State of Washington PUBLIC DISCLOSURE COMMISSION

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MINUTES – Regular Meeting 9:30 a.m. | December 12, 2024 711 Capitol Way S. #206 Olympia, Washington

Commission Members (Participated In-person)

J. Leach, Vice Chair; James Oswald, Member.

Commission Members (Participated via Microsoft Teams)

Allen Hayward, Chair; Nancy Isserlis, Member; Douglass North, Member.

Staff Present

Sean Flynn, General Counsel; Jana Greer, Administrative Officer

Staff Present (Participated via Microsoft Teams)

Peter Frey Lavallee, Executive Director; Kim Bradford, Deputy Director; James Gutholm, Chief Information Officer; BG Sandahl, Compliance Officer; Jennifer Hansen, Compliance Officer; Tabitha Townsend, Compliance Officer; Jordan Campbell, Compliance Coordinator; Christina Shearer, DES Senior Financial Consultant; John Meader, Assistant Attorney General representing the Commission, Chad Standifer, Assistant Attorney General representing the Staff; Susie Giles-Klein, Assistant Attorney General representing the Staff.

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

The December 12, 2024, Public Disclosure Commission meeting streamed live via TVW at WAPDC.12.12.24. Public attended in-person and remotely via a MS Teams Link.

Chair Opening Comments | PDC Meeting Video

Chair Hayward welcomed all attendees and viewers to the December 12, 2024, Regular Commission meeting.

Proposed 2025 Commission Meeting Dates | PDC Meeting Video

The 2025 PDC Commission meeting dates were presented to the Commission for consideration and possible approval.

Commissioner Hayward asked the Commission if they agreed to the proposed dates for 2025 as submitted.

The Commission unanimously agreed to <u>adopt</u> the 2025 PDC Commission meeting dates. Jana Greer, Administrative Officer, to submit them to the Code Reviser's Office.

Consideration and Possible Approval of Meeting Minutes | PDC Meeting Video

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

- October 24, 2024, Regular Meeting
- November 14, 2024, Special Meeting

MOTION 24-064 Moved by Commissioner Leach and seconded by Commissioner North that the

Commission approve the meeting minutes as submitted for the October 24,

2024, regular meeting.

The motion passed 5-0.

MOTION 24-065 Moved by Commissioner Leach and seconded by Commissioner North that the

Commission approve the meeting minutes as submitted for the November 14,

2024, special meeting.

The motion passed 5-0.

Enforcement | Request for Reconsideration | PDC Meeting Video

09:34 a.m. | The Commission conducted an enforcement hearing concerning <u>PDC Case 146593</u>, Washington State Republican Party.

Susie Giles-Klein, Assistant Attorney General representing the Staff, <u>addressed</u> PDC Case <u>146593</u>, Washington State Republican Party, for alleged violations of (1) <u>RCW 42.17A.320</u>, by failing to include sponsor identification on political advertising; (2) <u>RCW 42.17A.235</u> and <u>RCW 42.17A.240</u> by failing to timely disclose expenditures made on Summary Full Campaign Contribution and Expenditure reports (C-4 reports); (3) <u>RCW 42.17A.405</u> and <u>WAC 390-17-060</u> by making a contribution to a ballot measure committee using exempt funds; (4) <u>RCW 42.17A.235</u> and <u>RCW 42.17A.240</u> by failing to timely and accurately disclose the source of monetary contributions on Monetary Contributions reports (C-3 reports), and <u>RCW 42.17A.220</u> by depositing overlimit anonymous contributions.

Joel Ard, General Counsel representing Washington State Republican Party, participated in-person.

MOTION 24-066

Moved by Commissioner North and seconded by Commissioner Oswald that the Commission deny the request for reconsideration for PDC Case 146593, Washington State Republican Party.

The motion passed 5-0.

Enforcement Work Group Update | PDC Meeting Video

Chair Hayward announced that the December 2024 commission meeting was Commissioner Isserlis' last meeting for her appointed term, but she will be staying on the Commission in the interim until the Governor appoints a new member.

Commissioner Isserlis provided an <u>update</u> on the work group the Commission convened to discuss how to resolve the backload of enforcement cases currently at the PDC.

Budget Update | PDC Meeting Video

Executive Director Frey Lavallee and Christina Shearer, DES Senior Financial Consultant, provided the budget update to the Commission.

Enforcement | PDC Meeting Video

10:27 a.m. | The Commission conducted a hearing for multiple PDC cases with alleged violations of RCW 42.17A.700. Compliance Coordinator Jordan Campbell presented the cases to the Commission for consideration and possible action.

