

State of Washington
PUBLIC DISCLOSURE COMMISSION
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MINUTES – Regular Meeting

9:30 a.m. | January 26, 2023

711 Capitol Way S. #206

Olympia, Washington

Commission Members (Participated via Microsoft Teams)

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

Commission Members Absent

Jocelyn Cooney, Member.

Staff Present

Jana Greer, Administrative Officer.

Staff Present (Participated via Microsoft Teams)

Peter Frey Lavalley, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Kendra Hodgson, Communications and Outreach Director; Tabitha Townsend, Compliance Coordinator; Jennifer Hansen, Compliance Officer; Kurt Young, Compliance Officer; John Meader, Assistant Attorney General representing the Commission; Bret Skipworth, Senior Financial Consultant, DES; Chad Standifer, Assistant Attorney General representing PDC staff; 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 9:30 a.m.

[PDC Meeting Video](#)

COVID-19 update: The January 26, 2023, Public Disclosure Commission Meeting was streamed live via TVW at [WAPDC.01.26.23](#)

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

Chair Fred Jarrett welcomed all attendees and viewers to the January 26, 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:

- [David Turnoy](#), chair of San Juan County Democrats, commented on mini-reporting adjustments.
- [Conner Edwards](#), campaign treasurer, commented on agency request legislation.
- [William Campbell](#), chairman of six registered voters, commented on an enforcement matter.
- [Mario Lotmore](#), publisher of the Lynnwood Times, commented on an enforcement matter.
- [Glen Morgan](#) 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:

- December 08, 2022, Regular Meeting

MOTION 21-0239 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission approve the meeting minutes for the December 08, 2022, regular meeting minutes, with a minor correction to a typographical error in executive session portion.

The motion [passed](#) 4 – 0.

Public Hearing – Proposed Rule | [PDC Meeting Video](#)

General Counsel Flynn provided a brief overview of the proposed rule for adjustments to reporting thresholds, and contribution limits.

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, provided comment.

The [Commission](#) moved this agenda item to the February 2023 regular meeting. Staff will bring an alternative proposal for possible consideration and approval. The recommended changes should include raising the value of the employer threshold, and staff analysis on clarifying the employer address as a part of the rulemaking.

Hearing on Declaratory Order Petition | [PDC Meeting Video](#)

General Counsel Sean Flynn presented a declaratory order petition requesting to clarify that the fundraising freeze in RCW 42.17A.560 does not apply to state employees.

- [Declaratory Order Petition – Blue Wave](#)
- [Declaratory Order Petition – Blue Wave 01 03 23](#)
- [Declaratory Order Petition – Blue Wave 01 25 23](#)

PDC staff [recommended](#) the Commission deny the petition.

As was noticed and announced, a Teams video and conference line was provided for public comment during this time.

No person(s) provided public comment.

MOTION 21-0240 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission deny the declaratory order petition.

The motion [passed](#) 4 – 0.

General Counsel Flynn noted that the agency does receive questions regarding declarations of candidacy. The Commission proposed that staff review prior informal advice given to the public and come back to brief the Commission on the findings.

Budget Update | [PDC Meeting Video](#)

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

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

Executive Director Frey Lavalley and Deputy Director Bradford presented the strategic plan update to the Commission for consideration and possible approval. Additional areas of focus are Commission outreach and lobbying disclosure. The audit and training programs will become part of regular operations.

MOTION 21-0241 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission adopt the 2023 strategic plan as presented.

The motion [passed](#) 4 – 0.

Rulemaking and Legislative Update | [PDC Meeting Video](#)

General Counsel Sean Flynn presented the APA petition for rulemaking regarding enforcement of C-4 reporting deadlines for consideration and possible approval.

- [Memo](#)
- [Edwards \(1\) – Re: C4](#)
- [Edwards \(2\) – Re: C4](#)
- [Edwards \(3\) – Re: C4](#)

MOTION 21-0242 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission deny the petition for rulemaking regarding enforcement of C-4 reporting deadlines.

The motion [passed](#) 4 – 0.

General Counsel Flynn presented the [six-month rules development agenda](#) for consideration and possible approval.

MOTION 21-0243 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission approve the rules development agenda as presented.

The motion [passed](#) 4 – 0.

Executive Director Frey Lavalley and General Counsel Flynn updated the Commission on the 2023 legislative session, the PDC agency-request legislation and other PDC-related bills before the Legislature.

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

- [Executive Director Update](#).

- [Deputy Director Update](#).
- [Customer Service and Filer Assistance Update](#).
- [IT Activity Report](#).
 - [IT Portfolio Update](#).

Break/Executive Session & Closed Session

The Commission went into Executive Session at 12:05 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 1:03 p.m.

Reporting Modification Requests | PDC Meeting Video

1:04 p.m. The Commission conducted a remote hearing concerning a request for a reporting modification request. Jennifer Hansen, Compliance Officer, presented the request to the Commission for consideration and possible approval.

- [San Juan County Democratic Central Committee](#) – Bona-fide County Party Committee [RCW 42.17A.120](#), [RCW 42.17A.235](#) & [RCW 42.17A.240](#)

[David Turnoy](#) participated via Microsoft Teams.

