# State of Washington PUBLIC DISCLOSURE COMMISSION

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MINUTES – Regular Meeting 9:30 a.m. | March 24, 2022 711 Capitol Way S. #206 Olympia, Washington

# **Commission Members Present (Participated via Microsoft Teams Online)**

Fred Jarrett, Chair; Nancy Isserlis, Vice Chair; Bill Downing, Member; Allen Hayward, Member; Jocelyn Cooney, Member.

# Staff Present (Participated via Microsoft Teams Online)

Peter Frey Lavallee, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Jana Greer, Administrative Officer; Chip Beatty, Customer Service and Outreach Director; Kurt Young, Compliance Officer; Erick Agina, Compliance Officer; Jennifer Hansen, Compliance Officer; Alice Fiman, Compliance Officer; Bret Skipworth, DES Senior Financial Consultant; John Meader, Assistant Attorney General representing the Commission; Chad Standifer, Assistant Attorney General representing PDC staff; and Kristin Lamson, Assistant Attorney General representing PDC staff.

The regular meeting of the Public Disclosure Commission (PDC) was called to order by Commission Chair Jarrett at 9:30 a.m.

# **PDC Meeting Video**

COVID 19 update: The March 24, 2022, Public Disclosure Commission Meeting was streamed live at <a href="https://www.youtube.com/user/WASTPDC/live.">https://www.youtube.com/user/WASTPDC/live.</a>

## Chair Opening Comments | PDC Meeting Video

Chair Jarrett welcomed all attendees and viewers to the March 24, 2022, Regular Commission meeting.

# Public Comment | PDC Meeting Video

As was noticed and announced, a Teams video and conference line was provided for public comment during this time.

The following person(s) provided public comment:

- Conner Edwards, campaign treasurer, commented on LMC Thresholds.
- Jason Michaud, campaign treasurer, commented on LMC Thresholds.
- <u>Toby Nixon</u>, member of Kirkland City Council and volunteer campaign treasurer, commented on LMC Thresholds.
- <u>Cindy Madigan</u>, Money and Politics Issue Chair for League of Women Voters of Washington, commented on LMC Thresholds

# Consideration and Possible Approval of Meeting Minutes | PDC Meeting Video

Meeting minutes were presented to the Commission for consideration and possible approval:

• February 24, 2022, Regular Meeting

## **MOTION 21-0152**

Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission approve the meeting minutes for the February 24, 2022, regular meeting as presented.

The motion passed 5 - 0.

# **Budget Update | PDC Meeting Video**

Executive Director Peter Frey Lavallee and Bret Skipworth, DES Senior Financial Consultant, provided the budget update to the Commission.

# Request for Reporting Modification PDC Meeting Video

9:50 a.m. The Commission conducted a remote hearing concerning requests for reporting modifications. Jennifer Hansen, Compliance Officer, presented requests to the Commission for consideration and possible approval.

## **RENEWAL**

Ada Healey – Member, State Investment Board WAC 390-28-100(1)(b).

#### **MOTION 21-0153**

Moved by Commissioner Downing and seconded by Commissioner Cooney that the Commission grant the renewal of the partial reporting modification as requested, on the basis that literal application of the law would cause a manifestly unreasonable hardship on the applicant and that the limited modification would not frustrate the purposes of the Act.

The motion passed 5 - 0.

Washington State Republican Party – Bona Fide Party Committee RCW 42.17A.120.

# **MOTION 21-0154**

Moved by Commissioner Hayward and seconded by Commissioner Downing that the Commission grant the partial reporting modification as requested, on the basis that literal application of the law would cause a manifestly unreasonable hardship on the applicant and that the limited modification would not frustrate the purposes of the Act.

The motion passed 5 - 0.

Washington State Democratic Central Committee – Bona Fide Party Committee RCW 42.17A.120.

# **MOTION 21-0155**

Moved by Commissioner Hayward and seconded by Commissioner Downing that the Commission grant the partial reporting modification as requested, on the basis that literal application of the law would cause a manifestly unreasonable hardship on the applicant and that the limited modification would not frustrate the purposes of the Act.

