

### PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111 • FAX (360) 753-1112

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To: Members, Washington State Public Disclosure Commission

From: Lori Anderson, Communications & Training Officer

Date: June 19, 2014

Re: Rule Making – Discussion and Possible Approval of Draft Language – Adjusting Dollar

Amounts for Personal Financial Affairs Disclosure

### **AGENDA ITEM**

At the June 26, 2014 meeting, the Commission will discuss and possibly approve draft language to adjust the personal financial disclosure dollar amounts (reporting thresholds and Codes A - E values), as allowed by RCW 42.17A.125(2). The draft language proposes amendments to:

WAC 390-24-010 Forms for statement of financial affairs [F-1],

WAC 390-24-020 Forms for amending statement of financial affairs [F-1A],

WAC 390-24-202 Report of compensation from sales commissions, and

WAC 390-24-301 Changes in dollar amounts of reporting thresholds and code values.

### **BACKGROUND**

Consistent with its strategic plan, the Commission has been reviewing Personal Financial Affairs (F-1) disclosure requirements. At the June 2014 meeting, the Commission will consider stakeholders' and staff recommendations for statutory and rule amendments that would change the F-1 disclosure requirements. Both stakeholders and staff are recommending that the Commission make inflationary adjustments to the F-1 dollar thresholds and reporting code values. Discussion and possible approval of draft language is included in the June 26 meeting agenda, in the event the Commission wishes to begin the process of making inflationary adjustments.

The Commission may make adjustments for the purpose of recognizing economic changes at least once every five years but no more often than every two years. The F-1 thresholds and reporting value codes were last adjusted in 2008. Any adjustments the Commission makes must equally affect all thresholds within the personal financial disclosure category. RCW 42.17A.125(2).

### DRAFT PROPOSED AMENDMENTS

The adjustments offered for consideration and possible approval were calculated using the Implicit Price Deflater index, as directed by RCW 42.17A.125(2).

• The attached draft proposal to amend WAC 390-24-301 summarizes the current amounts and draft proposed adjustments.

Members, Washington State Public Disclosure Commission June 19, 2014 Page 2

- All dollar amounts contained in the attached draft proposed amendments to the F-1, F-1 Supplement, and F-1A forms are adjusted consistent with the draft proposed amendments to WAC 390-24-301.
- Finally, draft language to amend WAC 390-24-202, is attached. The rule clarifies how commission proceeds are disclosed, referencing the disclosure thresholds for compensation and payments from governmental and business customers. The proposed draft adjustments to those amounts are also consistent with the draft proposed amendments to WAC 390-24-301.

If the Commission approves the language for the proposed amendments, it will be filed with the Code Reviser along with notice of a public hearing that would likely be scheduled for the September 2014 meeting.

### **COMMISSION ACTION**

Staff is requesting that the Commission approve the proposed draft language to amend WACs 390-24-010, 390-24-020, 390-24-202, and 390-24-301.

Attachments: Draft proposed amendments to WACs 390-24-301,

390-24-010, 390-24-020, and 390-24-202

WAC 390-24-301 Changes in dollar amounts of reporting thresholds and code values. Pursuant to the commission's authority in RCW 42.17A.125(2) to revise the monetary reporting thresholds and code values found in chapter 42.17A RCW to reflect changes in economic conditions, the following revisions are made:

