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8 **BEFORE THE PUBLIC DISCLOSURE COMMISSION**  
9 **OF THE STATE OF WASHINGTON**

9 In re the Matter of Enforcement Action  
10 Against:

PDC CASE NO. 59039

FINAL ORDER

11 STEVE HALL, former City Manager for the  
12 City of Olympia,

13 Respondent.  
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16 **I. INTRODUCTION**

17 This matter was heard remotely by the Washington State Public Disclosure Commission  
18 (PDC, Commission) on July 23, 2020, by audio and online streaming. The hearing was held  
19 pursuant to Chapter 34.05 RCW, Chapter 42.17A RCW, and Chapter 390-37 WAC.

20 Commissioners present both telephonically and online were David Ammons,  
21 Commission Chair (presiding); Fred Jarrett, Commission Vice-Chair; and Commissioners  
22 William Downing, Russell Lehman, and Nancy Isserlis. Also present both telephonically and  
23 online were Assistant Attorney General John S. Meader representing the Commission; Assistant  
24 Attorney General Chad Standifer representing PDC staff; and Kurt Young, Senior Compliance  
25 Officer, for PDC Staff. Respondent Steve Hall and his attorney, Jeffrey Myers, also appeared  
26 telephonically and online. The proceeding was open to the public as limited by Governor's

1 Order 20-28 *et seq.* and recorded.

2 The hearing concerned allegations that Steve Hall, former City Manager for the City of  
3 Olympia, violated RCW 42.17A.555 by authorizing the use of City of Olympia facilities, staff,  
4 and \$9,932.82 in public funds to promote opposition to Initiative 976 (I-976) prior to the  
5 November 5, 2019, election.

6 The Commissioners had before them the following materials:

- 7 • Report of Investigation for Case #59039 prepared by PDC Senior Compliance Officer Kurt  
8 Young, dated July 1, 2020, which included:
  - 9 ○ Complaints filed against City of Olympia officials by Charles Eakins and  
10 Glen Morgan dated October 22, 2019, alleging violations of RCW  
11 42.17A.555;
  - 12 ○ Complaints filed by John Wissler, Edwin Pole, and Robert Shirley dated  
13 October 23, 2019, November 17, 2019, and November 21, 2019,  
14 respectively, alleging the City of Olympia violated RCW 42.17A.555;
  - 15 ○ City of Olympia invoices, dated October 30, 2019, for the printing and  
16 mailing of the I-976 mailer;
  - 17 ○ City of Olympia initial response to the complaints dated October 29,  
18 2019;
  - 19 ○ Supplemental City of Olympia response to PDC questions dated  
20 November 12, 2019;
  - 21 ○ Second Supplemental City of Olympia response to PDC questions dated  
22 December 6, 2019;
  - 23 ○ Steve Hall investigative interview summary memorandum, dated January  
24 8, 2020;
  - 25 ○ Rich Hoey investigative interview summary memorandum, dated  
26 February 26, 2020.

- Email from Robert Shirley dated July 12, 2020.
- Letter from Glen Morgan dated July 22, 2020.
- Proposed Stipulation as to Facts, Violations, and Penalty submitted by the parties, signed on July 15, 2020, by Peter Lavalley, Executive Director, for the PDC and on June 16, 2020, by Steve Hall, Respondent.

## II. STIPULATION

The parties jointly submitted a signed Stipulation as to Facts, Violations, and Penalty (Stipulation). Mr. Standifer presented the Stipulation, reviewed the aggravating and mitigating factors, summarized the proposed penalties, and asked the Commission to accept the Stipulation. In response to questions from the Commission, Mr. Myers provided argument and Mr. Hall provided testimony that the Respondent had been responsive in addressing the complaint and was now in compliance with all reporting obligations. The Respondent took responsibility and also asked the Commission to accept the Stipulation. The Commission voted 4-1 to accept the Stipulation.

## III. FINDINGS OF FACT

1. Steve Hall served as City Manager for the City of Olympia for 16 years and retired from that position on November 7, 2019. The Mayor and City Council hire and supervise the City Manager.

