

Grant Degginger: PDC Case No. 11-017 Executive Summary and Staff Analysis

I. Introduction

A 45 day citizen action letter was filed by Renay Bennett on August 24, 2010 alleging that Grant Degginger, an incumbent Bellevue City Council member, failed to file an F-1 Supplement Page with his annual Personal Financial Affairs Statement (PDC form F-1) for prior years disclosing the business and other governmental customers that have paid \$10,000 or more to the law firm Lane Powell, PC, of which Mr. Degginger is a member, an alleged violation of RCW 42.17.241.

II. 45 Day Letter Allegations

The citizen action letter was filed with the Office of the Washington State Attorney General (AGO) and with the King County Prosecutor in accordance with RCW 42.17.400(4). It states that the complainant intends to bring a lawsuit against Mr. Degginger for violations of RCW 42.17 if the Attorney General or King County Prosecutor do not do so within the required notice periods.

PDC staff received a request from the AGO to conduct an investigation and, as appropriate, schedule an administrative hearing or provide a copy of the Commission's recommendation along with staff's report of investigation. The 45 day citizen action letter alleged that Mr. Degginger violated RCW 42.17.241 for F-1 reports covering 2006, 2007, 2008 and 2009, filed in 2007 – 2010.

III. Background & Investigative Findings

Grant Degginger is a three-term incumbent Bellevue City Councilmember. He was first elected to the Bellevue City Council in 1999, and was re-elected to that position in 2003 and 2007. His current term of office expires in 2011.

On June 22, 2010, Renay Bennett filed a public records request with the PDC requesting copies of all F-1 reports and F-1 Supplement forms filed by Mr. Degginger. On July 19, 2010, PDC staff provided Ms. Bennett with the information she had requested. Ms. Bennett reviewed the F-1 and F-1 Supplement forms, and then contacted PDC staff, stating that according to his biography on the Bellevue City Council web page, Mr. Degginger is a partner at the law firm Lane Powell, PC, and should be required to file an F-1 Supplement listing Lane Powell, PC along with its reportable business and governmental customers.

On July 27, 2010, PDC staff contacted Mr. Degginger, informed him of Ms. Bennett's public records request, and asked about his status as a shareholder and/or member of Lane Powell, PC. Mr. Degginger stated he was a member and held an ownership interest of less than 10 percent. Staff explained the F-1 reporting requirements, and Mr. Degginger said he would review his F-1 reports filed from 2007 through 2010.

On August 2, 2010, Mr. Degginger acknowledged that he needed to file an F-1 Supplement disclosing his status as a “member” of the Lane Powell, PC law firm. Mr. Degginger expressed an interest in requesting a reporting modification, and discussed with staff the process of applying for a retroactive modification. Staff explained the need to compile information about the reportable business and other governmental customers of the law firm for reporting on the F-1 Supplement page in accordance with PDC Interpretation #02-03. Staff provided Mr. Degginger with a copy of the Reporting Modification Application Questionnaire and a copy of PDC Interpretation #02-03.

Following is a timeline of events regarding the F-1 filings for Grant Degginger and the F-1 reporting requirements:

- Mr. Degginger contacted PDC staff in April 2006, and inquired about F-1 filing requirements, specifically asking whether he needed to include the Lane Powell, PC law firm on an F-1 Supplement page. He was correctly told by staff that he did not need to include the law firm on an F-1 Supplement because he did not have a 10 percent ownership interest in the firm, and he was not an officer or partner in the firm.
- The Commission amended WAC 390-24-201, effective November 6, 2006, to require members of limited liability corporations (LLCs), limited liability partnerships (LLPs), professional limited liability corporations (PLLCs), professional corporations (PCs) and other similar entities, to report those entities on an F-1 Supplement page.
- The electronic filing application and instructions for the F-1 report were updated to reflect the amendment to WAC 390-24-201. However, the F-1 Supplement form for manual filers was not updated until November 2008. Mr. Degginger filed reports manually, and was not aware of the new requirement to include Lane Powell, PC on an F-1 Supplement until he discussed those requirements with PDC staff in July 2010.
- On April 16, 2007, Mr. Degginger filed a full F-1, but did not include Lane Powell on an F-1 Supplement page.
- Mr. Degginger filed the F-1A (Short Form or No Change Report) in 2008, 2009 and 2010, and did not include Lane Powell, PC on an F-1 Supplement page for those years.

On September 7 and September 8, 2010, Mr. Degginger submitted a letter requesting a retroactive reporting modification, a Reporting Modification Application Questionnaire, amended F-1 Supplement pages listing Lane Powell, PC, for calendar years 2006 - 2009, a list of representative firm clients provided to Martindale-Hubbell and Chambers for years 2006 – 2009, and a note concerning the telephone call he made to PDC staff on April 14, 2006 to discuss his F-1 filing requirements.

On September 13, 2010, Mr. Degginger confirmed in writing that he was told in April 2006 he was not required to list his shareholder interest in Lane Powell, PC on an F-1 Supplement because: (1) Lane Powell, PC was organized as an Oregon professional corporation, not a partnership, or other entity listed in RCW 42.17.241(g); (2) He was neither an officer nor a director of the entity; and (3) his shareholder interest was less than 10 percent.

Mr. Degginger said that based on his review of RCW 42.17.241 and his 2006 communication with PDC staff, he concluded he was not required to list Lane Powell, PC on an F-1 Supplement form. He noted that his status as an attorney at Lane Powell, PC was listed on the first page of the full F-1 filed in 2007.

IV. Conclusion and Recommendation

Grant Degginger filed the F-1 covering 2006 based on his understanding of the law and a discussion about reporting requirements with PDC staff on April 14, 2006. He was not aware until July 2010 that the Commission had amended WAC 390-24-201, effective November 6, 2006, to include reporting on an F-1 Supplement page by "members" of a professional corporation. When made aware of the new requirement in 2010, prior to the date the 45 day citizen action letter was filed, he took steps to amend his F-1 reports filed from 2007 to 2010. He also asked about, and made application for, a reporting modification in accordance with PDC Interpretation #02-03. The Commission will be presented with Mr. Degginger's request for a retroactive reporting modification at the September 23, 2010 meeting.

PDC staff has carefully reviewed the August 24, 2010 citizen action letter, the information provided by Mr. Degginger, and the relevant statutes, regulations, PDC Interpretations, and reporting requirements, and concludes that with the approval of the requested reporting modification, Mr. Degginger will be in substantial compliance with RCW 42.17.241. PDC staff recommends that the Commission approve Mr. Degginger's request for a retroactive reporting modification, and then recommend that the Attorney General take no action with regard to the citizen action letter.



STATE OF WASHINGTON

PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111 • FAX (360) 753-1112
Toll Free 1-877-601-2828 • E-mail: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE)	PDC CASE NO: 11-017
WITH RCW 42.17)	
Grant Degginger)	Report of Investigation
)	
Respondent)	
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I.
Complaint

- 1.1 A 45 day citizen action letter was received from Renay Bennett on August 24, 2010 alleging that Grant Degginger, an incumbent Bellevue City Council member, failed to file an F-1 Supplement Page with his annual Personal Financial Affairs Statement (PDC form F-1) for prior years disclosing the business and other governmental customers that have paid \$10,000 or more to the law firm Lane Powell PC, of which Mr. Degginger is a member, an alleged violation of RCW 42.17.241. (**Exhibit 1**)
- 1.2 The citizen action letter was filed with the Office of the Washington State Attorney General (AGO) and with the King County Prosecutor in accordance with RCW 42.17.400(4), and states that the complainant intends to bring a lawsuit against Mr. Degginger for violations of RCW 42.17 if the Attorney General or King County Prosecutor do not do so within the required notice periods.
- 1.3 On August 30, 2010, PDC staff received a letter from the AGO stating that a 45-day letter had been received, and providing staff with a copy of the complaint. The letter requested staff to conduct an investigation into the allegations against Mr. Degginger, and as appropriate, to schedule an administrative hearing or provide a copy of the Commission's recommendation, along with staff's report of investigation.
- 1.4 The 45 day letter alleged that Mr. Degginger violated RCW 42.17.241, and that he should have filed an F-1 Supplement attached to his F-1 report, disclosing his status as a member of the law firm of Lane Powell, PC. The complaint alleged Mr. Degginger failed to disclose his membership status in Lane Powell, on F-1 Supplements for the period 2006-2009 on reports filed in 2007 - 2010 .

