

Seattle Ethics and Elections Commission Special Meeting

August 13, 2019

A special meeting of the Seattle Ethics and Elections Commission (SEEC) convened on August 13, 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 Vice-Chair Hardeep Singh Rekhi, Commissioners Nick Brown, Eileen Norton, Richard Shordt, and Susan Taylor. Commissioner Bruce Carter joined the meeting at 4:13 p.m. Executive Director Wayne Barnett was joined by Assistant City Attorneys Jeff Slayton, and Gary Smith, along with staff members Chrissy Courtney, Polly Grow, Rene LeBeau, and Annie Tran.

1) Public Comment

Alex Tsimerman, and Marguerite Richard provided general public comment.

Action Items

2) July 8, 2019 special meeting minutes

Meeting minutes for the July 8, 2019 were reviewed with a motion to approve by Commissioner Norton, the motion was seconded by Commissioner Taylor. The minutes were approved unanimously, with no abstentions.

3) Proposed legislation to end super PACs in City elections and ban political spending by foreign-influenced corporations

Kathy Sakahara, representing the Seattle chapter of the League of Women Voters, Cindy Black, Executive Director of Fix Democracy First, Nancy Keith, Sarah Potter, Seattle resident in District 1, Ken Dammand, Vice-Chair of Fix Democracy First, Sarajane Siegfriedt, advocate for public financing, and Megan Murphy, Seattle resident, spoke in favor of the proposed legislation. Councilmember Lorena González was unable to attend.

Roxana Gomez, legislative assistant to Councilmember Lorena González, thanked the commission for reviewing the proposed legislation and passed on the Councilmember's regrets that she could not be there today. Ms. Gomez spoke in favor of the proposed legislation stating that transparency is necessary for the democracy and to protect local elections by prohibiting foreign influence, limiting contributions to independent expenditure committees and requiring additional disclosure. Commissioner Norton asked if this legislation was shared with the Public Disclosure Commission (PDC) or anyone at the state level. Not yet, but it will be, answered Ms. Gomez, but no timeline currently on when that will be shared. Commissioner Carter asked if there were plans to share with the bar associations. Ms. Gomez answered that they have not been involved at this point, the SEEC was the first body asked to consider the matter.

John Bonifaz, co-founder and President of Free Speech for People, spoke in favor of the proposed legislation. Councilmember González's legislation was also supported by

documents submitted to the SEEC by University of Chicago law professor Albert Alschuler, Federal Election Commission (FEC) Chair Ellen Weintraub, Harvard law professor Laurence Tribe, Free Speech for People legal director Ron Fein, and political scientist Stephen Weissman. There was also a letter provided by Harvard law professor John Coates that was originally submitted to the Massachusetts legislature in support of a similar bill.

Mr. Bonifaz highlighted a few key points of the proposed bill, one of which was to create reasonable limits on donations to political action committees. Mr. Bonifaz explained that the super PACs emerged from a federal appeals court ruling in the DC circuit known as *Speech Now.org v FEC*, and the proposed bill would address the error created by that ruling, which has been reviewed by a three judge panel of the Ninth Circuit, but which has not yet been reviewed by the United States Supreme Court or by an en banc panel of the Ninth Circuit.

Vice-Chair Rekhi asked if there was other legislation in other areas to limit contributions to super PACs. Mr. Bonifaz answered that the only legislation enacted since *Speech Now* was in 2017 in St. Petersburg, Florida. This year, 2019, is the first year they are holding elections under this rule, and there has not been a legal challenge to the Florida legislation, but they are prepared to defend the city if there is a challenge and the Garvey Schubert Barer law firm has been enlisted to join them to help with the defense.

Mr. Bonifaz continued that the contribution limits that have been upheld by the US Supreme Court are being violated by the unlimited contributions to the super PACs. Mr.

