



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: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

10:00 a.m.
August 22, 2013

MINUTES – REGULAR MEETING

John Cherberg Building
Conference Room A, B & C
304 15th Avenue SE
Olympia, Washington

COMMISSION MEMBERS PRESENT

Amit Ranade, Chair
Grant Degginger, Vice Chair
Kathy Turner, Member
Barry Sehlin, Member

STAFF PRESENT

Andrea McNamara Doyle, Executive Director
Nancy Krier, General Counsel
Lori Anderson, Communications & Training Officer
Phil Stutzman, Director of Compliance
Michael Smith, Chief Information Technology
Linda Dalton, Sr. Assistant Attorney General
Jeffrey Showman, Facilitator
Nancy Coverdell, Executive Assistant
Kurt Young, Compliance Officer (p.m. only)
Bill King, IT Applications Developer (p.m. only)
John Zhao, IT (p.m. only)
Tony Perkins, Lead Political Finance Specialist (p.m. only)

The regular meeting of the Public Disclosure Commission was called to order by Commission Chair Amit Ranade at 10:06 a.m. at the John Cherberg Building, Conference Room A, B & C, Olympia, Washington.

Opening Comments

Commissioner Ranade called the meeting to order.

Citizen Comments

No comments or concerns were expressed.

Commissioner Comments/Concerns

No comments or concerns were expressed.

Commissioner Ranade introduced Jeffrey Showman, Facilitator, to the Commission.

Minutes

Commissioner Ranade noted a correction made to page four of the June 27, 2013, meeting minutes.

Motion 14-06

Moved by Commissioner Sehlin, seconded by

Commissioner Turner.

The Commission adopts the minutes of June 27, 2013, as corrected.

The motion passed unanimously.

Commissioner Degginger joined the meeting at 10:20 a.m.

Strategic Plan

Andrea McNamara Doyle, Executive Director, provided an overview of the Final Status Report of the 2011-13 Strategic Plan action items and four goals, which included end-of-fiscal year performance data. Ms. Doyle highlighted the performance measures, specifically the percentage of complaints that are triaged within two weeks of receipt. Ms. Doyle indicated the target goal is 85 percent and the actual is 36 percent.

Ms. Doyle also highlighted the dramatic increases in the total pages e-filed and scanned. Two-thirds of the lobbyists are now filing online. In addition, there have been significant increases and continued improvement in the percentage of state agencies filing electronically.

Environmental Scan

Jeffery Showman, Facilitator, from the Office of Financial Management provided a brief introduction and indicated he would be recording ideas throughout the Environmental Scan portion of the meeting to assist in brainstorming what the Commission can do for the next biennium.

Commissioner Ranade opened the discussion by stating that technology, and the way people use it, is evolving rapidly. The changes are accelerating. He noted the Commission's website is fantastic and the database piece is tremendous. The front-page navigation on the website is the number one connection to the public. For that reason, he noted that the website presents the best opportunity to improve how users interact with the agency, and the agency should be aiming to not just catch-up, but also to get ahead of the trends.

Commissioner Turner mentioned the rise in social media is increasing negativity with respect to the ability to complain anonymously. She also noted that the legal requirement for certain persons to disclose personal finances is outside of many

people's comfort zone and requires a user-friendly approach. She discussed that many newly elected officials do not know the rules and need help in understanding the requirements. Commissioner Turner indicated that IT is the number one priority and the public's expectation is that the Commission has all the tools at its disposal. The expectations will only continue to grow.

Commissioner Degginger discussed opportunities to organize and improve information on the website. He described that mobile computing is exploding along with the "apps" to make mobile payments by swiping a card. He noted that in the next election, expect more campaigns to be processing payments at fundraising events. He noted that a question will arise: How will the agency deal with it, as the public's expectation is that the Commission will deal with it? Commissioner Degginger foresees the eventual automation and linkage of payment processing with reporting occurring in real time.

Commissioner Sehlin described he envisioned mobile phones and web pages being a little more user friendly. He described that more people are doing all their work with small devices. Commissioner Sehlin indicated the perception is that the public, in general, has very little understanding of the extent of the challenges faced by Washington State PDC and other agencies around the county.

Commissioner Ranade discussed the importance of technology and the changes in law due to the attacks on limits and challenges to disclosure. The nature of litigation has changed. He described that these laws are important and should stay in place. He noted that one question the Commission should consider is what role should the Commission or agency take in response to these challenges - and what role is appropriate for individual Commissioners to express their personal views.