The motion passed 5 - 0.

#### NEW

• Stephan M. Thomas – County Prosecutor Candidate, King County WAC 390-28-100(1)(d).

<u>Commissioner Isserlis</u> disclosed having known Stephan Thomas and stated it would not affect her ability to be fair and objective regarding the request for modification.

#### **MOTION 21-0156**

Moved by Commissioner Downing and seconded by Commissioner Cooney that the Commission grant the partial reporting modification as modified by the Commission, on the basis that literal application of the law would cause a manifestly unreasonable hardship on the applicant and that the limited modification would not frustrate the purposes of the Act.

The motion passed 5 - 0.

## Legislative Update | PDC Meeting Video

General Counsel Sean Flynn presented legislative updates and policy issues to the Commission.

General Counsel Flynn highlighted that that both Commissioner Hayward and Commissioner Cooney had recently been confirmed by the Legislature, and in turn the PDC now has a full Commission.

# Request for Reporting Modification (Continued) PDC Meeting Video

10:14 a.m. The Commission conducted a remote hearing concerning requests for reporting modifications. Jennifer Hansen, Compliance Officer, presented the request to the Commission for consideration and possible approval.

#### NEW

• <u>Jennifer Azure</u> – Judge, Benton County District Court <u>WAC 390-28-100(1)(c)(ii)</u>. <u>Jennifer Azure</u> participated via phone on Microsoft Teams.

#### **MOTION 21-0157**

Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission grant the partial reporting modification as requested, on the basis that literal application of the law would cause a manifestly unreasonable hardship on the applicant and that the limited modification would not frustrate the purposes of the Act.

The motion passed 5 - 0.

# <u>Rulemaking Discussion</u> <u>PDC Meeting Video</u>

General Counsel Sean Flynn presented the <u>petition</u> to the PDC for amendment of a state administrative rule regarding the adjustments for last minute contributions (LMC) based on the inflationary scale.

#### **MOTION 21-0158**

Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission deny the petition regarding adjustments for last minute contributions and direct staff to begin an expedited rulemaking process to adjust LMC values to \$1,500 for inflation.

The motion passed 5 - 0.

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Next Steps/Follow-up: Initiate expedited rulemaking with a projected adoption date in June 2022, to be effective starting in July 2022.

Redistricting Adjustments to Contribution Limits (Interpretation 02-01) | PDC Meeting Video
Deputy Director Kim Bradford presented the Memo – Interpretation 02-01 - amendment, redistricting adjustments to contribution limits for certain races, specifically legislative district races and the contributions made to those candidates from party and caucus committees. Interpretation 02-01.

**MOTION 21-0159** 

Moved by Commissioner Hayward and seconded by Commissioner Downing that the Commission approve the adjustments as presented to contribution limits interpretation 02-01.

The motion passed 5 - 0.

# Management Team Updates | PDC Meeting Video

- Executive Director Update.
- Deputy Director Update.
- Customer Service and Filer Assistance Update.
- IT Activity Report.

# Strategic Plan Update and Discussion | PDC Meeting Video

- <u>Audits</u> Commissioner Isserlis, and Kurt Young, Compliance Officer.
- Enforcement Process Map Commissioner Downing and Alice Fiman, Compliance Officer.
- <u>Campaign Reporting Modernization</u> Commissioner Cooney and James Gutholm, Chief Information Officer.
- Digital Political Advertising Disclosure Chair Jarrett and Kim Bradford, Deputy Director.
- <u>Training Program Expansion</u> Commissioner Hayward and Chip Beatty, Customer Service and Outreach Director.

# **Enforcement Updates** | PDC Meeting Video

Kurt Young, Compliance Officer, presented the enforcement update report for the period February 15, 2022, through March 15, 2022.

