

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: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

MINUTES – Regular Meeting

9:30 a.m. | May 25, 2023

711 Capitol Way S. #206

Olympia, Washington

Commission Members In-person

Fred Jarrett, Chair; Nancy Isserlis, Vice Chair; Allen Hayward, Member.

Commission Members Absent

Bill Downing, Member.

Staff Present In-person

Peter Frey Lavalley, Executive Director; Kim Bradford, Deputy Director; Jana Greer, Administrative Officer; Tabitha Townsend, Compliance Coordinator; Erick Agina, Compliance Officer; Chad Standifer, Assistant Attorney General representing PDC staff; John Meader, Assistant Attorney General representing the Commission.

Staff Present (Participated via Microsoft Teams)

Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Kendra Hodgson, Customer Service and Outreach Director; Jennifer Hansen, Compliance Officer; Susie Giles-Klein, Assistant Attorney General representing PDC staff; Bret Skipworth, Senior Financial Consultant, DES.

The regular meeting of the Public Disclosure Commission (PDC) was called to order by Chair Jarrett at 9:31 a.m.

The May 25, 2023, Public Disclosure Commission Meeting was streamed live via TVW at WAPDC.05.25.23

Chair Opening Comments | [PDC Meeting Video](#)

Chair Jarrett welcomed all attendees and viewers to the May 25, 2023, 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:

- [Joe Kunzler](#), commented on rulemaking.
- [Conner Edwards](#), campaign treasurer, commented on ORCA.
- [Jason Michaud](#), campaign treasurer, commented on ORCA.
- [Tallman Trask](#), commented on petition for declaratory order and surplus funds interpretation.
- [Derek Schoonmaker](#), attorney with Barnard Iglitzin and Lavitt, commented on petition for declaratory order.
- [William Campbell](#) commented on an enforcement matter.

Consideration and Possible Approval of Meeting Minutes | [PDC Meeting Video](#)

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

May 25, 2023

Regular Commission Meeting

Page | 2

- April 27, 2023, Regular Meeting.
- May 11, 2023, Special Meeting.

MOTION 23-0021 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission approve the meeting minutes as submitted for the April 27, 2023, regular meeting.
The motion [passed](#) 3 – 0.

MOTION 23-0022 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission approve the meeting minutes as submitted for the May 11, 2023, special meeting.
The motion [passed](#) 3 – 0.

Budget Update | [PDC Meeting Video](#)

Executive Director Frey Lavallee provided the budget update to the Commission.

Rulemaking Update | [PDC Meeting Video](#)

General Counsel Flynn presented the rulemaking update to the Commission.

- Final adoption of expedited rules re: inflationary adjustment (reference correction) [WSR 23-07-099](#)

MOTION 23-0023 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission adopt the expedited rules re inflationary adjustment [WSR 23-07-099](#).
The motion [passed](#) 3 – 0.

- Initiation of rulemaking regarding lobbyist reporting requirements and public discussion.
 - [Chapter 390-16 WAC](#)
 - [Chapter 390-17 WAC](#)
 - [Chapter 390-18 WAC](#)
- Consideration and possible action on [petition for rulemaking](#) regarding public comment used for political advertising (Kunzler)
 - [Petition for rulemaking](#)
 - [Correction to petition](#)

MOTION 23-0024 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission decline the petition for rulemaking re public comment used for political advertising (Kunzler).
The motion [passed](#) 3 – 0.

Consideration and Possible Adoption of Proposed Interpretive Statement re Application of RCW 42.17A.490 on Contribution Limits Applied to Transferred Campaign Funds | [PDC Meeting Video](#)

General Counsel Flynn presented the proposed interpretive statement to the Commission for consideration and possible adoption.

MOTION 23-0025 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission adopt the proposed interpretive statement regarding application of [RCW 42.17A.490](#) on contribution limits applied to transferred campaign funds.

The motion [passed](#) 3 – 0.

Hearing and Possible Action on Petition for Declaratory Order | [PDC Meeting Video](#)

General Counsel Flynn presented two petitions for declaratory order to the Commission for consideration and possible action.