Commissioner Turner agreed the nature of litigation has changed, and also noted transparency is increasingly at risk.

Commissioner Degginger discussed the payment

structure and disclosure issues and the speed at which communication is occurring now. He described this transformation and encouraged making transparency effective for the Internet or other media.

Nancy Krier, General Counsel, provided some history, including how Initiative 1-34 changed the Commission's role. She noted that the United States Supreme Court is taking more of an active role. She noted that the upcoming United States Supreme Court case, *McCutcheon*, a contribution limits case, may have a bigger impact than *Citizens United*. This decision could provide an educational opportunity as to why Washington has contribution limits.

Division managers briefly highlighted the priorities they have identified for their workgroups in the coming biennium.

Commissioner Ranade asked about supplementing the budget as the agency doesn't foresee increases anytime soon. He also asked about prioritizing capacity issues with compliance and the need to be prepared with more detailed discussions on increasing staff funding in IT. He agreed with staff's suggestion about coordinating with county auditors and the Secretary of State's Office to provide new candidates information about filing requirements automatically. He suggested putting together a welcome packet targeted to candidates and supported outreach to potential lobbyist employers.

Ms. Doyle referred to the Strategic Plan and asked the Commission to confirm whether the existing four goals were still valid for the next Strategic Plan, or whether the goals needed to be updated/modified. There was discussion surrounding the need for at least three goals focused on each main division, and possible additional goal on how to build capacity to deliver results in the other areas. There was also discussion of an additional goal just for IT or capital investments.

The Commission recessed for lunch at 12:00 noon.

The Commission returned to public session at 1:10 p.m.

Michael Smith, Chief Information Technology Officer, provided a brief overview and PowerPoint presentation on IT Funding and Spending since FY 2008, continuing the discussion from the July Commission meeting.

The Commission discussed how to secure adequate funding for updating the website, refreshing infrastructure, increasing social media efforts and considering new applications to support evolving technologies such as mobile "apps". It was determined that the agency's technology needs and issues are of the highest priority.

Commissioner Ranade suggested developing a two-year Strategic Plan that includes necessary staffing and infrastructure to support the IT needs of the agency, with an estimate of the cost to achieve that desired level of service.

Personal Financial Affairs Statement

Lori Anderson, Communications and Training Officer, discussed making possible revisions to the personal financial affairs form (F-1). She highlighted some of the areas where changes might be most beneficial based on filer feedback and staff's experience. She noted there appears to be some confusion around the applicable reporting periods, the sections that address real estate, and the reporting of stocks in Section 3. She also discussed the possibility of staggered deadlines to help level out the workload over a longer timeframe and potentially creating a short form or mini-F-1 for certain types of filers.

The Commission discussed making some or all of the F-1s available online in an effort to increase transparency and efficiency. There have been and continue to be concerns about posting certain information online, and it was suggested that further discussions with stakeholders would be necessary to resolve the question.

Commissioner Ranade recommended an action item to revisit the F-1 form in the coming months through a process that involves stakeholder

engagement, especially on the issue of online posting.

Commissioner Degginger left the meeting.

Compliance Investigations

Ms. Doyle provided a brief overview regarding enforcement priorities and ways to make the investigative and enforcement efforts more efficient. She reviewed examples of alternative ways of addressing and resolving complaints that might allow for more efficient and effective enforcement results, such as warning letters, notices of correction, technical assistance, etc. Ms. Doyle also discussed adding a possible rule change as an action item to the Strategic Plan that would allow for some or all of these alternative ways of addressing and resolving complaints.

The Commission discussed the potential value in using some of these other approaches and agreed this topic should be included as a Strategic Plan action item.

Commissioner Ranade summarized some of the action items suggested for the next Strategic Plan, including the compliance/enforcement policy change, the need for additional resources for IT investigations and enforcement, and other efforts to modernize the agency's practices (such as for signature cards), and a specific action item to seek additional positions and funding.

The agenda item to discuss the role of the Commission, Commissioners and Executive Director will be carried forward to a future meeting when all Commissioners can participate.

Executive Session

The Commission went into executive session at 3:45 p.m. to discuss potential and pending litigation with legal counsel.

Adjourn

Meeting adjourned at 4:00 p.m.

Approved

September 26, 2013.