

## Seattle Ethics and Elections Commission Special Meeting

September 9, 2019

A special meeting of the Seattle Ethics and Elections Commission (SEEC) convened on September 9, 2019 in Room 4080 of the Seattle Municipal Tower, 700 Fifth Avenue.

Commission Chair Brendan Donckers called the meeting to order at 4:02 p.m. In attendance were Commissioners Nick Brown, Bruce Carter, Eileen Norton, Richard Shordt, and Susan Taylor. Vice-Chair Hardeep Singh Rekhi joined the meeting via telephone. Executive Director Wayne Barnett was joined by Assistant City Attorneys Jeff Slayton, and Gary Smith, along with staff members Mergitu Argo, Chrissy Courtney, Polly Grow, Rene LeBeau, Marc Mayo and Annie Tran.

### 1) **Public Comment**

Marguerite Richard and Omari Tahir-Garrett provided public comment.

Peter Lavallee, the Executive Director of the Public Disclosure Commission (PDC), provided public comment regarding the proposed legislation to limit contributions to PACs in City elections and ban political spending by foreign-influenced corporations from Councilmember Gonzalez, stating that the PDC was in favor of the underlying principles of the proposed legislation.

### **Action Items**

#### 2) **August 13, 2019 special meeting minutes**

Meeting minutes for the August 13, 2019 meeting were reviewed with two corrections requested by Commissioner Taylor; changing the spelling of Cavanaugh to Kavanaugh on page 5

and replacing the word “options” with “held by brokers in street names” on page 6. A motion to approve the minutes with the requested corrections was made by Commissioner Norton and seconded by Commissioner Shordt. The motion passed unanimously.

**3) In re David Soule**

Mr. Soule was not in attendance for the hearing, but he was notified of the hearing and given a reminder. The Director submitted a declaration and asked the Commission for a verdict. Attorney Gary Smith offered that the standard would be one of preponderance of the evidence and did not require in person testimony. Mr. Marc Mayo noted that there was a typo on line one of page 3, where the document refers to exhibit A, the reference should have been to exhibit B.

Commissioner Brown asked if it was known whether Mr. Soule’s retirement was related to the investigation. The Director answered that temporally, yes, but there was no way of knowing whether it was a factor in Mr. Soule’s decision to retire. Commissioner Norton motioned to find a violation by preponderance of the evidence by Mr. Soule. The motion was seconded by Commissioner Taylor. The motion passed unanimously.

The Director noted that in the previous cases, the amount of the fine was determined by doubling the amount of the fees that would have been paid, in this case that would be 25 instances of \$20 each, which when doubled would be \$1,000, and that is the recommended fine in this case. Commissioner Norton made a motion to adopt the proposed order with a fine of \$1,000 and Commissioner Taylor seconded the motion. Commissioner Shordt asked for clarification as to whether there was any other monetary impact, such as cost recovery, and the Director answered that it was just the flat fine. There was no further discussion, and the commission voted unanimously to approve the motion. Commissioner Norton asked if there

would be an attempt to collect this fine and the Director answered that historically the City does have a collections process and if the fine is not paid then it will be sent for collection.

**4) Proposed lobbying legislation**

Chair Donckers asked if there had been any feedback collected from the agencies potentially impacted by this legislation and the Director answered that there had not been, due to various issues. The Director offered that if the commission had no other aspects of the legislation to discuss, then he would reach out to the various departments and solicit their feedback. The Chair agreed and the item was tabled until the next meeting.

**5) Director's attendance at 2019 COGEL conference**

The Director requested approval for attendance at the Council on Government Ethics Laws (COGEL) conference in December of 2019, in Chicago, due to the expenditure of funds on travel arrangement. The Director has been requested to speak on a panel at the upcoming conference but has waited to confirm until receiving approval from the commission. Last year's conference cost roughly \$1,500 and the costs are anticipated to be the same for this year. The conference is held annually for state and local officials around the country to discuss ethics laws. Commissioner Brown moved to approve the Director's attendance at the COGEL conference, and the motion was seconded by Commissioner Carter. The motion was approved unanimously.

**Discussion Items**

**6) Dismissal of Case No. 19-2-0621-1**

The Director noted that this case was regarding possible trespassing violations of campaign workers. The complainant was informed that trespassing would not be a matter covered under the code administered by the Seattle Ethics and Elections Commission and should

be brought to the attention of the Seattle Police, but they asked for a formal dismissal of their complaint.

The Chair stated that it seemed from the complaint that the activity was done by campaign staff and not the candidate, but he asked if it had been the candidate, would that have fallen under the purview of the commission. The Director answered that he did not believe it would, because trespassing would fall under municipal code sections under the jurisdiction of the police, but if it was an elected official and that official had called the police and told them not to take complaints on the matter, then that would potentially fall under the ethics code. But there was no indication that such a hypothetical situation occurred.

