

State of Washington
PUBLIC DISCLOSURE COMMISSION
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MINUTES – Regular Meeting

9:30 a.m. | September 23, 2021

711 Capitol Way S. #206

Olympia, Washington

Commission Members Present (Participated via Microsoft Teams Online)

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

Staff Present (Participated via Microsoft Teams Online)

Peter Frey Lavalley, Executive Director; Kim Bradford, Deputy Director; Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Jana Greer, Administrative Officer; Chip Beatty, Customer Service and Outreach Director; Jennifer Hansen, Compliance Officer; Kurt Young, Compliance Officer; Erick Agina, Compliance Officer; 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 Jarrett at 9:30 a.m.

[PDC Meeting Video](#)

COVID 19 update: The September 23, 2021, Public Disclosure Commission Meeting was streamed live at <https://www.youtube.com/user/WASTPDC/live>.

Chair Opening Comments | [PDC Meeting Video](#)

Chair Jarrett welcomed all attendees and viewers to the September 23, 2021, Regular Commission Meeting and introduced the newest member of the Commission, Commissioner Allen Hayward.

Due to a prior commitment, Commissioner Isserlis joined the meeting at 10:02 a.m.

Public Comment | [PDC Meeting Video](#)

As was noticed and announced, a MS Teams video and conference link was provided for public comment during this time.

The following person(s) provided public comment:

- [Conner Edwards](#), professional campaign treasurer, commented on PDC's proposed legislative agenda
- [Maxford Nelsen](#), Director of Labor Policy, Freedom Foundation, commented on PDC's proposed legislation

Legislation | [PDC Meeting Video](#)

General Counsel Sean Flynn and Deputy Director Kim Bradford presented the 2022 agency request legislation and decision package updates to the Commission for discussion.

Next Steps/Follow Up: Staff to conduct targeted outreach to stakeholders and public for feedback on current draft, bring feedback to the October 2021 Regular Commission meeting and open an invitation for public comment at the October 2021 Regular meeting.

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

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

- August 26, 2021, Regular Meeting

MOTION 21-072 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission approve the meeting minutes for the August 26, 2021, Regular Meeting as presented.

The [motion passed](#) 3 - 0 - 1. Commissioner Hayward abstained.

Strategic Plan Update and Discussion | [PDC Meeting Video](#)

- [Audits.](#)
- [Enforcement Process Map.](#)
- [Campaign Reporting Modernization.](#)
- [Digital Political Advertising Disclosure.](#) (This agenda item was discussed during the Digital Advertising Rulemaking Discussion)
- [Training Program Expansion.](#)

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

- [Executive Director Updates.](#)
- [Deputy Director Updates.](#)
- [IT Activity Report.](#)

Enforcement | [PDC Meeting Video](#)

Chad Standifer presented [PDC Case 77415](#), involving allegations that the Tacoma Weekly, a news organization, violated RCW 42.17A.480 by soliciting money or other property for endorsement, articles, or other communication in news media.

John Weymer and Matt Nagle of the Tacoma Weekly participated via phone on Microsoft Teams.

MOTION 21-073 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission approve the stipulation as to Facts, Violations and Penalty as presented, imposing a fine of \$15,000 with half suspended.

The [motion passed](#) 4 - 0.

Break/Executive Session & Closed Session

The Commission went into Executive Session at 11:30 a.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 12:30 p.m.

Enforcement (Requests for Reconsideration) | [PDC Meeting Video](#)

12:31 p.m. The Commission conducted a remote hearing concerning requests for reconsideration. Jennifer Hansen, Compliance Officer, presented the requests to the Commission for reconsideration and possible action.

- [PDC Case 94021](#) – James Felton, a former elected official for School Director for Pioneer School District 402, was found to have violated RCW 42.17A.700 by failing to file a personal financial affairs statement covering calendar year 2020. The respondent is requesting a review of the Order by the Full Commission.

James and Susan Felton participated via phone on Microsoft Teams.

MOTION 21-074 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission reconsider the Final Order and penalty assessed in PDC case No. 94021, James Felton.

The [motion passed](#) 4 - 0.

MOTION 21-075 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission suspend the full penalty amount previously assessed in PDC case No. 94021, James Felton.

The [motion passed](#) 4 - 0.

- [PDC Case 94053](#) – Charles (Rick) Hughes II, a former elected official for County Council for San Juan County, was found to have violated RCW 42.17A.700 by failing to file a personal financial affairs statement covering calendar year 2020. The respondent is requesting a review of the Order by the Full Commission.

Charles (Rick) Hughes II participated via phone on Microsoft Teams.

MOTION 21-076 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission reconsider the Final Order and penalty assessed in PDC case No. 94053, Charles (Rick) Hughes II.

The [motion passed](#) 4 - 0.

MOTION 21-077 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission suspend the full penalty amount previously assessed in PDC case No. 94053, Charles (Rick) Hughes II.

The [motion passed](#) 4 - 0.

- [PDC Case 94109](#) – Scott D. Lehrman, a former elected official for School Director for Pasco School District 001, was found to have violated RCW 42.17A.700 by failing to file a personal financial affairs statement covering calendar year 2020. The respondent is requesting a review of the Order by the Full Commission.

Scott D. Lehrman participated via phone on Microsoft Teams.

MOTION 21-078 Moved by Commissioner Downing that the Commission reconsider the Final Order and penalty assessed in PDC case No. 94109, Scott D. Lehrman. The [motion failed](#) for lack of a second.

- [PDC Case 94160](#) – Nancy Jean Fey, a former elected official for Hospital Commissioner for Whidbey Island Hospital District, was found to have violated RCW 42.17A.700 by failing to file a personal financial affairs statement covering calendar year 2020. The respondent is requesting a review of the Order by the Full Commission.

The request for reconsideration for PDC case No. 94160 [failed](#) for lack of a motion.

- [PDC Case 94178](#) – Ray LaFond, a former elected official for Park & Recreation Commissioner for Klickitat Recreation District, was found to have violated RCW 42.17A.700 by failing to file a personal financial affairs statement covering calendar year 2020. The respondent is requesting a review of the Order by the Full Commission.

MOTION 21-079 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission grant the request and reconsider the final Order and penalty assessed in PDC case No. 94178, Ray LaFond.

The [motion passed](#) 4 - 0.

MOTION 21-080 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission vacate the previously assessed penalty in PDC case No. 94178, Ray LaFond.

The [motion passed](#) 4 - 0.

Digital Advertising Rulemaking Discussion | [PDC Meeting Video](#)

General Counsel Sean Flynn presented the [staff recommendations](#) to the Commission for inclusion in proposed commercial advertiser rule changes.

General Counsel Flynn noted the proposed rules would need to be submitted to the code reviser by October 20 for the publication to be available for hearing by November 23, well within time for the December hearing. The proposal would need to be submitted before the October regular meeting, and an October special meeting could be held, and the proposed rules added to the agenda.

Next Steps/follow up: Special Meeting to occur in October 2021.

Next Steps/Follow Up: Staff to draft proposed rules based off guidance given by the Commission and bring to the October 2021 Special Meeting.

Enforcement Updates | [PDC Meeting Video](#)

Kurt Young, Compliance Officer; presented the enforcement update report for the period August 17, 2021, through September 14, 2021.

Meeting adjourned at 2:18 p.m.

Approved October 28, 2021