Bonifaz noted that the proposed bill would address situations where donors can effectively undermine contribution limits by pursuing methods of direct and indirect support to candidates through the donations made to the campaigns directly and through the PACs themselves. Mr. Bonifaz also noted that when the Speech Now ruling came out of the DC circuit, the Attorney General at the time, Eric Holder, decided not to seek review by the US Supreme Court on the premise that it would only affect a very small subset of federal PACs. Mr. Bonifaz continued on that unfortunately that premise has proven to not be accurate and there has been an explosion of independent spending as a result.

Commissioner Brown asked if it is Mr. Bonifaz's understanding that this legislation would be contrary to the current ruling in the Long Beach case and Mr. Bonifaz answered yes, he believes it would be contrary to the panel's ruling and they would seek an en banc review, then a writ of certiorari if it failed at the en banc level. Commissioner Brown asked if it was Mr. Bonifaz's understanding that this legislation would not be permissible under current law from the Ninth Circuit. Mr. Bonifaz answered that it was their view that this deserves en banc review and Supreme Court review, and they share the view explained in detail by Professor Tribe that what the DC circuit decided conflicted with what the Supreme Court has long upheld about campaign contributions.

Mr. Bonifaz stated the principal error in the Speech Now ruling was to focus on the spending side, and to say that independent expenditures cannot corrupt according to dicta out of the Citizens United ruling, so what is wrong with having unlimited donations to PACs, but the problem is the focus should have been on the contributions side, the contributions are

what are corrupting and that is precisely why limits on contributions to candidates have been upheld and there should also be limits on contributions to PACs.

Chair Donckers noted that with the Speech Now opinion Brett Kavanaugh was on that panel, which is discouraging because if the case were to go to the Supreme Court, presumably he would not be eager to reverse himself, but the Ninth Circuit opinion, the Long Beach ordinance at issue was a prohibition on expenditures when they reached a certain limit, and not on the contribution side. Mr. Bonifaz answered that he agreed that was an accurate understanding and added that while looking at the Supreme Court composition, Justice Roberts is expected to be a critical vote, because of previous opinions he has provided, even since the Citizens United ruling, that contribution limits are constitutional and that corruption can occur through independent expenditures.

The Chair asked how the 1% threshold was determined for the foreign owned entity. Mr. Bonifaz answered that right after the Citizens United ruling, there was a loophole opened that would allow for foreign influence, such as that seen in the 2016 election, and two years after the Citizens United ruling, the court upheld having no foreign national spending at the DC circuit level, and that was confirmed by the Supreme Court. Given that prohibition at the federal level, which applies to all elections, 1% was considered a compromise because once you have 1%, then per Mr. Coates, that is the point at which you can begin to influence corporate governance.

Commissioner Carter asked if it was known if any of the donors in Seattle would be disqualified as a result of this legislation. Mr. Bonifaz answered that yes, for example, Uber would be one, because the Saudi Kingdom now has a 10% ownership of the company and so would Airbnb, which is partially owned by a Moscow based company, DST Global, at 4%, with a single stock ownership. Mr. Bonifaz continued that Amazon would also qualify based on the aggregate foreign ownership at 7.5%, and prior to the Citizens United ruling, corporations had no role in the federal elections and then this loophole was created.

Mr. Bonifaz then stated that the last provision in the bill under discussion deals with strengthening the law requiring the disclosure required for political ads. Mr. Bonifaz quoted Mr. Tribe's submission in summary, thanked the commission for their time and consideration of the bill and said that he hoped the SEEC will endorse the bill and stated that they stand ready to help defend the law if it does get enacted.

