July 26, 2023

Washington Public Disclosure Commission 711 Capitol Way S. Olympia, WA 98504-0908

RE: Comment on July 27, 2023, agenda item - reporting of surplus campaign contributors

Dear Commissioners,

I'm writing today to weigh in on the matter of transferring surplus funds and the PDC's recent interpretation to ensure their guidance was aligned with state campaign finance law.

As the secretary of the League of Women Voters of Washington, as well as a former state legislator and chair of the local government and state government committees, I value that Washington has some of the highest standards in the nation in campaign finance transparency. Thank you for the work you all do to ensure that.

Prior to this year, there was a discrepancy in PDC staff guidance that allowed candidates to transfer an unlimited amount of surplus funds from a previous campaign to a new campaign for a different office without disclosing any of the donors behind those funds. On April 27, the PDC took up the issue, recognizing its urgency, and scheduled a meeting for May 11. In the May 11 meeting, the PDC issued their formal interpretation to clarify that surplus transfers should follow the same rules as other contributions – a decision the League of Women Voters of Washington supported through written comment.

Now the PDC needs to decide how to handle surplus transfers that have already occurred.

As a former lawmaker, and specifically as a former chair of state and local government committees, I oppose making a law retroactive. The PDC made it clear on May 11 that the law has always been the law, and this updated guidance didn't change that. That being said, past campaigns (including my former campaigns as a legislator) were following staff guidance at the time. Therefore, I do not think the PDC should apply this updated guidance to closed campaigns in previous cycles.

However, I do think it reasonable, and necessary, that the PDC requires any campaigns that made surplus transfers and are currently seeking election to report the names of the contributors whose donations were transferred. Campaigns already have that information, since transfers require written permission from the donors, so compliance can be met with little to no additional burden for campaigns. I think it's a reasonable request, and not punitive, for campaigns that transferred surplus funds after the PDC informed the public it would be considering updated guidance to amend reports to reflect the correct donors and donations.

Ensuring voters know who is funding campaigns is the cornerstone of our campaign finance and transparency laws, and I think the PDC can take a reasonable approach to preserve that.

Thank you, Sherry Appleton