State of Washington PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908

(360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

MINUTES – Regular Meeting 9:30 a.m. |April 28, 2022 711 Capitol Way S. #206 Olympia, Washington

Commission Members Present

Fred Jarrett, Chair; Bill Downing, Member; Allen Hayward, Member.

Commission Members Present (Participated via Microsoft Teams Online)

Nancy Isserlis, Vice Chair; Jocelyn Cooney, Member.

Staff Present

Peter Frey Lavallee, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; Jana Greer, Administrative Officer; John Meader, Assistant Attorney General representing the Commission.

Staff Present (Participated via Microsoft Teams Online)

James Gutholm, Chief Information 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; Chad Standifer, Assistant Attorney General representing PDC staff; and Susie Giles-Klein, Assistant Attorney General representing PDC staff.

The regular meeting of the Public Disclosure Commission (PDC) was called to order by Commission Chair Jarrett at 9:33 a.m.

PDC Meeting Video

COVID 19 update: The April 28, 2022, Public Disclosure Commission Meeting was streamed live at https://tvw.org/video/washington-state-public-disclosure-commission-2022041114/?eventID=2022041114

Chair Opening Comments | PDC Meeting Video

Chair Jarrett welcomed all attendees and viewers to the April 28, 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:

- <u>Conner Edwards</u>, campaign treasurer, commented on ORCA updates/fixes and a potential rulemaking petition.
- <u>Jason Michaud</u>, campaign treasurer, commented on ORCA updates/fixes and potential rulemaking petition.
- <u>David Green</u>, accountant in Spokane and business owner, commented on the Reporting Modification Request for Kim Plese.

Consideration and Possible Approval of Meeting Minutes | PDC Meeting Video

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

• March 24, 2022, Regular Meeting

MOTION 21-0165

Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission approve the meeting minutes for the March 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

9:55 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.

NEW

• <u>Kim Plese</u> – Candidate for County Commissioner, Spokane County <u>WAC 390-28-100(1)(b)</u>. <u>Kim Plese</u> participated via Microsoft Teams.

Commissioner Isserlis <u>recused</u> herself from the matter.

MOTION 21-0166

Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission grant the partial reporting modification, 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 4 - 0 - 1. Commissioner Isserlis recused herself.

 <u>Ann Davison</u> – City Attorney, City of Seattle <u>WAC 390-28-100(1)(d)</u>. <u>Ann Davison</u> and Joseph Banks, attorney representing Davison participated via Microsoft Teams.

MOTION 21-0167

Moved by Commissioner Downing and seconded by Commissioner Cooney that the Commission grant the partial reporting modification, 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.

Commissioner Downing <u>expanded</u> on the motion to include the retroactive redaction of F-1s filed for a Lieutenant Governor candidacy.

The motion passed 5 – 0 Final Order

• <u>Eric Eisinger</u> – Candidate for Prosecutor, Benton County <u>WAC 390-28-100(1)(d)</u> & <u>WAC 390-28-100(1)(e)(i)</u>. Eric Eisinger participated via Microsoft Teams.

MOTION 21-0168

Moved by Commissioner Hayward 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 <u>passed</u> 5 - 0. <u>Final Order</u>

• <u>Joyce Shui</u> – School Director, Bellevue School District 405 <u>WAC 390-28-100(1)(b)</u> & <u>WAC 390-28-100(1)(b)</u>. <u>Joyce Shui</u> participated via Microsoft Teams.

MOTION 21-0169

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 <u>passed</u> 5 - 0. <u>Final Order</u>

• <u>Umair Shah</u> – Director, Department of Health <u>WAC 390-28-100(1)(d)</u>. <u>Umair Shah</u> participated via Microsoft Teams.

MOTION 21-0170

Moved by Commissioner Hayward 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 failed for lack of a second. Final Order

MOTION 21-0171

Moved by Commissioner Downing and seconded by Commissioner that the Commission deny the partial reporting modification as requested, on the basis that the requestor has not met the burden of proof of establishing a manifest hardship and/or that granting the modification would frustrate the purposes of the Act.

The motion <u>passed</u> 5 - 0. Commissioner Cooney had connection issues and casted her vote upon re-entry of the meeting. <u>Final Order</u>

Anna Berman – Professional Staff, Office of the Governor WAC 390-28-100(1)(d).

MOTION 21-0172

Moved by Commissioner Downing and seconded by Commissioner Cooney 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. Final Order

• <u>Jalane McAtee</u> – 2021 Candidate for City Council, City of Yelm <u>WAC 390-28-100(1)(d)</u> & <u>WAC 390-28-100(1)(d)</u> & <u>WAC 390-28-100(1)(e)</u>.

MOTION 21-0173

Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission deny the partial reporting modification as requested, on the basis that the requestor has not met the burden of proof of establishing a manifest hardship and/or that granting the modification would frustrate the purposes of the Act.

The motion passed 5 - 0.

Rulemaking Update | PDC Meeting Video

General Counsel Sean Flynn presented rulemaking updates to the Commission. He reported that the current rulemaking process for reporting thresholds to contribution limits was currently on schedule and that the Commission could anticipate proposed rules for adoption in the June 2022 regular meeting if no objection to the expedited process.

General Counsel Flynn confirmed the PDC having officially received an anticipated rulemaking petition from Conner Edwards, and that it would be presented at the May 26, 2022, regular Commission meeting.

Next Steps/Follow Up: Rulemaking petition discussion to be added to agenda for May 26, 2022, Regular Commission Meeting

Management Team Updates | PDC Meeting Video

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

Enforcement Updates | PDC Meeting Video

Kurt Young, Compliance Officer, presented the enforcement update report as of April 19, 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.

Case Law Update | PDC Meeting Video

General Counsel Flynn presented a case law update regarding contribution limits to the Commission.

Memo - Contribution Limits Case Law.

Strategic Plan Update and Discussion | PDC Meeting Video

- Audits 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.
- <u>Digital Political Advertising Disclosure</u> Chair Jarrett and Kim Bradford, Deputy Director.
- <u>Training Program Expansion</u> Commissioner Hayward and Chip Beatty, Customer Service and Outreach Director.

PDC Case Penalties and Collection Report | PDC Meeting Video

Jana Greer, Administrative Officer, presented the PDC Case penalties and collections report to the Commission. Administrative Officer Greer provided details on the current penalties and collections processes as well as the transition from a prior collection agency to a new collection agency; and the success that the PDC has seen in collections of overdue penalties.

Next Steps/Follow Up: Administrative Officer Greer to provide monthly updates to the Commission regarding current outstanding penalties due to the PDC.

Meeting adjourned at 1:56 p.m.

Approved May 26, 2022.