

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: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

MINUTES – Regular Meeting

9:30 a.m. | August 27, 2020

711 Capitol Way S. #206

Olympia, Washington

Commission Members Present (Participated via Microsoft Teams Online)

David Ammons, Chair; Fred Jarrett, Vice Chair; Bill Downing, member; Russell Lehman, member; Nancy Isserlis, member.

Staff Present (Participated via Microsoft Teams Online)

Peter Lavalley, Executive Director; BG Sandahl, Deputy Director; Kim Bradford, Communications and Outreach Director; Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Jana Greer, Administrative Officer; Kurt Young, Compliance Officer; Jennifer Hansen, Compliance Officer; Chad Johnson, Senior Financial Consultant, Department of Enterprise Services (DES); John Meader, Assistant Attorney General representing the Commission; and Chad Standifer, Assistant Attorney General representing PDC staff.

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

PDC Meeting Video

COVID 19 update: The August 27, 2020 Public Disclosure Commission Meeting was streamed live at <https://www.youtube.com/user/WASTPDC/live>.

The August commission meeting was held remotely pursuant to the Governor's Emergency Proclamation [20-28](#) regarding Covid-19, waiving in-person meeting and access requirements.

Chair Opening Comments | PDC Meeting Video

Chair Ammons commended his fellow Commissioners and PDC staff for their diligence and commitment to move forward despite the impediments involving Covid-19.

Although the Commission has no intent on requesting a policy bill this session, the Chair stated it would watch for any potential legislation it may want to comment on, as well as make the case for retaining the capacity of the agency and for additional authorization for IT projects.

Chair Ammons discussed moving forward with scheduling a strategic planning meeting. The original planning of the annual April strategic planning meeting was canceled due to Covid-19. The Commission agreed that while an in-person meeting is desirable, an online meeting is practical with the current pandemic situation. It will meet via Teams October 15, 2020.

Director Lavalley spoke on the current remote work situation involving PDC staff and the possibilities of when a reopening could occur, however due to health and safety concerns for not only staff but the community as well the PDC will continue to work almost exclusively remotely. He noted the once-a-month furloughs for PDC staff and discussions the executive team have had on what a staggered reopening of the offices could entail.

Public Comment | [PDC Meeting Video](#)

As was noticed and announced, participants joined via Microsoft Teams or conference line.

[Beth George](#), a partner with Wilson Sonsini Goodrich & Rosati representing Google, spoke before the Commission regarding PDC Case [59475](#).

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

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

- July 23, 2020 Regular Meeting

MOTION 20-069 Moved by Commissioner Jarrett and seconded by Commissioner Downing that:

The Commission approve the meeting minutes for the July 23, 2020, regular meeting as presented.

The motion passed 5 - 0.

Reporting Modification Requests | [PDC Meeting Video](#)

The Commission conducted a hearing of requests for reporting modifications remotely. Jennifer Hansen, Compliance Officer, presented the requests to the Commission for consideration and possible approval.

New

[Gloria Hodge](#) – School Director, Renton School District 403 [WAC 390-28-100\(1\)\(d\)](#)
Participated by phone via Microsoft Teams.

MOTION 20-070 Moved by Commissioner Downing and seconded by Commissioner Jarrett that:

The Commission deny the partial reporting modification as requested, on the basis that the applicant has failed meet the burden to show that literal application of the law would cause a manifestly unreasonable hardship and that the modification would not frustrate the purposes of the Act.

The motion passed 5 – 0.

Next Steps/Follow-Up: Compliance Officer Hansen to help filer facilitate the use of a legal property description in lieu of address on filings.

[Sharon Raye Brown](#) – State Senator, Legislative District 8 [WAC 390-28-100\(1\)\(e\)\(iv\)](#) & [WAC 390-28-100\(1\)\(c\)\(i\)](#)

Mark Lamb on behalf of Sharon Raye Brown participated by phone via Microsoft Teams.

Executive Director Lavallee noted to the Commission that the individual requesting the modification had a current complaint against them. After some discussion with counsel the Commission moved the following.

MOTION 20-071 Moved by Commissioner Jarrett that:

The Commission grant the retroactive 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 died for lack of a second.

MOTION 20-072 Moved by Commissioner Lehman that:

The Commission deny the partial reporting modification as requested, on the basis that the applicant has failed meet their burden to show that literal application of the law would cause a manifestly unreasonable hardship and that the modification would not frustrate the purposes of the Act.

The motion died for lack of a second.

MOTION 20-073 Moved by Commissioner Jarrett and seconded by Commissioner Ammons 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 4 – 1. Commissioners Ammons, Jarrett, Downing, and Isserlis approved. Commissioner Lehman Voted No.

Term: For reports filed calendar year 2015, 2016 and 2017.

Renewal

[Anne C. Cowles](#) – Charter School Director, Spokane International Academy [WAC 390-28-100\(1\)\(b\)](#) & [WAC 390-28-100\(1\)\(e\)\(iv\)](#)

MOTION 20-074 Moved by Commissioner Downing and seconded by Commissioner Jarrett 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.

Term: No Longer in Office, Final Report.

The motion passed 5 – 0.