Statutory Section	Subject Matter	Amount Enacted or Last Revised	Revision Effective (()) November 1, 2014
.710 (1)(b)	Bank Accounts	\$(( <del>15,000</del> )) 20,000	\$(( <del>20,000</del> )) <mark>24,000</mark>
.710 (1)(b)	Other Intangibles	\$(( <del>1,500</del> )) <u>2,000</u>	$((2,000)) \frac{2,400}{2}$
.710 (1)(c)	Creditors	\$(( <del>1,500</del> )) <u>2,000</u>	$((2,000)) \frac{2,400}{2}$
.710 (1)(f)	Compensation	\$(( <del>1,500</del> )) <u>2,000</u>	\$(( <del>2,000</del> )) <u>2,400</u>
.710 (1)(g)(ii)	Compensation to Business Entity	\$(( <del>7,500</del> )) <u>10,000</u>	\$(( <del>10,000</del> )) <u>12,000</u>
.710 (1)(g)	Bank Interest Paid	\$(( <del>1,800</del> )) <u>2,400</u>	\$(( <del>2,400</del> )) <mark>2,900</mark>
.710 (1)(h)	Real Property- Acquired	\$(( <del>7,500</del> )) <u>10,000</u>	\$(( <del>10,000</del> )) <u>12,000</u>
.710 (1)(i)	Real Property- Divested	\$(( <del>7,500</del> )) <u>10,000</u>	\$(( <del>10,000</del> )) <mark>12,000</mark>
.710 (1)(j)	Real Property- Held	\$(( <del>7,500</del> )) <u>10,000</u>	\$(( <del>10,000</del> )) <u>12,000</u>
.710 (1)(k)	Real Property- Business	\$(( <del>15,000</del> )) <u>20,000</u>	\$(( <del>20,000</del> )) <mark>24,000</mark>
.710 (1)(l)	Food and Beverages	\$50	
.710 (2)	Dollar Code A	Up to \$(( <del>2,999</del> )) <u>3,999</u>	Up to \$((3,999)) <u>4,499</u>
	Dollar Code B	((\$3,000-\$14,999)) \$4,000-\$19,999	((\$4,000-\$19,999)) \$4,500-\$23,999
	Dollar Code C	((\$15,000-\$29,999)) \$20,000-\$39,999	9 ((\$ <del>20,000-\$39,999</del> )) <mark>\$24,000-\$47,999</mark>
	Dollar Code D	((\$30,000-\$74,999)) \$40,000-\$99,999	9 ((\$4 <del>0,000-\$99,999</del> )) <mark>\$48,000-\$119,999</mark>
	Dollar Code E	((\$ <del>75,000</del> )) \$100,000 and up	((\$100,000)) \$120,000 and up

[Statutory Authority: RCW 42.17A.110. WSR 12-03-002, § 390-24-301, filed 1/4/12, effective 2/4/12. Statutory Authority: RCW 42.17.370(1). WSR 08-01-070, § 390-24-301, filed 12/14/07, effective 1/14/08. Statutory Authority: RCW 42.17.370 (1) and (11) and 42.17.241 (1)(n). WSR 97-23-020, § 390-24-301, filed 11/10/97, effective 1/1/98.]

711 CAPITOL WAY RM 206 PO BOX 40908  PO BOX 40908  PO BOX 40908  PO BOX 40908	M PDC OFFICE USE A R K
Refer to instruction manual for detailed assistance and examples.  DOLLAR CODE AMOUNT  R E C	
CODE AMOUNT C	
Candidates and others within two weeks of becoming a candidate or being newly appointed to a position.  B \$4,500 to \$23,999	
SEND REPORT TO PUBLIC DISCLOSURE COMMISSION E \$120,000 or more	in aluding registered
Last Name  First  Middle Initial  Names of immediate family members, in domestic partner. If there is no reportable disclose for dependent children, or other in your household, do not identify them, spouse or registered domestic partner. In details.	able information to er dependents living . Do identify your
Mailing Address (Use PO Box or Work Address) *	
City County Zip + 4	
Filing Status (Check only one box.)  Office Held or Sought	
An elected or state appointed official filing annual report  Office title:	
Final report as an elected official. Term expired:	
County, city, district or agency of the offi	mce,
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Professional staff of the Governor's Office and the Legislature	IS: 
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INCOME List each employer, or other source of income (pension, social security, legal judgment, etc.) from wh member, including registered domestic partner, received \$2,400 or more during the period. Including received during the reporting period that had a value of \$2,400 or more. (Report interest and dividends	clude stock options
Show Self (S) Spouse (SP/DP) Name and Address of Employer or Source of Compensation Occupation or How Compensation	Amount: Code)
Check Here ☐ if continued on attached sheet	
REAL ESTATE  List street address, assessor's parcel number, or legal description AND county for each par real estate with value of over \$12,000 in which you or a family member, including registered held a personal financial interest during the reporting period. (Show partnership, company, F-1 supplement.)	ed domestic partner,
Property Sold or Interest Divested  Assessed Value  Name and Address of Purchaser  Nature and Amount (Use Coc Consideration Received	ode) of Payment or
(Use Code)	
Property Purchased or Interest Acquired  Creditor's Name/Address  Payment Terms  Security Given  Original	e Amount - (Use Code) al Current

