

State of Washington
PUBLIC DISCLOSURE COMMISSION
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MINUTES – Regular Meeting

9:30 a.m. | August 24, 2023

711 Capitol Way S. #206

Olympia, Washington

Commission Members In-person

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

Staff Present In-person

Peter Frey Lavalley, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; Jana Greer, Administrative Officer; Jennifer Hansen, Compliance Officer; Tabitha Townsend, Compliance Coordinator; John Meader, Assistant Attorney General representing the Commission.

Staff Present (Participated via Microsoft Teams)

James Gutholm, Chief Information Officer; Kendra Hodgson, Customer Service and Outreach Director; Jordan Campbell, Compliance Coordinator; 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 Isserlis at 9:30 a.m.

The August 24, 2023, Public Disclosure Commission meeting was streamed live via TVW at WAPDC.08.24.23. Public attended in-person and remotely via a MS Teams Link.

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

Chair Isserlis welcomed all attendees and viewers to the August 24, 2023, Regular Commission meeting.

Chair Isserlis offered her condolences to the fire tragedies occurring in both the eastern side of Washington as well as in Maui, Hawaii. She also acknowledged the unfortunate passing of one of the PDC's employees, Compliance Coordinator Ian Spencer. Deputy Director Kim Bradford spoke about the agency's loss.

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 an enforcement matter.
- [Tim Eyman](#) commented on an enforcement matter.
- [Conner Edwards](#) campaign treasurer, commented on agency request legislation.
- [Jason Michaud](#) campaign treasurer, commented on the upcoming collaboration session.
- [Glen Morgan](#) commented on the complaint and enforcement process.
- [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:

- July 27, 2023, Regular Meeting.

MOTION 23-0053 Moved by Commissioner Jarrett and seconded by Commissioner Leach that the Commission approve the meeting minutes as submitted for the July 27, 2023, special meeting.

The motion [passed](#) 4 – 0.

Budget Update | [PDC Meeting Video](#)

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

Rulemaking Update | [PDC Meeting Video](#)

General Counsel Flynn presented the rulemaking update to the Commission. He provided status updates on inflationary adjustments, grassroots lobbying, and the “deep fakes” bill.

Enforcement Cases | [PDC Meeting Video](#)

10:09 a.m. | The Commission conducted a hearing for multiple PDC cases with alleged violations of [RCW 42.17.205](#) & [RCW 42.17A.700](#). Compliance Coordinators Tabitha Townsend and Jordan Campbell presented the cases to the Commission for consideration and possible action.

- PDC Case [138708](#) – [Adam Smith](#), a 2023 Candidate for City Council Member for City of Spokane Valley. PDC staff is alleging that Smith violated [RCW 42.17A.205](#) and [RCW 42.17A.700](#) by failing to file a Candidate Registration (C-1 report) and Personal Financial Affairs Statement (F-1 report), due within two weeks of becoming a candidate or no later than June 2, 2023.

MOTION 23-0054 Moved by Commissioner Jarrett and seconded by Commissioner Leach that the Commission assess a civil penalty of \$4,000 with \$2,000 suspended contingent on no further violations for four years, all penalties paid, and all missing reports filed within 30 days of the Final Order.

The motion [passed](#) 4 – 0.

- PDC Case [139594](#) – [Charles Mister Jr](#), a 2023 Candidate for School Director for Everett School District 002. PDC staff is alleging that Charles Mister Jr violated [RCW 42.17A.205](#) by failing to file a Candidate Registration (C-1 report), due within two weeks of becoming a candidate or no later than June 2, 2023.

MOTION 23-0055 Moved by Commissioner Jarrett and seconded by Commissioner Leach that the Commission assess a civil penalty of \$1,000 with \$500 suspended contingent on no further violations for four years, all penalties paid, and all missing reports filed within 30 days of the Final Order.

The motion [passed](#) 4 – 0.

- PDC Case [140324](#) – [Dustin Kraft](#), An Elected Official and 2023 Candidate for Fire Commissioner for the Clallam Fire Protection District 01. PDC staff is alleging that Kraft violated [RCW 42.17A.700](#) by

failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 17, 2023, disclosing personal financial information for calendar year 2022.

MOTION 23-0056 Moved by Commissioner Jarrett and seconded by Commissioner Leach that the Commission assess a civil penalty of \$2,000 with \$1,000 suspended contingent on no further violations for four years, all penalties paid, and all missing reports filed within 30 days of the Final Order.

The motion [passed](#) 4 – 0.

Enforcement Updates | [PDC Meeting Video](#)

Jennifer Hansen, Compliance Officer, presented the enforcement update as of July 20, 2023.

Break | [PDC Meeting Video](#)

The Commission went into break at 10.35 a.m.

[Returned](#) to the meeting at 10:44 a.m.

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

10:45 a.m. | The Commission conducted a hearing concerning requests for reporting modification. Compliance Coordinator Tabitha Townsend presented the request to the Commission for consideration and possible approval.

New

- [Maria Flores](#) – Elected Official & 2023 Candidate, School Director for Olympia School District – [RCW 42.17A.120](#), [RCW 42.17A.205](#) & [RCW 42.17A.240](#)

[Memorandum](#) - Maria Flores

[Maria Flores](#) participated via Microsoft Teams.

MOTION 23-0057 Moved by Commissioner Leach and seconded by Commissioner Jarrett 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.

Legislative Update | [PDC Meeting Video](#)

General Counsel Flynn presented the legislative update to the Commission.

- [Memo](#) – Policy Proposals Held Over From 2023 Session

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

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

- [IT Portfolio Update](#)

Request for Review of Initial Order | [PDC Meeting Video](#)

11:37 a.m. | The Commission conducted a remote hearing concerning a request for review. Tabitha Townsend, Compliance Coordinator, presented the request to the Commission for consideration and possible approval.

- PDC Case [138704](#) – [Steven Kovach](#) - At the July 20, 2023, Brief Adjudicative Proceeding (BAP Hearing), Mr. Kovach was found in violation of [RCW 42.17A.205](#) and [RCW 42.17A.700](#) for failure to file the Campaign Registration (C-1 report) and the Personal Financial Affairs Statement (F-1 report) within two weeks of becoming a candidate or no later than June 2, 2023. Mr. Kovach was assessed a penalty of \$500, with \$300 suspended, which he now asks the Commission to review.

MOTION 23-0058 Moved by Commissioner Leach and seconded by Commissioner Jarrett that the Commission affirm the Final Order for PDC Case 138704, Steven Kovach.

The motion [passed](#) 4 – 0.

Commissioner Jarrett [clarified](#) the motion to allow the respondent ample time to pay the penalty, within 30 days of when the affirmed Final Order is issued.

Break/Executive Session

The Commission went into Executive Session at 11:50 a.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 1:10 p.m.

Meeting adjourned at 1:10 p.m.

Approved September 28, 2023.