

June 20, 2018

Public Disclosure Commission
711 Capitol Way S. #206
P.O. Box 40908
Olympia, WA 98504

Public Disclosure Commission Staff,

I would like to bring to your attention apparent violations of the Fair Campaign Practices Act (FCPA), Chapter 42.17A RCW by the Kent School District.

In brief, the Kent School District is violating RCW 42.17A.555 and RCW 41.06.250(1) by using public facilities to process employee contributions to the Washington Education Association's Political Action Committee (WEA-PAC) and the National Education Association Fund for Children and Public Education (NEA-FCPE).

Factual background

WEA-PAC is a political committee, as defined by RCW 42.17A.005(37), affiliated with and operated by the Washington Education Association (WEA), a labor union representing employees in Washington's public education system. WEA-PAC is registered as a political committee with the Public Disclosure Commission (PDC) and regularly files reports of its contributions and expenditures. *See Appendix page 2-8*, a copy of WEA-PAC's most recent C1PC form.

WEA-PAC is primarily funded by voluntary contributions made by members of the WEA and accepts contributions made via cash, check, credit card, bank withdrawal, or payroll deduction.

The website for the WEA's Soundview UniServ Council states that WEA-PAC,

“...supports candidates (school board, senators, state representatives, governor and more), regardless of party, who champion the needs of public education... WEAPAC collects voluntary contributions and uses those funds for political purposes including, but not limited to, making contributions to and expenditures on behalf of pro-public education candidates in the state of Washington.”

See App. 9, a copy of Soundview UniServ's website.¹

The NEA-FCPE is a federal political committee registered with the Federal Elections

¹ Also available online at: <http://mysoundview.org/index.php/dues/weapac>

Commission and operated by the WEA's parent organization, the National Education Association (NEA). *See App. 10-15*, a copy of NEA-FCPE's statement of organization filed with the Federal Elections Commission.

Like WEA-PAC, NEA-FCPE is primarily funded by voluntary contributions made by members of the NEA and accepts contributions made via cash, check, credit card, bank withdrawal, or payroll deduction.

The NEA-FCPE's website states,

“As the NEA's national PAC, the NEA Fund provides direct financial support to recommended candidates for President, the U.S. House, and the U.S. Senate who will fight to support teachers, staff, and students and improve public education.

The NEA Fund also supports pro-public education candidates in gubernatorial and other important state races as well as making independent expenditures asking people to vote for or against candidates based on their position on public education.”

See App. 16, a copy of NEA-FCPE's website.²

If an employee submits a WEA-generated authorization form, the Kent School District will withhold \$2.25 per month from the employee's pay for WEA-PAC and/or \$1 per month for NEA-FCPE. The Kent School District then forwards the deducted funds to WEA-PAC and NEA-FCPE. *See App. 17-18*, a summary of contributions to WEA-PAC by employees of the Kent School District in 2017.

Relevant statutes

Initially passed by voters as Initiative 207 in 1960, RCW 41.06.250(1) provides, in part, that,

“No person shall solicit on state property or property of a political subdivision of this state any contribution to be used for partisan, political purposes.”

Similarly, voters passed Initiative 276 in 1972 in part establishing what is now the FCPA, which included a prohibition on the use of public dollars or resources for political activity. RCW 42.17A.555 provides:

“No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency,

² Also available online at: <https://www.neafund.org/Home/About>

and clientele lists of persons served by the office or agency. However, this does not apply to the following activities:

- (1) Action taken at an open public meeting by members of an elected legislative body or by an elected board, council, or commission of a special purpose district including, but not limited to, fire districts, public hospital districts, library districts, park districts, port districts, public utility districts, school districts, sewer districts, and water districts, to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;
- (2) A statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry;
- (3) Activities which are part of the normal and regular conduct of the office or agency...”