Commissioner Taylor asked Mr. Bonifaz if the 1% foreign cap was considered in terms of using the 5% limit because the public companies would require 13D or 13G filing, and her background as a corporate attorney tells her that despite Mr. Coates words, the companies will have trouble knowing who is a holder of the stock options and Mr. Bonifaz answered that the requirement is one of due inquiry and Mr. Coates outlines the ways companies can satisfy the due inquiry requirement. Commissioner Taylor asked if the due inquiry is satisfied by the company inquiring of whoever is holding the stock and Mr. Bonifaz answered yes. Commissioner Shordt, disclosing that he works as an attorney for T Mobile, which is identified by Mr. Coates as a foreign owned company, asked if an employee political

action committee is intended to be barred from contributing to super PACs. Mr. Bonifaz answered that there is an overall limit that is applied per individual donor, so if an employee PAC of a corporation were to contribute, up to the limit, that would be allowed, but there is no blanket prohibition on the contributions from PACs.

The Chair asked the Director for what has been done in the past when similar proposals have been brought before the commission, and the Director answered that the response can be whatever the commission would like. There could be a letter, supporting, taking no position, or disapproving, basically the response can take any form the commission chooses. Chair Donckers asked if there were a time constraint and Ms. Gomez answered that depending on what the commission's formal opinion is, then the Councilmember would decide whether to introduce the legislation, probably in the January of 2020 session.

Vice-Chair Rekhi asked what has been seen in this election season in terms of independent expenditures, and the Director answered that there has been an extreme amount of independent expenditure spending and the cap for the Democracy Voucher Program was lifted in 6 of the 7 races, only District 5 did not have the limit lifted, but the cap was not always lifted due to independent spending.

Commissioner Norton asked about the contributions to the PACs, and what the average contribution was to PACs, and the range of spending. The Director answered that anecdotally, there were some very large contributions to independent expenditure committees, he believed Amazon made a \$350,000 contribution to CASE, and Vulcan Inc., made another

\$125,000 to \$135,000 contribution, there was also a union that spent heavily in the District 7 race, and there were several donations between \$5,000 and \$100,00. Commissioner Norton stated that she is very interested in knowing the PDC opinion and believes it would be best addressed at the state level. Commissioner Norton also noted that litigation is the purview of the City Attorney, and he has the authority to choose the legal representation and while she supports the proposed legislation, she is not sure she would support the Seattle taxpayer footing the bill. Commissioner Norton appreciates that they have lined up a pro bono firm and if there is a meeting of the minds, and the pro bono arrangement is agreed upon, then that would be great, but she is certain there will be litigation.

Commissioner Brown said that even if everyone agreed on the policy, to what extent should they advance something that would not currently be considered legal under existing Ninth Circuit law, he is uncertain. Kathy Sakahara offered that she has spoken to the Chair of the PDC and they are interested in weighing in and are looking at some similar rules. Commissioner Norton would like to see a public response from the PDC, because she believes this should be statewide. Cindy Black noted that the goal is for this to become statewide, but legislation at the city level can be a good way to get something passed at the state level. Commissioner Norton said she agreed, but if the state legislature could pass this in a timely manner, she would prefer that path.

Vice-Chair Rekhi stated that he agreed with the policy issues in the legislation, and the question about spending city resources, knowing it will be challenged is less of a concern to him, because it would be protecting the democracy and to protect the elections, but he is also

torn that if there is precedent, then what is the SEEC's role in addressing or challenging those precedents. Chair Donckers stated that after reading the DC Circuit and the Ninth Circuit cases, it is rare to have categorical language such as "we must conclude that government has no anti-corruption interest in limiting contributions to an independent expenditure group" which doesn't pass the basic test of belief, and he reads the Ninth Circuit case as a little more open and this is one of those issues that the SEEC is tasked with enforcing, so he does not see the existing law as a clear bar.

Vice-Chair Rekhi also offered that there are portions of the legislation that do not infringe on the current law, especially the idea of foreign investors, which to him is an important part, because there are not super citizens here that have greater first amendment rights. To allow someone who cannot contribute directly, but can contribute through a corporation, so that the corporation then seems to have greater first amendment rights than an individual is troublesome.