Enforcement Updates | [PDC Meeting Video](#)

Kurt Young, Compliance Officer, provided the enforcement update report for the period July 15,

2020, to August 18, 2020:

As of August 15, 2020, 71 Active Cases Open, 19 Under Investigation with Initial Hearings and 41 Cases Under Assessment.

Currently 60 Active Cases Open

5 Received prior to effective date of House Bill 2938

55 Post-effective date of House Bill 2938

39 Cases Closed during the Period

- 8 Cases found with No Evidence of Violations
- 11 Cases Closed with Reminder
- 3 Case Closed with Formal Written Warning
- 1 Case Closed with Violation Found by Commission
- 3 Cases Resolved through Statement of Understanding
- 13 Cases Closed as Unfounded

Next Steps/Follow-Up: Staff to discuss potential outreach communication for cases closed with formal warnings that may be of public interest.

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

[Peter Lavallee](#), Executive Director, presented updates to the Commission.

- Update on Office Re-opening

[BG Sandahl](#), Deputy Director, presented updates to the Commission.

- Process Improvements
- Permanent Rules Draft Update
- Legislative Districts and Statewide Candidate Report Reviews
- Update on Compliance Audit Program

[Kim Bradford](#), Communications and Outreach Director, provided Customer Service and Filer Assistance updates to the Commission.

- Mini to Full Requests
- Updating Election Results for PDC Data and Website
- F-1 Compliance
- Update on Covid-19 Partial Reporting
- F-1's and Public Records Requests
- Lobbyist Registration for the Upcoming Biennium
- Recall Committee Website Guidance
- Annual Report

[James Gutholm](#), Chief Information Officer, provided an update on the PDC IT activity report.

- IT Update
- New Contribution Visualization for PDC Website through Open Data

Update on PDC Digital Advertising Project | [PDC Meeting Video](#)

Communications and Outreach Director Kim Bradford and General Counsel Sean Flynn provided an update on outreach throughout the 2020 calendar year relating to digital ad disclosure. Both Kim and

Sean have been working closely with Commissioners Jarrett and Lehman to outline project objectives such as identifying if improvements to disclosure requirements for political digital advertisements are needed, the process for implementing any identified improvements and a recommendation of how the Commission could approach the creation of a public ad archive.

The team has an opportunity to present at the virtual December COGEL conference. The report is currently in the final stages of editing and will be delivered to the Commission in the future.

Break/Executive Session

The Commission went into Executive Session at 12:02 p.m. to discuss matters allowed in Executive Session pursuant to [RCW 42.30.110](#), including but not limited to discussion of enforcement matters, pending and potential litigation with legal counsel, and personnel matters.

Commissioner Ammons announced that the Executive Session was extended, and the commission plans to return at 1:30 p.m.

Returned to public meeting at 1:36 p.m.

Request for Commission Review Pursuant to WAC 390-37-060(2), WAC 390-37-103 of PDC Case # 59475 Regarding Google | [PDC Meeting Video](#)

Executive Director Lavalley spoke before the Commission on behalf of staff to request a review of PDC Case 48424 & Case [59475](#) regarding Google LLC, pursuant to [WAC 390-37-060\(2\)](#). He explained the alleged complaints against Google and noted the cooperation the PDC has received from Google LLC. Executive Director Lavalley and the Commission discussed the complexity of the case, what it could mean to the PDC, and what methods of action could be considered. The Commission paused for a closed session to discuss the matter.

Closed Session

The Commission went into closed session at 2:07 p.m. Returned to public meeting at 2:27 p.m.

Request for Commission Review Pursuant to WAC 390-37-060(2), WAC 390-37-103 of PDC Case # 59475 Regarding Google (CONTINUED) | [PDC Meeting Video](#)

After returning from the closed session, the Commission considered the following motion:

MOTION 20-075 Moved by Commissioner Jarrett and seconded by Commissioner Downing that:

The Commission refer PDC Cases 48424 & 59475 to the Attorney General's Office for additional litigation.

The motion passed 5 – 0.

Budget Update | [PDC Meeting Video](#)

Executive Director Lavalley updated the Commission on the current budget situation and how staff continue to work diligently with OFM and the Legislature in making the argument that if PDC funding is cut, the detriment it would be to the agency; as well as how gaps could be potentially filled from the 22W Transparency Fund if the agency is forced to take cuts.

Chad Johnson, Senior Financial Consultant (DES), talked about the 21 – 23 biennium submissions for OFM and the potential impact of a \$1,000,683 cut. He noted the prior fiscal year had ended with the agency being underspent by \$100,047.

Executive Session

The Commission went into Executive Session at 2:53 p.m. to discuss matters allowed in Executive Session pursuant to [RCW 42.30.110](#), including but not limited to discussion of enforcement matters, pending and potential litigation with legal counsel, and personnel matters.

Returned to public meeting at 3:16 p.m.

Meeting adjourned at 3:16 p.m.

Minutes Approved September 24, 2020.

Next Steps/Follow-Up: Compliance Officer Hansen to help filer facilitate the use of a legal property description in lieu of address on filings.

Next Steps/Follow-Up: Staff to discuss and outreach to legislators on subject of article regarding lobbying efforts not covered by PDC laws and the issue of special purpose districts.