



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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MINUTES – Regular Meeting

Evergreen Plaza Building, Room 206
711 Capitol Way South
Olympia, Washington

9:30 a.m.

February 25, 2016

COMMISSION MEMBERS PRESENT

Katrina Asay, Chair
Anne Levinson, Vice Chair
Grant Degginger, Member

COMMISSION MEMBER ABSENT

John Bridges, Member

STAFF PRESENT

Evelyn Fielding Lopez, Executive Director
Lori Anderson, Communication and Training Officer
James Gutholm, Chief Information Officer
Penny Allen, Assistant Attorney General
Kurt Young, Compliance Officer
Jana Greer, Executive Assistant

The regular meeting of the Public Disclosure Commission was called to order by Commission Chair Katrina Asay at 9:31 a.m. in the Evergreen Plaza Building, Room 206 Olympia, Washington.

Opening Comments

Commissioner Asay called the meeting to order at 9:31 a.m.

Citizens Comments/Concerns

No comments or concerns were expressed.

Commissioner Comments/Concerns

No comments or concerns were expressed.

Meeting Minutes

January 28, 2016 Regular Meeting

Motion 16-8

Moved by Commissioner Levinson, seconded by Commissioner Degginger that:

The Commission approve the January 28, 2016 regular meeting minutes.

The motion passed unanimously.

Website Demonstration

James Gutholm and Lori Anderson continued with last month's demonstration of the new PDC website. They demonstrated new aspects of the prototype.

The upper right corner displays quick links, including file online, follow complaints, important dates, and new filer help.

There are three main buttons across the main page: Learn, with filer requirements, report due dates, limits; Browse, with campaign data, lobbying expenditures, complaints; and Engage, with meeting agendas, agency reports, and option

to offer comments.

The home/main page has section that will highlight new campaign filings, and also a place for featured content. The footer has information about the agency and how to file complaints.

Commissioner Levinson and Degginger asked questions about results that would come up from search, and whether there would be links to RCWs/WACs/PDC Interpretations; question about where someone would file a complaint, making sure these are easy to access.

Ms. Anderson discussed the three levels of studies that were done. A homepage survey and survey sent to the stakeholder list (tell us three things you want to do when you come to our website); contractors used group of 77 volunteers to go through card sorting exercise to determine what is most important to users, then design team used analytics to analyze clicking path and website info. PDC learned that people were most interested in enforcement, filing, and what the commission is doing. These are the factors that drove the three sections on the main page of the website.

Also developed were user personas to figure out how people use the site. Two distinct personas are people who come to the site who know what they are doing and want to get to it quickly, and then people who are new to the site and need help.

Ms. Anderson described the two layers of the website, the homepage, and the landing pages with more detail. A much easier way to navigate than current website.

New filer help will include FAQ, info about filing, advertising, contribution limits, and consequences for errors/violations.

Commissioner Levinson asked if any videos are planned, showing how to use the site available. Ms. Anderson stated that staff will be developing that, and should have it ready by the launch of the website. Staff is currently assessing where we need help for online training as well.

James Gutholm discussed the work being done on the new lobbyist application, the application has a help function built into the application so that you get info as you move through the form.

The Commission asked for a demonstration of the lobbyist application at the March meeting.

Commissioner Levinson noted that it will be important to do

trials and tests on the search engine so that it delivers what customers are wanting when they enter terms. James explained that the search component was the most critical component of the Request For Proposal (RFP) and scoring process. The search engine behind the site is Apache SOLR which is very robust and uses faceted search. SOLR will weight results based on the search experiences, so over time the weighting will result in better search results.

Mr. Gutholm also noted the search the data base query system is not part of this website contract, however, staff have found out a way to move new campaign info into the search system. So, a new candidate would show up in the search box, but old campaigns would not at this time.

Ms. Anderson demonstrated how the website would work on mobile devices, and how to find critical dates. Mr. Gutholm noted that the website was designed to accommodate mobile devices first, the displays are set up to open and collapse so that it will work on tablets and phones.

Staff is also working on the functionality of alerting people for things in the new lobbyist application, such as updates and changes. Part of the functionality would include being able to send email alerts.

Mr. Gutholm and Ms. Anderson will continue to update the Commission on the status of the new website as it progresses.

Rule Making

- Discussion and possible approval of draft language for new WAC 390-17-019 Applying Contribution Limits.