Commissioner Brown says it may ultimately not be SEEC purview, since City Council would need to act to move forward with it, and the City Attorney to determine the legal aspects. While the SEEC is tasked with upholding transparency, the freedom of elections, and the democracy, upon which they all agree, there would likely be legal challenges, and resources required by those challenges, and although cities do sometimes have to lead the way for statewide change, he is troubled or has questions about when it should be that the SEEC should challenge existing law, though he would support the proposal on a policy basis, he believes the commission needs more time and more research.

Commissioner Taylor said that she believes it is the role of the SEEC to identify whether they agree that there is real risk of corruption and whether a reasonable person would conclude that these contributions would create an appearance or an instance of corruption. Commissioner Brown offered that it is an imbalance, but not sure that it creates corruption. Vice-Chair Rekhi agrees that these kinds of contributions impact the appearance of corruption, but whether it actively corrupts or not, is unknown. Commissioner Carter is personally offended by the great sums of money that are injected into the elections, but would like to see more facts, and on the corporate side, he is less offended by that than the PACs, and he would suggest that they work with the PACs and look into the Seattle elections to see whether it impacts the local jurisdiction. He would like to solicit opinions from other legal entities, and if the city moves forward with this legislation, then he would like to make sure that they have the best possible case. Commissioner Brown asked if there was a specific request from Councilmember González, and the Director responded that based on the language in the cover letter to the proposed bill, the SEEC is being asked to consider the matter.

Ms. Gomez offered that Councilmember González respects the commission's opinion and the entity tasked with upholding the integrity of elections was where they wanted to begin the process. Commissioner Brown appreciated the inclusion and thinks additional data would be useful, but as a policy matter it sounds like there is support, with some explanations about some of the concerns that have been raised. Chair Donckers stated he agrees with Commissioner Brown, and that essential to the Ninth Circuits opinion was the consideration of evidence that there is a quid pro quo between donors to PACs and political candidates, and

that is the evidence that would be essential if the city moves forward. Mr. Bonifaz emphasized that the standard is not solely is there quid pro quo corruption, but also the standard of the appearance of corruption, and the appearance of corruption could be argued in this case. Mr. Bonifaz also believes that the more documentation that can be provided the better, but the testimony provided today shows that Seattle should not wait for the flood to come, but to address the flood before it comes. Commissioner Norton says that she supports it as a policy matter but would like to see the state level take this up and would urge the Councilmember to take it to the PDC and likely additional resources should be allocated if this legislation is taken up. The commission then thanked those who came to testify. The Chair asked the commission if they would like to summarize the support for the policy on behalf of the commission or if they would like to take another meeting to deliberate. Commissioner Brown would prefer to wait, but if others would like to move forward, he will abstain. Commissioner Shordt would like to wait and see what happens in St. Petersburg, Commissioner Carter would also like more information. The Chair concurred and since it does not seem to be time sensitive it will be considered in future.

4) Treatment of money raised by Democracy Voucher Program participants released from the maximum campaign valuation for the Primary

Abbot Taylor, a Seattle treasurer, appeared before the commission to request clarification regarding the maximum campaign valuation. Mr. Taylor introduced himself and noted that he has been the treasurer for at least one candidate in every election since 2009, and he was the treasurer for the Honest Elections initiative, and several of his candidates have