MOTION 21-0239 Moved by Commissioner Downing 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](#) 4 – 0. [Final Order](#)

- [The Center for Election Science \(CES\)](#) – Incidental Committee [RCW 42.17A.120](#), [RCW 42.17A.207](#), [RCW 42.17A.235](#) & [RCW 42.17A.240](#)

[Aaron Hamlin](#) and [Anna Cavnar](#) participated via Microsoft Teams.

MOTION 21-0240 Moved by Commissioner Downing 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 [failed](#) 0 – 4. Commissioner Jarrett, Hayward, Isserlis and Downing voted no.

MOTION 21-0241 Moved by Commissioner Isserlis 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](#) 4 – 0. [Final Order](#)

Enforcement Hearing (Reconsideration) | [PDC Meeting Video](#)

1:37 p.m. The Commission conducted a remote hearing concerning a request for reconsideration. Tabitha Townsend, Compliance Coordinator, presented the request to the Commission for consideration and possible approval.

- PDC Case [110448](#) – [Pamela Berger](#) - At the September 1, 2022, Brief Adjudicative Proceeding (BAP Hearing), Ms. Berger was found in violation of [RCW 42.17A.700](#) for failure to file the F-1 report that was due by April 15, 2022, covering calendar year 2021. Ms. Berger was assessed a penalty of \$250, with \$125 suspended, which she now asks the Commission to reconsider.

MOTION 21-0242 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission approve the request to reconsider the Final Order and penalty assessed in PDC Case 110448.

The motion [passed](#) 4 – 0.

MOTION 21-0243 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of RCW 42.17A, and vacate the penalty assessed in PDC Case 110448.

The motion [passed](#) 4 – 0.

Enforcement Request for Reconsideration | [PDC Meeting Video](#)

1:41 p.m. The Commission conducted a remote hearing concerning a request for reconsideration. Jennifer Hansen, Compliance Officer, presented the requests to the Commission for consideration and possible approval.

- PDC Case [105472](#) – [Ozzie Knezovich](#). At the November 17, 2022, Brief Adjudicative Proceeding (BAP Hearing). Mr. Knezovich was found in violation of (1) [RCW 42.17A.555](#) by using the public facilities of the Spokane County Sheriff's Office to oppose Amber Waldref, a candidate for Spokane County Commissioner in the 2022 election; and (2) [RCW 42.17A.635\(2\)](#) for engaging in prohibited indirect lobbying by encouraging members of the public to contact legislators regarding legislative changes. Mr. Knezovich was assessed a penalty of \$300, with \$100 suspended, which he now asks the Commission to reconsider.

Commissioner Isserlis [recused](#) herself from this matter.

[Ozzie Knezovich](#) participated via Microsoft Teams.

MOTION 21-0244 Moved by Commissioner Hayward and seconded by Commissioner Downing that the Commission approve the request to reconsider the Final Order and penalty assessed in PDC Case 105472.

The motion [passed](#) 3 – 0. Commissioner Isserlis recused herself.

Closed Session

The Commission went into closed session at 1:59 p.m. to discuss matters allowed in closed session pursuant to [RCW 42.30.110](#), including but not limited to discussion of enforcement matters.

[Returned](#) to the public meeting at 2:16 p.m.

MOTION 21-0245 Moved by Commissioner Hayward and seconded by Commissioner Downing that the Commission vacate the RCW 42.17A.635 indirect lobbying violation and assess a civil penalty of \$300 with \$100 suspended for the remaining violation of RCW 42.17A.555..

The motion [passed](#) 3 – 0. Commissioner Isserlis recused herself.

Enforcement Updates | [PDC Meeting Video](#)

Kurt Young, Compliance Officer, presented the enforcement update report as of January 19, 2023.

Enforcement Hearings | [PDC Meeting Video](#)

2:33 p.m. The Commission conducted a hearing for alleged violations of (1) [RCW 42.17A.445](#) and [WAC 390-16-238](#) and (2) [RCW 42.17.235](#) and [RCW 42.17.240](#). Compliance Officer Kurt Young and Susie Giles Klein, AAG representing PDC staff, presented the case to the Commission for consideration and possible action.

- PDC Cases [100348](#) and [100589](#) – [Joshua Binda](#), a first-time candidate seeking the office of
- Lynnwood City Council in 2021, allegedly violated: (1) [RCW 42.17A.445](#) and [WAC 390-16-238](#) by making multiple expenditures using 2021 Joshua Binda for Lynnwood City Council Campaign (Campaign) funds for goods or services that were not directly related to the Campaign, and so were personal in nature; and (2) [RCW 42.17.235](#) and [.240](#) by failing to timely file the 2021 Post-General Election Summary Full Campaign Contribution and Expenditure report (C-4 report) disclosing contribution and expenditure activities undertaken by the Campaign.

[Joshua Binda](#) participated via Microsoft Teams.

MOTION 21-0246 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission find the respondent in violation and assess a civil penalty of \$1,000 with \$500 suspended contingent on no further violations for four years and payment of the nonsuspended portion of the penalty within 30 days.

The motion [passed](#) 4 – 0.

Enforcement Updates - Continued | [PDC Meeting Video](#)

Kurt Young, Compliance Officer, continued the enforcement update report as of January 19, 2023.

Meeting adjourned at 3:25 p.m.

Approved February 23, 2023.