Written Comment by Conner Edwards July Regular Meeting of PDC

Commissioners:

This is my written comment for July's Regular Meeting of the PDC.

1. Enforcement Case at Thursday's Meeting

At Thursday's meeting, you will hear an enforcement case alleging significant violations of our state's campaign finance laws. After reading the report of investigation, consider reflecting on how the case was handled by the agency.

- Was this case handled in a manner that reflected the importance of complying with our state's disclosure laws?
- Was this case brought forward to the Commission's attention in a timely manner?
- Did the actions of the agency, over the life of the case, adequately protect the public's right to know about the financing of political campaigns?
- Does the proposed penalty establish an adequate deterrent for campaigns that would engage in similar behavior?
- Overall, would you say that the agency's handling of this case was a "success" (an example to be emulated for future cases) or a "failure" (an example of why changes to the enforcement process are necessary)?
- If you are not satisfied with how this case was handled, <u>what concrete actions will you take to make sure that similar cases are handled differently?</u>

2. Inadequate Penalties at Recent Enforcement Hearings

At the last several enforcement hearings, some of you have brought up the inadequacy of the stipulated penalties that staff have presented to the Commissioners. I would sum up the gist of the conversation as being: "well, we're going to impose the inadequate penalty this time because that's the way we've done things historically, but going forward we won't because we want to change things and impose more meaningful penalties".

Ultimately, only time will tell if the PDC is serious about adopting meaningful penalties in response to significant violations of Washington's campaign finance laws. For my part, I'll go on the record in predicting that the PDC's future approach to these types of significant cases will be exactly as underwhelming as it was at last month's meeting, and exactly as underwhelming at it will be at the upcoming Thursday meeting.

For PDC staff, resolving cases expeditiously has largely taken precedence over resolving cases in a way that creates meaningful incentives for filers to follow our state's campaign finance laws. By offering respondents the opportunity to avoid a contested hearing by paying a wrist-slap penalty, staff greatly reduce their own workload.

In 1972, the authors of Initiative 276 intended for the 5-member Commission to conduct oversight over the PDC and to ensure that the agency is effectively protecting the public's right to know about the financing of political campaigns.

Today, the Commission's oversight role mostly consists of passively listening to staff recite statistics or present self-congratulatory reports about what a great job they are doing and how wonderfully the agency is being run.

Even for the decisions which the Commission is still nominally responsible for making, the agency's leadership staff are able to control the outcome: a) by selectively determining which information is (or is not) important for you to know, and b) by attempting to artificially limit the options which are available for you to take. By doing this, the agency's leadership staff are able to effectively ensure that the Commission makes the decision that the staff want the Commission to make.

Additionally, the Commissioners enjoy such a friendly relationship with staff that there doesn't seem to be much appetite to engage in meaningful oversight to begin with.

At any rate, it will be interesting to see if the PDC does begin imposing more significant penalties on large violators after the proposed rules are adopted. For my part, I'm betting that the proposed rule changes will <u>not</u> result in significantly higher penalties. Expediency, rather than service to the public, will continue to be the de facto policy of PDC.