II. Background & Findings

- 2.1 Grant Degginger is a three-term incumbent Bellevue City Councilmember. He was first elected to the Bellevue City Council in 1999, and was re-elected to that position in 2003 and 2007. His current term of office expires in 2011.
- 2.2 On June 22, 2010, Renay Bennett filed a public records request with the PDC requesting copies of all F-1 reports and F-1 Supplement forms filed by Grant Degginger. She also inquired if Mr. Degginger had requested a reporting modification prior to her filing the public records request.
- 2.3 On July 19, 2010, the information was compiled pursuant to Ms. Bennett's request, and e-mailed to her. Ms. Bennett reviewed the F-1 and F-1 Supplement pages, and then contacted PDC staff stating that according to his biography on the Bellevue City Council web page, Mr. Degginger is a partner at the law firm Lane Powell, PC, which required him to file the F-1 Supplement for the law firm.
- 2.4 On July 27, 2010, PDC staff contacted Mr. Degginger informing him of Ms. Bennett's public records request. Staff inquired about his status as a shareholder or member of the law firm of Lane Powell, PC, and discussed the F-1 reporting requirements. Staff asked Mr. Degginger to review his previously filed F-1 reports. Mr. Degginger stated he was a member/shareholder in Lane Powell, PC, and said he would review his F-1 reports filed in 2007-2010.
- 2.5 On August 2, 2010, Mr. Degginger contacted PDC staff and stated that after he reviewed his previously filed F-1 reports, and after the conversation with PDC staff, he determined that he needed to file an F-1 Supplement disclosing his status as a "member" of the law firm Lane Powell, PC.
- 2.6 Mr. Degginger expressed an interest in obtaining a reporting modification, and staff discussed with him the process of how to request a reporting modification, including a retroactive modification for prior years. Staff explained that he would need to compile information about the reportable business and other governmental customers of Lane Powell, PC on the F-1 Supplement in accordance with PDC Interpretation #02-03 for attorneys. Staff then e-mailed Mr. Degginger the Reporting Modification Application Questionnaire and PDC Interpretation #02-03.
- 2.7 As noted above, on August 24, 2010, Ms. Bennett filed a 45-day Citizen Action Letter alleging that Mr. Degginger had failed to report the business and other governmental customers that paid \$10,000 or more to the law firm Lane Powell PC between 2006 through 2009. Ms. Bennett stated that the forms on file with the PDC did not contain any information about the customers of Lane Powell, PC.

2.8 Following is a timeline of events regarding the F-1 filings for Grant Degginger and the F-1 reporting requirements:

- Mr. Degginger contacted PDC staff in April of 2006, and inquired about the filing requirements for the F-1 report, and specifically for the law firm Lane Powell, PC. He was told by staff that he did not need to report the law firm on an F-1 Supplement since he did not have a 10 percent ownership interest in the firm, and he was not an officer or partner in the law firm.
- The Commission amended WAC 390-24-201, effective November 6, 2006, which required members of limited liability corporations (LLC), limited liability partnerships (LLP), professional limited liability corporations (PLLC), professional corporations (PC) and other similar entities, including law firms, to report those entities on an F-1 Supplement.
- Mr. Degginger stated that he was not aware of the changes made to WAC 390-24-201 in November 2006, and said he was not informed of the changes by PDC staff.
- The F-1 Supplement Form was updated by PDC staff in November of 2008 to reflect the rule changes in reporting requirements for members of LLCs, LLPs, PLLCs, PCs or other similar entities. Prior to November 2008, there were changes made to the electronic filing application and instructions for the F-1 report. However, Mr. Degginger filed reports manually on paper, and therefore, was not aware of the changes to the electronic filing application and instructions.
- Mr. Degginger filed a complete F-1 report with attached Supplemental pages on April 16, 2007. He listed the law firm in Section 1 "Income" of the F-1 report, but he did not complete an F-1 Supplement for Lane Powell, PC.
- Mr. Degginger filed the F-1A (Short Form or No Change Report) in 2008, 2009 and 2010, indicating no change in the income he received from Lane Powell, PC. He did not include an F-1 Supplement for 2008, 2009 or 2010 for Lane Powell, PC.

2.9 On September 7 and September 8, 2010, Mr. Degginger e-mailed the following documents to PDC staff related to his request for a reporting modification:

(Exhibit 2)

- A cover letter describing his request for a retroactive reporting modification;
- The Reporting Modification Application Questionnaire;
- F-1 Supplement forms for the F-1 reports filed in 2007 through 2010;
- A list of the representative firm clients of Lane Powell, PC that were provided to Martindale-Hubbell and Chambers for the F-1 reports filed in 2007 through 2010; and,

- A note of a telephone call to PDC staff on April 14, 2006 regarding his F-1 filing requirements, in which he was told he was not required to file an F-1 Supplement for Lane Powell, PC.
- 2.10 On September 13, 2010, Mr. Degginger e-mailed a response to the 45 Day Citizen Action Letter filed by Ms. Bennett. **(Exhibit 3)** He stated that after he had an opportunity to review his records, he spoke with PDC staff again on August 2, 2010, and discussed his April 2006 telephone conversation with PDC staff about whether he was required to file an F-1 Supplement for Lane Powell, PC. Mr. Degginger stated that in April 2006, he was told that listing his shareholder interest in Lane Powell, PC, was not required because: (1) Lane Powell, PC was organized as an Oregon professional corporation, not a partnership, or other entity listed in RCW 42.17.241(1)(g); (2) He was neither an officer nor a director of the entity; and (3) his shareholder interest was less than 10 percent. He said that based on his review of the statute and his 2006 communication with PDC staff, it did not appear that further disclosure was required at that time. Mr. Degginger said that based on the answers he received during his telephone conversation with PDC staff in April 2006, and the instructions on the F-1 form, it did not appear at the time that he was required to list Lane Powell, PC on an F-1 Supplement. He noted that his status as an attorney at Lane Powell, PC was listed on the first page of the full F-1 he filed in 2007.
- 2.11 On August 2, 2010, Mr. Degginger discussed with PDC staff the rulemaking which occurred in November, 2006, the fact that the F-1 form instructions were not changed until later in 2008, the reporting modification application procedure, and his desire to provide any appropriate supplemental information with a complete modification request.
- 2.12 Mr. Degginger said that the reportable business and other governmental customers of Lane Powell, PC would require the law firm to compile the information in a manner not regularly maintained. He indicated it would take a few weeks for his firm to provide the customer information.
- 2.13 Mr. Degginger said that in the materials he submitted in support of his modification request, he was neither an officer nor a director of the firm, and at no time has he held an ownership interest in Lane Powell, PC, approaching ten percent. Mr. Degginger's request for a retroactive reporting modification is scheduled to be heard by the Commission on September 23, 2010.

III. Scope

- 3.1 Public Disclosure Commission (PDC) staff reviewed the 45-day citizen action letter filed by Renay Bennett against Grant Degginger.

- 3.2 PDC staff reviewed the F-1 reports initially filed by Mr. Degginger, and the information he e-mailed to PDC staff on September 7 and September 8, 2010.