# **Break/Executive Session & Closed Session**

The Commission went into Executive Session at 12:00 p.m. to discuss matters allowed in Executive Session pursuant to RCW 42.30.110, including but not limited to discussion of enforcement matters and pending and potential litigation with legal counsel, and review of performance of public employees. Possible action regarding litigation, or other matters properly discussed during executive session, will be taken following the executive session.

Returned to public meeting at 1:00 p.m.

## **Enforcement | PDC Meeting Video**

1:01 p.m. The Commission conducted a remote enforcement hearing for alleged violations of <a href="RCW">RCW</a>
<a href="RCW">42.17A.700</a> by failing to file a Personal Financial Affairs Statement (F-1 Report) disclosing financial information. Tabatha Blacksmith, Compliance Coordinator; Jordan Campbell, Compliance Coordinator, and Tabitha Townsend, Compliance Coordinator, presented cases to the Commission for consideration and possible action.

<u>PDC Case 94073</u> – <u>Jessica Mary (Roberts) Mayfield</u>, City Council Member of City of Medical Lake.
 During a Brief Enforcement Hearing that was conducted on February 17, 2022, the Respondent was found to have violated <u>RCW 42.17A.700</u> by failing to timely file a Personal Financial Affairs Statement (F-1 report), disclosing calendar year 2020 financial information, due no later than April 15, 2021. The Respondent requests the Commission review this matter.

Jessica Mary (Roberts) Mayfield participated via phone on Microsoft Teams.

#### **MOTION 21-0160**

Moved by Commissioner Downing and seconded by Commissioner Cooney that the Commission vacate the previously assessed civil penalty in PDC Case 94073, Jessica Mary (Roberts) Mayfield.

The motion passed 5 - 0.

<u>PDC Case 102993</u> – <u>Dayn M. Brunner</u>, a Fire Commissioner for Snohomish Fire Prot. Dist. 24. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2021, disclosing financial information for calendar year 2020.

### **MOTION 21-0161**

Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission find the respondent in violation of RCW 42.17A and impose a civil penalty of \$3,000 with \$1,000 contingent on filing all delinquent F-1s, payment of the non-suspended portion of the penalty and all delinquent penalties previously imposed within 30 days from the date of the final order, and no further violations within the next 4 years.

The motion passed 5 - 0.

 <u>PDC Case 102994</u> – <u>Joshua M. Quantrell</u>, a Park & Recreation Commissioner for Klickitat Recreation Dist. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2021, disclosing financial information for calendar year 2020.

### **MOTION 21-0162**

Moved by Commissioner Downing and seconded by Commissioner Cooney that the Commission find the respondent in violation of RCW 42.17A and impose a civil penalty of \$2,500 with \$500 suspended contingent on filing all delinquent F-1s, payment of the non-suspended portion of the penalty and all delinquent penalties previously imposed within 30 days from the date of the final order, and no further violations within the next 4 years.

The motion passed 5 - 0.

<u>PDC Case 102995</u> – <u>Danny L. Walling</u>, a Fire Commissioner for Clark Fire Prot. Dist. 10. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2021, disclosing financial information for calendar year 2020.

## **MOTION 21-0163**

Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission find the respondent in violation of RCW 42.17A and impose a civil penalty of \$2,000 with \$500 suspended contingent on filing all delinquent F-1s, payment of the non-suspended portion of the penalty and all delinquent penalties previously imposed within 30 days from the date of the final order, and no further violations within the next 4 years.

The motion passed 5 - 0.

<u>PDC Case 102996</u> – <u>Jonathon Rodeback</u>, a School Director for Toutle Lake School District 160. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2021, disclosing financial information for calendar year 2020.

## **MOTION 21-0164**

Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission find the respondent in violation of RCW 42.17A and impose a civil penalty of \$2,000 with \$500 suspended contingent on filing all delinquent F-1s, payment of the non-suspended portion of the penalty and all delinquent penalties previously imposed within 30 days from the date of the final order and no further violations within the next 4 years.

The motion passed 5 - 0.

Next Steps/Follow-up: Staff to provide an update on PDC cases at collections.

Meeting adjourned at 1:40 p.m.

Approved April 28, 2022.