



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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MINUTES – Regular Meeting

Evergreen Plaza Building, Room 206
711 Capitol Way South
Olympia, Washington

9:30 a.m.

September 25, 2014

COMMISSION MEMBERS PRESENT

Grant Degginger, Chair
Amit Ranade, Member
Kathy Turner, Member

STAFF PRESENT

Andrea McNamara Doyle, Executive Director
Linda Dalton, Sr. Assistant Attorney General
Lori Anderson, Communications & Training Officer
James Gutholm, Chief Information Officer
Phil Stutzman, Director of Compliance
Tony Perkins, Acting Assistant Director
Kurt Young, Compliance Officer
Chip Beatty, Filer Assistance Specialist
Jennifer Hansen, Filer Assistance Specialist

The regular meeting of the Public Disclosure Commission was called to order by Commission Chair Grant Degginger at 9:30 a.m. in the Evergreen Plaza Building, Room 206 Olympia, Washington.

Opening Comments

Commissioner Degginger called the meeting to order.

Citizens Comments/Concerns

No comments or concerns were expressed.

Commissioner Comments/Concerns

Chair Degginger stated that he had attended an Election Law conference and participated on a panel about state law developments.

Minutes

Motion 14-139

Moved by Commissioner Turner, seconded by Commissioner Ranade that:

The Commission adopt the minutes of August 21, 2014 regular meeting.

The motion passed unanimously.

Rule Making/Interpretation

Lori Anderson reviewed the Commissions' previous discussions regarding possible alternatives for disclosing lobbying expenditures related to legislative receptions, including draft rule language.

She noted that stakeholders were invited to the meeting and that some had requested the opportunity to listen via conference call.

Ms. Anderson briefly summarized the work and

discussions of the Commission to date, and explained the two components remaining for the Commission's consideration: the criteria to define the receptions that would be eligible for the alternative form of disclosure and the possibility of rule making.

Miss Anderson noted that in addition to the criteria already selected by the Commission, Staff also recommended two additional criteria for consideration:

- Twenty (20) legislators or their representatives must attend the event.
- Invitations must be extended to the entire legislature, all members of a chamber, or all members of any of the two largest caucuses recognized in each chamber.

Staff recommended amendments to the L-2 and F-1 forms in order to implement the chosen alternative method for disclosing.

The Commission discussed whether it was necessary to include both a minimum invitation and a minimum attendance requirement and conclude that a well-defined and sufficiently large invitation threshold would be adequate without an additional criteria related to numbers of attendees.

Ms. Anderson presented staff's proposed rule language for the Commission's consideration, which included the proposed changes to lobbyist and personal finance forms, and language for a new proposed rule that includes the criteria for receptions.

Motion 14-140

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission approve the proposed amendments to WAC 390-20-020 and WAC 390-24-010 as presented.

The motion passed unanimously.

Motion 14-141

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission approve the proposed language for a new WAC 390-20-020A, as revised by the Commission's discussion to

remove the minimum attendance requirements.

The motion passed unanimously.

Campaign Loans

Miss Anderson presented a revised draft of Interpretation 14-01 that was modified to include the change requested by the Commission at the July 2014 meeting during the Commissions initial review of the language.

Staff recommended the Commission adopt the new Interpretations 14-01, campaign loans, as revised.

Motion 14-142

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission adopt new Interpretation 14-01 Campaign Loans as presented.

The motion passed unanimously.

Legislative/Budget Update

Andrea McNamara Doyle discussed the agency request legislation and provided a status update on the agency budget.

She reviewed the contents of the two agency request bills for the Commission's consideration:

- **Z-0007.2/15 An Act Relating to financial reporting by elected and appointed officials, candidates, and appointees**
- **Z-0091.3/15 An Act Relating to improving efficiency of public disclosure commission operations and requirements**

Ms. Doyle stated that a stakeholder meeting was held on both of the draft legislation requests. Attendees shared no comments or positions on the bills and had only a few questions. Limited feedback has been received from other stakeholders, offering technical suggestions.

Agency request legislation is due to the Governor's office on October 1, 2014.

The Commission previously approved both agency request bills as presented and the staff will proceed with filing.

Ms. Doyle gave an update on the agency's 2015-17 biennial budget requests. She noted that staff has made many of the changes suggested by the Commission and incorporated them into the

request.

The 2015-17 biennial budget was submitted the budget to OFM as required on September 12, 2014.

James Gutholm discussed the essential items requested, new information technology tools, which could fundamentally transform the way in which the PDC engages, communicates with, and manages customers and stakeholders.

Reporting Modifications – New

Patti Connolly Walker, District Court Judge, Spokane County

Chip Beatty presented a new reporting modification request for Patti Connolly Walker.

Mr. Beatty stated that Judge Connolly Walker requested a reporting modification that would exempt her from disclosing her personal residential address information on her F-1 report for 2013.

He stated that Judge Connolly Walker, after attending a judicial seminar, was advised to protect her personal residential information. As a district court judge, part of her duties include presiding over criminal and civil cases. She has received multiple threats previously and believes that disclosing address information would subject herself and her family to harm.