IV. Law

- 4.1 **RCW 42.17.240** states in part that: elected officials and executive state officers shall file a Personal Statement of Financial Affairs (PDC Form F-1) by April 15th of each year. The report shall include detailed personal information such as income sources and amounts, real estate holdings, assets and investments including banking information, creditor information and supplemental information about business ownerships for the preceding calendar year, including business and other governmental customer information.
- 4.2 **RCW 42.17.241** states in part: the Statement of Financial Affairs required by RCW 42.17.240 shall disclose for the reporting individual and each member of his or her immediate family, the occupation of the filer and the name and business address of the employer. In addition, the statute requires the following disclosure: (1)(g) The name of any corporation, partnership, joint venture, association, union, or other entity in which is held any office, directorship, or any general partnership interest, or an ownership interest of ten percent or more; the name or title of that office, directorship, or partnership; the nature of ownership interest; and with respect to each such entity: (i) With respect to a governmental unit in which the official seeks or holds any office or position, if the entity has received compensation in any form during the preceding twelve months from the governmental unit, the value of the compensation and the consideration given or performed in exchange for the compensation; (ii) the name of each governmental unit, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from which the entity has received compensation in any form in the amount of *two thousand five hundred dollars or more during the preceding twelve months and the consideration given or performed in exchange for the compensation....”
- 4.3 **WAC 390-24-201** states: For the purposes of filing financial disclosures required by RCW 42.17.241:
- (1) The terms partnership, general partnership, limited partnership, limited liability partnership, and limited liability company as defined in Title 25 RCW will apply.
 - (2) Persons who have a partnership or membership in limited partnerships, limited liability partnerships, limited liability companies, and similar entities including but not limited to professional limited liability companies, shall file a personal financial affairs form (PDC F-1) as required in RCW 42.17.241, and shall also provide the information described in subsection (3) of this section.
 - (3) A person filing a personal financial affairs statement shall report the name

of any limited partnership, limited liability partnership, limited liability company, professional limited liability company, and similar entity in which a partnership or membership is held by the person or member of the person's immediate family, and any title held. The person shall also report the following:

(a) Regarding a governmental unit in which the filer seeks or holds any office or position, if the entity has received compensation during the reporting period from the governmental unit, the value of the compensation and the consideration given or performed in exchange for the compensation; and

(b) The name of each governmental unit, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from which the entity has received compensation in the amount equal to or greater than the amount specified in WAC 390-24-010 and 390-24-020 (the F-1 reporting forms) during the reporting period and the consideration given or performed in exchange for the compensation.

Respectfully submitted this 16th day of September, 2010.


Kurt Young
PDC Compliance Officer

List of Exhibits

- Exhibit 1** 45-day letter filed by Renay Bennett against Grant Degginger.
- Exhibit 2** Grant Degginger request for Reporting Modification, Reporting Modification Application Questionnaire, amended F-1 Supplement filings, and chart of reportable business customers of Lane Powell as listed in Martindale-Hubbell and Chambers.
- Exhibit 3** Grant Degginger response to 45 day citizen action letter

RECEIVED

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8/20/2010

Public Disclosure Commission

Robert McKenna
Washington State Attorney General
PO Box 40100
Olympia, WA 98504-0100

Daniel Satterberg
King County Prosecuting Attorney
516 Third Avenue, W554
Seattle, WA 98104

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OSC
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ATTORNEY GENERAL
WASHINGTON

RE: 45-Day Letter Providing 1st Notice of Intent to Bring Action for Violations of RCW 42.17.241

Dear General McKenna and Prosecuting Attorney Satterberg,

I am writing to provide you with notice of intent to bring action against Bellevue city councilmember Grant Degginger for a violation of RCW 42.17.241. I am giving notice that I intend to bring a citizens' action against him under RCW 42.17.400(4) if you do not commence an action against Councilmember Degginger within the notice periods specified by statute. If you have not filed suit against at the expiration of 45 days from the date of this letter, a second notice of intent to bring action will be sent to you. If you still have not filed suit against after 10 days of receipt of the second notice, I will bring an action in Superior Court.

On June 22, 2010, I submitted the following public records request to the Public Disclosure Commission ("PDC"):

I am requesting the F1 and F1 Supplement Page for Bellevue City Councilmember Grant Degginger. Councilmember Degginger is a partner at the Lane Powell law firm in Seattle. I am seeking information on customer names and purposes of payment for any clients from whom Lane Powell received \$10,000 or more.

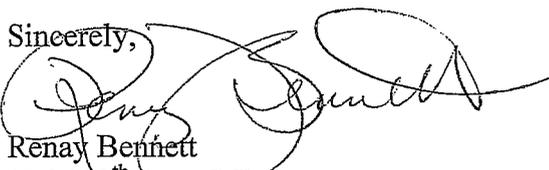
It is my understanding that Councilmember Degginger has not requested a reporting modification prior to the filing of my request.

Sincerely,
Renay Bennett

PDC staffer Jon Ammons responded to my request by sending Councilmember Degginger's archived F1 forms. Not included in Councilmember Degginger's F1 forms is information relating to clients from whom his law firm, Lane Powell, received \$10,000 or more and the purposes of those payments, which are required by RCW 42.17.241(1)(g). To date, I have not received this requested information.

I am attaching the language of RCW 42.17.241, which specifies what information public officials are required to file on their F1 financial disclosure form. I am available to you if you have any questions.

Sincerely,


Renay Bennett
826 108th Ave. S.E.
Bellevue WA 98004

PDC Exhibit # 1
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PDC Exhibit # 1
Page 2 of 3

Public Disclosure Commission

RCW 42.17.241 states:

(1) The statement of financial affairs required by RCW 42.17.240 shall disclose for the reporting individual and each member of his or her immediate family:

(a) Occupation, name of employer, and business address; and

(b) Each bank or savings account or insurance policy in which any such person or persons owned a direct financial interest that exceeded *five thousand dollars at any time during the reporting period; each other item of intangible personal property in which any such person or persons owned a direct financial interest, the value of which exceeded *five hundred dollars during the reporting period; the name, address, and nature of the entity; and the nature and highest value of each such direct financial interest during the reporting period; and

(c) The name and address of each creditor to whom the value of *five hundred dollars or more was owed; the original amount of each debt to each such creditor; the amount of each debt owed to each creditor as of the date of filing; the terms of repayment of each such debt; and the security given, if any, for each such debt: PROVIDED, That debts arising out of a "retail installment transaction" as defined in chapter 63.14 RCW (Retail Installment Sales Act) need not be reported; and

(d) Every public or private office, directorship, and position held as trustee; and

(e) All persons for whom any legislation, rule, rate, or standard has been prepared, promoted, or opposed for current or deferred compensation: PROVIDED, That for the purposes of this subsection, "compensation" does not include payments made to the person reporting by the governmental entity for which such person serves as an elected official or state executive officer or professional staff member for his service in office; the description of such actual or proposed legislation, rules, rates, or standards; and the amount of current or deferred compensation paid or promised to be paid; and

(f) The name and address of each governmental entity, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from whom compensation has been received in any form of a total value of five hundred dollars or more; the value of the compensation; and the consideration given or performed in exchange for the compensation; and

