



State of Washington
PUBLIC DISCLOSURE COMMISSION

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10:30 a.m.
September 10, 2013

MINUTES – SPECIAL MEETING

Evergreen Plaza Bldg. Room 206
711 Capitol Way South
Olympia, Washington

COMMISSION MEMBERS PRESENT

Amit Ranade, Chair

PARTICIPATING VIA TELEPHONE

Grant Degginger, Vice Chair
Kathy Turner, Member

COMMISSION MEMBER ABSENT

Barry Sehlin, Member

STAFF PRESENT

Andrea McNamara Doyle, Executive Director
Nancy Krier, General Counsel
Linda Dalton, Sr. Assistant Attorney General
Phil Stutzman, Director of Compliance
Tony Perkins, Lead Political Finance Specialist
Nancy Coverdell, Executive Assistant

The special meeting of the Public Disclosure Commission was called to order by Commission Chair Amit Ranade at 10:40 a.m. in the Evergreen Plaza Building, Room 206, Olympia, Washington. Commissioners Degginger and Turner participated via teleconference.

Opening Comments

Chair Ranade called the meeting to order at 10:40 a.m.

Enforcement Matter

Citizens for Two-Thirds, Case No. 13-101, involving alleged violations of RCW 42.17A.205, 42.17A.235, 42.17A.240, and WAC 390-16-125 by exceeding the Mini Reporting limits in WAC 390-16-105 without complying with the provisions of WAC 390-16-125.

Andrea McNamara Doyle introduced the matters on the agenda and explained that a Motion to Intervene in the enforcement matter and a letter requesting to comment on the reporting modification request were received after the Special Meeting agenda was posted. Ms. Doyle suggested addressing the two procedural matters at the outset of the meeting.

Chair Ranade invited the parties and the person requesting to intervene and comment to introduce themselves and explain their position on the procedural matters.

Robert Shirley, attorney representing Jim Lazar, stated the purpose of intervening is to bring facts and evidence to the tribunal that would not be supplied by others. If granted invention, he would argue against the proposed stipulation.

Linda Dalton, Senior Assistant Attorney General representing the Commission staff, explained the staff's objections to the Motion to Intervene noting that Mr. Lazar has not provided sufficient information that allows the Commission to determine he is qualified to intervene in this proceeding. She also noted the intervention is inappropriate in this particular enforcement hearing because the Commission has a rule providing that neither the complainant or another person shall have special standing to participate or intervene in the investigation or consideration of the complaint by the Commission. WAC 390-37-030.

Dan Brady, attorney representing Citizens for Two-Thirds, concurred with the State's position and encouraged the Commission to be mindful of any precedent in doing otherwise would set.

Chair Ranade addressed the motion as a procedural matter and denied the motion per RCW 34.05.443. Chair Ranade explained three elements must be satisfied before exercising that discretion to permit intervention and found the first and third elements were not satisfied.

Chair Ranade commented that some of the points made have raised the Commission's attention in terms of the administrative code on mini-reporting. The Commission will take a look at the process through possible rulemaking in the coming months to see if there can be anything done to improve it.

Phil Stutzman, Director of Compliance, presented the proposed Stipulation and asked that the Commission accept it.

Motion 14-07

Moved by Commissioner Turner, seconded by Commissioner Degginger that:

The Commission accepts the Stipulation of Facts, Violation and Penalty as proposed.

The motion passed unanimously.

Reporting Modification

Citizens for Two-Thirds, a political committee formed to support Proposition 1, a measure on the November 5, 2013 ballot in the City of Yakima, is requesting that the Commission suspend or modify WAC 390-16-125(1) to allow PDC staff to accept the Committee's complete application to change reporting options

Ms. Doyle stated this matter also has a preliminary procedural matter involving a letter requesting to comment on the reporting modification from the same attorney and party.

Chair Ranade reiterated that his earlier ruling on the motion to intervene applied to the letter as well. He stated this is an individual case and not rulemaking. The Commission will take a look at the possible rulemaking and ensure that both Mr. Shirley and Mr. Brady are provided with notice and an opportunity

after the Mini Reporting limits were exceeded.

to comment.

Tony Perkins, Lead Political Finance Specialist, summarized the request for modification on behalf of Citizens for Two-Thirds and indicated the Commission staff support the modification.

Mr. Brady agreed with the staff report. He stated the committee is in an awkward position, having refunded all the money, but still having obligations to pay. He noted they have disclosed everything to date and will continue to do so. He noted the committee would like to preserve the right to continue to communicate with voters. He stated that he believed the interest in the public has been served because the committee has disclosed fully everything to date, and well in advance of the election.

Motion 14-08

Moved by Commissioner Degginger, seconded by Commissioner Turner that:

The Commission grant the partial reporting modification as requested, finding that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed unanimously.

Adjourn

Chair Ranade adjourned the meeting at 11:35 a.m.

Approved

September 26, 2013.