

Seattle Ethics and Elections Commission Regular Meeting

April 6, 2022

A regular meeting of the Seattle Ethics and Elections Commission (SEEC) convened remotely and in Seattle Municipal Tower Conference Room 4080. Chair Hardeep Singh Rekhi called the meeting to order at 4:02 p.m. The Chair and Commissioners Susan Taylor and Judy Tobin were present; Commissioners Kristin Hawes, Zach Pekelis, Richard Shordt, and Jeff Winmill joined remotely. Executive Director Wayne Barnett was present and joined by staff members Chrissy Courtney, Cliff Duggan, Randal Fu, Polly Grow, René LeBeau, and Neelam Shah. Staff member Marc Mayo along with Assistant City Attorneys Gary Smith and Teresa Chen joined remotely.

Action Items

1. Minutes for February 2, 2022, meeting

The Chair moved to the first order of business, approving the minutes from the February 2, 2022, regular meeting. The Chair entertained a motion of approval which was made by Commissioner Tobin and seconded by Commissioner Taylor. The vote to approve the February 2, 2022, regular meeting minutes was unanimous.

2. Election of Vice Chair

The Chair made the motion to elect Commissioner Pekelis to the Vice Chair position. After a call for comments and upon hearing none, the motion was put to a vote. The vote to appoint Commissioner Pekelis to the Vice Chair position was unanimous with Commissioner Pekelis abstaining. The Chair and Commissioners look forward to working with Vice Chair Pekelis.

3. SEEC Staff Confirmation

Director Barnett talked about the appointment of Fedden Amar to the Senior Public Relations Specialist position vacated earlier in the year by Annie Tran. Ms. Amar was an intern with the Commission during the 2019 election cycle and worked on the Democracy Voucher Program in 2021. Ms. Amar has a Master of Communication Degree from the University of Washington as well as a bachelor's degree from Western Washington University. Commissioner Taylor made a motion to confirm Ms. Amar's appointment; Commissioner Tobin seconded the motion. The Chair called a vote to appoint Ms. Amar as the Senior Public Relations Specialist. The vote was unanimous. The Commission welcomed Ms. Amar.

The Director took a moment to discuss a SEEC staff update (Discussion Item 8.a.). Randal Fu, who worked with the Democracy Voucher Program in 2017 and 2021, has been promoted to Management Systems Analyst replacing Chrissy Courtney. The Commission congratulated Mr. Fu on his promotion.

4. Campaign Maximum Contribution rule

Director Barnett explained that the Campaign Maximum Contribution rule is a feature of the local inflation rate. Calculations were made for the 2023 election cycle based on the CPI-W Index of October 31, 2015, to November 20, 2021. The revised amount is \$587.51 for the contribution limit of non-Democracy Voucher Program candidates. It is recommended this amount be rounded up to \$600.00 to make the number more convenient to the public.

(Democracy Voucher Program candidates have a maximum contribution level of \$300.00.)

The Chair moved to approve the Campaign Maximum Contribution rule to a \$600.00

maximum limit effective April 6, 2022. Commissioner Hawes seconded the motion. The motion to accept the Campaign Maximum Contribution rule was unanimously approved.

5. Financial Interest Statements rule

The Director explained that this is the process where many City employees and volunteer Board and Commission members are identified as required to complete a Financial Interest Statement of three or four questions to identify potential financial conflicts. The names of employees and members are provided to SEEC each year by their departments. The provided lists, if the Commission adopts the information, will require the filers to complete a Financial Interest Statement.

Commissioner Tobin asked how the accuracy of the responses is verified. The Director explained that a \$5,000 fine is assessed if a person falsifies the information and is caught in the deception. Commissioners noted that it is a recordkeeping procedure and serves as a yearly reminder for disclosure. The Chair moved to accept the Financial Interest Statements rule, and Commissioner Taylor seconded the motion. The Financial Interest Statements rule was unanimously passed.