received Democracy Voucher Program funding. Mr. Taylor stated that the Democracy Voucher Program is complicated, and that the law is unclear. The Seattle Municipal Code, the Rules, and the publications of the Ethics and Elections office and the commission are the guidance provided to administer the program, and Mr. Taylor is in turn, tasked with providing guidance to his candidates. Mr. Taylor referenced an email sent on Friday, August 2, 2019, from the Director, that was explaining release options prior to the Primary election on Tuesday, August 6, 2019. Mr. Taylor stated that the guidance provided was that money raised but not spent while a campaign is released from the maximum campaign valuation (MCV) will be used to reduce the MCV for the primary and the general elections, so if a candidate is released from the program and then they raised \$10,000 and spent \$5,000, the remaining \$5,000, if they make it through to the general, will reduce the amount of voucher money they can receive by \$5,000. So instead of \$75,000, they would get \$70,000. Mr. Taylor does not believe that what was communicated is supported by the SMC or the first half of the rule referred to by the Director in the email. Mr. Taylor referenced the meeting minutes from when the rule was adopted two years ago and said there were potential problems identified with the limits at that time. Mr. Taylor continued, stating that the rule refers to the 'spending limit' (which is now the 'MCV') and a snapshot of the MCV is taken the day before someone is released from the MCV, and then subtracting that from the primary and general gives you what you can spend in the general. For example, Tammy Morales raised \$74,910.47 and then stopped fundraising. She applied for and received release on July 1, 2019 and that according to Rule 16.H.1 is where the snapshot of the MCV is taken. Mr.

Taylor stated that once the release is granted, taking \$150,000 and subtracting \$74,910.47 then the limit for the general should be \$75,089 for Ms. Morales, and there is nothing in the rule that says they should subtract an excess surplus.

Chair Donckers asked would it have been clear from reading 16.H.1, that if it stated, “Money raised, including for the primary.” after the reference to the SMC? Mr. Taylor says that it might make things clearer, but part of the issue is that there are two different limits. Mr. Taylor states that 2.04.634(b), is what he is arguing says that the excess money raised should not be held against the campaign that has been released from the limits. Mr. Taylor believed the intent of the commission was not to penalize a candidate that has been released.

Commissioner Norton asked where the harm is since the candidate signed up for a \$150,000 spending maximum amount. If the candidate is released in the general, then those rules would govern. Mr. Taylor believes that the harm is the wasted \$5,000 in vouchers. Commissioner Norton says that the harm is still not clear, the candidate signs up for the limit, and that limit is not being taken away, whether it is cash or vouchers. Mr. Taylor argued that the harm is that it is not what the law says. Mr. Taylor says that some of his candidates have tried to do whatever they can to reduce their cash on hand before the election is called in order to not be penalized by the release that they sought. Commissioner Norton asked for the Director’s comment. The Director stated that it was important to remember the context of the establishment of Rule 16.H, which was to consider what should happen when the limits are released in the primary, but there is still a general election to come. The Director’s understanding of the intent of the commission was that what happens in the window between

release in the primary and the start of the general is not supposed to be saved up for the general election, but instead the goal of 16.H was to try to set everyone back to zero for the general election. Commissioners Norton, Brown, Carter, and Vice-Chair Rekhi agree the Director's understanding is consistent with the intent.

Mr. Taylor believes this is not about intent, it is about following the law. If the rule is being changed, then it should follow the administrative rule making process. Director Barnett noted that the language in the rule says money raised and spent, and so it does not fall under 16.H. Mr. Taylor argued that there are holes in the agreement between the law and the rules, and it is not about intent. When the changes were made to the SMC in 2018, but the rules were not updated, then that created holes. For example, Mr. Taylor cannot find where it says the limit is \$75,000 if a campaign makes it through to the general. Mr. Taylor asked if the candidate is released at \$50,000 and the limit for the primary and the general is \$150,000 minus \$50,000 does that mean the candidate is eligible for \$100,000 in vouchers because that is what 632.A says in Mr. Taylor's estimation. The Director agreed with that example, and said yes, the candidate can get up to \$150,000 for the general and the primary.

Chair Donckers offered that this specific situation was not one that was addressed in 2017. Tammy Morales said that she believes that the harm is because she is in a low income district in District 2, and she wants her voters to be allowed to be engaged by using their vouchers, and she does not want them to be disenfranchised when a PAC can come in and spend freely. Ms. Morales stated that the appearance of the way this is operating right now, is that corporations and PACs can spend as much money as they want in these races, but those

people who she would not ask for money at the door because she knows they don't have it, except for their voucher money, they don't get to participate.