(g) The name of any corporation, partnership, joint venture, association, union, or other entity in which is held any office, directorship, or any general partnership interest, or an ownership interest of ten percent or more; the name or title of that office, directorship, or partnership; the nature of ownership interest; and with respect to each such entity: (i) With respect to a governmental unit in which the official seeks or holds any office or position, if the entity has received compensation in any form during the preceding twelve months from the governmental unit, the value of the compensation and the consideration given or performed in exchange for the compensation; (ii) the name of each governmental unit, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from which the entity has received compensation in any form in the amount of *two thousand five hundred dollars or more during the preceding twelve months and the consideration given or performed in exchange for the compensation: PROVIDED, That the term "compensation" for purposes of this subsection (1)(g)(ii) does not include payment for water and other utility services at rates approved by the Washington state utilities and transportation commission or the legislative authority of the public entity providing the service: PROVIDED, FURTHER, That with respect to any bank or commercial lending institution in which is held any office, directorship, partnership interest, or ownership interest, it shall only be necessary to report either the name, address, and occupation of every director and officer of the bank or commercial lending institution and the average monthly balance of each account held during the preceding twelve months by the bank or commercial lending institution from the governmental entity for which the individual is an official or candidate or professional staff

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Public Disclosure Commission

member, or all interest paid by a borrower on loans from and all interest paid to a depositor by the bank or commercial lending institution if the interest exceeds *six hundred dollars; and

(h) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real property in the state of Washington, the assessed valuation of which exceeds *two thousand five hundred dollars in which any direct financial interest was acquired during the preceding calendar year, and a statement of the amount and nature of the financial interest and of the consideration given in exchange for that interest; and

(i) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real property in the state of Washington, the assessed valuation of which exceeds *two thousand five hundred dollars in which any direct financial interest was divested during the preceding calendar year, and a statement of the amount and nature of the consideration received in exchange for that interest, and the name and address of the person furnishing the consideration; and

(j) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real property in the state of Washington, the assessed valuation of which exceeds *two thousand five hundred dollars in which a direct financial interest was held: PROVIDED, That if a description of the property has been included in a report previously filed, the property may be listed, for purposes of this provision, by reference to the previously filed report; and

(k) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real property in the state of Washington, the assessed valuation of which exceeds *five thousand dollars, in which a corporation, partnership, firm, enterprise, or other entity had a direct financial interest, in which corporation, partnership, firm, or enterprise a ten percent or greater ownership interest was held; and

(l) A list of each occasion, specifying date, donor, and amount, at which food and beverage in excess of fifty dollars was accepted under RCW 42.52.150(5); and

(m) A list of each occasion, specifying date, donor, and amount, at which items specified in RCW 42.52.010(10) (d) and (f) were accepted; and

(n) Such other information as the commission may deem necessary in order to properly carry out the purposes and policies of this chapter, as the commission shall prescribe by rule.

(2) Where an amount is required to be reported under subsection (1)(a) through (m) of this section, it shall be sufficient to comply with the requirement to report whether the amount is less than *one thousand dollars, at least *one thousand dollars but less than *five thousand dollars, at least *five thousand dollars but less than *ten thousand dollars, at least *ten thousand dollars but less than *twenty-five thousand dollars, or *twenty-five thousand dollars or more. An amount of stock may be reported by number of shares instead of by market value. No provision of this subsection may be interpreted to prevent any person from filing more information or more detailed information than required.

(3) Items of value given to an official's or employee's spouse, domestic partner, or family member are attributable to the official or employee, except the item is not attributable if an independent business, family, or social relationship exists between the donor and the spouse, domestic partner, or family member.

September 7, 2010

VIA ELECTRONIC MAIL

Mr. Kurt Young
PDC Compliance Officer
Public Disclosure Commission
711 Capitol Way, Room 206
PO Box 40908
Olympia, WA 98504-0908

Re: Request to Modify Reporting Requirements and Request for Hearing

Dear Mr. Young:

Pursuant to RCW 42.17.370(10) and WAC 390-28-025, I am writing to apply for a retroactive modification of reporting requirements for disclosures in my F-1 Personal Financial Affairs Statement for years 2006-2010. Specifically, I am requesting not to provide the names of non-public entities that paid Lane Powell PC in excess of reportable amounts between 2006 and 2010, other than those entities in which I provided legal services or whose name the firm provided to either Martindale-Hubbell or Chambers.

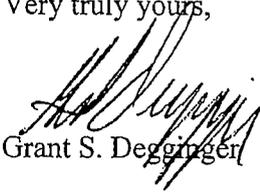
The facts and circumstances supporting this request are set forth in the following documents:

- My letter to you dated September 7, 2010;
- The Personal Financial Affairs Statement Reporting Modification Questionnaire;
- The F-1 and F-1a's for 2006-2010;
- The Supplemental F-1a's for years 2006-2010;
- The list of representative firm clients provided to Martindale-Hubbell and Chambers for year 2006-2010;
- My note of our call on April 14, 2006.

Let me know if you have any questions regarding this request. Please advise me when it will be considered by the Commission.

Thank you in advance for your courtesy and cooperation.

Very truly yours,


Grant S. Degginger

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PDC Exhibit # 2
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September 7, 2010

VIA ELECTRONIC MAIL

Mr. Kurt Young
PDC Compliance Officer
Public Disclosure Commission
711 Capitol Way, Room 206
PO Box 40908
Olympia, WA 98504-0908

Re: Request for Retroactive Modification of Reporting Requirements

Dear Mr. Young:

At your request, I am writing to follow up our conversations on July 27 and August 2 regarding the F-1 reports which I have submitted and to provide the reasons and documentation in support of my request for a retroactive modification to my F-1 reports.

Contacts with Commission Staff

During our conversation on July 27, you informed me that Renay Bennet had requested copies of my F-1 submissions. Apparently, a question was raised about my status as a shareholder at Lane Powell PC and why an F-1 supplemental submission had not been completed for Lane Powell. We discussed that I am a shareholder in Lane Powell PC; and that I would review my 2007 F-1 and F-1 Supplemental submissions.

Following a review of the submissions and my own PDC file, we had a second conversation. The question was whether as a shareholder of Lane Powell, which is organized as an Oregon professional corporation, whose interest is far less than 10 percent, the F-1's instructions required a reporting of business customers and governmental agencies. My records indicated that on April 14, 2006, I called the PDC's office and, as it turns out, discussed this question with you. At that time, I was told that unless I was an officer of the firm or had more than a 10 percent ownership interest, a listing was unnecessary. This was consistent with my own reading of RCW 42.17.241(g) which provides in part:

(g) The name of any corporation, partnership, joint venture, association, union or other entity in which is held any office, directorship, or any general partnership interest, or an ownership interest *of ten percent or more*; the name or title of that office, directorship, or partnership; the nature of the ownership interest; and with respect to each entity....

RCW 42.17.241(g) (emphasis added).

Mr. Kurt Young
September 7, 2010
Page 2

In 2006, my ownership interest in Lane Powell was 1.41%, far below the 10 percent threshold set forth in the statute. My 2006 submission to the Commission was filed in April—prior to the rulemaking that occurred late in the year.

In my 2007 F-1 submission, I clearly disclosed my employment at Lane Powell, and I provided information about my role as a general partner in the Double D Partnership and provided information about my 10 percent interest in PV Leasing LLC. However, because Lane Powell PC is not a limited partnership, limited liability partnership, limited liability company or professional limited liability company, it did not appear that a response was necessary. We discussed that this interpretation was reinforced by the fact that the instructions on the F-1 supplemental page stated the following:

For each corporation, non-profit organization, association, union, partnership, joint venture or other entity in which you, your spouse or dependants are an officer, director, general partner, trustee, or 10 percent or more owner—provide the following information: . . .

Again the instruction indicated a 10 percent ownership threshold for reporting for entities which did not include professional corporations. Thus, based upon the answers I received during my call in April 2006 and the instructions on the form, it did not appear that a listing was required.