RCW 42.17A.555 prohibits school districts from using public facilities to make political contributions via payroll deduction

By facilitating employee contributions to WEA-PAC and NEA-FCPE, the Kent School District is violating the prohibition in RCW 42.17A.555 against using public facilities for political purposes. To process the political contributions to WEA-PAC/NEA-FCPE, district employees set up and use district machines and equipment for payroll systems during work hours, directly and indirectly assisting campaigns and ballot propositions.

The exceptions to the general prohibition against using public facilities for political purposes in subsections (1) and (2) of RCW 42.17A.555 clearly do not encompass school districts’ use of public payroll systems to facilitate WEA-PAC/NEA-FCPE contributions.

As for the exemption in subsection (3), WAC 390-05-273 defines “normal and regular conduct of a public office or agency” as:

“...conduct which is (1) lawful, i.e., *specifically authorized*, either expressly or by necessary implication, in an appropriate enactment, and (2) usual, i.e., not effected or authorized in or by some extraordinary means or manner. No local office or agency may authorize a use of public facilities for the purpose of assisting a candidate’s campaign or promoting or opposing a ballot proposition, in the absence of a constitutional, charter, or statutory provision separately authorizing such use.” (Emphasis added)

However, no “constitutional, charter, or statutory provision” authorizes the use of school district facilities for the purpose of facilitating WEA-PAC/NEA-FCPE contributions.

In some cases, the state Legislature has seen fit to authorize certain public employees to make political contributions via payroll deduction.

For instance, RCW 35.58.268 specifically allows public transportation employees to make

political contributions via payroll deduction, providing that:

“Any public official authorized to disburse funds in payment of salaries and wages of public transportation employees may, upon written request of the employee, deduct from the salary or wages of the employee, contributions for payment of voluntary deductions for political action committees sponsored by labor or employee organizations with public transportation employees as members.”

However, the Legislature has *not* authorized other kinds of public employees to contribute to political committees via payroll deductions.

Like many other local governments, school districts have not been authorized by the Legislature to collect funds for political committees.

While RCW 41.56.110 and RCW 41.59.060 require school districts to deduct union dues and/or fees via payroll deduction, the statutes make no mention of contributions to political committees. Under certain circumstances, RCW 41.04.020 permits public employees to “authorize the deduction from his or her salaries or wages” payments to providers of medical care, life or disability insurance, or certain retirement accounts, but does not authorize contributions to political committees. RCW 41.04.230(6) allows “officials of the state” to, provided certain conditions are met, collect voluntary contributions to “funds, committees, or subsidiary organizations maintained by labor, employee, or retiree organizations” via payroll deduction from state employees falling “under the provisions of chapter 41.80 RCW.” The statute does not specifically authorize payroll deductions for political committees and, regardless, its reach is clearly limited to state officials and employees and does not extend to political subdivisions like school districts.

PDC guidelines confirm the broad prohibition against using public facilities for political activity

To assist in understanding state law, the PDC has prepared a set of guidelines for school districts to use in evaluating what types of political activity are and are not legally permissible.

Among other things, the PDC’s interpretation notes:

- Under “teachers or other employees”: “Shall not use work hours or public resources to promote or oppose a candidate or ballot measure (such as gathering signatures, distributing campaign materials, arranging speaking engagements, coordinating phone banks, or *fundraising*).” (Emphasis added)
- Under “equipment and supplies”: “Public resources (including but not limited to internal mail systems, email systems, copiers, telephone) shall not be used to support or oppose a candidate or ballot measure, whether during or outside of work hours.”
- Under “Technology (websites, emails, computerized calling systems)”: “District computers, email systems, telephones, and other information technology systems shall not be used to aid a campaign for or against a candidate or ballot measure... Electronic communication systems shall not be used to generate or forward information that

supports or opposes a candidate or ballot measure... District websites shall not be used for the purposes of supporting or opposing a candidate or ballot measure.”³

While the non-exhaustive PDC guidelines do not mention payroll deduction specifically, they do note that political fundraising activity is inappropriate and advise against even such minimal use of public facilities as forwarding a political email.

Such broad prohibitions certainly cannot abide the use of taxpayer-funded district resources being used by district employees during work hours to process political contributions to one of the largest special interest organizations in the state.