• PDC Case <u>162544</u> – <u>Robert Pruneda</u>: Alleged violation of <u>RCW 42.17A.700</u> for failure to file the Personal Financial Affairs Statement (F-1 report) by April 15, 2024.

MOTION 24-067

Moved by Commissioner North and seconded by Commissioner Isserlis that the Commission find a violation of <u>RCW 42.17A.700</u> and assess a civil penalty of \$2,000 with \$1,000 suspended contingent on no further violations for the remainder of the term of office, all penalties paid, and outstanding reports filed within 30 days of the Final Order.

The motion passed 5-0.

 PDC Case <u>162545</u> – <u>Dariel L Norris</u>: Alleged violation of <u>RCW 42.17A.700</u> for failure to file the Personal Financial Affairs Statement (F-1 report) by April 15, 2024.

MOTION 24-068

Moved by Commissioner Leach and seconded by Commissioner Oswald that the Commission find a violation of <u>RCW 42.17A.700</u> and assess a civil penalty of \$1,000 with \$900 suspended contingent on no further violations for the remainder of the term of office, all penalties paid, and outstanding reports filed within 30 days of the Final Order.

The motion passed 5-0.

Request for Reporting Modification | PDC Meeting Video

10:40 a.m. | The Commission conducted a hearing concerning request for reporting modification. Compliance Officer Tabitha Townsend presented the request to the Commission for consideration and possible approval.

NEW

• Mark Matteson – Professional Staff, House of Representatives WAC 390-28-100(1)(e)

Staff Memo

Mark Matteson participated via Microsoft Teams.

The request for reporting modification failed for lack of a motion by the Commission.

Management Team Updates | PDC Meeting Video

- Executive Director Update.
- Deputy Director Update.
- Customer Service and Filer Assistance Update.

Request for Reporting Modification - Continued | PDC Meeting Video

11:04 a.m. | The Commission conducted a hearing concerning request for reporting modification. Compliance Officer Tabitha Townsend presented the request to the Commission for consideration and possible approval.

NEW

• Ebtissam Wahman – Kshama Sawant Campaign Contributor RCW 42.17A.120 & RCW 42.17A.235

Staff Memo

Ebtissam Wahman participated via Microsoft Teams.

MOTION 24-069

Moved by Commissioner Oswald 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 5-0.

Management Team Updates | PDC Meeting Video

• Information Technology Update.

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 agency enforcement.

Written Comment(s) Submitted:

- Kunzler
- Edwards

Enforcement Update | PDC Meeting Video

Jennifer Hansen, Compliance Officer, presented the enforcement update for December 2024.

• Enforcement Report – Categorization and Status of Open Complaints

Petition for Declaratory Order (Edwards) | PDC Meeting Video

Chair Hayward <u>announced</u> the petition for declaratory order (Edwards) would be moved to the January 2025 regular commission meeting.

Commissioner North <u>left</u> the meeting.

MOTION 24-070

Moved by Commissioner Leach and seconded by Commissioner Isserlis that the Commission move the petition for declaratory order (Edwards) to the January 2025 regular commission meeting.

The motion passed 4-0.

<u>Public Hearing for Rule Amendment re Exemptions of Sponsor Identification on Political Advertising</u> (WAC 390-18-030)| <u>PDC Meeting Video</u>

General Counsel Sean Flynn <u>presented</u> the proposed changes rule amendment to <u>WAC 390-18-030</u> to the Commission for consideration and possible approval.

- Memo
- Proposed Rule WAC 390-18-030 (OTS-6023.2)

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Public Hearing

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

MOTION 24-071

Moved by Commissioner Leach and seconded by Commissioner Isserlis that the Commission adopt the proposed rule as amended by Staff, re exemptions of sponsor identification on political advertising (WAC 390-18-030).

The motion passed 4-0.

Legislative Update | PDC Meeting Video

General Counsel Sean Flynn provided a <u>briefing</u> on proposed bills and issues related to the upcoming 2025 legislative session.

Chair Hayward noted that the Commission should have 2025 legislative contacts. After <u>discussion</u>, it was decided both Chair Hayward and Commissioner Oswald would be assigned as those contacts.

<u>Representative Alex Ramel</u> discussed his proposed legislation to improve transparency on the signature gathering process.

Break/Executive Session

<u>12:00 p.m.</u> Discussion of matters allowed in executive session pursuant to <u>RCW 42.30.110</u>, regarding enforcement matters, review of performance of public employees, and discussion with legal counsel of litigation or potential litigation when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence. Final action regarding these matters, or other matters properly discussed during executive session, will be taken following the executive session.

Executive session ended 12:39 p.m.

Adjourned at 12:39 p.m.

Approved January 23, 2025.