During our conversation on August 2, 2010, you indicated that in late 2006, the PDC reviewed this subject, issued a new rule, WAC 390-24-201, subsequently provided new guidance and later made a slight change in question 5A of the F-1 form. The language now reads:

At any time during the reporting period were you, your spouse or dependents (1) an officer, director, general partner or trustee of any corporation, company, union, association, joint venture or any other entity or (2) a partner or member of any limited partnership, limited liability partnership, limited liability company or similar entity included but not limited to a professional limited liability company? If yes complete Supplement, Part A.

During our recent conversation, you indicated that the addition of the “or similar entity” language was intended to pick up entities like professional corporations, although you acknowledged that the F-1 supplemental page instructions were not changed and did create ambiguity. You indicated that the F-1 form was not changed until mid-2008, thus it appears the forms used in 2006-2008 did not reflect the Commission’s changed rule. It bears noting that no change has been made in the 10 percent threshold set forth in RCW 42.17.241(g).

Retroactive Modification Request

It always has been my intention to comply with the provisions of the Public Disclosure Act. Having reviewed the guidelines that the Commission has prepared for attorneys and professionals, I am requesting a retroactive modification to the reporting requirements that would result in the submission of supplemental F-1a's for years 2006-2010 in a form consistent with the PDC's Interpretation No. 02-03 for modification of requirements for lawyers and law firms. Together, the supplemental F-1a's will provide (1) the names of reportable business clients for whom I have done legal work; (2) all reportable governmental clients of the firm; (3) reportable business clients for the firm provided to Martindale Hubbell and Chambers and (4) other reportable clients. Copies of the supplemental F-1a's and the list of clients are enclosed.

Approval of this request is appropriate for the following reasons:

1. I previously made a good faith inquiry to the Commission for the purpose of determining whether further disclosure was necessary. I relied in good faith on an appropriate interpretation of the statute and the advice provided by Commission staff.
2. The instructions on the F-1 supplement form did not match the Commission's November 2006 rulemaking for several years.
3. I was not involved in the day-to-day management of the firm and my ownership share in the firm has remained in the 1.5 percent range, far below the 10 percent threshold that the statute deems material.
4. The substantial information publicly available about the firm and my practice, along with the supplemental reports submitted with this request provide a great deal of information about the firm, my practice and the clients I have directly served.
5. It is not surprising that a firm the size of Lane Powell has thousands of clients and open matters, the vast majority of which I have no personal knowledge, involvement or reasonable expectation that they will come before me in my capacity as a city council member. In the answers to the modification questionnaire, I have detailed the number of clients and matters that potentially would require review and possible disclosure if this request is denied. Requiring disclosure of all such reportable matters will be administratively taxing, time consuming, unfair to many clients with no reasonable expectation of such disclosures and, most importantly, will not advance any legitimate public interest.
6. Granting this request is consistent with the principles and procedures set out in PDC Interpretation 02-03.

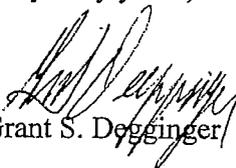
Mr. Kurt Young
September 7, 2010
Page 4

I have enclosed the following documents and ask that they be part of this submission:

- A Report Modification Application questionnaire, requesting a retroactive modification for the reportable business customers of Lane Powell for 2006, 2007, 2008 and 2009, consistent with PDC Interpretation No. 02-03 for filers who are attorneys;
- F-1 and F-1a's filed in 2006-10; and
- F-1 Supplements covering Lane Powell for years 2007, 2008, 2009 and 2010 prepared consistent with PDC Interpretation No. 02-03.

Once you have reviewed this letter and the enclosed information, do not hesitate to contact me with any questions.

Very truly yours,



Grant S. Dogginger

GSD:mgr
Enclosures
999999.0040/1890524.1

Application Questionnaire

Filer Name: **Grant Degginger**

Office Held or Sought: **Councilmember, City of Bellevue**

Date of Request: **08/30/10**

Period Covered by Request: **January 1, 2006-December 31, 2009**

Please answer questions # 1 - # 8 below.

- However, if you are seeking only nondisclosure of a residential address, answer # 1, # 4, # 6 and # 8.
- However, if you are seeking only nondisclosure of information related to your spouse based upon a recent or pending divorce or separation or because it relates to a bona fide separate property agreement or other bona fide separate status, answer # 1, # 4, # 7 and # 8. A request for nondisclosure may be considered when such financial interest does not constitute a present or prospective source of income for you.

1. **Describe the general nature of the information you do not wish to disclose (examples: financial interests where reporting the name would likely adversely affect the competitive position of an entity, customer lists of a business entity or sources of compensation/income for the entity, confidential relationships, information subject to bona fide separate property agreements, personal residential address, other).**

The name of each non-public entity that Lane Powell PC received payment for legal services in excess of reportable amounts in 2006, 2007, 2008 and 2009.

2. **Describe in detail the manifestly unreasonable hardship in disclosing the information.** Please describe in detail the reasons why you believe disclosing the information would be a hardship. The reasons stated should address the issues such as those listed below. Please address those topics below that are relevant to your specific request. For example, if you are seeking nondisclosure related to an entity, for each entity, please:
 - Provide the name and description of the entity, business, union, association, not-for-profit, charitable organization, or other entity for which you are seeking a modification request from reporting the entity's disclosable customers/sources of compensation/income.

Lane Powell PC is one of the largest law firms in the Pacific Northwest, with offices in three states.

- Describe the size of the entity such as annual sales, number of customers or accounts, the number of employees, and other pertinent information.

The firm has over 160 attorneys, including over 100 in its Washington offices. The firm currently has over 3,500 clients and 7,000 active matters. The firm adds about 1,000 clients and 3,000 new matters annually.

- Describe how many business customers or other sources paying the entity more than \$10,000 would be subject to disclosure.

In 2009, there were over 800 clients who paid fees over \$10,000 and over 1,300 matters with fees exceeding \$10,000. Numbers likely were similar in previous years.

- Describe if you have access to information about the entity's customer base or sources of compensation/income.

I can obtain access to the names of clients and can obtain information on payments received for legal services.

- Describe if you are involved with the day-to-day operations of the entity.

Although I am a shareholder, I am neither an officer nor a member of the firm's board of directors. I do not direct day-to-day operations of the firm.

- Describe if any of the entity's customers or sources of compensation/income are already listed in other public sources or publications including advertisements, or public records.

Representative client names are provided to Martindale-Hubbell and listed in Chambers.

- Describe if any of the entity's customers or sources of compensation/income are already listed on a website.

The firm currently does not maintain a list of client names on its website; however, some representative matters are generally described.

- If the entity has a website address, list it here: www.lanepowell.com
- If the entity's customers or sources of compensation/income are described elsewhere on the Internet, describe why you are seeking a modification (nondisclosure) for those customers or sources of compensation/income:

While some representative clients are identified to the industry sources described above, the firm does not exhaustively list names of clients and/or sources of compensation elsewhere.

[Note: along with other information provided in the Application Questionnaire, Internet information regarding entities/sources of compensation/income may be reviewed by PDC staff and/or the Commission as part of the modification process.]

- Describe if the entity has the ability to sort its customer list or sources of compensation/income to identify those paying the entity more than \$10,000 during the reporting period.

While it is possible to prepare such a report, doing so consumes significant resources. There are, however, challenges in making distinctions between business and personal matters.

- Describe if you disclosed all of the governmental customers or governmental sources of compensation/income that paid the entity more than \$10,000 in the reporting period.

Governmental customers will be listed in the accompanying F-1 Supplements.

- Indicate whether you have an ownership interest of 10% or more in the entity.

No.

- Indicate whether your spouse's interest in an entity requires you to complete an F-1 Supplement for that entity.

N/A

- Describe other relevant information you believe the Commission should consider as to why it would be a manifestly unreasonable hardship if the information was required to be disclosed.

