



State of Washington
PUBLIC DISCLOSURE COMMISSION

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9:30 a.m.

July 25, 2013

MINUTES-REGULAR MEETING

Evergreen Plaza Bldg. Room 206

711 Capitol Way South

Olympia, Washington

COMMISSION MEMBERS PRESENT

Amit Ranade, Chair

Grant Degginger, Vice Chair

Barry Sehlin, Member

Kathy Turner, Member

STAFF PRESENT

Andrea McNamara Doyle, Executive Director

Lori Anderson, Communications & Training Officer

Phil Stutzman, Director of Compliance

Michael Smith, Chief Information Technology Officer

Linda Dalton, Sr. Assistant Attorney General

Jana Greer, Outreach Specialist

Cullen Gatten, Law Clerk

Michael Woo, Law Clerk

STAFF ABSENT

Nancy Krier, General Counsel

The regular meeting of the Public Disclosure Commission was called to order, by Commission Chair Amit Ranade, at 9:40 a.m. in the Evergreen Plaza Building, Room 206 Olympia, Washington.

Opening Comments

Chair Ranade called the meeting to order.

Citizens Comments/Concerns

No comments or concerns expressed.

Commissioner Comments/Concerns

No comments or concerns expressed.

Minutes

Motion 14-01

Moved by Commissioner Degginger, seconded by Commissioner Sehlin that:

The Commission adopt the minutes of June 27, 2013 regular meeting.

The motion passed.

Motion 14-02

Moved by Commissioner Degginger, seconded by Commissioner Sehlin that:

The Commission adopt the minutes of July 10, 2013 special meeting.

The motion passed.

Rulemaking

Lori Anderson, Communications and Training Officer,

Commission Meeting Minutes

July 25, 2013

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- Possible updates to WAC 390-16-041 Forms – Summary of total contributions and expenditures
- Rulemaking development agenda

noted the Commission's review, at the June meeting, of potential agenda items for rulemaking development.

One of the items discussed was the need to make changes to the C-4 report, updating one of the expenditure reporting codes.

She stated that staff has taken a comprehensive look at the C-4, and suggests additional changes which she reviewed.

Ms. Anderson noted that amending a form typically results in changes to filer staff resources, such as updates to the Commission's electronic filing software, revisions to the instruction materials, etc.

Ms. Anderson stated that staff could reach out to individuals who are currently using the analytics on the PDC website and ask for feedback.

Staff will prepare a draft of possible amendments/changes to the codes, allowing more analysis, and bring the draft back to the Commission for consideration.

Informational

- Other states' approaches to agency funding
- Non-profits and campaign activity

PDC law clerks presented topics of interest to the Commission.

Michael Woo, law clerk, presented an overview of how other states fund public disclosure of campaign finance. The presentation included and other models of sustainable funding besides state general funds to support these functions.

Cullen Gatten, law clerk, presented information on non-profit (tax-exempt) organizations and campaign activity. The presentation compared different types of 501(c) organizations and summarized other states' legislative and rulemaking activities in this area.

IT Funding and Spending

- Background for August retreat

Michael Smith, Chief Information Technology Officer, provided background and an historical overview of the FTE structure, funding, and spending of the IT division at the PDC.

Compliance

- Background for August retreat and update
 - i. Routine, moderately complex, complex case classifications
 - ii. Possible development of PDC compliance and

Phil Stutzman, Director of Compliance, presented background information of compliance case classification/categories and reported on the current process of pending complaints and investigations.

Andrea McNamara Doyle discussed the types of complaints received in FY13, including the percentage by general topic area.

- enforcement manual
- iii. Status report of pending complaints and investigations

Personal Financial Affairs Reporting

- Background for August retreat

Legislative/Budget Update

Agency Request Legislation

Executive Session

Reporting Modifications

Ms. Doyle updated the Commission on the status of the pending complaints, open investigations, and the processing time involved in completing both initial reviews and formal investigations.

Ms. Anderson presented annotated F-1 forms, summarized relevant history, filer instructions, and administrative code. She also discussed information regarding the background and history of the F-1 form. She reviewed, in detail, each section of the F-1, its purpose, and requirements.

Ms. Doyle stated that the 2013-2015 allotment process meeting had just occurred with DES, and she will have information to the Commission as soon as it is available.

She discussed the limited amounts of discretionary funds available to the agency during FY 14 and FY 15, which will require prioritization and may include seeking additional funding for IT needs through a supplemental budget request.

Ms. Doyle discussed the staff recommendations for the upcoming 2014 legislative session. These included continued work on SB5257/HB1557, the agency request bill from last session.

This bill would modify a number of timeframes in the PDC filing requirements.

Staff recommended not taking on any new agency request legislation at this time, with the possible exception of changes to the F-1 requirements the Commission may identify at its retreat in August.

The Commission went into executive session at 12:00 p.m. to discuss pending and potential litigation with legal counsel, and to discuss the performance review of the Executive Director.

The Commission returned to public session at 1:31 p.m.

New:

- *Bruce MacIntyre*, candidate,
Commissioner, Port of Kingston

Jennifer Hansen, Filer Specialist, presented Bruce MacIntyre's request for a new reporting modification.

She stated that Mr. MacIntyre is requesting a reporting modification that would exempt him from disclosing the business customers that paid \$10,000 or more during the reporting period to Perkins Coie LLP, a law firm.

She stated that he recently retired from Perkins Coie.

Staff recommended approval of the request as presented.

Motion 14-03

Moved by Commissioner Degginger, seconded by Commissioner Turner that:

The Commission grant the partial reporting modification as requested, finding that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed.

- *Kalo Wilcox*, Judge, Thurston
County District Court

Ms. Hansen presented Kalo Wilcox's request for a new reporting modification.

She stated that Judge Wilcox is requesting a reporting modification that would exempt her from disclosing her residential address, parcel number, or legal description on all filings submitted to the PDC. Judge Wilcox is also requesting this information be redacted from previous financial affairs statement reports filed with the PDC.

Ms. Hansen stated that Judge Wilcox is requesting the modification because she has been threatened with bodily harm.

Staff recommended approval of the request as presented.

Motion 14-04

Moved by Commissioner Degginger, seconded by Commissioner Sehlin that:

The Commission grant the partial reporting modification as requested, finding that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed.

Renewals with no change:

Steven T. O'Ban, Senator, 28th
Legislative District

Ms. Hansen presented to the Commission, for approval, Steven T. O'Ban's request for renewal of his reporting modification with no change.

Staff recommended approval of the request.

Motion 14-05

Moved by Commissioner Degginger, seconded by Commissioner Sehlin that:

The Commission grant the partial reporting modification as requested, finding that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed.

Staff Reports

Executive Director

Ms. Doyle noted that her monthly activity report was emailed separately from the meeting materials. A paper copy was provided to the Commission at the meeting.

She discussed the PDC performance report for 2013, filed on July 1, 2013. This is an annual report PDC staff provides to the Governor's Office of the statutorily required performance measures related to electronic filing.

Ms. Doyle discussed correspondence PDC staff sent on behalf of the Commission to the Sunshine Committee concerning a proposal that would change the investigative records exemption under the public records act.

Chief Information Technology Officer

Michael Smith demonstrated the PDC links that are now active on the Secretary of State online Voters Guide. The links connect voters from the Voters Guide directly to the PDC website and shows who donated to each candidate's campaign.

Adjourn

The meeting adjourned at 1:50 p.m.

Approved

August 22, 2013