

## **Seattle Ethics and Elections Commission Regular Meeting**

**June 6, 2018**

The Regular scheduled meeting of the Seattle Ethics and Elections Commission convened on June 6, 2018 in Room 4080 of the Seattle Municipal Tower, 700 Fifth Avenue. Commission Chair Brendan Donckers called the meeting to order at 4:05 p.m. Commissioners Nick Brown, Bruce Carter, and Hardeep Singh Rekhi were present. Vice Chair Vickie Rawlins and Commissioners Charlene Angeles and Eileen Norton participated via telephone. Executive Director Wayne Barnett was joined by staff members Polly Grow, Rene LeBeau, and Annie Tran, and Assistant City Attorneys Jeff Slayton and Gary Smith.

### **1) Public Comment**

There was no public comment.

### **Action Items**

#### **2) Minutes of May 2, 2018 Regular meeting**

Commissioner Rekhi moved to approve the minutes from the May 2, 2018 regular Commission meeting, and Commissioner Rawlins seconded. The minutes from the May 2, 2018 regular meeting were unanimously approved, with Commissioner Carter abstaining.

### **Discussion Items**

#### **3) Reporting subvendors**

The Executive Director introduced campaign treasurer Phil Lloyd, who attended the meeting to discuss staff's direction to him that he report information on subvendors that he did not believe the law or rules required him to report.

The Director said that if the Commission adopted Mr. Lloyd's position, the amount of information that the public had on where campaigns spent their money would be significantly reduced.

Mr. Lloyd said that the law governing commercial advertisers was the proper vehicle for getting the public the information that Commission staff was seeking.

Commissioner Norton said the Commission's main goal was transparency.

The Director said the question before the Commission was whether it sided with Mr. Lloyd, in which case staff would abandon its efforts to have him amend his reports, or whether it sided with staff, in which case staff would continue to insist that Mr. Lloyd amend his reports.

Commissioner Carter said the Commission's goal was that the report include all vendors who received money, whether it be directly or indirectly.

Commissioner Brown asked Mr. Lloyd if at the time payments are made to vendors, is the campaign aware of who the sub-subvendors are.

Mr. Lloyd replied that quite often he is not made aware of who the sub-subvendors are, especially since the money is being spent in real time.

The Chair, after disclosing that he had worked with Mr. Lloyd on a campaign many years ago, agreed with the Executive Director's interpretation of Elections Code Rule 7C, which states that expenditures made on behalf of a candidate or political committee by any person, agency, firm, or organization, employed or retained for the purpose of organizing, directing, managing or assisting the candidate's or committee's efforts shall be deemed expenditures by the candidate or committee.

Commissioner Norton also disclosed that she had worked with Mr. Lloyd on campaigns in the past.

Commissioner Rekhi believed that in this case, the agent made an expenditure on behalf of the campaign, even if they are technically a sub-subvendor, or sub-sub-subvender.

Although the Chair agreed with the Executive Director's interpretation of Elections Code Rule 7C, he questioned whether clarification of the rule was in order.

Commissioner Rekhi's main concern was making sure Mr. Lloyd and others didn't misinterpret the Elections Code Rules moving forward.

Commissioner Brown agrees that clarification and possibly adding more language to the Elections Code Rule 7C would make the most sense.

The Chair said the Commission may want to revisit the question of amending the rules at some point in the future, but said that Mr. Lloyd should work to amend his reports in accordance with staff's interpretation.

#### **4) Attribution Rules and I-122**

The Director said the question before the Commission was whether or not they wanted to extend the attribution rules to cover the bar on certain contractors and lobbyists' employers making contributions. He told the Commission that the attribution rule expressly applies to SMC 2.04.370 and is not applicable to the sections of the Elections Code adopted in 2015.

The Chair called for an Executive Session at 4:58 p.m. The Commission emerged from executive session at 5:20.

Commissioner Carter moved that no changes be made to the attribution rule, and Commissioner Rawlins seconded. The motion to maintain the attribution rule in its current form was unanimously approved.

#### **5) Legislation status report**

The Director told the Commission that the legislation amending the Ethics Code to deal with widely shared financial interest had passed by a vote of 8-1, with one amendment requiring the Commission to take into account the fact that seven of nine Council seats are now districted.

The Director also shared that the Governance, Equity and Technology Committee held its first discussion of legislation to amend I-122 on May 19, 2018.

Mr. Barnett called to the Commission's attention that he had made a last-minute change to the legislation transmitted to Council, saying that vouchers would need to be mailed no later than March 1, instead of March 1. He thought the flexibility would enable to the Commission to gather more information on the subject before making a final decision.

**6) FIS status report**

The Director reported that every officer and employee required to file a Financial Interest Statement for 2018 had done so. Staff member Anthony Adams is working on completing the collection of all boards and commission members FIS paper forms.

**7) I-122 status report**

Rene LeBeau updated the Commission on recent developments. The requirements were sent out to a vendor to receive a quote regarding online voucher access for the 2019 campaign cycle. Ms. LeBeau also discussed plans for the Democracy Voucher Program introducing an image-based webinar designed to gain feedback on how to effectively meet language requirements. Ms. LeBeau also mentioned an upcoming media campaign slated to begin in late June highlighting that candidates can sign up for the program beginning July 2, 2018. This project will be spearheaded by the Democracy Voucher Program's staff member, Annie Tran.

**8) Executive Director's report**

The Director asked the Commission to authorize his participation in a panel at the Council on Government Ethics Law conference in Philadelphia in December 2018. The Commission had no concerns and approved the request.

**The regular Commission meeting for June 6, 2018 adjourned at 5:45 p.m.**