State of Washington PUBLIC DISCLOSURE COMMISSION 711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 (360) 753-1111 • FAX (360) 753-1112 Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

MINUTES – Regular Meeting 9:30 a.m. |July 28, 2022 711 Capitol Way S. #206 Olympia, Washington

Commission Members Present (Participated via Microsoft Teams)

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

Staff Present (Participated via Microsoft Teams)

Peter Frey Lavallee, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; Jana Greer, Administrative Officer; James Gutholm, Chief Information Officer; Kendra Hodgson, Communications and Outreach Director; 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; 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 9:31 a.m.

<u>PDC Meeting Video</u> COVID-19 update: The July 28, 2022, Public Disclosure Commission Meeting was streamed live via TVW at <u>WAPDC.7.28.22</u>

Chair Opening Comments | PDC Meeting Video

Chair Jarrett welcomed all attendees and viewers to the July 28, 2022, 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:

- <u>Conner Edwards</u>, campaign treasurer, commented on proposed legislative priorities.
- Jason Bennett, campaign treasurer, commented on proposed legislative priorities.
- <u>Cindy Madigan</u>, Money and Politics Issue Chair of the League of Women Voters, commented on proposed legislative priorities.
- Theo Leonard, comment 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:

- June 23, 2022, Regular Meeting
- **MOTION 21-0199** Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission approve the meeting minutes for the June 23, 2022, regular meeting.

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The motion <u>passed</u> 5 - 0.

Budget Update | PDC Meeting Video

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

Enforcement Hearings | PDC Meeting Video

9:55 a.m. The Commission conducted a remote hearing for alleged violations of <u>RCW 42.17A.700</u> for failure to file Personal Financial Affairs Statements (F-1 reports) disclosing financial information. Compliance Coordinators Tabatha Blacksmith and Jordan Campbell presented the cases to the Commission for possible action.

- PDC Case <u>109722</u> <u>Jessie K. Baines Jr.</u>, a former Parks & Recreation Commissioner for Metropolitan Park District Tacoma. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.
- MOTION 21-0200Moved 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 \$1,000, with \$250 suspended contingent on all outstanding
reports filed and all outstanding penalties paid within 30 days.

The motion passed 5 - 0.

- PDC Case <u>109723</u> <u>Joshua M. Quantrell</u>, a Parks & Recreation Commissioner for Klickitat Recreation District. PDC staff is alleging that the Respondent violated RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.
- **MOTION 21-0201** Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission find the respondent in violation of <u>RCW 42.17A</u> and impose a civil penalty of \$6,000, with \$1,000 suspended contingent on all outstanding reports filed and all penalties paid within 30 days.

The motion <u>passed</u> 4 – 1. Commissioner Jarrett opposed the motion.

- PDC Case <u>109725</u> <u>Pedro Olguin</u>, a former City Council Member for City of Burien. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.
- **MOTION 21-0202** Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of <u>RCW 42.17A</u> and impose a civil penalty of \$3,000, with \$1,000 suspended contingent on all outstanding reports filed and all penalties paid within 30 days.

The motion <u>passed</u> 5 - 0.

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- PDC Case <u>109726</u> <u>Chris W. Loving</u>, a former City Council Member for City of Burlington. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.
- **MOTION 21-0203** Moved by Commissioner Downing and seconded by Commissioner Cooney that the Commission find the respondent in violation of <u>RCW 42.17A</u> and impose a civil penalty of \$500, with \$100 suspended contingent on all outstanding reports filed and all penalties paid within 30 days.

The motion <u>passed</u> 5 - 0.

- PDC Case <u>109727</u> <u>Danny L. Walling</u>, a Fire Commissioner for Clark Fire Protection District 10. PDC staff is alleging that the Respondent violated <u>RCW 42.17A.700</u> by failing to file Personal Financial Affairs Statements (F-1 reports), due no later than April 15, 2022, disclosing financial information for calendar year 2021.
- **MOTION 21-0204** Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission find the respondent in violation of <u>RCW 42.17A</u> and impose a civil penalty of \$10,000, with \$2,500 suspended contingent on all outstanding reports filed and all penalties paid within 30 days.

The motion <u>passed</u> 5 - 0.

Reporting Modifications | PDC Meeting Video

10:35 a.m. The Commission conducted a remote hearing concerning requests for reporting modifications. Jennifer Hansen, Compliance Officer, presented the requests to the Commission for consideration and possible approval.

<u>NEW</u>

- <u>Diana N. Ruff</u> Judge, Benton/Franklin Superior Court <u>WAC 390-28-100(1)(e)(iv)</u>.
- **MOTION 21-0205** Moved by Commissioner Downing and seconded by Commissioner Cooney 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 5 – 0. Final Order

Legislative Priorities | PDC Meeting Video

General Counsel Sean Flynn presented the <u>legislative priorities list for 2023</u> to the Commission for consideration.

Staff and the Commission had a preliminary discussion prioritizing five items from the legislative priorities list; involving the making the transparency account (22-W) a non-appropriated fund, requiring political ad sponsors to self-identify, adjusting the campaign reporting schedules/last minute contribution reporting, enhancing grassroots lobbying disclosure, and potentially specifying campaign expenditure reporting details for digital advertising.

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Staff to draft an outline proposal of the 5 priorities, and invite stakeholders and Legislators to the August 25th, 2022, regular meeting for more discussion and input.

Strategic Plan Update and Discussion | PDC Meeting Video

The Commission's strategic planning retreat meeting had been postponed due to covid concerns; Deputy Director Kim Bradford provided a brief overview to the Commission on the following strategic plan items.

- <u>Audits</u>
- Enforcement Process Map
- <u>Campaign Reporting Modernization</u>
- Digital Political Advertising Disclosure
- Training Program Expansion

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 <u>RCW 42.30.110</u>, 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 Updates | PDC Meeting Video

Kurt Young, Compliance Officer, presented the enforcement update report as of July 19, 2022.

Management Team Updates | PDC Meeting Video

- <u>Deputy Director Update.</u>
- Executive Director Update.
- Customer Service and Filer Assistance Update.

Meeting adjourned at 1:29 p.m.

Approved August 25, 2022.