- [Petition 2: \(Trask\)](#) Question re [RCW 42.17A.490](#) Whether Approved Funds Transferred to a Campaign for a Different Office Counts Towards Contribution Limits.

MOTION 23-0026 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission deny the petition for declaratory order by Tallman Trask. The motion [passed](#) 3 – 0.

- [Petition 1: \(SEIU\)](#) Request to suspend application of the ten-contributor requirements in [RCW 42.17A.405\(12\)](#) & [.442](#).
 - PDC Staff [Memo](#)

Closed Session

The Commission went into closed session at 10:31 a.m. to discuss matters allowed in closed session pursuant to [RCW 42.30.140\(3\)](#) and [RCW 5.60.060\(5\)](#).

[Returned](#) to the public meeting at 10:49 a.m.

MOTION 23-0027 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission deny petition for declaratory order by SEIU. The motion [passed](#) 3 – 0.

Strategic Plan Update | [PDC Meeting Video](#)

Executive Director Peter Lavalley and Deputy Director Kim Bradford provided an update on digital political advertising disclosure; including upcoming meetings to coordinate among other states to discuss potential common requirements, and a meeting with U.S. Representative Kilmer regarding the reintroduction of the Honest Ads Act.

Penalties Update | [PDC Meeting Video](#)

Jana Greer, Administrative Officer, provided an update to the Commission on the status of penalties and collections, as well as an overview of the process.

Next Steps/Follow-Up: Staff to update the format of the penalty report to incorporate and reflect additional data.

Management Team Updates | [PDC Meeting Video](#)

- [Executive Director Update](#)
- [Deputy Director Update](#)

- [Customer Service and Filer Assistance Update](#)
- [Information Technology Update](#)

Reporting Modification Requests | [PDC Meeting Video](#)

11:30 a.m. | The Commission conducted a hearing concerning requests for reporting modification. Tabitha Townsend, Compliance Coordinator, and Jennifer Hansen, Compliance Officer, presented the request to the Commission for consideration and possible approval.

New

- [Noel Frame](#) – State Senator, Legislative District 36 Senate – [WAC 390-28-100\(1\)\(b\)](#)
Senator Noel Frame [participated](#) via Microsoft Teams.

MOTION 23-0028 Moved by Commissioner Isserlis 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](#) 3 – 0.

- [Joyce Shui](#) – School Director, Bellevue School District 405 – [WAC 390-28-100\(1\)\(d\)](#)
Joyce Shui [participated](#) via Microsoft Teams.

Closed Session

The Commission went into closed session at 11:49 a.m. to discuss matters allowed in closed session pursuant to [RCW 34.05.449\(5\)](#).

[Returned](#) to the public meeting at 12:00 p.m.

MOTION 23-0029 Moved by Commissioner Isserlis 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](#) 3 – 0.

- [Travis Exstrom](#) – Regent/Trustee, Highline College – [WAC 390-28-100\(1\)\(b\)](#)

MOTION 23-0030 Moved by Commissioner Hayward and seconded by Commissioner Isserlis 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](#) 3 – 0.

May 25, 2023

Regular Commission Meeting

Page | 5

- [Elizabeth Berry](#) – State Representative, 36th Legislative District & various campaigns – [WAC 390-28-100\(1\)\(d\)\(ii\)](#), [RCW 42.17A.120](#) & [RCW 42.17A.240](#)

Jason Bennett, on behalf of Elizabeth Berry, [participated](#) via Microsoft Teams.

MOTION 23-0031 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission grant the partial reporting modification, subject to each campaign being contacted and agreeing to information being redacted, 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](#) 3 – 0.

Enforcement Updates | [PDC Meeting Video](#)

Erick Agina, Compliance Officer, presented the enforcement update report as of May 15, 2023.

Break/Executive Session

The Commission went into Executive Session at 12:26 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 1:13 p.m.

Meeting adjourned at 1:13 p.m.

Approved June 22, 2023.