

## Comment on Commission meeting agenda item - Friends of Franz

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*a minute ago (Wed, 26 Jul 2023 at 4:50 PM)*

July 26, 2023

Chair Nancy L. Isserlis

Washington State Public Disclosure Commission

P.O. Box 40908 Olympia, WA 98504-0908

Re: PDC Complaint – Case No. 137263

Dear Chair Isserlis and Commissioners,

Friends of Hilary Franz appreciates the opportunity to offer public comment regarding the PDC's formal guidance on the use of surplus funds and the necessary compliance required to transparently disclose donors and contribution amounts.

First, thank you for the serious consideration you and staff have given to this issue. While this case feels particularly straightforward, your roles as commissioners are so important to maintaining the status of our election system as a national model for transparency, and we appreciate how diligently you serve to uphold our law.

On April 27 and in subsequent meetings, Commissioners were unanimous in their interpretation of the statute and issued the following: "such funds authorized for transfer to a campaign for a different office should be attributed to the individual donors in the new campaign's reports and count toward applicable contribution limits for the new campaign."

And on May 25, PDC commissioners noted correctly in PDC Interpretation No. 23-01: "Based on the statutory scheme, legislative history, and consistent with the policies and purposes of the law to promote transparency and limit influence in candidate elections — including the law's mandate that "[t]he provisions of this chapter shall be liberally construed to promote complete disclosure of all information respecting the financing of political campaigns" ([RCW 42.17A.001](#)) — the Commission determines that the use of a candidate's surplus contributions for the same person's campaign for a different office are considered contributions to that new campaign. Specifically, when a candidate is transferring surplus contributions from a previously completed election campaign to a new campaign for a different office, those contributions moved to the new campaign must be attributed to their sources, and count toward the contributor's limit for the new campaign. Each contributor whose written approval was obtained must be identified along with their contribution."

The Commission has the clear ability to distinguish active campaigns for office and those long closed with regard to the application questions now before the body. Currently active campaigns for office have the ability and obligation to disclose all donors and total contribution amounts for each. There are candidates currently seeking office that to date have not complied with the law and have not amended reports. This failure to disclose is remediable but must be insisted upon to ensure current elections are held transparently and equitably, with all candidates subject to the same rules and standards with respect to disclosure.

It's important to voters to get this right, no matter who is running, at what level, no matter the election year. The PDC has taken an important step in issuing a formal interpretation and now must enforce the interpretation to all active campaigns knowing that choosing not to would impact the campaigns in such a way as to give a serious advantage to one candidate and serious disadvantage to all others in the same race.

Complying with the law today is easily available to active campaigns because of the mandated permission already required in the transfer process and the necessary bookkeeping to track and move approved transfers. That is less available to closed candidates and campaigns. For campaigns that are over, where the outcome of that election has already been determined and campaign accounts closed, compliance would be much more burdensome for candidates and

the outcomes of those races would not be impacted by updated reporting. The only thing that can be remedied today is the reporting of active campaigns for office to ensure transparency and accountability in the current election cycle.

The issue of honoring our contribution limits is also of vital importance to our election laws. Contribution limits are of course designed to discourage corruption in our process. No contributor is allowed to go beyond the individual contribution max, and PDC staff – as well as voters – need campaigns to disclose their contributors in order to ensure those rules are followed.

**Any campaign that was active at the time of your interpretation should be mandated to comply with the law immediately to ensure voters have confidence in our system, and donors aren't exceeding their limits**

We urge the commission to distinguish between closed and active campaigns for these reasons and encourage you to enforce your interpretation with all active office-seekers. Thank you for your consideration and we look forward to your determination.