Spending Limit shall be subject to a civil penalty of~~
2 ~~twice the amount of the expenditure in excess of such limit, unless SEEC determines that the~~
3 ~~overspending is insignificant or trivial.)~~

4 B. All enforcement, administrative and other powers, procedures, rights, duties, remedies,
5 process, civil penalties and other provisions in ~~((SMC))~~ Section 2.04.060, 2.04.070, 2.04.075,
6 2.04.090, 2.04.500, 2.04.510, 2.04.520, 2.16.010, and 2.16.020~~((:))~~ relating to violations of
7 election campaign contributions laws or initiative laws~~((:))~~ shall apply ~~((in case of))~~ to violations
8 of this ~~((subchapter, and all))~~ Subchapter VIII.

9 C. Participating candidates who make expenditures in excess of the campaign spending
10 limit shall be subject to a civil penalty of twice the excess, unless the Commission determines
11 that the overspending is ~~not material~~ inadvertent and minor.

12 D. All penalties, remedies, or consequences applicable to violations of ~~((SMC))~~ Chapter
13 2.04 or 2.06 shall ~~((be applicable for any violation))~~ apply to violations of this ~~((subchapter))~~
14 Subchapter VIII, including but not limited to an order requiring the party to take particular action
15 in order to comply with the law~~((:))~~ and/or ~~((in addition, or alternatively,))~~ sanctions up to \$5,000
16 for each violation.

17 **2.04.694 Crimes**

18 ~~((d) Crimes:))~~ A. A person is guilty of trafficking in a ~~((Democracy Voucher))~~
19 democracy voucher if the person knowingly purchases, buys, ~~((or))~~ sells, pays consideration for,
20 ~~((any Democracy Voucher or knowingly))~~ sells, conveys for consideration, or receives
21 consideration for any ~~((Democracy Voucher:))~~ democracy voucher or attempts ~~((same))~~ to do so.

22 B. A person is guilty of theft of a ~~((Democracy Voucher))~~ democracy voucher if ~~((he or~~
23 ~~she steals (defined as when one))~~ the person knowingly obtains or exerts unauthorized control

1 over, with intent to deprive the proper holder or recipient thereof(~~(-or attempts to steal,))~~) a
2 (~~(Democracy Voucher)~~) democracy voucher or attempts to do so.

3 C. A person is guilty of the crime of forgery of a (~~(Democracy Voucher)~~) democracy
4 voucher if, with intent to injure or defraud, (~~(he or she)~~) the person attempts to falsely make,
5 complete, or alter a (~~(Democracy Voucher)~~) democracy voucher or its assignment or possess,
6 utter, offer, dispose of, or put off as true a (~~(Democracy Voucher)~~) democracy voucher or written
7 assigned (~~(Democracy Voucher)~~) democracy voucher that (~~(he or she)~~) the person knows is
8 forged. For purposes of this (~~(section)~~) subsection 2.04.694.C,

9 1. "Falsely make" means to make or draw a complete or incomplete democracy
10 voucher that purports to be authentic but is not authentic, either because the ostensible maker is
11 fictitious or because, if real, the person did not authorize the making or drawing or signing
12 thereof;

13 2. "Falsely complete" means to complete a democracy voucher assignment by
14 adding or inserting matter, including but not limited to a forged signature, without the authority
15 of the person entitled to assign the democracy voucher; and

16 3. "~~(falsely)~~ Falsely alter" means to change a democracy voucher, without
17 authorization by the holder or recipient of the (~~(Voucher)~~) democracy voucher entitled to grant it,
18 (~~(a Democracy Voucher)~~) by means of erasure, obliteration, deletion, insertion of new matter,
19 transposition of matter, or in any other manner(~~(; to "falsely complete" means to make a~~
20 ~~Democracy Voucher assignment complete by adding or inserting matter, including but not~~
21 ~~limited to a forged signature, without the authority of the person entitled to assign the Voucher;~~
22 ~~to "falsely make" means to make or draw a complete or incomplete Democracy Voucher which~~
23 ~~purports to be authentic, but which is not authentic either because the ostensible maker is~~

1 ~~fictitious or because, if real, he or she did not authorize the making or drawing or signing~~
2 ~~thereof; and "forged" or "forgery" means a Democracy Voucher which has been falsely made,~~
3 ~~completed, or altered).~~

4 D. A person is guilty of possession of a stolen ~~((Democracy Voucher))~~ democracy
5 voucher if ~~((he, she or it,))~~ the person, being other than the recipient of a proper assignment of a
6 ~~((Democracy Voucher))~~ democracy voucher, knowingly receives, retains, possesses, conceals, or
7 disposes of another's ~~((Democracy Voucher))~~ democracy voucher knowing that it has been stolen
8 and withholds or appropriates ~~((the same))~~ that democracy voucher to the use of any person other
9 than the true owner or person entitled thereto.

10 E. A person is guilty of trafficking in a stolen ~~((Democracy Voucher))~~ democracy
11 voucher if the person attempts to traffic in a stolen ~~((Democracy Voucher))~~ democracy voucher,
12 meaning to sell, transfer, distribute, dispense, or otherwise dispose of such stolen ~~((Democracy~~
13 ~~Voucher))~~ democracy voucher ~~pertaining rightfully belonging~~ to another person, or to buy,
14 receive, possess, or obtain control of ~~((same))~~ a democracy voucher with intent to sell, transfer,
15 distribute, dispense, or otherwise dispose of the ~~((property))~~ democracy voucher to another
16 person.

17 F. Crime to falsify records with the intent to qualify for the program?

18 FG. The crimes of trafficking in a ~~((Democracy Voucher))~~ democracy voucher, theft or
19 forgery of a ~~((Democracy Voucher))~~ democracy voucher, possession of a stolen ~~((Democracy~~
20 ~~Voucher))~~ democracy voucher, ~~((or))~~ and trafficking in a stolen ~~((Democracy Voucher,))~~
21 democracy voucher are each a gross misdemeanor punishable by a fine not to exceed \$5,000
22 or ~~((by))~~ imprisonment for a term of up to 364 days, or both, or as otherwise provided by State
23 law.

1 G. In this ~~((subsection))~~ Section 2.04.694 the term "person~~((;))~~" ~~("he," "she" or "actor")~~
2 includes any natural person, ~~((and, in addition,))~~ a corporation, a joint stock association, an
3 unincorporated association ~~((or))~~ , and a political committee.

4 H. In cases of all crimes defined by this ~~((subsection))~~ Section 2.04.694, the Court may
5 also require restitution to the Program of all costs of prosecution, including attorneys' fees, as
6 well as any amounts misappropriated, or the face value of Democracy Vouchers misused ~~((and~~
7 ~~in))~~ . In cases of crimes by a candidate or political committee, the Court also may require return
8 of all funds received from the Program in that election cycle consistent with equity, due process,
9 and proportional justice, and/or may disqualify ~~((such))~~ the political committee or candidate
10 from participating in the Program for that election cycle.

11 ~~((e) Severability and captions.))~~ **2.04.696 Severability and captions**

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

1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2018,
5 and signed by me in open session in authentication of its passage this ____ day of
6 _____, 2018.

7 _____
8 President _____ of the City Council

9 Approved by me this _____ day of _____, 2018.

10 _____
11 Jenny A. Durkan, Mayor

12 Filed by me this _____ day of _____, 2018.

13 _____
14 Monica Martinez Simmons, City Clerk

15 (Seal)