Few if any of the entities who are not listed in the F-1 Supplements or the enclosed list are subject to the regulatory authority of the City of Bellevue. I will have neither personal knowledge nor will I have worked on the vast majority of the matters. Given the low risk of potential or actual conflicts, the fact that my ownership interest (1.5 percent) is quite low when compared to the 10 percent threshold set forth in RCW 42.17.370(10) and WAC 390-28-100, consideration must be given to the hardships that would be presented by requiring an even more exhaustive listing. Assembling annually a list of all clients for whom the firm has received more than the threshold amount in fees, in addition to being time consuming, would raise competitive concerns among some colleagues and clients. Segregating individual matters from corporate or partnership matters is difficult because matters are not coded into the data system in a manner which necessarily coincides with the delineations made in the statutes and rules. A reasonable alternative would be to provide a list of representative clients whose names have been provided to and/or published by the organizations listed above. The list includes many of the firm's significant clients. In addition, pursuant to PDC Interpretation No. 02-03, I will provide the names of the reportable business clients for whom I have done work, other reportable business clients and governmental clients.

3. Describe how allowing you to not disclose the information described in your modification request does not frustrate the purposes of the Public Disclosure Act. Please describe in detail the reasons why you believe allowing you an exemption does not conflict with the purposes of the Act.

Disclosures consistent with PDC Interpretation No. 02-03 will provide information regarding significant matters in my practice and the firm as a whole while not becoming unduly burdensome or intrusive to firm clients. Disclosure and recusal procedures are available in a circumstance that a heretofore unidentified business client might have a matter that comes before the Council for decision.

4. Describe your duties as an elected or appointed official. Please describe the jurisdiction or agency for which you hold public office, and the duties performed by you as a public official (examples: adopting rules or ordinances, hiring staff, approving contracts, setting policy, etc.). Please provide as much description as possible.

As a councilmember, I am one of seven elected city wide. The City operates under a council-manager form of government. The Council's duties are to hire the city manager, adopt ordinances, set legislative policies and adopt the budget. The Council approves contracts in

excess of \$50,000 but does not negotiate terms or select vendors. The only person hired by the Council is the city manager. The Council adopts the comprehensive plan and zoning regulations. It has limited involvement in land use appeals. Under the council-manager form of government, the Council selects one of its own to serve as mayor for a two-year period. The mayor chairs the council meetings and performs other ceremonial duties. During some of the period covered by this request, I also served as mayor.

5. If you are seeking a modification related to a particular entity's reportable customers or sources of compensation/income for an entity, describe:

- In detail the position you hold in the entity (examples: owner, board member, officer, partner, etc.) and the duties performed by you for that entity, if any (examples: setting policy, hiring, approving contracts, approving budgets, etc.). Please provide as much description as possible.

I am a shareholder in the firm. I chair one of the firm's practice groups; however, I am neither an officer nor do I serve on the board of directors. Thus, I am not directly involved in setting the firm's budget or entering into contracts on behalf of the firm.

- If you (or if you are seeking office, will you) make any decisions as a public official that may benefit the customers of the entity for which you are seeking a modification, or sources of compensation/income for the entity for which you are seeking a modification?

I do not believe so. In the event that issues arise where such a situation is possible, my practice has been to confer with the city attorney about whether circumstances warrant recusal.

- 6. Are you requesting to be exempted from disclosing the address of your personal residence in the Real Estate Section of the F-1? In this situation, you or your spouse may be a law enforcement officer, prosecutor, judge, or other official, and the disclosure of the address of your primary residence on the F-1 form could cause you or your family harm, based upon tangible evidence or a specific threat. If so, please explain in detail the manifestly unreasonable hardship if disclosure were required, and why the purposes of the act would not be frustrated if disclosure of the address was not required. If nondisclosure is based upon an anti-harassment or similar court order, please state.**

No.

- 7. Are you requesting to be exempted from disclosing information related to your spouse based on a pending or recent divorce or separation, or bona fide separate property agreement or other bona fide separate status? In this situation, the filer has little or no knowledge of spouse's or former spouse's income, assets, liabilities or relationship to outside entities for which reporting may be required. The filer does not have access to spouse's or former spouse's financial information. The financial interest of the spouse or former spouse does not constitute a present or prospective source of income for the filer. If this is your situation, please describe.**

N/A

8. **Is there any other information you want the Commission to consider regarding your modification request?** (If you are attaching any information or documents, please describe attachments.)

The following documents are submitted with this application:

- Supplemental F-1's (2006, 2007, 2008, 2009, 2010)
 - List of Representative Clients provided to Martindale-Hubbell and Chambers
 - Names of Reportable Business Clients Pursuant to PDC Interpretation 02-03 (included in supplemental F-1's)
 - Letters to Kurt Young (2)
 - Telephone conversation note dated 04/14/06
- **IF YOU WILL NOT BE ATTENDING THE HEARING IN PERSON OR BY PHONE TO ATTEST THE ABOVE INFORMATION AND RESPOND TO COMMISSION QUESTIONS, YOU MUST ALSO COMPLETE AND SIGN THE ATTACHED CERTIFICATION PRIOR TO SUBMISSION.**

Information Continued

F-1 Supplement

Name Grant S. Degginger		(supplementing 04/14/07 submission)		
ENTITY NO. 3		Reporting For: Self <input checked="" type="checkbox"/> Spouse <input type="checkbox"/> Dependent <input type="checkbox"/>		
LEGAL NAME: Lane Powell PC	POSITION OR PERCENT OF OWNERSHIP			
TRADE OR OPERATING NAME: Lane Powell	Shareholder - 1.41%			
ADDRESS: 1420 Fifth Avenue Suite 4100 Seattle, WA 98101				
BRIEF DESCRIPTION OF THE BUSINESS/ORGANIZATION: Law firm				
PAYMENTS ENTITY RECEIVED FROM GOVERNMENTAL UNIT IN WHICH YOU SEEK/HOLD OFFICE: Purpose of payments		Amount (actual dollars)		
None		\$		
PAYMENTS ENTITY RECEIVED FROM BUSINESS CUSTOMERS AND OTHER GOVERNMENT AGENCIES OF \$10,000 OR MORE: Customer name:		Purpose of payment (amount not required)		
Business Customers				
BioPort Corporation			Legal Fees	
Chevron Corporation			Legal Fees	
ConocoPhillips			Legal Fees	
Degginger McIntosh & Associates			Legal Fees	
Evergreen 36 Associates			Legal Fees	
Fred Hutchinson Cancer Research Center			Legal Fees	
J. Lott Development			Legal Fees	
Natus, Inc.			Legal Fees	
Ruffcorn Mott Hinthorne Stine Architects LLC			Legal Fees	
Swedish Health Services			Legal Fees	
The Stanley Medical Research Institute			Legal Fees	
Government Agencies (work I performed)				
Renton School District #403			Legal Fees	
Government Agencies (work performed by others)				
King County Department of Health			Legal Fees	
King County Road Services Division			Legal Fees	
City of Federal Way			Legal Fees	
Seattle Housing Authority			Legal Fees	
Sound Transit			Legal Fees	
Thurston County, Washington			Legal Fees	
Washington State Dept. of Retirement Systems			Legal Fees	
WASHINGTON REAL ESTATE IN WHICH ENTITY HELD A DIRECT FINANCIAL INTEREST (Complete only if ownership in the ENTITY is 10% or more and assessed value of property is over \$15,000. List street address, assessor parcel number, or legal description and county for each parcel): None				
LOBBYING: (Continued)				
Person to Whom Services Rendered		Description of Legislation, Rules, Etc.	Compensation (Use Code)	
C FOOD TRAVEL SEMINARS (continued)				
Date Received	Donor's Name, City and State	Brief Description	Actual Dollar Amount \$	Value (Use Code)

Information Continued

F-1 Supplement

Name **Grant S. Degginger** (supplementing 04/14/08 submission)

