

State of Washington
PUBLIC DISCLOSURE COMMISSION
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MINUTES – Regular Meeting

9:30 a.m. | January 27, 2022

711 Capitol Way S. #206

Olympia, Washington

Commission Members Present (Participated via Microsoft Teams Online)

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

Staff Present (Participated via Microsoft Teams Online)

Peter Frey Lavalley, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Jana Greer, Administrative Officer; Chip Beatty, Customer Service and Outreach Director; Tabitha Townsend, Compliance Coordinator; Tabatha Blacksmith, Compliance Coordinator; Jordan Campbell, Compliance Coordinator; Kurt Young, Compliance Officer; Jennifer Hansen, Compliance Officer; Bret Skipworth, DES Senior Financial Consultant; John Meader, Assistant Attorney General representing the Commission; Chad Standifer, Assistant Attorney General representing PDC staff; and 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 27th, 2022, Public Disclosure Commission Meeting was streamed live at <https://www.youtube.com/user/WASTPDC/live>.

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

Chair Jarrett welcomed all attendees and viewers to the January 27th, 2022, Regular Commission meeting.

Chair Jarrett gave a brief update concerning the current vacant seat on the PDC Commission.

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:

- [Timothy Fitzgerald](#), Spokane County Clerk, commented on proposed agency request legislation.
- [Conner Edwards](#), campaign treasurer, commented on proposed agency request legislation and the PDC stakeholder outreach process.

Consideration and Possible Approval of Meeting Minutes | [PDC Meeting Video](#)

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

- December 02, 2021, Regular Meeting

MOTION 21-0131 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission approve the meeting minutes for the December 02, 2021, regular meeting as presented.

The motion [passed](#) 4 - 0.

Budget Update | [PDC Meeting Video](#)

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

Enforcement Updates | [PDC Meeting Video](#)

Kurt Young, Compliance Officer, presented the enforcement update report for the period November 16, 2021, through January 18, 2022.

Motion for Summary Judgment | [PDC Meeting Video](#)

Commissioner Downing provided an overview of [PDC Case 60811](#), concerning Respondent FedEx, involving allegations of violation of [RCW 42.17A.345](#) and WAC 390-18-050, for failure to provide documents and books of account detailing the exact nature and extent of political advertising services rendered within 24 hours of request from any person.

[Chad Standifer](#), Assistant Attorney General representing PDC staff, presented the motion for summary judgment.

[Jim Frush](#), Counsel representing FedEx, participated via video on Microsoft Teams.

The Commission agreed to confer on the matter further with the expectation of providing a written ruling by Monday January 31, 2022.

Legislative Update | [PDC Meeting Video](#)

General Counsel Sean Flynn and Executive Director Frey Lavalée presented updates on the agency request bill ([HB 1919](#)), expected to be scheduled for executive session in the House State Government & Tribal Relations Committee in the coming week.

General Counsel Flynn and Executive Director Frey Lavalée also discussed and highlighted other bills of interest or relevant to the PDC.

Rulemaking Discussion | [PDC Meeting Video](#)

General Counsel Sean Flynn presented the proposed rules regarding commercial advertiser disclosure of political advertising orders for possible adoption.

Staff recommended the Commission adopt the [proposed rules](#) as presented.

MOTION 21-0132 Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission adopt the proposed rules regarding commercial advertiser disclosure as presented.

The motion [passed](#) 4 - 0.

General Counsel Sean Flynn presented the six-month agency rulemaking agenda for possible adoption.

MOTION 21-0133 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission adopt the six-month agency rulemaking agenda as presented.

The motion [passed](#) 4 - 0.

Break/Executive Session & Closed Session

The Commission went into Executive Session at 12:07 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 1:06 p.m.

F-1 and C-1 Enforcement | PDC Meeting Video

1:07 p.m. The Commission conducted a remote enforcement hearing for an alleged violation of [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report) disclosing financial information. Tabatha Blacksmith, Compliance Coordinator, presented the case to the Commission for possible action.

- PDC Case [94207](#) – Warren Small, a former Royal School District board member. PDC staff is alleging the respondent violated [RCW 42.17A.700](#) by failing to file the annual Personal Financial Affairs Statement (F-1) disclosing financial information for the previous 12 months. The report was due no later than April 15, 2021.

MOTION 21-0134 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,500 with \$750 suspended contingent on the Respondent filing the required 2021 F-1 and paying the non-suspended portion of the penalty within 30 days of the date of the Final Order and filing the CY 2021 F-1 be on time.

The motion [passed](#) 4 - 0.

Enforcement Updates - Continued | PDC Meeting Video

Kurt Young, Compliance Officer, continued the enforcement update report for the period November 16, 2021, through January 18, 2022.

