

State of Washington
PUBLIC DISCLOSURE COMMISSION
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MINUTES – Regular Meeting
9:30 a.m. | February 24, 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; Jocelyn Cooney, 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; Kurt Young, Compliance Officer; Jennifer Hansen, Compliance Officer; Erick Agina, Compliance Officer; Alice Fiman, 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 February 24, 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 February 24, 2022, Regular Commission meeting.

Chair Jarrett welcomed newly appointed Commissioner Jocelyn Cooney. Commissioner Cooney introduced herself. She is a Senior Deputy Prosecutor with the King County prosecutor's office currently working in the special assault unit.

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 proposed agency request legislation.

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

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

- January 27, 2022, Regular Meeting

MOTION 21-0147 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission approve the meeting minutes for the January 27, 2022, regular meeting as presented.

The motion [passed](#) 5 - 0.

Budget Update | [PDC Meeting Video](#)

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

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

9:50 a.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.

- [Kristin Ballinger](#) – Judge, King County Superior Court [WAC 390-28-100\(1\)\(e\)\(ii\)](#).

Kristin Ballinger participated via phone on Microsoft Teams.

MOTION 21-0148 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission grant the partial reporting modification as requested, 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.

Enforcement Updates | [PDC Meeting Video](#)

Kurt Young, Compliance Officer, presented the enforcement update report for the period January 19, 2022, through February 15, 2022.

Enforcement | [PDC Meeting Video](#)

10:11 a.m. The Commission conducted a remote enforcement hearing for [PDC Case 100925](#), David Strader, involving alleged violations of [RCW 42.17A.145](#), [.700](#) & [.205](#), for false certification of statement and failure to timely and accurately file C-1 and F-1 reports within two weeks of becoming a candidate. Erick Agina, Compliance Officer, and Chad Standifer, Assistant Attorney General representing PDC Staff presented the case to the Commission for possible action.

[David Strader](#) participated via video on Microsoft Teams.

MOTION 21-0149 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission accept the proposed stipulation as to facts and violations in the matter of PDC Case 100925, David Strader.

The motion [passed](#) 5 - 0.

MOTION 21-0150 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission impose a civil penalty of \$1,500 with \$750 suspended

contingent on no further violations within the next 4 years and payment of the non-suspended portion of the penalty within 30 days from the date of the final order.

The motion [passed](#) 5 - 0.

Legislative Update | [PDC Meeting Video](#)

General Counsel Sean Flynn presented updates on the agency request bill ([HB 1919](#)). He reported that HB 1919 would not move forward this session as it did not pass out of the House indicating several policy bills had been left behind after the house of origin cutoff.

General Counsel Flynn also updated the Commission on other bills of interest to the PDC that passed successfully out of the house of origin.

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

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

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

- [Audits](#) – Commissioner Isserlis, and Kurt Young, Compliance Officer.
- [Enforcement Process Map](#) – Commissioner Downing and Alice Fiman, Compliance Officer.
- [Campaign Reporting Modernization](#) – Commissioner Jarrett and James Gutholm, Chief Information Officer. Effective March, Commissioner Cooney will be taking over as lead commissioner on this project.
- [Digital Political Advertising Disclosure](#) – Chair Jarrett and Kim Bradford, Deputy Director.
- [Training Program Expansion](#) – Commissioner Hayward and Chip Beatty, Customer Service and Outreach Director.

Rulemaking Discussion | [PDC Meeting Video](#)

Kim Bradford, Deputy Director, presented for discussion and consideration possible inflationary adjustments to the limits and reporting thresholds in RCW 42.17A.

Deputy Director Bradford informed the Commission that they could move forward with a limited set of adjustments, or the Commission could wait until December 2022 for staff to do a complete review of the chapter and adjust several at once.

MOTION 21-0151 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission direct staff to gather inflationary data in December 2022 and review the inflationary adjustments in the January 2023 Regular Commission meeting.

The motion [passed](#) 5 - 0.

Next Steps/Follow-up: Staff to review inflationary data from December 2022 and bring the data to the January 2023 Regular Commission meeting for the Commissions consideration.

Break/Executive Session & Closed Session

The Commission went into Executive Session at 12:00 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 1:00 p.m.

Enforcement | PDC Meeting Video

Chad Standifer, AAG and Commissioner Downing presented [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. Commissioner Downing outlined the motion for summary judgment brought forth to the motion hearing in January 2022 and that the Commission was returning to the matter regarding the penalty.

[Chad Standifer](#), Assistant Attorney General representing PDC staff, presented staff's brief regarding the penalty for PDC Case 60811, FedEx.

[Jim Frush](#) and [Eric Lindberg](#), Counsel on behalf of FedEx Office, participated via video on Microsoft Teams.

Closed Session

The Commission went into Closed Session at 1:35 p.m. to discuss matters allowed in Closed Session pursuant to [RCW 42.17A.120](#).

[Returned](#) to public meeting at 1:43 p.m.

[Commissioner Downing](#), designated as the presiding officer and speaking on behalf of the Commission, announced the Commission's decision to impose a civil penalty of \$4,500 with \$2,000 suspended contingent on no further violations within the next 4 years and payment of the non-suspended portion of the penalty within 30 days from the date of the final order.

Commissioner Cooney did not participate in the vote due to her not being present for the earlier stages of the proceeding.

Meeting adjourned at 1:54 p.m.

Approved March 24, 2022.