

Lobbying Disclosure

Deliverables:

- Staff analysis of current lobbyist and lobbyist employer disclosure data for strengths and weaknesses
- Outreach to regulated community and public to determine pain points and barriers to compliance as well as gaps in usefulness of information
- Recommendations to improve Washington state disclosure of information regarding lobbying in the following areas:
 - Policy changes – legislation and rulemaking
 - Process changes – reporting systems
 - Infosearch changes – how the PDC publishes information

Success criteria:

- Development of stakeholder group in advance of launch of reporting system overhaul
- Identification of actionable improvements for reporting system modernization team
- Policy proposals for Commission that are grounded in best-practices research and stakeholder input

Status: Commission proposed disclosure improvements for grassroots lobbying starting in 2021, winning adoption of reforms during the 2023 legislative session. Rulemaking aimed at implementation of the new requirements culminated in December 2023, kicking off staff work to update forms, guidance and training to assist the regulated community with compliance. Meanwhile, work on the lobbyist reporting system replacement got underway mid-2023, reaching its first major milestone in August when lobbyist access was moved to the PDC's new reporting dashboard available via Secure Access Washington sign-on. Early stakeholder input from external users of lobbyist disclosures has helped inform the project's scope and product design, and a second round of stakeholder work with the regulated community is pending.

Lessons learned:

- Educate first, reform second. We can't assume general understanding of existing reporting requirements when moving to make improvements.
- When rulemaking and system development can operate on parallel tracks, both benefit. Each activity requires a deep analysis of legal requirements that can point to gaps in reporting and the rules.
- Stakeholders are difficult to identify and engage in this area. Some of the disinterest may be due to the current state of the information and difficulty in accessing it. The public doesn't know what it's missing.
- Managing scope is an ongoing challenge, but important given the January 2025 end-of-lifecycle for the current platform. Some great ideas will have to be put aside, at least for now.

Possible next steps:

- Replacement of L-2 (lobbyist monthly reports) and L-3 (lobbying employer annual reports) by January 2025
- Data cleaning of 2016-2020 information from paper reports so that a 10-year dataset is available to the public
- Development of first-ever L-6 (grassroots lobbying reports) reporting system begins in spring 2025
- Second round of rulemaking focused on direct lobbying reporting requirements in late 2024/early 2025

Enforcement Process Mapping

Deliverables:

- Improved current state process map allowing for flexibility
- Process improvement metrics: number of steps eliminated; cycle time improvements; number of alternate steps needed (or eliminated) for flexible case handling
- Steps taken to achieve processes indicated in future map

Success criteria:

- The enforcement process is streamlined, standardized (what can be), allows for flexibility and removes waste resulting in delivering the customer value, transparency, and better data.

Status: The enforcement team completed mapping the enforcement case process in 2021, documenting 167 steps. The team used that process to measure timelines of cases during the 2021 election cycle. Based on that experience and a review of the data, the team zeroed in on the front end of the process during the 2022 election cycle, from when a complaint is received until the case is opened, to test some potential improvements.

For 2023, the team turned its attention to the end of the life of a case to focus on those cases that are moved into formal investigations following an initial hearing. The team tested whether some informal internal timelines and a more frequent use of brief enforcement hearings would help move those cases to resolution more expeditiously. Results were mixed.

Lessons learned:

- Review charter regularly to check assumptions of goals and to ensure common understanding
- Take time during process to evaluate/record progress toward success criteria
- Reduction of cycle time is a good goal but not the only way to achieve efficiency
- Improvements to date are working when we have responsive campaigns; more work remains to be done for recalcitrant respondents
- Incorporate process improvement goals into employee performance development plans and monthly check-ins
- Subjective assessments make for difficult work applying possible process improvements uniformly and will undercut metrics
- When assumptions don't hold true or unanticipated risks appear, reassess goals

Possible next steps:

- Consider keeping as a strategic plan element and mapping other enforcement processes
- One possible project on horizon: Redevelopment of common templates and checklists

Commission Outreach

Deliverables:

- Hold regular Commission meetings in additional cities in Washington state (two in first year)
- Plan and execute regular stakeholder forums (approximately quarterly)
- Increase outreach to jurisdictions and associations around Washington
 - PDC to increase engagement with jurisdictions for assistance in promoting awareness of filing requirements
 - PDC representatives to attend meetings of civic and professional groups (e.g., WACO, WSACA, WFCFA) to promote awareness, solicit feedback and provide guidance

Success criteria:

- Multiple in-person public meetings covering the eastern and western parts of the state.
 - Public attendance
 - Media engagement
- Multiple stakeholder engagement sessions on select topics held in extended timeslots within Commission meetings
- PDC presence at association forums

Status: The Commission held its first in-person, out-of-Olympia meeting in Spokane in June 2023 and has scheduled a Vancouver meeting in April 2024, putting in on-track to meet the deliverable goal of two “road” meetings in the first year.