School district policy prevents using public resources for political activities

In addition to the statutory prohibition against using public resources for political activity, the Kent School District has taken no action authorizing WEA-PAC/NEA-FCPE deductions from employees’ pay. In fact, the exact opposite is true. Multiple school board policies actually prohibit district resources from being used for political purposes.

Kent School District board policy 4400 states, “The district, as part of its mission to educate and instill civic virtue, will assure that our public facilities are used in accordance with the Washington Public Disclosure Law regarding the ‘Use of Public Facilities in Campaigns.’” *See App. 19*, a copy of board policy 4400.

Additionally, board policy 5224 provides,

“An employee may seek an elective office provided that the employee does not use work hours or public resources to promote a candidate or ballot measure... No individual will use work hours or public resources to solicit any contribution to be used for partisan political purpose. School property and school time, supported by public funds, may not be used for political purposes.”

See App. 20, a copy of board policy 5224.

RCW 28A.405.400 does not permit school districts to collect political contributions via payroll deduction

The statute most likely to be cited in defense of school district-facilitated WEA-PAC/NEA-FCPE deductions is RCW 28A.405.400, which states:

“In addition to other deductions permitted by law, any person authorized to disburse funds in payment of salaries or wages to employees of school districts, upon written request of at least ten percent of the employees, shall make deductions as they authorize, subject to the limitations of district equipment or personnel. Any person authorized to

³ Public Disclosure Commission, “Guidelines for School Districts in Election Campaigns,” PDC Interpretation 01-03, revised September 28, 2006. Available online at: https://www.pdc.wa.gov/sites/default/files/01-03Revised092806.rev__0.pdf

disburse funds shall not be required to make other deductions for employees if fewer than ten percent of the employees make the request for the same payee. Moneys so deducted shall be paid or applied monthly by the school district for the purposes specified by the employee. The employer may not derive any financial benefit from such deductions. A deduction authorized before July 28, 1991, shall be subject to the law in effect at the time the deduction was authorized.”

However, there are several reasons why this statute does not authorize the Kent School District to facilitate WEA-PAC/NEA-FCPE contributions.

First, the statute does not specifically reference or authorize deductions on behalf of political committees. In order to be exempt from RCW 42.17A.555’s prohibition against using public facilities for political purposes on the grounds that the practice is part of the district’s “normal and regular conduct,” WAC 390-05-273 dictates that the WEA-PAC/NEA-FCPE deductions be “specifically authorized.” Unlike other statutes which clearly and explicitly authorize certain public employees to contribute to political committees via payroll deduction, RCW 28A.405.400 fails to mention contributions to political committees in any way. As such, the statute does not specifically authorize school districts to facilitate political contributions via payroll deductions.

The Kent School District may contend that *Washington Education Association v. Smith*, 96 Wash.2d 601 (1981) recognized that RCW 28A.405.400 permits the district to process employee contributions to WEA-PAC/NEA-FCPE via payroll deduction. In *Smith*, the Washington State Supreme Court examined whether state officials were permitted to facilitate, via payroll deduction, contributions from state college employees to union-affiliated political committees. The Supreme Court ruled that no statutory authority existed authorizing such deductions. In disposing one of WEA’s arguments, the majority observed:

“Appellants also allege that prohibiting payroll deductions for political action committees for community college teachers and other state employees while permitting these deductions for employees of common schools is violative of the equal protection clause of the Fourteenth Amendment. RCW 28A.67.095 [now codified as RCW 28A.405.400] allows disbursing officials authorized to pay the salaries and wages of certificated employees of school districts to make any deductions authorized by those employees if ten percent so request, subject to the limitations of district equipment and personnel. Thus, some teachers in grades K through 12 have their contributions to political action committees deducted automatically from their paychecks. Appellants assert that this disparate treatment of teachers, based solely on the educational level they teach, is so arbitrary and unreasonable that it violates the equal protection guaranty.”