All Other Property Entirely or Partially Owned

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3	ASSETS / INVESTMENTS - INTEREST / DIVIDENDS		d savings accounts, operty (including but iod.		•	•	
A.	Name and address of each bank or financial institution in which a family member, including registered domestic partner, had account over \$24,000 any time during the report period.	you, Type of	Account or Description	n of Asset	Asset Value (Use Code)	Income (Use (	Amount Code)
B.	Name and address of each insurance company where you, a far member, including registered domestic partner, had a policy w cash or loan value over \$24,000 during the period.						
C.	Name and address of each company, association, governr agency, etc. in which you, a family member, including regist domestic partner, owned or had a financial interest worth \$2,400. Include stocks, bonds, ownership, retirement plan, notes, stock options, and other intangible property. If you, spouse, registered domestic partner and/or dependents had dec making authority regarding individual assets/investments list asset or investment, the value and any income amount. EXAMI If you self-directed an investment account identify each stocother asset in that account.	ered over IRA, your ision each PLE:					
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	Creditor's Name and Address		rms of Payment	Securi	ty Given	Original	Present
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	umbent elected officials and state executive officers filing an equired of these officeholders unless all answers to questions			must answe	er question E.	An F-1 Su	pplement
A.	At any time during the reporting period were you, your spouse, registered corporation, company, union, association, joint venture or other entity or (2 company or similar entity including but not limited to a professional limited	2) a partner or me	mber of any limited partne	rship, limited lia	ability partnership,		ty
В.	Did you, your spouse, registered domestic partner or dependents have an business at any time during the reporting period? If yes, complete \$	ownership of 10% Supplement, Part	% or more in any company, A.	corporation, p	artnership, joint ve	enture or othe	r
C.	Did you, your spouse, registered domestic partner or dependents own a b			od? If ye	es, complete Supp	olement, Part	A.
D.	Did you, your spouse, registered domestic partner or dependents prepare, compensation (other than pay for a currently-held public office) at any time					tion or deferre	ed
E.	Only for Persons Filing Annual Report. Regarding the receipt of items you, your spouse, registered domestic partner or dependents (or any commany source other than your governmental agency provide or pay in whole of a seminar or other training? If yes to either or both questions, co	oination thereof) a or in part for you, y	ccept a gift of food or bever your spouse, registered do	erages costing	over \$50 per occa	asion? o	or 2) Did
AL	L FILERS EXCEPT CANDIDATES. Check the appropriate box.		CERTIFICATION:		nder penalty o		
	I hold a state elected office, am an executive state officer or pro I have read and am familiar with RCW 42.52.180 regarding the resources in campaigns.				best of my kno		ilue allu
	I hold a local elected office. I have read and am familiar with RC regarding the use of public facilities in campaigns.	W 42.17A.555	Contact Telephone:	( )*		Dale	
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	tact information.	וווחפופ וחו	Email:			(Home)	Optional



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711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
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EMAIL: pdc@pdc.wa.gov

F-1
SUPPLEMENT
(11/14)

PDC FORM

## SUPPLEMENT PAGE PERSONAL FINANCIAL AFFAIRS STATEMENT

PROVIDE INFORMATIO YOUR HOUSEHOLD	N FOR YOURSELF, SPOUSE, REGISTERED DOME	STIC PARTNER, DEPENDENT CHILD	REN AND OTHER DEPENDENTS IN
Last Name	First	Middle Initial	DATE
A OFFICE HI BUSINESS INTEREST	dependents  S: (1) were an officer, director, general organization, union, partnership,  (2) were a partner or member of a	ng the reporting period, you, your spong the reporting period, you, your spong all partner, trustee, or 10 percent or more joint venture or other entity; and/or limited partnership, limited liability partnership to a professional limited liability continued to a professional limited liability continued li	ore owner of a corporation, non-profit
•	Legal Name: Report name used on legal documen	·	
•	Trade or Operating Name: Report name used for b	ousiness purposes if different from the le	gal name.
•	Position or Percent of Ownership: The office, title a	and/or percent of ownership held.	
•	Brief Description of the Business/Organization: Re	port the purpose, product(s), and/or the	service(s) rendered.
•	Payments from Governmental Unit: If the governmentity concerning which you're reporting, show the payments from Governmental Unit:		
•	Payments from Business Customers and Other G proprietorship, union, association, business or oth seek/hold office) which paid compensation of \$12,6 services or other consideration was given or perform	er commercial entity and each governr	nent agency (other than the one you
•	Washington Real Estate: Identify real estate owner	d by the business entity if the qualification	ons referenced below are met.
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		Registered Domes	stic Partner Dependent D
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	CEIVED FROM BUSINESS CUSTOMERS OF <mark>\$12,00</mark> tomer name:		e of payment (amount not required)
	STATE IN WHICH ENTITY HELD A DIRECT FINANO operty is over \$24,000. List street address, assessor		