Commissioner Shordt stated that he is not sure he sees the issue that way, while he does not disagree that District 2 is predominantly lower income, that the Democracy Voucher Program is structured in the aggregate to allow for candidates to enroll and receive up to \$150,000 in voucher funds. Commissioner Shordt said he thinks the issue here is that the approach or proposed interpretation would allow other candidates to take advantage of the program and far exceed \$150,000 in vouchers, and he believes that the intent in this scenario is critical, and that was not the intent. Commissioner Shordt continued that if there is on paper a discrepancy between how to calculate the maximum valuation of the campaign and the guidance issued by the commission, if there was improper guidance erroneously given, then it should be corrected, but he does not believe that any reticence to adopt the interpretation being offered by Mr. Taylor means that they don't value candidates that are lower income in any district. The commission wants to make sure the program works the right way, and he is concerned that this interpretation would allow a campaign to receive more than the \$150,000.

Vice-Chair Rekhi asked if this was not a question about how much can be raised while the limit is lifted; if any amount of money could be raised and banked, and then used during the general election. Ms. Morales answered that she is not asking for more than \$150,000 and is not asking to bank funds during the time when the limit was raised, that she was ready to spend everything down, but there was money coming in that could not be spent quickly enough to counter the independent expenditure money spent on an opponent's behalf. Vice-

Chair Rekhi said his concern is that if another candidate has asked for the limit to be raised, and it was not a candidate like Ms. Morales, who is trying to do the right thing, and trying to give a voice to voters, then the issue is that a candidate could bank money and allow for the system to be gamed and destroyed and that was never the intent. The interpretation of this law must be consistent with enforcing the intent.

Mr. Taylor agreed with Vice-Chair Rekhi, but believes that this requires a legislative fix, not a directive by the Director just prior to the primary election. Commissioner Norton stated that she wanted to be clear she understood what Ms. Morales stated, so in this case, that the limit was lifted for Ms. Morales' campaign, and so approximately \$75,000 was spent and then there was another \$5,000 was raised in cash, which would put the campaign at \$80,000, which is \$5,000 over the limit. Commissioner Norton stated that if this a clear understanding, then she does not agree with Mr. Taylor's reading of the ordinance.

Mr. Taylor stated that the MCV is defined as total expenses as well as total contributions, or total expenses plus debt, but as soon as the voucher disbursement is announced then options arise in terms of the spending limits. Mr. Taylor stated that the options would be to get the \$75,000, as promised under SMC, but not spend the excess, until released from the spending limits.

Commissioner Taylor says that in a literal reading, she is uncertain what isn't clear. Mr. Taylor stated that when the spending limit was defined differently and is not just total spending or total contribution, and it says all fundraising once you have maxed out your

voucher payout is exempt from those limits, then it is now unclear and he does not like that there are holes in the law. The Chair believes that the intent is clear that when a candidate is released from the primary, then that release applies only to the primary, then there is a question of legal interpretation now. The Chair legal counsel what the legal bounds are when there is a consensus of interpretation by the commission. Mr. Slayton offered that if it is determined that the code is unclear, then the rulemaking and the decisions handed down by the commission are meant to clarify the law. If the code is ambiguous, then there is no need to consider the intent. Vice-Chair Rekhi asked that if two provisions contradict, then they can also look to intent, and that understanding was confirmed.

The Chair confirmed that the question is about the leftover/bonus/extra money. 16.1.H is clear enough for the Chair, but asked if the MCV needs to be looked at as well. The Director says that you would have to find ambiguity in the law, then you would go to the rule to decide. Mr. Taylor offered that per 2.04.634 MCV is the value of unredeemed democracy vouchers assigned to the candidate that the candidate may redeem without exceeding the maximum in Table A for 2.04.634 plus the greater of the total contributions received; and money spent to date (equal to prior expenditures, plus debts and obligations).