Nowhere in the decision, however, does the Supreme Court address or discuss the question of whether RCW 28A.405.400 allows for political deductions. The WEA in *Smith* simply pointed out the fact that some school districts processed contributions to union PACs via payroll deduction and alleged they did so under the authority of RCW 28A.405.400. The Supreme Court took the allegation at face value and examined solely whether allowing K-12 employees to contribute to PACs via payroll deduction while prohibiting community college employees from doing so would violate the Fourteenth Amendment, concluding it would not.

In fact, elsewhere in *Smith*, the Supreme Court acknowledged that, absent a specific authorization to do so, public officials may not make political contributions via payroll deduction.

Despite state laws permitting payroll deductions in certain situations, the Supreme Court found “nothing in the legislative history of the act indicating that the legislature intended to permit deductions for political purposes.” Citing state statutes now codified as RCW 41.06.250 and RCW 42.17A.555, the Supreme Court observed that, “the legislature has expressed its disapproval of using state property in connection with the solicitation or making of political contributions.”

The Supreme Court dismissed arguments by the unions that certain ambiguous statutes authorized political deductions, noting, “If there is a fair or reasonable doubt as to whether or not a particular power has been granted, it must be denied.”

Second, even if RCW 28A.405.400 once allowed school districts to collect contributions to political committees from employees, it was superseded by the prohibitions in RCW 42.17A.555 and RCW 41.06.250 against using public facilities for political purposes.

House Bill 234 from 1972, which included what is now codified as RCW 28A.405.400, was signed by the governor on February 20, 1972.⁴ The statute was last modified by HB 1264 in 1991.⁵ In contrast, voters passed Initiative 276 in November, 1972, establishing what is now codified as RCW 42.17A.555 eight months after HB 234’s passage.⁶ The statute was last modified by HB 2016 in 2010.⁷ Despite its several revisions, RCW 42.17A.555 has never been amended by the Legislature to permit the collection of political contributions by local governments via payroll deduction, and no other Legislation specifically permitting such activity has been adopted. The people’s intent in passing the ballot measure to prohibit use of public resources for political activity is further strengthened by RCW 42.17A.904, which directs that Chapter 42.17A RCW, including RCW 42.17A.555, “be liberally construed to effectuate the policies and purposes of this act. In the event of conflict between the provisions of this act and any other act, the provisions of this act shall govern.”

It is possible that some school districts began collecting WEA-PAC/NEA-FCPE contributions during the brief span between passage of HB 234 in February 1972 and the passage of I-276 the following November. Such a district might argue that, since such deductions began prior to I-276’s adoption, its activity would fall under RCW 42.17A.555’s exemption for “normal and regular conduct.” But the burden of proving such facts falls on the Kent School District and, at this point, there is no reason to believe it was facilitating contributions to WEA-PAC/NEA-

⁴ See Washington Laws, 1972, 1st Ex. Session, Chapter 39 § 1. Available online here: <http://leg.wa.gov/CodeReviser/documents/sessionlaw/1972ex1c39.pdf?cite=1972%20ex.s.%20c%2039%20C2%A7%201>.

⁵ Bill text available online here: <http://lawfilesexternal.wa.gov/biennium/1991-92/Pdf/Bills/Session%20Laws/House/1264.SL.pdf?cite=1991%20c%20116%20C2%A7%2018>;

⁶ Full text of I-276 available online here: https://www.sos.wa.gov/_assets/elections/Voters%20Pamphlet%201972.pdf

⁷ Bill text available online here: <http://lawfilesexternal.wa.gov/biennium/2009-10/Pdf/Bills/Session%20Laws/House/2016-S2.SL.pdf?cite=2010%20c%20204%20C2%A7%20701>;

FCPE via payroll deduction at the time I-276, and its ban on using public facilities for political purposes, was passed into law 45 years ago.

