MODIFICATION REQUEST COVER SHEET

Name of Filer	WASHINGTON STATE DEMOCRATIC CENTRAL COMMITTEE
Type of Request	☐ New ☒ Renewal with No Change – original granted April 25, 1994 ☒ Commission Approval – March 27, 2025 ☐ Renewal with Change
Application Rule(s)	☐ Income & Ownership Interest: WAC 390-28-100(b) ☐ Personal Residence: WAC 390-28-100(d) ☐ Attorney: WAC 390-28-100(1)(e)(i)) ☐ Judge / Judicial Candidate: WAC 390-28-100(1)(e)(ii)) ☐ Spousal: WAC 390-28-100(1)(e)(iv)) ☒ Other: WAC 390-28-100
Explanation of Rule(s)	**Other.** An applicant may be exempted from reporting information otherwise required under Title RCW 29B which would constitute a manifestly unreasonable hardship in a particular case.
Supporting Documents **(attached)**	☒ Request Letter for 2026 & 2027 ☒ Prior Order – March 27, 2025
History **(brief narrative)**	The request for a modification was in response to the passage of I-134, which allowed state political party committees to establish exempt funds or "soft money." The Federal Election Commission (FEC) law requires state political party organizations with both federal and non-federal political committees to pay all overhead and other allocable expenses out of the federal account. Each expense is allowed to be allocated between state and federal dollars based on a ballot ratio or ballot composition (i.e.-number of state and federal candidates on the ballot. All expenses are itemized on FEC form H-4, and the modification request was made due to the FEC law as it relates to the inter-workings of federal and state committees involved with federal and state election laws. FEC law only allows state dollars to be transferred to the federal account to cover the state portion or share of party overhead and other allocable expenses, based on the ballot composition allocation method. PDC law requires frequent and detailed contribution and expenditure reporting by state political party organizations.

Reason(s) for Modification **(as stated by filer)**	• The Washington State Democratic Central Committee (WSDCC) is a bona-fide political party organization that reports contribution and expenditure activities from the exempt and non-exempt accounts to the PDC. The WSDCC also reports contribution and expenditure activities from their federal account to the FEC. • The WSDCC is requesting a renewal of the modification that would exempt them from itemizing all overhead or other allocable expense on their state PDC reports for expenditures that are paid out of the WSDCC federal account. • The WSDCC is requesting that this modification be granted for calendar year 2026 and calendar year 2027. • The modification only covers expenditures made from the federal account that are paid in part with funds that are transferred as a lump sum from the state account (generally the exempt funds account). • WSDCC has stated in prior requests the modification agreement relieved the party of a requirement that represents a “manifestly unreasonable hardship” on WSDCC staff. Without the reporting modification, the WSDCC would be required to literally comply with the reporting requirements and itemize the WSDCC state portion of each joint state/federal expenditure which is paid out of the WSDCC federal account. • The majority of the joint state/federal expenditures made out of the WSDCC federal account are for overhead and staffing costs. The modification allows the WSDCC to satisfy the reporting requirements for 2026 and 2027 by reflecting on its Schedule A to PDC Form C-4, as expenditures, the bulk transfer payments that are made to the WSDCC federal committee, without having to itemize the specific overhead or other allocable expenses that are being paid with respect to those transfers. • The exemption is allowed provided that no WSDCC federal funds are for the direct benefit of state or local candidates, ballot propositions, or political committees registered with the PDC. If any portion of the funds transferred to the WSDCC federal account, benefits state or local candidates, ballot propositions or political committees registered with the PDC, the WSDCC non-exempt account must identify the candidates, ballot propositions or political committees that benefited on the Schedule A to PDC Form C-4, and reference the FEC report that the expenditure will be disclosed on.

Other Issues	Effective August 1, 2004, state political party organizations are allowed to raise funds that are known as “Levin funds.” “Levin funds” are funds that meet certain criteria set by the FEC concerning the source of the funds, and those funds can be used to pay for certain expenses that are allocable between federal funds and Levin funds. If Levin funds are included in the state committee’s “exempt activities account” they may be transferred to the federal committee as a bulk transfer to reimburse the federal committee for the allocable portion of the expenses.