Before moving to the I-122 report, the Director wanted to acknowledge Mergitu Argo, who has been working in the Democracy Voucher Program, was getting ready to leave the temporary position and he thanked her for her work. The Director also noted that since the primary had concluded, Penelope Koven had also left her temporary position with the Democracy Voucher Program the previous week.

**7) I-122 report**

Program manager René LeBeau acknowledged that there was an anticipated last big push for the general election, and she believed that the regular staff would be able to handle the voucher processing work for the remainder of the election season. There are 124,000 vouchers processed currently, and 20,000 of those were done online using the portal. Ms. LeBeau stated there were some user interface updates that she would like to see completed, but that the portal was working.

Ms. LeBeau also noted that 12 of the 14 candidates in the general election are participating in the Democracy Voucher Program and 3 of those 12 have already received more vouchers than they can ever redeem and a fourth was rapidly approaching the limit. A common question from phone calls and emails is who can still receive voucher dollars. Annie Tran and Ms. LeBeau updated the website and are sending out updated messaging regarding which candidates can still accept vouchers since the campaign maximums are starting to make an impact.

Ms. LeBeau stated that invoicing is ongoing and \$2,033,000 has been paid out at this point, and there is still plenty of money remaining for future payments. September 3, 2019 was the last day that the Democracy Voucher Program can receive vouchers for candidates who did not move on from the primary, and Ms. LeBeau and Polly Grow are working closely with the campaigns to help them close out by September 26 and help them understand how to return unused funds if applicable. The program has already received about \$1,500 back from two different campaigns who had excess funds.

Ms. LeBeau noted that outreach is starting to decline slightly but they have attended 58 events and at least 4,000 residents have been reached during these events. Last week Ms. LeBeau and Voucher Program intern Fedden Amar attended an event at the Arc of King County, a non-profit organization that works primarily with developmentally disabled people, family and allies. Ms. Tran also recently met with a local high school. Commissioner Taylor asked whether the high school came to the program to initiate the outreach and Ms. Tran answered yes, they did, and they had requested the Director and Ms. Tran come to speak to the students who are learning about ethics and citizenship. Commissioner Norton asked which school it was, and Ms. Tran answered that it was the Downtown School, which is located near the Seattle Center.

Commissioner Carter asked if that was a private school, and the Director answered yes. Ms. Tran also offered that they hoped to do more outreach in the future to high schools.

Commissioner Brown asked Ms. LeBeau if there was a projection of future payouts, and Ms. LeBeau answered that there was no projection, but she did not anticipate paying out more than \$2.5 million for the current year because the campaigns simply did not have that much capacity left in their campaign valuations. The Chair asked how Ms. LeBeau expected the next couple of months to be and Ms. LeBeau answered that she expected a lull until just prior to the general election, and by then a lot of campaigns will be maxed out and there will be a lot of calls from residents who realize at that point that it is too late to use their vouchers.

Commissioner Carter asked how the amount of the independent expenditures which have accumulated to date compare with the budget of the voucher program, and whether it was going to be double. Ms. LeBeau said she was not certain she could answer that question and the Director stated that there was a tremendous amount of money spent by Independent Expenditure (IE) committees in the primary and it seemed reasonable to assume it would continue in the general. Commissioner Carter asked if there was a current number on the IE spending and the Director said he did not have that figure to hand but could email the information to the commission. The Director also stated that there were several candidates who had been released for the general based on IE spending on their behalf during the primary.

Ms. LeBeau offered that in terms of the program work, they would be engaging with their previous research company this week to begin the conversation about how to analyze the 2019 election cycle data, and she welcomed feedback from the commissioners about what they were interested in having examined.

**8) Executive Director's report**

The Chair asked the Director what was anticipated for October in terms of the voucher program, in addition to the proposed lobbying legislation for the agenda. The Director answered that he did not know of anything coming down the pike for the Democracy Voucher Program but given that several things arose in 2017 just prior to the general election, he was uncertain if that would happen again this year or not.

The Chair wanted to know if the commissioners would like to have further discussion in October regarding Councilmember Gonzalez's proposed legislation regarding super PACs since they had now heard from the PDC on the matter and the commissioners agreed. The Director confirmed it would be on the October agenda.

The Director also thanked the staff, noting that he left the office in very capable hands during his recent absence, and that they were a tremendous team. The Chair also thanked the staff for stepping up and stated that they had the full support of the commission.

**The Special Commission meeting of September 9, 2019 adjourned at 4:38 p.m.**