The legislative history of RCW 41.06.250 further confirms the Legislature's intent to, as a rule, prevent the use of public facilities for political purposes. When it was initially passed by voters in 1960 as part of I-207, RCW 41.06.250 stated, "No person shall solicit on state property any contribution to be used for partisan, political purposes."⁸

In 1974 — two years after HB 234 was passed establishing RCW 28A.405.400 — the Legislature passed HB 474 and broadened RCW 41.06.250's prohibition against solicitation of political contributions on state property to encompass solicitations made on the "property of a political subdivision of this state," which includes school districts. HB 474 also added subsection 5 to the statute, which states:

"The provisions of this section shall supersede all statutes, charter provisions, ordinances, resolutions, regulations, and requirements promulgated by the state or any subdivision thereof, including any provision of any county charter, insofar as they may be in conflict with the provisions of this section."

That funds contributed to WEA-PAC and NEA-FCPE are used for "partisan, political purposes" is beyond dispute. If RCW 41.06.250 prevents the solicitation of political contributions on school district property, how much more does it, coupled with RCW 42.17A.555, prevent the use of public facilities to actually collect such contributions?

Thus, while RCW 28A.405.400 authorizes certain types of payroll deductions under some circumstances, it does not specifically authorize the use of payroll deduction to process public employee contributions to political committees while, in the years after its passage, voters and the Legislature adopted two clear and sweeping prohibitions against the use of public facilities for political purposes.

Third, even if RCW 28A.405.400 did authorize school districts to facilitate political contributions in some situations and did not conflict with RCW 42.17A.555 and RCW 41.06.250, it would still be legally inappropriate for the Kent School District to collect WEA-PAC contributions in this case. Whatever kinds of deductions it may authorize, RCW 28A.405.400 also states that "the employer may not derive any financial benefit from such deductions," presumably to prevent conflicts of interest and remove the temptation of using public resources and facilities for private or political benefit.

In this case, at least Kent School District director Maya Vengadasalam has received direct, monetary political contributions from WEA-PAC, the very political committee the district uses public facilities to help fund.⁹ During her first campaign for school board in 2013, Vengadasalam received a \$500 contribution from WEA-PAC on July 19, 2013. See **App. 21-23**, a copy of WEA-PAC's form C4 showing its 2013 contribution to Vengadasalam. Running as an incumbent

⁸ Full text of I-207 available online here:

https://www.sos.wa.gov/_assets/elections/Voters%20Pamphlet%201960.pdf

⁹ A list of Kent School District directors is available online here: <https://www.kent.k12.wa.us/Page/593>

in 2017, Vengadasalam received a \$1,000 contribution from WEA-PAC on June 12, 2017. *See App. 24-33*, a copy of WEA-PAC’s form C4 showing its 2017 contribution to Vengadasalam.

RCW 28A.405.400’s broad prohibition against deductions that provide “*any* financial benefit” to the employer was undoubtedly intended to prevent situations precisely of this nature.

Fourth, whatever types of deductions it may authorize, RCW 28A.405.400 requires that “at least 10 percent” of school district employees request or authorize the deductions in writing. It is not clear that a sufficient number of current Kent School District employees have authorized WEA-PAC/NEA-FCPE deductions to reach the required 10 percent threshold.

The cost to the district of collecting WEA-PAC/NEA-FCPE contributions is legally irrelevant

The Kent School District may contend that the cost of processing contributions to WEA-PAC/NEA-FCPE by its employees via payroll deduction is small or immeasurable and is, therefore, permitted under RCW 42.17A.555.

However, in *Herbert v. Washington State Public Disclosure Commission*, 136 Wash.App. 249 (2006) the state court of appeals determined that even *de minimis* use of public facilities for political purposes is prohibited by RCW 42.17A.555, declaring, “because the statute is undisputedly unambiguous and does not contain a *de minimis* use exception, we decline to impose one.”

Prohibitions against using public facilities for political activity are constitutional

In *Smith*, the WEA argued that prohibiting public employees from contributing to political committees via payroll deduction violated their First Amendment rights. The Washington Supreme Court dismissed this argument, however, observing:

“Just as ‘(t)he right to speak and publish does not carry with it the unrestrained right to gather information’, *Zemel v. Rusk*, 381 U.S. 1, 17, 85 S.Ct. 1271, 1281, 14 L.Ed.2d 179 (1965), the right to make political contributions does not necessarily include the right to compel the State to deduct the contributions from one’s paycheck... [I]n the instant case, even if the State’s refusal to deduct for political contributions impairs the union’s ability to take political action, none of appellants’ constitutional rights are involved. There are many other methods of soliciting contributions...”

