PDC NEWS

711 Capitol Way, Room 206
Olympia Washington

Public Disclosure Commission

Mike Connelly, Chair
Susan Brady, Vice Chair
Lois Clement, Secretary
Christine Yorozu, Commissioner
Francis Martin, Commissioner

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Enforcement Matters

Citing apparent multiple violations of state statute, the Commission referred a civil case against the **National Education Association** (NEA) to the Office of the Attorney General for prosecution in Superior Court. The apparent violations included using agency shop fees to influence an election or operate a political committee without first obtaining affirmative authorization from individuals in Washington State paying agency shop fees.

Chairman of the Public Disclosure Commission, Mike Connelly, said the NEA appeared not to have proper authorization before spending funds to support ballot measures in Washington.

The Commission dismissed allegations that the NEA failed to register the Ballot Measure/Legislative Crisis Fund and Media Campaign Fund as political committees and the claim that the NEA failed to obtain written authorization prior to school districts in Washington Sate withholding a portion of an employees' wages for contributions to the NEA fund.

The complaint against the NEA was brought under a citizen action which gives the Attorney General and the PDC 45 days to investigate and act on the allegations raised in the complaint or the matter can be filed by the complainant in Superior Court.

The Commission also issued a civil penalty of $1,000 against **John Potter**, candidate for State Representative in the 11th Legislative District, for failure to file a Personal Financial Affairs Statement within two weeks of becoming a candidate. Potter has a history of noncompliance, which factored into the Commission's decision to assess the maximum penalty allowed under state law for a single violation.

Reporting Modifications

The Commission granted a request by the **Republican National State Elections Committee** (RNSEC) for an exemption from filing PDC form C-5 by the statutory deadlines. The RNSEC request was granted retroactive to January 1, 2000 allowing the committee to satisfy the statutory requirements of RCW 42.17.090(1)(l) by filing monthly Federal Election Commission (FEC) reports supplemented by the state reports (PDC form C-5) filed in March and August of 2002.

The modification would also permit the RNSEC to prospectively satisfy the statutory requirements by filing C-5 reports at the same time as the monthly FEC reports are filed and to increase the threshold from $25 to $50 for disclosing the contributors from Washington to the RNSEC.

In granting the modification, the Commission found that all FEC reports filed by the committee were and continue to be available to the public through the FEC's website and that all of the previously delinquent C-5 reports have been filed.

The reporting modification would provide the Washington State Republican Party, 38 candidates and 7 political committees relief from forfeiture of approximately $5 million dollars in contributions made by the RNSEC in the 2000 election.

Petition for Rulemaking

A petition to initiate rulemaking to repeal rules designed to implement the reporting of contributions received from out-of-state or federal political committees was denied by the Commission. The Commission found that the rules accurately clarify and implement the statutory requirements of RCW 42.17.090(1)(l) and that a parallel means for addressing the petitioner's concerns is available.

The petitioner claimed the rules adopted by the PDC do not provide clear guidance nor do they adhere to the statutory language, the rules are unconstitutional, and the statute the rules implement is unconstitutional and punitive. In denying the petition for rulemaking the Commission indicated that the issue might be revisited after pending enforcement is adjudicated.

The petitioner has the right to appeal the Commission's denial of the request to initiate rulemaking to the Joint Administrative Rules Review Committee, to the Office of the Governor or he may seek review of the rules by the Superior Court.

Requests for Review/Reconsideration

The Commission vacated the violation and penalty imposed against the **Washington State Association of Independent Outpatient Programs** of $500 for failure to file the annual report of Employers of Lobbyists (PDC L-3 form) and let stand the penalty of $1,000 against **St. Clair Woodworth**, Sunnyside Port Commissioner, who failed to timely file a Statement of Personal Financial Affairs.

Advisory Matters

The Commission adopted Interpretation 02-02 clarifying that a person making an independent expenditure only needs to file with the PDC if such an expenditure, supporting or opposing a candidate or ballot measure, reaches $100 or more. Under the interpretation, the overall expenditure for political advertising may exceed the $100 threshold if less than $100 is attributed to a single candidate or ballot measure.

Rule Making

The Commission approved proposed amended language to a rule detailing the format to be used on political contribution withholding authorization forms. The draft amended language to **WAC 390-17-100 Contribution withholding authorizations** approved by the Commission would comply with statutory changes made by the State Legislature during the last legislative session.

The Commission meeting materials may be found at **www.pdc.wa.gov** under **Commission Meetings** at **Meeting Agendas and Materials.** For additional information concerning these issues contact Doug Ellis, Director of Public Outreach, at (360) 664-2735, toll free 1-877-601-2828 or e-mail at **dellis@pdc.wa.gov** .