6. Administrative dismissal request: Case No. 21-0901-1

The Director explained that Case No. 21-0901-1 was a complaint received in 2021 against a Lead Program Intake Representative (PIR) in the SPU's Utility Discount Program. It was alleged that the employee was involved in his sister's program application. An investigation was done, and it was conveyed that he did bring his sister's application to the office. The application was approved by someone else; however, the subject signed off on the application. Later review determined that there was false information on the application, and it was revoked.

The sister was billed for the financial loss to the City.

The Director said that while it was not inadvertent, the case was thought to be relatively minor and no external review was brought into to the process. In the end, it was the opinion that it will not result in any loss for the City. Also mentioned was possible “proof problems” if it were to go to a hearing.

Commissioner Taylor inquired as to what the Lead PIR should have done and why he did not do that. The Director explained that when the application was up for final review, the Lead should have referred the application to his equal in the chain of command. The director said the person ultimately claimed ignorance. Commissioner Taylor asked if it would be valid that the person did not know. The Director responded that employees are expected to take training. Commissioner Taylor asked if the employee received a warning or some sort of discipline? The Director understands that the employee’s department is looking at disciplinary steps.

Commissioner Hawes inquired if other employees in this same instance been treated differently? The Director did not recall a case where it was decided the other way. The Director explained that the thought is always if it is creating a good defense based on precedence. The Chair summarized that this case was being dismissed because it was a minor violation and the City has not been harmed by it. And, that it is too minor to proceed. Commissioner Tobin asked why the application was revoked. The Director said it was found that the applicant was running a business out of her home which disqualifies a person from the Discount Program.

Vice Chair Pekelis asked the Director to walk through the procedure if the Commission does not administratively dismiss the case. The Director said he would go back to the subject and he would have a choice to either settle with him and then present that to the Commission for approval, or the subject could request a hearing before the Commission to prove his case. The

Director stated that the maximum penalty per violation is \$5,000 per violation; there is no minimum. Commissioner Pekelis said he would be troubled by characterizing this type of a violation, regardless of the amount, as minor. And that if a person was the Mayor of a city or an entry-level clerk, it is a core kind of ethical duty to refrain from making decisions that involve your own financial interests or the financial interests of a close family member.

Commissioner Hawes asked if there would be an option other than administrative dismissal to incur a small fine that would dovetail with the findings of the violation and the ethical issues that would not be a significant burden with respect to the employee? The Director said they could go back to the subject and urge him to settle but would not characterize the violation as minor or insignificant.

Commissioner Shordt asked what would have been expected of the subject – What would we have expected him to do in what sounds like a reviewer of work performed by somebody else. Was it his responsibility to look at the file and make an independent judgment or ratify it? Commissioner Shordt pointed out that there is a difference between doing the review and ratifying the application. The Director believes the subject should have passed it off to another Lead PIR to ratify or not ratify. (Another employee below the subject reviewed the application.)

The Chair asked if there was any indication that the subject knew his sister had falsified the application. The Director responded there was no indication. The Chair said he was of the mind to dismiss the case as it was going to be handled within the subject's department, and that the subject has received communication from the SEEC informing him of the violation.

Commissioner Taylor asked if the subject had expressed any remorse, regret, or acknowledgment in the situation. The Director's understanding is that the subject did not.

Commissioner Pekelis said that Commissioner Taylor's question would be relevant in setting the

penalty or even negotiating a settlement with the subject. The Commissioner said any time a City employee or official has knowingly made a decision that affects the finances of an immediate family member, it is a clear violation. Vice Chair Pekelis is concerned about the Commission setting a precedent where a violation is characterized as a minor violation. It is the Commissioner's hope that the subject's supervisor would consider all the circumstances when negotiating with the subject.

The Chair called for a vote to approve Administrative Dismissal of Case No. 21-0901-1. Chair Rekhi and Commissioners Shordt and Tobin voted in favor of the dismissal; Vice Chair Pekelis and Commissioners Hawes, Taylor, and Winmill opposed the dismissal. Administrative Dismissal of Case No. 21-0901-1 did not pass. The Director will let the subject know there was no administrative dismissal, and then take whatever steps from there.