Similarly, the court of appeals in *Herbert* defended the constitutionality of RCW 42.17A.555 as applied to restrict the use of school district mail boxes and email systems for political purposes on the grounds that such restriction was “reasonable and viewpoint neutral.” As in the situation at hand, the court found that the statute’s prohibition against using school mail boxes and emails (“forums” for speech not available to the general public) for political activity was constitutionally defensible because it restricted “categories of speech” as opposed to “certain types of political viewpoints.”

The appeals court concluded by noting that,

“...pure political speech is permitted, but using [public] facilities to deliver speech is prohibited. The use element provides the distinction between talking in the lunchroom and using school computers to e-mail staff members. This distinction is rational and reasonable in light of RCW [42.17A.555’s] policy goals of ensuring that public facilities are used for their intended purposes and in maintaining the State’s political neutrality. Therefore, we conclude that the application of the statute here is not arbitrary and capricious because the distinctions it draws are rationally related to the statutory restriction on the use of public facilities for political advocacy.”

Federal election laws do not preempt state statutes in this instance

WEA also attempted to argue in *Smith* that the Federal Election Campaign Act (FECA) preempts state law and compelled the state to permit employees to contribute to political committees via payroll deduction. The Washington Supreme Court determined this argument to be without merit as well since, first, the FECA “affects federal elections only” and “[s]tate law still governs state elections” and, second, “there is nothing in the FECA that requires any employer to establish a payroll deduction plan for its own employees.” Even if the FECA required public employers to facilitate contributions to federal political committees like NEA-FCPE, which it does not, it would not overturn state law banning preventing public facilities from being used for the benefit of state political committees like WEA-PAC.

Union collective bargaining agreements do not and cannot require the school district to facilitate WEA-PAC/NEA-FCPE contributions

In addition to the fact that the Kent School District lacks statutory authority to make WEA-PAC/NEA-FCPE contributions through payroll deduction, there is no language in the district’s collective bargaining agreement with the Kent Education Association that requires it to do so. *See App. 34-214*, a copy of the district’s collective bargaining agreement with the teachers’ union.

Even if there was such a contractual requirement, it could not trump state law. In *Smith*, the Washington Supreme Court dismissed WEA’s contention that the state was contractually obligated under its collective bargaining agreement with the union to process political contributions via payroll deductions, stating, “Since we hold today that the statute does not permit the deductions, and that the United States Constitution does not require them, we find that the contract was *ultra vires*.” As a general matter, the terms of a collective bargaining agreement cannot prevail over a statute when in conflict.¹⁰

Conclusion

Washington’s voters and elected officials have established a clear policy that, with few enumerated exceptions, prohibits the use of public facilities, funds and resources for political

¹⁰ For instance, RCW 41.80.020(6) provides, “A provision of a collective bargaining agreement that conflicts with the terms of a statute is invalid and unenforceable.”

purposes. Such a policy guards against corruption and government favoritism, while helping protect Washingtonian's free speech rights and the integrity of state government.

By collecting political contributions to WEA-PAC/NEA-FCPE via payroll deduction, in contravention of state law and its own policies, the Kent School District has agreed to endorse and underwrite the political agenda of a single, and incredibly influential, special interest organization with public resources. The fact that certain of the school district directors have relied in part upon WEA-PAC contributions they facilitate for their electoral success only adds to the appearance of corruption. Such activity cannot be permitted to continue.

We respectfully request that you undertake a thorough investigation into these allegations and initiate an enforcement action.

Please do not hesitate to let us know if you would like us to clarify, expand upon or further document these allegations in any way. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Maxford Nelsen', written in a cursive style.

Maxford Nelsen
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