ENTITY NO. 3 Reporting For: Self Spouse Dependent

LEGAL NAME: **Lane Powell PC** POSITION OR PERCENT OF OWNERSHIP
 TRADE OR OPERATING NAME: **Lane Powell** Shareholder – 1.5%

ADDRESS: **1420 Fifth Avenue Suite 4100
 Seattle, WA 98101**

BRIEF DESCRIPTION OF THE BUSINESS/ORGANIZATION:
 Law firm

PAYMENTS ENTITY RECEIVED FROM GOVERNMENTAL UNIT IN WHICH YOU SEEK/HOLD OFFICE:
 Purpose of payments Amount (actual dollars)
 None \$

PAYMENTS ENTITY RECEIVED FROM BUSINESS CUSTOMERS AND OTHER GOVERNMENT AGENCIES OF \$10,000 OR MORE:
 Customer name: Purpose of payment (amount not required)

Business Customers
Chevron Corporation Legal Fees
ConocoPhillips Legal Fees
Degginger McIntosh & Associates Legal Fees
Gaylord Grainger Libby O'Brien Legal Fees
J. Lott Development Legal Fees
Ruffcorn Mott Hinthorne Stine Architects LLC Legal Fees
Swedish Health Services Legal Fees
The Stanley Medical Research Institute Legal Fees
VeriClaim, Inc. Legal Fees

Government Agencies (work performed by others)
City of Federal Way Legal Fees
King County Roads Services Division Legal Fees
Port of St. Helens Legal Fees
Seattle Housing Authority Legal Fees
Sound Transit Legal Fees
Thurston County, Washington Legal Fees

WASHINGTON REAL ESTATE IN WHICH ENTITY HELD A DIRECT FINANCIAL INTEREST (Complete only if ownership in the ENTITY is 10% or more and assessed value of property is over \$15,000. List street address, assessor parcel number, or legal description and county for each parcel):
 None

LOBBYING: (Continued)

Person to Whom Services Rendered	Description of Legislation, Rules, Etc.	Compensation (Use Code)
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C FOOD TRAVEL SEMINARS (continued)

Date Received	Donor's Name, City and State	Brief Description	Actual Dollar Amount	Value (Use Code)
			\$	

Information Continued

F-1 Supplement

Name **Grant S. Degginger** (supplementing 04/13/09 submission)

ENTITY NO. 3
 LEGAL NAME: **Lane Powell PC**
 TRADE OR OPERATING NAME: **Lane Powell**
 ADDRESS: **1420 Fifth Avenue, Suite 4100
 Seattle, WA 98101**

Reporting For: Self Spouse
 Registered Domestic Partner Dependent
 POSITION OR PERCENT OF OWNERSHIP
Shareholder - 1.46%

BRIEF DESCRIPTION OF THE BUSINESS/ORGANIZATION:
Law firm

PAYMENTS ENTITY RECEIVED FROM GOVERNMENTAL UNIT IN WHICH YOU SEEK/HOLD OFFICE:
 Purpose of payments Amount (actual dollars)
 \$

PAYMENTS ENTITY RECEIVED FROM OTHER GOVERNMENT AGENCIES OF \$10,000 OR MORE:
 Agency name: Purpose of payment (amount not required)
 (Work performed by others)
City of Federal Way Legal Fees
City of Tacoma Legal Fees
King County Roads Services Division Legal Fees
Port of St. Helens Legal Fees
Port of Tacoma Legal Fees
Seattle Housing Authority Legal Fees
Sound Transit Legal Fees
Stillaguamish Tribe Legal Fees

PAYMENTS ENTITY RECEIVED FROM BUSINESS CUSTOMERS OF \$10,000 OR MORE
 Customer name: Purpose of payment (amount not required)
Blockbuster Inc. Legal Fees
ConocoPhillips Legal Fees
Degginger McIntosh & Associates Legal Fees
Gaylord Grainger Libby O'Brien Legal Fees
J. Lott Development Legal Fees
Natus, Inc. Legal Fees
Ruffcorn Mott Hinthorne Stine Architects LLC Legal Fees
Swedish Health Services Legal Fees
The Stanley Medical Research Institute Legal Fees
VeriClaim, Inc. Legal Fees

WASHINGTON REAL ESTATE IN WHICH ENTITY HELD A DIRECT FINANCIAL INTEREST (Complete only if ownership in the ENTITY is 10% or more and assessed value of property is over \$20,000. List street address, assessor parcel number, or legal description and county for each parcel):

B LOBBYING: (Continued)

Person to Whom Services Rendered	Description of Legislation, Rules, Etc.	Compensation (Use Code)
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C FOOD TRAVEL SEMINARS (continued)

Date Received	Donor's Name, City and State	Brief Description	Actual Dollar Amount	Value (Use Code)
			\$	

Information Continued

F-1 Supplement

Name
Grant S. Degginger (supplementing 04/13/10 submission)

ENTITY NO. 3 Reporting For: Self Spouse
 Registered Domestic Partner Dependent

LEGAL NAME: **Lane Powell PC** POSITION OR PERCENT OF OWNERSHIP
Shareholder – 1.56%

TRADE OR OPERATING NAME: **Lane Powell**

ADDRESS: **1420 Fifth Avenue, Suite 4100
Seattle, WA 98101**

BRIEF DESCRIPTION OF THE BUSINESS/ORGANIZATION:
Law firm

PAYMENTS ENTITY RECEIVED FROM GOVERNMENTAL UNIT IN WHICH YOU SEEK/HOLD OFFICE:
 Purpose of payments Amount (actual dollars)
 \$

PAYMENTS ENTITY RECEIVED FROM OTHER GOVERNMENT AGENCIES OF \$10,000 OR MORE:
 Agency name: Purpose of payment (amount not required)
 (Work performed by others)
Stillaguamish Tribe Legal Fees
Port of Tacoma Legal Fees
City of Ocean Shores Legal Fees
King County Roads Services Division Legal Fees
Sound Transit Legal Fees

PAYMENTS ENTITY RECEIVED FROM BUSINESS CUSTOMERS OF \$10,000 OR MORE:
 Customer name: Purpose of payment (amount not required)
ConocoPhillips Legal Fees
J. Lott Development Legal Fees
Swedish Health Services Legal Fees
The Stanley Medical Research Institute Legal Fees
SmartReply, Inc. Legal Fees
Utica Mutual Insurance Company Legal Fees

WASHINGTON REAL ESTATE IN WHICH ENTITY HELD A DIRECT FINANCIAL INTEREST (Complete only if ownership in the ENTITY is 10% or more and assessed value of property is over \$20,000. List street address, assessor parcel number, or legal description and county for each parcel):

B LOBBYING: (Continued)

Person to Whom Services Rendered	Description of Legislation, Rules, Etc.	Compensation (Use Code)

C FOOD TRAVEL SEMINARS (continued)

Date Received	Donor's Name, City and State	Brief Description	Actual Dollar Amount	Value (Use Code)
			\$	