Discussion Items

7. Democracy Voucher Program

Manager René LeBeau provided a summary of the Democracy Voucher Program's 2021 Biennial Report as required by SMC 2.04.658 (Honest Elections Seattle Code Transparency). The intention of the report is to give a very broad, public-facing overview of the Program and what occurred in the 2021 election cycle.

For the 2021 election cycle, 512,746 Seattle residents received Democracy Vouchers. In total, the SEEC office processed 184,747 vouchers from 48,071 residents. This represents an approximate increase of 10,000 people participating in the program compared to the 2019 election cycle.

Regarding voucher validation rates, the Chair asked if there were any studies done to show any correlation of verification rates along race, gender, religious, or economic factors?

Ms. LeBeau responded that King County does not have race or gender data. The Chair asked if there would be a way to get data according to geographic locations or City District to see which areas had higher validation rates than others. Ms. LeBeau said she will look at the database of challenged signatures. The Chair inquired about the 2.2 percent of signatures that did not meet initial verification standards. Ms. LeBeau said most were due to signatures but also included those who had not signed their vouchers.

Commissioner Winmill asked Ms. LeBeau to quickly describe the process of pre-authentication of vouchers assigned in the Online Portal. Ms. LeBeau said that a person wanting to submit vouchers online is assigned an invitation code and then asked to create an account. To validate the account, the user is asked to provide the last four digits of their Social Security Number and date of birth. This information is sent off to a third-party identity verifying company called Trulioo. Once verified, the user can create and submit vouchers which are immediately available to pay out to a qualified candidate. Commissioner Winmill asked if the process was used with King County. Ms. LeBeau replied that the portal is a Democracy Voucher Program product application and is serviced by the Seattle Information Technology Department.

Regarding vouchers returned by type, the Chair asked for clarification on the one percent “Other” category. Ms. LeBeau said it represented vouchers returned to King County Elections’ ballot boxes (approximately 20 vouchers), City Customer Service Centers, public libraries, or by email sent to the SEEC.

Commissioner Tobin commented on her understanding that the intent of the original Democracy Voucher Program was for candidates to interact with the public. The Commissioner believes with current online practices, the original focus of public involvement is not being

accomplished. Commissioner Tobin asked if there was always an option for the online portal. Director Barnett mentioned that it was always contemplated to have a portal for people to go online and assign their vouchers.

The Chair asked if there was a way to show which areas submitted more online vouchers. Commissioner Taylor asked about the 2021 Democracy Voucher Participation by 2010 Census Tract map on Page 12 of the report. Of interest was the one area with the darkest shading located in the Capitol Hill neighborhood. Commissioner Taylor was wondering what combination of return channels contributed to the high participation rate. The Director mentioned that there is payment for voucher collection; however, he cannot speak to what form that takes.

The Chair noted that some sections of the Tract map showed very low participation. Ms. LeBeau replied that the tracts were based on population density. Once the post-election analysis is finalized, Ms. LeBeau said there will be a request to study areas where there needs to be more of a focus on increasing Voucher Program usage. The Commission thanked Ms. LeBeau for her presentation.

8. Executive Director's report

The Director stated that the advertisement for the Commissioner position currently held by Commission Taylor remains open. The Director asked if the Commission would like him to do additional outreach with Bar Associations; he suggested leaving the advertisement open for another month. The Chair agreed and said that the Commissioners could send the position description to their contacts as well. The Director will recirculate the posting to the Commissioners.

The Director then introduced staff member Neelam Shah to the Commission. Ms. Shah

joined the SEEC as an IT staffer a year-and-a-half ago. However, today was her first day in the office. The Director also mentioned that Polly Grow, Campaign Finance Law, Education and Compliance Advisor, is completing the internal biennial Seattle Election Report for 2021. The Report will be available to the Commission at the next meetings. When asked if the SEEC office was open, the Director responded in the affirmative.

Upon hearing no other topics for the good of the meeting, the Chair thanked the Commissioners and the staff for their time. The regular SEEC Commission meeting of April 6, 2022, was adjourned at 5:09 p.m.