



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

To: Members, Washington State Public Disclosure Commission
From: Lori Anderson, Communications & Training Officer
Date: July 16, 2015
Re: 2016 Agency Request Legislation

AGENDA ITEM

At its July 23, 2015 meeting, the Commission will discuss and possibly approve subjects for potential agency request legislation. The following list contains subjects from the unsuccessful 2015 requests as well as subjects that have come up in commissioners' and staff discussions.

POTENTIAL SUBJECTS

2015 REQUESTS

One or both of the 2015 agency request bills may be wholly or partially rolled over. Complete summaries of the bills are attached in the appendix along with relevant statutes for the new possibilities listed below.

Personal financial affairs disclosure (F-1). Stakeholders' suggestions were included in the bill that would slightly raise the investment disclosure threshold, allow the use of year-end values for investment disclosure, expand the dollar code ranges up to \$1 Million to make disclosure more meaningful, and except judges, prosecutors, and sheriffs from disclosing residential addresses. The bill also proposed changes to the Commission's reporting modification authority.

Efficiency measures. The bill proposed amendments to conform RCW 42.17A to *Family PAC v. McKenna, et al.* Proposed changes to the Commission's reporting modification authority were included in this bill as well.

NEW POSSIBILITIES

Eliminating or revising access goals and performance measures. Statutory provisions dictate 1) when the Commission must make reports publicly accessible in its office and on its website and 2) access performance measures the Commission must annually report to the governor and appropriate legislative committees. Since 2002, the Commission has consistently reported that reports are received and available to the public on the same day, while the time allowed under the statute is actually 2 or 4 days, depending upon the filing method. The process improvement exercise has revealed that a lot of staff time goes into tracking performance times and this tracking produces little or no value to agency customers.

Expanding Electronic Filing. Electronically filed reports are publicly accessible within minutes of when they are filed and consume very little, if any, staff time to process. The Commission has systems in place to accept these reports, if they were required to be filed electronically:

- Last minute contribution reports,
- All campaign contribution and expenditure reports, regardless of amount spent,*
- All independent expenditure reports,* and
- Local public agency lobbying reports.

*Electronic filing is currently conditioned upon specific circumstances.

Improving collection efforts. Commissioner Levinson has expressed interest in requiring payment of unpaid penalties as a prerequisite to receiving services provided by other state agencies, such as obtaining or renewing a license.

Amending the definition of “contribution.” Recently, the Commission discussed the definition of “contribution” as it relates to reproducing all, or part, of a political advertisement, including a campaign website. During the June meeting, Commissioner Degginger suggested the Commission may wish to consider amending the definition to accommodate this practice in instances when the activity is not coordinated.

COMMISSION ACTION

The Commission must decide which, if any, proposals to include in its 2016 agency-request legislation. The Governor’s Office has not yet provided agencies with submission instructions or deadlines. Staff expects a September deadline, likely before the Commission’s regular September meeting. If the Commission approves any subjects, staff will prepare Z-drafts for the Commission’s review and approval in August.

Summary Of 2015 Agency-Request Bills

Personal financial affairs disclosure (F-1):

Reporting modifications. Amends the Commission's authority to grant a hardship exemption so that a reporting modification may be effective for an elected official's term of office or three years for an appointed official if no material change in the circumstances forming the basis for the hardship exemption is anticipated.

Disclosure of investments: Amends the reporting of investments and real estate so that the disclosure threshold increases from \$2,000 to \$5,000 for stocks, bonds, and other intangible assets; and so that investments owned at year's end may be reported using the year-end value rather than the highest value during the reporting period.

Disclosure of residence: Amends the requirement to identify the location of real property to allow the residence of a judge, prosecuting attorney, or sheriff to be identified by city and county rather than street address.

Dollar code ranges: Revises the dollar code ranges (A-E) for reporting the monetary value of financial interests, by consolidating the lower ranges and adding four additional ranges over the current upper limit of \$100,000 so that the new highest range is \$1 million or more.

Housekeeping: Adds the inflation-adjusted reporting thresholds into law that were most recently adopted by the Commission in December 2014.

Efficiency Measures:

Performance reports: Synchronizes the schedule for PDC's reporting of agency performance measures and regarding the effectiveness of Chapter 42.17A RCW (the laws overseen by the PDC) to allow for more efficient reporting through the use of consistent fiscal year data.

Audits: Clarifies that audits may be performed within available resources.

Reporting modifications: Amends the Commission's authority to grant a hardship exemption so that a reporting modification may be effective for an elected official's term of office or three years for an appointed official if no material change in the circumstances forming the basis for the hardship exemption is anticipated.

Conforming the code to federal court decisions: Repeals RCW 42.17A.420, which was previously found unconstitutional by the Ninth Circuit Court of Appeals regarding limits on ballot measure committees.

Housekeeping: A repealer fixes double 2010 amendments to RCW 42.17A.110.

APPENDIX

Signature requirements: The bill also proposed amendments that would have alleviated the requirement to obtain actual “wet” signatures on certain disclosure forms. Chapter 72, Laws of 2015 eliminates the requirement.

New Possibilities – Relevant Citations

Eliminating or revising access goals and performance measures

[RCW 42.17A.061](#) Access Goals
[RCW 42.17A.065](#) Performance Measure Reporting

Mandatory Electronic Filing – current requirements

[RCW 42.17A.245](#) Contribution & Expenditure Reports (C-3, C-4)
[RCW 42.17A.305](#) Electioneering Communications (C-6)
[RCW 42.17A.260](#) Independent Expenditures conditioned upon timing and cost (C-6)
[RCW 42.17A.055](#) Public State Agency Lobbying Reports (L-5)
[RCW 42.17A.265](#) “Last Minute” Contribution Reporting [E-filing is not required]

Definition of “contribution”

[RCW 42.17A.015\(13\)](#)