Lori Anderson presented the draft language for WAC 390-17-019 applying contribution limits.

Ms. Anderson noted that the PDC does not expect and has not received any concerns from stakeholders. This proposal has been on the state register for possible rule making for several years and no one has ever indicated an objection.

Motion 16-9

Moved by Commissioner Degginger, seconded by Commissioner Levinson that:

The Commission approve the proposed language to WAC 390-17-019.

The motion passed unanimously.

- Petition for Rulemaking by AUTO

Evelyn Fielding Lopez reviewed the petition for rulemaking submitted to the PDC on February 1, 2016 via email by Automotive United Trades Organization (AUTO) requesting

a new rule Clarifying the prohibition against the use of public funds by political action committees, political parties, and candidates for state wide, legislative, judicial or local office or in support of or opposition of a measure on the ballot (RCW 42.17A.550 and/or others).

The Commission asked staff to prepare a recommendation for their consideration at the March meeting.

Training

Personal Financial Affairs Statement -
Presentation

In response to the Commission's request for ongoing training and updates to forms and processes Chip Beatty provided training on the F-1 Personal Financial Affairs form.

Mr. Beatty reviewed each section of the F-1. He discussed who is required to file the F-, the most common questions, and what the staff's process is once it is filed.

Staff Reports

Executive Director

Ms. Fielding Lopez provided an update on the new tracking process and why a complaint that was not shown in last month's report to the Commission. She believes that this was overlooked due to the way the complaint was coded and the fact that staff was transitioning to a new way of tracking cases and complaints.

Steps have been taken to reassure that items received are coded and processed correctly. She is confident that going forward all complaints will be logged in and processed correctly.

Ms. Fielding Lopez continues to meet with the Compliance team weekly to review the new and status of existing cases and review them as a team.

She provided the Commission with an update list of compliance matters. This report is a glimpse of complaints and cases that are now added into the new FreshDesk system.

Executive Session/Working Lunch

The Commission went into Executive Session at 11:50 a.m. to discuss pending and potential litigation with legal counsel. Possible action regarding pending litigation following the executive session.

The Commission returned to the meeting at 1:02 p.m.

Enforcement

Kurt Young stated that at the October 2015 Commission meeting, the Commission heard two cases from the 2015 Annual F-1 filers Group Enforcement hearings process for

two elected officials who failed to file an F-1 report, and were not eligible for a Brief Enforcement hearing under the provisions of WAC 390-37.160. Those two officials were scheduled for hearings in October since they both appeared on the November 3, 2015 general election ballot as candidates seeking re-election to that office. One of those Respondents, Brendan Pierce PDC case 16-052, has since filed the missing F-1 reports and paid the assessed penalty in accordance with the Order.

Mr. Young presented the remaining cases for Commission consideration.

- **Nicholas Creighton:** PDC Case No. 16-014 (Hearing) PDC staff alleges that Nicholas Creighton, an incumbent School Director for the White Pass School District No. 303, violated RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement (F-1 report) due not later than April 15, 2015.

Mr. Young stated that Nicholas Creighton is an incumbent School Director for the White Pass School District.

As an incumbent School Board member, Mr. Creighton was required to file an F-1 report no later than April 15, 2015, disclosing personal financial information for calendar year 2014.

PDC staff alleged that Nicholas Creighton violated RCW 42.17A.700. Mr. Creighton has two prior PDC violations, and was not eligible for a brief enforcement hearing under the provisions of WAC 390-37-160.

Staff recommend the Commission find a violation of 42.17A.700 and assess a civil penalty of \$750, which is payable within 30 days of the date of the Order; and require Mr. Creighton to “cease and desist” from failing to file his required PDC reports in accordance with RCW 42.17A.755(4); and to file the missing F-1 report for calendar years 2012 and 2014 within 30 days of the date of the Order.

Mr. Young stated that a copy of the Order and a cover letter contacting the White Pass School District’s legal counsel will be sent asking to remind Mr. Creighton and other school board members about the F-1 filing requirement.

Motion 16-10

Moved by Commissioner Degginger, seconded by Commissioner Levinson that:

The Commission finds the respondent in violation of RCW 42.17A.700 and assess a civil penalty of \$750. Respondent is ordered to “cease and desist” from failing to file his required PDC reports in accordance with RCW 42.17A.755(4); and to file the missing F-1 report for calendar years 2012 and 2014 within 30 days of the date of the Order.