Management Team Updates | PDC Meeting Video

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

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

2:00 p.m. The Commission conducted a remote hearing concerning requests for reconsideration. Tabitha Townsend, Compliance Coordinator; Tabatha Blacksmith, Compliance Coordinator, and Jordan Campbell, Compliance Coordinator, presented the requests to the Commission for consideration and possible approval.

- PDC Case [94254](#) – [Richard Whitson](#), alleged violation of [RCW 42.17A.700](#) for failure to timely file the annual Personal Financial Affairs Statement CY 2020 (GE 21).

Richard Whitson participated via phone on Microsoft Teams.

MOTION 21-0135 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission grant the request and reconsider the Final Order and penalty assessed in PDC Case 94254, Richard Whitson.

The motion [passed](#) 4 - 0.

MOTION 21-0136 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission vacate the penalty previously assessed in PDC Case 94254, Richard Whitson.

The motion [passed](#) 4 - 0.

- PDC Case [94110](#) – [Lenett James](#), alleged violation of [RCW 42.17A.700](#) for failure to timely file the annual Personal Financial Affairs Statement CY 2020 (GE 21).

Lenett James participated via phone on Microsoft Teams.

MOTION 21-0137 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission grant the request and reconsider the Final Order and penalty assessed in PDC Case 94110, Lenett James.

The motion [passed](#) 4 - 0.

MOTION 21-0138 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission suspend the previously assessed penalty of \$250 in PDC Case 94110 Lenett James, contingent on no further violations.

The motion [passed](#) 4 - 0.

- PDC Case [95364](#) – [Jack Philbrick](#), alleged violation of [RCW 42.17A.700](#) for failure to timely file the annual Personal Financial Affairs Statement CY 2020 (GE 21) and [RCW 42.17A.205](#) for failure to file a Campaign Registration (C-1 report).

Will Gunderson, attorney representing Jack Philbrick, participated via phone on Microsoft Teams.

MOTION 21-0139 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission grant the request and reconsider the Final Order and penalty assessed in PDC Case 95364, Jack Philbrick.

The motion [passed](#) 4 - 0.

MOTION 21-0140 Moved by Commissioner Hayward that the Commission vacate the previously assessed penalty and conditions set forth in the Final Order in PDC Case 95364, Jack Philbrick.

The motion [failed](#) for lack of a second.

MOTION 21-0141 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission uphold the filing requirement and vacate the suspended portion of the penalty previously assessed in PDC Case 95364, Jack Philbrick.

The motion [passed](#) 3 - 1. Commissioner Hayward voted no.

- PDC Case [94140](#) – [Larry McPhail](#), alleged violation of RCW 42.17A.700 for failure to timely file the annual Personal Financial Affairs Statement CY 2020 (GE 21).

Larry McPhail participated via phone on Microsoft Teams.

The request for reconsideration for PDC Case No. 94140 [failed](#) for lack of a motion.

- PDC Case [94005](#) – [Dorothy Kephart](#), alleged violation of [RCW 42.17A.700](#) for failure to timely file the annual Personal Financial Affairs Statement CY 2020 (GE 21).

MOTION 21-0142 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission grant the request and reconsider the Final Order and penalty assessed in PDC Case 94005, Dorothy Kephart.

The motion [passed](#) 4 - 0.

MOTION 21-0143 Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission impose a penalty of \$100, previously paid, and vacate the reinstated \$150 suspended portion of the penalty.

The motion [passed](#) 4 - 0.

- PDC Case [95222](#) – [William “Beau” Burkett](#), alleged violation of [RCW 42.17A.700](#) for failure to timely file the annual Personal Financial Affairs Statement CY 2020 (GE 21) and [RCW 42.17A.205](#) for failure to file a Campaign Registration (C-1 report).

MOTION 21-0144 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission grant the request and reconsider the Final Order and penalty assessed in PDC Case 95222, William “Beau” Burkett.

The motion [passed](#) 4 - 0.

MOTION 21-0145 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission vacate the \$500 portion of penalty previously assessed for the missing C-1 report.

The motion [passed](#) 4 - 0.

Request for Reporting Modification [PDC Meeting Video](#)

3:02 p.m. The Commission conducted a remote hearing concerning requests for reporting modifications. Jennifer Hansen, Compliance Officer, presented the request to the Commission for consideration and possible approval.

- [April R. Connors](#) – State Representative Candidate, Legislative District 8 [WAC 390-28-100\(e\)\(iv\)](#).

April Connors participated via phone on Microsoft Teams.

MOTION 21-0146 Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission grant the partial reporting modification as requested.

The motion [passed](#) 4 - 0.

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

In closing Chair Jarrett announced that the Governor's office informed the Commission of a potential candidate for the appointment to the fifth seat on the PDCs Commission and that a decision would be made in the upcoming weeks.

Meeting adjourned at 3:09 p.m.

Approved February 24, 2022.