



November 23, 2020

TO: Sean Flynn
Public Disclosure Commission

RE: Proposed permanent rules to implement SB 6152, regarding foreign donor permanent rules

On behalf of the Washington Hospitality Association, representing 5600 local restaurant and lodging establishments across the state, submit the following comments regarding the permanent rulemaking on foreign national certification in political contributions. We appreciate the opportunity to provide comments on this rulemaking, as participation in the political process is a foundation of the organization and of keen interest to the thousands of family-owned businesses we represent.

Over the past several months, we have experienced significant challenges with the emergency rules and respectfully request several changes so that our members may continue to lawfully engage in the political process. Unfortunately, we believe the current rules are resulting in unfairly blocking participation for a significant number of our members, who are not foreign nationals and whose decisions are not influenced by foreign nationals. We have found the additional administrative requirements that are found in the rules but not present in SB 6152, are unfairly limiting legal participation.

As background, the Washington Hospitality Association is a membership organization. Our membership is specific to the owner, or decision maker of each hospitality business. When the ownership structure changes or ends, their membership ends. Additionally, our members make the decision to voluntarily contribute to our Political Action Committee through their dues, deciding to allocate a portion of their payment to the PAC or to the Association.

Under SB 6152, we believe the below options would comply with the intent to certify non-foreign ownership and no foreign nationals influenced the decision to give to the PAC, specifically because the language in SB 6152 does not require a number of items the Public Disclosure Commission has required in their certification, under WAC 390-16-335 (3).

- Remove the requirement for an “authorized agent” – this is not present in SB 6152, but is a requirement in the rules. We don’t believe it serves a public policy goal, yet it is limiting our members legal ability to participate in the political process

- Remove the requirement to include the amount of the contribution – again, this requirement is not present in SB 6152, and the amount of every contribution is already reported by our PAC. Washington Hospitality Association members decide if they'd like to contribute a percentage of their dues to our PAC rather than requesting a contribution at a specific dollar amount. This information is redundant, and we believe the same outcome would be served by removing the extra requirement.
- The date the certification was submitted – This is an additional requirement beyond what SB 6152 requires, and WAC 390-16-335 (1) and (2) already provide parameters on timing. We believe requiring additional administrative information limits legal participation.

Additionally, we would ask you to consider the following option for compliance with SB 6152:

As I disclosed earlier in my comments, the Washington Hospitality Association is an organization representing owners and operators of hospitality businesses, and membership and participation in the PAC through voluntarily allocating dues, follows the owner/operator. We believe we should be allowed to receive the foreign national declaration once per membership. When ownership with a member business changes, their membership ends and the owner/operator would decide if they wanted to begin a new membership and decide to contribute to our PAC. We believe at that time, we should require a new foreign national certification, but requiring our member businesses to jump through administrative hoops to declare citizenship each time they make a contribution unfairly limits their legal participation in the political process.

Because nationality is a condition that rarely, if ever, changes, collecting this information one time rather than adding administrative requirements each time the same entity wants to participate is limiting legal participation in the political process.

Thank you for consideration of our comments,

Julia Gorton
State Government Affairs Director
Washington Hospitality Association