State of Washington PUBLIC DISCLOSURE COMMISSION

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MINUTES – Regular Meeting 9:30 a.m. | September 28, 2023 711 Capitol Way S. #206 Olympia, Washington

Commission Members In-person

Nancy Isserlis, Chair; Allen Hayward, Vice Chair; Fred Jarrett, Member; J. Leach, Member.

Staff Present In-person

Peter Frey Lavallee, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; Jana Greer, Administrative Officer; Tabitha Townsend, Compliance Coordinator; Erick Agina, Compliance Officer; Tabatha Blacksmith, Compliance Officer; Chad Standifer, Susie Giles-Klein, and Simone Prince-Eichner, Assistant Attorneys General representing PDC staff.

Staff Present (Participated via Microsoft Teams)

James Gutholm, Chief Information Officer; Kendra Hodgson, Customer Service and Outreach Director; John Meader, Assistant Attorney General representing the Commission; Bret Skipworth, Senior Financial Consultant, DES.

The regular meeting of the Public Disclosure Commission (PDC) was called to order by Chair Isserlis at 9:30 a.m.

The September 28, 2023, Public Disclosure Commission meeting was streamed live via TVW at WAPDC.09.28.23. Public attended in-person and remotely via a MS Teams Link.

Chair Opening Comments | PDC Meeting Video

Chair Isserlis welcomed all attendees and viewers to the September 28, 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:

• Joe Kunzler 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:

• August 24, 2023, Regular Meeting.

MOTION 23-0059

Moved by Commissioner Jarrett and seconded by Commissioner Leach that the Commission approve the meeting minutes as submitted for the August 24, 2023, regular meeting.

The motion passed 4 - 0.

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

Rulemaking Update | PDC Meeting Video

General Counsel Flynn presented the rulemaking update to the Commission. He provided an update on <u>grassroots lobbying</u>, <u>inflationary adjustments</u>, and some technical clean-ups. He added that staff was asking the Commission to consider the drafts for filing with the code reviser and to schedule a public hearing in December for public comment.

- Grassroots Rules DRAFT
- Lobbying Inflation Adjustment (ch. 390-20 WAC) DRAFT
- Technical Clean-up Amendments WAC 390-17 DRAFT

MOTION 23-0060

Moved by Commissioner Jarrett and seconded by Commissioner Leach that the Commission approve the rules for publishing as reviewed by the Commission and hold a public hearing in December 2023 to move toward approval of revised rules.

The motion passed 4 - 0.

<u>Legislative Update</u> <u>PDC Meeting Video</u>

General Counsel Flynn provided the legislative update to the Commission.

Management Team Updates | PDC Meeting Video

- Executive Director Update
- <u>Deputy Director Update</u>
- Information Technology Update

Break | PDC Meeting Video

The Commission went into break at 10:58 a.m.

Returned to the meeting at 11:07 a.m.

Enforcement Hearing | PDC Meeting Video

Susie Giles-Klein, Assistant Attorney General representing PDC staff, presented the case to the Commission for consideration and possible action.

Closed Session | PDC Meeting Video

The Commission went into closed session at 11:43 a.m. to discuss matters allowed in closed session pursuant to RCW 34.05.449(5), The provision of law is the attorney/client privilege at RCW 5.60.060(5), including but not limited to, discussion of enforcement matters and pending and potential litigation with legal counsel, and review of performance of public employees.

Returned to the public meeting at 11:52 a.m.

MOTION 23-0061

Moved by Commissioner Leach and seconded by Commissioner Jarrett that the Commission assess a civil penalty of \$10,000 with \$2,500 suspended for each of the 3 violations found, contingent on no further violations for four years, all penalties paid, and all missing reports filed within 30 days of the Final Order.

The motion passed 4 - 0.

Reporting Modification Requests | PDC Meeting Video

12:05 p.m. | The Commission conducted a hearing concerning requests for reporting modification. Compliance Coordinator Tabitha Townsend presented the request to the Commission for consideration and possible approval.

 Roy Edwards & SnoCo Citizens for New Leadership - Contributor & 2023 Committee - RCW 42.17A.120 & RCW 42.17A.240

Roy Edwards participated via Microsoft Teams.

MOTION 23-0062

Moved by Commissioner Jarrett 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 3 – 1. Commissioners Leach, Hayward and Isserlis voted No.

MOTION 23-0063

Moved by Commissioner Leach 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 3 - 1. Commissioner Jarrett voted No.

 Maria Flores – Elected Official & 2023 Candidate, School Director for Olympia School District – RCW 42.17A.120, RCW 42.17A.205 & RCW 42.17A.240

MOTION 23-0064

Moved by Commissioner Leach and seconded by Commissioner Jarrett that the Commission amend the Order.

The motion passed 4 - 0.

Management Team Updates | PDC Meeting Video

• Customer Service and Filer Assistance Update.

Enforcement Update | PDC Meeting Video

Tabatha Blacksmith, Compliance Officer, presented the enforcement update as of September 20, 2023.

Break/Executive Session

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The Commission went into Executive Session at 12:32 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 1:31 p.m.

Meeting adjourned at 1:31 p.m.

Approved October 26, 2023