The Director noted it was this question of speaking to both a primary and a general election that was struggled with when the rule was created, and rule 16.H is still viable in this scenario. Mr. Taylor said previously the cash on hand, expenses, and debt would create the spending limit, but in this scenario a candidate who has raised \$75,000 and spent \$5,000 has the same valuation as the candidate who has raised \$75,000 and spent \$75,000. The

commission does concede the code is ambiguous, and they are considering the intent. The Director assumed that the reading was unambiguous, and it wasn't until there were indications given to Polly Grow during her auditing work, that there was not a universal interpretation, so that is why the guidance was sent out the Friday before the primary. Mr. Taylor stated that the Berk report pointed out that different scenarios should have been examined in light of the releases in the 2017. The Chair notes that Mr. Taylor's comments have raised other considerations, but the consideration before the commission is that taking no action, the decision stands. The Chair asked for a motion. Commissioner Norton made a motion that the Executive Director's decision be maintained and his interpretation should stand. Commissioner Carter seconded the motion, knowing the previous intent. All voted in favor, no abstention, and no opposition. The Director said as a final note that he hopes it is recognized what a tremendous benefit the Democracy Voucher Program has been to low income contributors and that we don't lose sight of that today.

5) Proposed lobbying legislation

The Chair would like to table this discussion for now, and the Director has been asked to circulate the proposed legislation to other departments and rule-making entities that could be affected, and it will be taken up in future.

6) Proposed political committee disclosure legislation

The Director noted that this is trying to get at the issue of PACs that list other PACs as their top five contributors, and this is meant to marry city law to the state law; so that drilling

down to the actual entities doing the spending is possible. The Director noted that beyond just mirroring state law, this is a local issue, something that arose in 2017 and would increase transparency. Mr. Slayton gave credit to Phil Smith for drafting this ordinance. Commissioner Norton moved that this proposed legislation be moved to the City Council. Seconded by Commissioner Brown. The commission voted unanimously to send the proposed legislation to the City Council.

Discussion Items

7) I-122 report

Program manager René LeBeau addressed the minor delay reported previously, noting that the files are being made to work and an additional 10,000 vouchers have been mailed out since the last meeting. 115,000 vouchers have been received from 33,000 residents so far. Nearly 5,000 people have been able to use the online portal to assign their vouchers. Of the 41 primary candidates, the majority qualified, 21 maxed out to the \$75,000 limits. 22 candidates were released from the spending limits. 12 of the 14 general election candidates are in the voucher program and three of them have enough vouchers sitting there for a 100% distribution. Around \$2,000,000 anticipated in spending for the year. The Chair asked if there were any unforeseen problems. Ms. LeBeau answered that the file changes, the complexities of the number of candidates, and the releases have required a lot of conversations. The

community is starting to understand the limits, and conversations are being held with individuals. Commissioner Carter asked what kind of numbers were available regarding candidates who have vouchers assigned in excess of their ability to spend those funds, such as the situation indicated earlier by Ms. Morales. Ms. LeBeau noted that this would be difficult to answer because the majority of the vouchers are coming through the mail, and assignments of vouchers beyond the amount the campaign can receive, versus the money collected beyond the limit by the campaign, are different. There are at least three candidates who are in the general election who have already had more vouchers assigned to them than they can accept. Commissioner Carter noted that it was a puzzle for the donors, when these limits are reached.

8) Executive Director's report

The Director noted that Ms. LeBeau and her team have done incredible work with the voucher program and the commission applauded. The next regularly scheduled meeting is close to Labor Day, and several commission members will not be available on September 4, so a new date to hold the next meeting will be identified in the first half of September.

Items still subject to appeal

9) Dismissal of Case No. 19-2-0621-1

The Commission did not discuss this item.

The Special Commission meeting of August 13, 2019 adjourned at 6:01 p.m.

DRAFT