Motion 14-143

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission grant the partial reporting modification as requested, finding that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed unanimously.

Randy Brandt, District Court Judge, Spokane County

Chip Beatty presented a new reporting modification request for Randy Brandt who requested a reporting modification that would exempt him from disclosing his personal residential address information on his F-1 report for 2013. Judge Brandt also requested a modification that would retroactively exempt him

from disclosing real estate, including street address, parcel number, or legal description, for properties previously listed on initial F-1 and the F-1A report for calendar year 2012.

Mr. Beatty stated that after attending a judicial seminar, Judge Brandt had been advised to protect his personal residential information. Judge Brandt hears all phases of legal proceedings including criminal cases and noted that that he has received serious threats to his security and believes that disclosing personal information about his two properties would subject himself and his family to harm.

Motion 14-144

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission grant the partial reporting modification as requested, finding that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed unanimously.

Annual Report

Lori Anderson presented a draft of the FY14 agency annual report and invited Commissioners' feedback before the report is finalized in October.

Executive Session

The Commission went into Executive Session at 11:15 a.m. to discuss pending and potential litigation with legal counsel and returned at 12:00 p.m., at which time the Chair recessed the meeting for lunch.

Meeting reconvened after lunch at 1:00 p.m.

Enforcement

Robert Jesse Hill, Case No. 15-026 involving an alleged violation of RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement within two weeks of becoming a candidate for State Representative in the 27th Legislative District, or no later than May 31, 2014.

Kurt Young presented the staff allegations that Robert Jesse Hill violated RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement (F-1 report) no later than May 31, 2014.

Tony Perkins reviewed the background and history of past enforcement violations.

Staff recommended the Commission find a violation of RCW 42.17A.700 and assess a penalty in the

range of \$750 to \$1,000.

Staff further recommends that the Commission order that staff deal with future violations by Mr. Hill administratively for the next four years.

At the request of Commissioner Turner, the Commission went into closed deliberation to discuss the matter.

The Commission returned to the regular meeting.

Motion 14-145

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission find Robert Jesse Hill in violation of RCW 42.17A.700 and assess a penalty of \$900.

The motion passed unanimously.

Request for Review/Reconsideration of Group Enforcement Orders

Jeff Jansma, PDC Case No. 14-146

Kurt Young presented Jeff Jansma's request for review of the initial brief enforcement order for PDC Case No. 14-146.

Mr. Young stated that Mr. Jansma failed to file F-1 reports for calendar years 2012 and 2013. He stated that Mr. Jansma contacted PDC and informed staff that the hearing notice was not received due to extenuating changes in his life, the email address PDC had on file was no longer active, and he was not aware he had not filed.

Mr. Young noted that Mr. Jansma has provided updated address and contact information and confirmed that Mr. Jansma has resigned as Skagit county fire district commissioner and is no longer in office.

Mr. Jansma acknowledges the violation and is asking for relief from the penalty amount. He has subsequently filed the missing reports.

Motion 14-146

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission reconsider the final decision in PDC Case No. 14-146, Jeff Jansma.

The motion passed unanimously.

Motion 14-147

Moved by Commissioner Ranade, seconded by Commissioner Turner that:

The Commission amend its final decision in the matter of PDC Case No, 14-146 , Jeff Jansma, so that the Commission continues to find a violation of RCW 42.17A.700 but suspends the entire amount of the penalty for a period of four years.

The motion passed unanimously.

Tracey Rascon, PDC Case No. 14-091

Kurt Young presented Tracey Rascon's request for a review of the initial brief enforcement order for PDC Case No. 14-091. Ms. Rascon was scheduled to participate via teleconference but was unreachable.

After a second attempt to call Miss Rascon to connect her to the hearing was made, the Commission proceeded with the review.

Mr. Young stated that Ms. Rascon requested a review of the final order of PDC Case No. 14-091 and reconsideration of the \$300 penalty assessed.

He stated that she has a prior violation and has paid the earlier penalty. She has since filed the missing report and contacted the staff concerning the penalty assessed. She indicated due to a series of challenging family issues she is requesting reconsideration of the penalty amount.

Motion 14-148

Moved by Commissioner Ranade, seconded by Commissioner Degginger that:

The Commission reconsider the final order in PDC Case No. 14-091, Tracey Rascon.

The motion passed 2-1 (Degginger and Ranade For; and Turner Opposed.)

Motion 14-149

Moved by Commissioner Ranade, seconded by Commissioner Degginger that:

The Commission amend the final order in PDC Case No. 14-091, Tracey Rascon to suspend the penalty on the condition that there be no further violations for a period of four years.

The motion was amended by Commissioner Ranade to:

The Commission amend the final order in PDC Case No. 14-091, Tracey Rascon so that the total penalty amount remains the same (\$300) but that \$200 is suspended on the condition that

there be no further violations for a period of four years.

Motion approved.

Executive Session

The Commission went into Executive Session at 1:30 pm to discuss pending and potential litigation with legal counsel and returned at 2:15 p.m.

Adjournment

The meeting adjourned at 2:15 p.m.

Approved by the Commission on October 23, 2014.