The motion passed unanimously.

- **Michael Cusick: PDC Case No. 16-015 (Hearing)** PDC staff alleges that Michael Cusick, an incumbent Fire Commissioner for Okanogan Fire District No. 3, violated RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement (F-1 report) due not later than April 15, 2015.

Kurt Young stated that Michael Cusick is an incumbent Fire Commissioner for Okanogan Fire District No. 3, and as an incumbent Fire Commissioner, Mr. Cusick was required to file an F-1 report no later than April 15, 2015, disclosing personal financial information for calendar year 2014. Mr. Young noted that Mr. Cusick has three prior PDC violations.

PDC staff alleges that Michael Cusick, violated RCW 42.17A.700 and recommends the Commission find a violation for failing to file an F-1 report for calendar year 2014. Staff recommends additional language be added to the Order that orders Mr. Cusick to “cease and desist” from failing to file his required PDC reports in accordance with RCW 42.17A.755(4); and to file the missing F-1 reports for calendar years 2013 and 2014 within 30 days of the date of the Order. A civil penalty of \$750 to be assessed for the missing F-1 report for calendar year 2014, which is payable within 30 days of the date of the Order.

Mr. Young noted that a copy of the Order and cover letter contacting the Okanogan Fire District No. 3’s legal counsel to remind Mr. Cusick and other fire commissioners about the F-1 would be sent.

Motion 16-11

Moved by Commissioner Degginger, seconded by Commissioner Levinson that:

The Commission find the respondent in violation of RCW 42.17A.700 and asses a civil penalty of \$750. Respondent is ordered to “cease and desist” from failing to file his required PDC reports in accordance with RCW 42.17A.755(4); and to file the missing F-1 report for calendar years 2013 and 2014 within 30 days of the date of the Order.

The motion passed unanimously.

- **Robert Jesse Hill: PDC Case No. 16-113 and 16-267** PDC staff alleges that Robert Jesse Hill, a candidate for Pierce County Charter Review (PDC Case No. 16-113) and Tacoma City Council (PDC Case No. 16-267) in 2015, violated RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement (F-1 report), and RCW 42.17A.205 on two occasions by failing to file two Candidate Registrations (C-1 reports), one for

Kurt Young stated that Robert Jesse Hill was a candidate for two offices in 2015, Pierce County Charter Review (PDC Case No. 16-113) and Tacoma City Council (PDC Case No. 16-267).

As a candidate in 2015, Mr. Hill was required to file two C-1 reports, and one F-1 report, within two weeks of declaring his 2015 candidacy, or not later than May 31, 2015.

Mr. Hill has been a candidate for public office on numerous occasions, and has appeared on the ballot almost every year dating back to 2008.

Mr. Hill has four prior PDC violations, and has not filed

each office being sought in 2015, which were due within two weeks of declaring his 2015 candidacy, or not later than May 31, 2015.

the missing F-1 reports for his two most recent cases, and has three outstanding penalties totaling \$1,700.

Staff recommends the Commission find that Robert Jesse Hill violated RCW 42.17A.205 on two occasions by failing to file two C-1 reports; and 42.17A.700 by failing to file an F-1 report, as a candidate for Tacoma City Council and Pierce County Charter Review in 2015, and to:

1. Assess a civil penalty of \$1,500, \$500 each for the two missing C-1 reports and one F-1 report, which is payable within 30 days of the date of the Order.
2. Require Mr. Hill to “cease and desist” from failing to file his required PDC reports in accordance with RCW 42.17A.755(4); and to file the missing F-1 report(s) and C-1 reports for the 2013, 2014 and 2015 elections.

Motion 16-12

Moved by Commissioner Degginger, seconded by Commissioner Levinson that:

The Commission finds the respondent in two violations of RCW 42.17A.205 and one violation of RCW 42.17A.700 and assesses a civil penalty of \$500 for each violation totaling \$1500. The Respondent is ordered to “cease and desist” from failing to file his required PDC reports in accordance with RCW 42.17A.755(4); and to file the missing reports within 30 days of the date of the Order.

The motion passed unanimously.

Adjourn

The meeting adjourned at 1:25 p.m.

Approved March 24, 2016