The Commission Chair and Vice Chair also conducted two Engagement Sessions:

- On August 30, 2023, Commissioners held a session covering two topics of interest:
 - The state law requiring campaigns to collect certifications that campaign contributions were not financed or influenced by foreign nationals
 - The requirement for campaigns to report the employer and employer’s location for contributors who give more than \$250
- On October 17, 2023, Commissioners hosted a session focused on:
 - Upcoming rulemaking on grassroots lobbying disclosure requirements to incorporate changes to state law
 - Guidance provided to local governments and school districts to promote compliance with the law that prohibits the use of public office or agency facilities in campaigns

In addition to routine PDC trainings and online courses, in 2023, PDC staff conducted:

- 16 customized presentations, reaching over 300 in-person attendees, at the request of organizations, including:
 - Multiple county and local elections events
 - Washington Association of Counties
 - Washington Fire Commissioners Association
 - Non-Profits Washington

- Reporters and editors of *The Seattle Times*
- Washington Schools Public Relations Association
- Washington State PUD Association

Lessons learned:

- The Spokane “road show” meeting was a successful proof of concept on which the agency can build. Planning and logistics should improve with each successive meeting.
- Engagement sessions generated substantial public interest and participation and provided useful feedback for Commission action (e.g., guidance on reporting employer details).
- There is significant demand for PDC presence at stakeholder events, affording opportunities for education to groups and their members.

Possible next steps:

- Plan further Commission meetings in additional Washington cities (subject to funding, which was partially fulfilled by the Legislature)
- Conduct further stakeholder forums
 - Special forums
 - Sessions within regular Commission meetings?
- Continue outreach to jurisdictions and associations.

Digital Political Advertising Disclosure

Deliverables:

- Proposal to improve Washington state disclosure of information regarding digital political advertising
 - Policy changes - Legislation and rulemaking
 - Process changes – reporting systems
 - Infosearch changes – how the PDC publishes information
- Proposal to create uniform standards for political digital advertising disclosure that might be applied across states

Success criteria:

- Development of stakeholder community with expertise and interest in digital political advertising
- Partnerships with regulatory partners in other states
- Identification of areas of consensus on regulating digital political advertising
- Actionable recommendations for the campaign reporting project
- Guidance for future policy initiatives and access projects, including a public archive to provide greater transparency for political advertising.

Status: PDC request legislation was introduced in 2023 that included changes to the commercial advertiser law. The changes would link up with the prior rulemaking (2022) to require sponsors to identify political advertising purchased from a commercial advertiser. The legislation did not pass in the 2023-24 biennium, but that has not changed the effectiveness of the 2022 rules. Staff has continued to explore collaboration with regulators in other states, particularly through more exposure at the COGEL conference.

Lessons learned:

- Legislative changes may not be attainable (or necessary) at this time, and resources better focused on campaign reporting requirements.
- Coordination with other states remains limited, due to differences in regulation and policy direction, but there may be more potential for sharing a common reporting system that is adaptable to each state's requirements.

Possible next steps:

- Continue to follow and assess developments with the digital advertising industry and law in order to find new opportunities to partner and create uniform standards.
- Develop a reporting system within the modernization project to improve campaign reporting of digital advertising as part of the disclosure scheme for political advertising in general. Propose rules where necessary for implementation.
- Continue to work with other states and national groups on how to coordinate and leverage regulatory authority in the digital advertising market, including consideration of working with a third-party vendor to implement a multi-state reporting tool for digital advertising that is adaptable to individual state regulations.

Campaign Reporting Modernization

Empowering the public to follow the money and helping the regulated community to achieve and maintain compliance are cornerstones of the agency strategic plan. The campaign reporting modernization seeks to achieve these goals through continuous improvement to both our online filing systems and the tools provided to the public to access disclosures. By using an approach of continuous improvement, the agency can regularly evaluate where our investments provide the greatest benefit and deliver them at the time that has the greatest impact.

Deliverables:

- Continuously release enhancements and new features that make it easier for the regulated community to meet their disclosure requirements.
- Refine the collection and publication of disclosure data to make it easier for the public to follow the money.
- Continuously improve search and data presentation on the PDC website to meet evolving needs.
- Tools for business-driven analysis and process automation.

Success criteria:

- The business owns the portfolio and projects/initiatives are business initiatives, not IT projects. Technology is a means to a business end.
- IT resources are focused on delivering functionality that matters to the public and members of the regulated community, not the underlying machinery that makes it happen.
- Deliver value early and often.
- Maintain or enhance availability of data to the public and everything is published as open data, even if it is available elsewhere.
- Functionality is stakeholder/customer driven and we include both internal and external users in the development process.

Status:

Campaign reporting modernization (ORCA Web) was completed in 2023, as was single sign-on for lobbying, public agency lobbying, and independent expenditures. Lobbyist reporting improvements are in progress. All data are available in new system, and there are new business tools and dashboard for filers. The lobbyist system development is projected for January 2025. Meeting this target will require managing scope. Also underway is development of agency's first electronic reporting application for out-of-state PACs (C-5 reports).

Possible next steps (major themes or areas of focus):

- Enhanced tools for business-driven analysis and process automation
- Enhanced political advertising reporting
- Independent expenditures
- Full integration of public agency lobbying with the core reporting system