Lane Powell - Representative Client Names

	Martindale-Hubbell 2006-2009	Chambers 06	Chambers 07	Chambers 08	Chambers 09
Alaska Distributors, Inc.					X
American International Companies	X			X	X
Advanced H2O;	X				
Aramark Corporation	X	X	X	X	X
AT&T Corporation	X	X	X	X	X
Bank of America					
Bridgestone/Firestone, Inc.;	X				
Callison Architecture, Inc.	X	X	X	X	X
Chevron Corporation	X	X	X	X	X
CNF, Inc.;	X	X			
Coffman Engineers, Inc.	X	X	X	X	X
Con-Agra, Inc.,	X	X			
CONOCO/Phillips;	X				
Corbis Corporation;	X				
Countrywide Home Loans				X	X
Cutter & Buck, Inc.	X	X	X	X	X
Distant Lands Coffee					
EQ Enterprises LLC,	X	X	X	X	
ERA Aviation,	X	X	X		
Eagle River		X	X		
Essential Baking Company,	X				
Extencicare Health Services	X				X
Exxon Mobile Corporation	X	X	X	X	X
The Fishing Company of Alaska;	X	X			
Fred Hutchinson Cancer Research Center	X	X	X	X	X
Frito-Lay, Inc.	X	X	X	X	X
General Electric Capital Corporation	X	X	X	X	X
Georgia-Pacific Corporation	X	X	X	X	X
Home Depot U.S.A. Inc.	X	X	X	X	X
IBP, Inc.		X			
Iberdrola Renewables					X
ImageX, Inc.		X	X		
Intel Corporation;	X				
Intelius, Inc.;	X				
Java Trading;	X			X	X

Lane Powell - Representative Client Names

	Martindale-Hubbell 2006-2009	Chambers 06	Chambers 07	Chambers 08	Chambers 09
Kennedy Associates Real Estate Counsel;	X				
Key Bank	X	X	X	X	X
Les Schwab Tire Centers	X	X	X	X	X
Longs Drugs;	X				
Masins Furniture;	X				
Medzilla, Inc.;	X				
The MONY Group, Inc.	X	X	X	X	X
Morgan Stanley Dean Whitter and Co.	X	X	X	X	X
Monsanto Company;	X	X			
Mowat Construction Company	X	X	X	X	X
Nike, Inc.;	X	X	X	X	
Nordstrom, Inc.	X	X	X	X	X
Norm Thomson Outfitters, Inc.	X	X	X	X	X
Northwest Biotherapeutics, Inc.	X	X	X	X	X
Novartis Consumer Health, Inc.;	X				
Onlineshoes.com;	X				
Oregon Public Employees Retirement Fund	X	X	X	X	X
Oremet-AALVAC		X	X	X	X
Pendelton Woolen Mills				X	X
Play Network, Inc.;	X				
Premera Blue Cross		X	X	X	X
Quinton, Inc.;	X	X			
Shell Oil;	X	X	X		
Simpson Investment Company	X	X	X	X	X
Sound Transit	X	X	X	X	X
Starbucks Coffee Company					
Stryker Corporation					X
Sunwest Management				X	X
T-Mobile;	X	X			
The Prudential Insurance Company of America	X			X	X
Tokai Carbon Co., Ltd.	X	X	X	X	X
TransAlta Corporation	X	X	X	X	X
Triad Hospitals, Inc.;	X	X	X		
Tri-County Metropolitan Transportation District of	X	X	X	X	X

Lane Powell - Representative Client Names

	Martindale-Hubbell 2006-2009	Chambers 06	Chambers 07	Chambers 08	Chambers 09
Underwriters at Lloyd's	X	X	X	X	X
Union Pacific Railroad Corporation	X	X	X	X	X
Verisign, Inc.;	X	X	X		
Wah Chang;	X				
Wal-Mart Stores, Inc.	X	X	X	X	X
Washington Mutual Bank, N.A.;	X			X	
Wells Fargo Bank, N.A.	X	X	X	X	X
Weyerhaeuser Company	X	X	X	X	X
White Consolidated Industries, Inc.	X	X			

Received by
Email 9/13/10

September 10, 2010

VIA ELECTRONIC MAIL

Mr. Philip E. Stutzman
Director of Compliance
Public Disclosure Commission
711 Capitol Way Rm 206
PO Box 40908
Olympia, WA 98504-0908

Re: 45-Day Citizen Action Letter Filed by Renay Bennett
PDC Case No. 11-017

Dear Mr. Stutzman:

I am writing in response to your September 3, 2010, letter in which you enclosed a 45-day Citizen Action Letter received by the Attorney General's Office on August 24, 2010 from Renay Bennett.

As you know, Kurt Young of the PDC staff contacted me on July 27, 2010 regarding Ms. Bennett's inquiry. Following our initial conversation, Mr. Young forwarded to me the documents that were produced pursuant to Ms. Bennett's inquiry. Also, he provided me a copy of the report modification application to complete as well as the PDC Interpretation No. 02-03.

After I had an opportunity to review my records, Mr. Young and I spoke again on August 2. We discussed a call I made to the PDC in April, 2006, at which time, I spoke with him regarding whether disclosure regarding Lane Powell was appropriate. At that time, I was told that listing my shareholder interest in the firm was not required because (1) Lane Powell was organized as an Oregon professional corporation, not a partnership, or other entity listed in RCW 42.17.241(g); (2) that I was neither an officer nor director of the entity; and (3) my shareholder interest was less than 10%. We discussed the rulemaking which occurred in November, 2006, and the fact that the F-1 form instructions were not changed until later in 2008. Finally, we discussed the modification procedure and my desire to provide any appropriate supplementation and complete a modification request. Because acquisition of the information necessary for the supplemental forms required assimilation of data from the firm in a manner not regularly maintained, I indicated that it would take a few weeks to provide the submittal. Mr. Young was comfortable with that timetable in light of the fact that the Commission would not be meeting until late September.

As I was finalizing this submission, I called Mr. Young with a question and ended up speaking with both Mr. Young and you at which time you informed me that the Commission had received the 45-day notice letter from Ms. Bennett. At that time, the Commission staff clearly was aware

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that I was completing my response to Mr. Young's inquiry and preparing the modification request. My letter to Mr. Young and my complete modification request was forwarded to Mr. Young on September 8. I ask that it be considered as an attachment to this letter. If you would like the entire package resubmitted, I can e-mail it again.

To the extent that Ms. Bennett's letter is premised upon an assumption that I have not submitted a request for a reporting modification, that assumption clearly is inaccurate.

My letter to Mr. Young describes the communication I had with PDC staff in April 2006 regarding interpretation of RCW 42.17.241(g), the statute cited in Ms. Bennett's letter. That section requires disclosure of the name of any corporation, partnership, joint venture, association, union or other entity in which is held any office, directorship or any partnership interests, or an ownership interest of *ten percent or more* . . .

As detailed in my letter to Mr. Young and in the materials submitted in support of the modification request, I was neither an officer nor a director of the firm. At no time have I held an ownership interest in Lane Powell approaching ten percent.¹ Based on my review of the statute and my 2006 communication with PDC staff, it did not appear that further disclosure was required. At that time, instructions on the F-1 supplemental page stated:

For each corporation, non-profit organization, association, union, partnership, joint venture or other entity in which you or your spouse or dependants are an officer, director, general partner, trustee, or 10 percent or more owner—provide the following information: . . .

Again, the instruction indicated a 10 percent ownership threshold for reporting for entities which did not include professional corporations. Thus, based on the answers I received during my call in April 2006 and the instructions on the form, it did not appear that a listing was required. It bears noting that my status as an attorney at Lane Powell was listed on the first page of the 2007 F-1. It is my understanding from the PDC staff that there was a time lag in changing the instructions in the F-1 form and the F-1 supplemental page. Also, it bears noting that the legislature has made no change in the 10 percent threshold set forth in RCW 42.17.241(g).

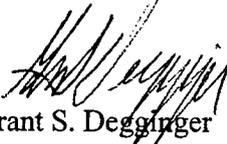
The letter to Mr. Young, the answers to the modification questionnaire, the supplemental F-1a's for 2006-2010 and the list of representative clients demonstrate my intent to provide further

¹ My ownership interest remained in the 1.5 percent range during the relevant period.

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information consistent with guidance from the PDC staff. Should you have any additional questions, please feel free to contact me at any time.

Very truly yours,



Grant S. Degginger

GSD:mgr
cc: Kurt Young
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