**CONTINUE PARTS B AND C ON NEXT PAGE** 

## F-1 Supplement

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B LOBBYING:	prepared state legislation or state	any immediate family member, includir e rules, rates, or standards for compensa ch you are an elected official or profession	ntion or deferred compensa			
Person to Who	m Services Rendered	Description of Legislation, Rules, Etc.	Compensation	(Use Code)		
Check here ☐ if continued on att	tached sheet					
C FOOD TRAVEL SEMINARS	portion of the following items to	e other than your own governmental age you, your spouse, registered domestic costing over \$50 per occasion; 2) Trav	partner or dependents, o	r a combination		
Date Donor's Received	Name, City and State	Brief Description	Actual Dollar Amount	Value (Use Code)		
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### **Information Continued**

# F-1 Supplement

Name						
ENTITY NO. Reporting For: Self Spouse						
		Registere	d Domestic Partner De	pendent		
LEGAL NAM	IE:	POSITIO	N OR PERCENT OF OWNE	RSHIP		
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#### DISCLOSURE COMMISSION 711 CAPITOL WAY RM 206 PO BOX 40908 **OLYMPIA WA 98504-0908** (360) 753-1111 **TOLL FREE 1-877-601-2828**

regarding the use of public facilities in campaigns.

contact information

\*CANDIDATES: Do not use public agency addresses or telephone numbers for

(<mark>11/14</mark>)

PDC FORM

### **PERSONAL FINANCIAL AFFAIRS STATEMENT**

Short Form

M PDC OFFICE USE A R K O S

A complete E 4 form must be filed at least even four veges, on E 4 A
changes or only minor changes to an F-1 report previously filed.
The F-1A form is designed to simplify reporting for persons who have no

A complete F-1 form must be filed at least every four years; an F-1A form

**DOLLAR** CODE **AMOUNT** \$1 to \$4 499 ECE

	<ul> <li>sed for no more than three consecutive reports.</li> <li>s: Incumbent elected and appointed officials by Ap Candidates and others within two weeks of becca candidate or being newly appointed to a position</li> </ul>	ming	B C D E	\$4,500 to \$23 \$24,000 to \$4 \$48,000 to \$1 \$120,000 or n	<mark>7,999</mark> 19,999	I V E D	
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City	County	Zip + 4		uetaiis.			
An elec Final re Candida Newly a	ted or state appointed official filing annual report port as an elected official. Term expired: ate running in an election: month appointed to an elective office appointed to a state appointive office sional staff of the Governor's Office and the Legislatur	year e		Office Held or Sought Office title: County, city, district o name and number: Position number: Term begins:	r agency of	the office,	
□ NO CH informa □ MINOR period.	ANGE REPORT. I have reviewed my last complete Fition disclosed on those reports is accurate for the curl CHANGES REPORT. I have reviewed my last complete Specify F-1 Form Item numbers and describe changed if continued on attached sheet	F-1 report dated _ rent reporting peri	and liod.	F-1A reports (if any) dat  The changes listed be	ed (1)	and (2)	
FOOD TRAVEL SEMINARS	Complete this section if a source other than following items to you, your spouse, registe	red domestic par	tner or dep	endents, or a combina	ation there	of: 1) Food an	
Date Received	Donor's Name, City and State  Check here ☐ if continued on attached sheet		Brief De	scription	A	Actual Dollar Amount	Value (Use Code)
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Select ei	ther "No Change Report" or "Minor Change Report," w	hichever reflects your si	uation. Supply all the requested inforn	nation.	
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FOOD TRAVEL SEMINA					
Date Received	Donor's Name, City and State	E	Brief Description	Actual Dollar Amount	Value (Use Code)

WAC 390-24-202 Report of compensation from sales commissions. When a person receives compensation in the form of a commission on sales, the reporting of the compensation, required in RCW 42.17A.710, shall include:

- (1) The name and address of the person or persons through whom a commission was paid;
- (2) For purposes of RCW 42.17A.710 (1)(f), the name and address of each person (other than an individual) for whom a service was rendered or to whom a product was sold that resulted in a commission of ((\$2,000)) \$2,400 or more in the aggregate;
- (3) For purposes of RCW 42.17A.710 (1)(g)(i), the name and address of each governmental unit for whom a service was rendered or to whom a product was sold that resulted in a commission;
- (4) For purposes of RCW 42.17A.710 (1)(g)(ii), the name and address of each person (other than an individual) for whom a service was rendered or to whom a product was sold that resulted in a commission of ((\$10,000)) \$12,000 or more in the aggregate.

[Statutory Authority: RCW 42.17A.110. WSR 12-03-002, § 390-24-202, filed 1/4/12, effective 2/4/12. Statutory Authority: RCW 42.17.370(1). WSR 08-01-070, § 390-24-202, filed 12/14/07, effective 1/14/08. Statu-

tory Authority: RCW 42.17.370. WSR 92-08-105, § 390-24-202, filed 4/1/92, effective 5/2/92.]