2. Initiative 976 was a statewide ballot proposition that qualified for the November 5, 2019, general election ballot. It sought to limit annual license fees to \$30 and reduce the base value for taxation to the Kelley Blue Book value rather than the 85% of the manufacturers' base retail price, as well as limit imposition of motor vehicle excise taxes. The proposal significantly lowered revenue to local jurisdictions.

1           3. On October 8, 2019, the Olympia City Council heard public comment on the Initiative  
2 and unanimously adopted a Resolution expressing the Council's opposition to I-976,

3           4. On October 15, 2019, the City of Olympia mailed a publication ("the Olympia Mailer")  
4 to registered voters in Olympia. The mailer declared "Vote NO Initiative 976" in a larger font  
5 size in the upper left top of the first page of the mailing indicia inside a blue banner, followed  
6 by the statement: "Repairing Olympia streets with your \$40 dollar car tab fee." The mailer  
7 included a statement "The City of Olympia Council urges a "NO" vote on I-976" at the upper  
8 right half of the first page inside of an orange banner. The mailer included the "Vote NO  
9 Initiative 976" statement in two other places.

10          5. The Olympia Mailer included a section that stated "Why Vote No?" followed by three  
11 bullet points and an additional statement providing factual information about the potential loss  
12 of significant funding for street repairs and improvements should I-976 be approved.

13          6. The Olympia Mailer was sent exclusively to households with registered voters. Mr.  
14 Hall stated that the registered voter mailing list was the mailing list the City of Olympia typically  
15 used to communicate with its citizens.

16          7. While the Olympia Mailer was developed by City staff, Mr. Hall was ultimately  
17 responsible for the decision to approve distribution of the mailer. Mr. Hall approved distribution  
18 of the Olympia Mailer after consultation with City Attorney Mark Barber and Rich Hoey, the  
19 City of Olympia's Public Works Director.

20          8. As City Manager, Mr. Hall was the day-to-day administrator for the City of Olympia.  
21 He was ultimately responsible for authorizing and approving all city expenditures of public  
22 funds.

23          9. Based on information provided by the City of Olympia, the total cost for the Olympia  
24 Mailer was \$9,932.82, which included \$7,183.00 to print and mail the publication. In addition,  
25 the city estimated that, based on 66-70 hours of staff time, a total of \$2,749.82 was expended for  
26 City of Olympia staff to produce and distribute the mailer.

1           10. Mr. Hall discussed his plan to distribute a mailer with the Mayor, Mayor Pro-Tem,  
2 and City Council members, but did not discuss the content of the mailer with them, including  
3 the "Vote NO on I-976" message.

4           11. Mitigating factors in this matter include that: Mr. Hall has not previously been found  
5 in violation of Chapter 42.17A RCW or Title 390 WAC; the use of a single jurisdiction-wide  
6 mailer presenting factual statements regarding a ballot proposition is permitted pursuant to PDC  
7 Interpretation 04-02; Mr. Hall has cooperated in this matter and it does not appear he engaged in  
8 a knowing or intentional effort to conceal, deceive, mislead, or violate the law.

9           12. Aggravating factors in this matter include that: Mr. Hall was an experienced City  
10 Manager and was aware of the prohibition in RCW 42.17A.555; the Olympia Mailer was mailed  
11 only to registered voters; the Olympia Mailer did not include the statement "FOR  
12 INFORMATION PURPOSES ONLY. Not intended to support or oppose the Proposition"  
13 which was included in prior mailings concerning ballot propositions.

#### 14 15   IV.     CONCLUSIONS OF LAW

16           1. The Commission has jurisdiction over this proceeding pursuant to Chapter 42.17A  
17 RCW, the state campaign finance and disclosure law; Chapter 34.05 RCW, the Administrative  
18 Procedure Act; and Title 390 WAC.

19           2. Based on the facts set forth above and the agreed stipulation of the parties, Respondent  
20 Steve Hall violated RCW 42.17A.555 by authorizing the use of the facilities of the City of  
21 Olympia to produce and distribute a mailer in opposition to I-976 prior to the November 5, 2019,  
22 general election.

#### 23 24   V.     ORDER

25           Based upon its Findings of Fact and the stipulated Findings and Conclusions, the  
26 Commission accepts the agreed Stipulation of the parties and orders that:

1. Respondent Steve Hall is assessed a total civil penalty of \$10,000.
2. \$5,000 of the \$10,000 civil penalty is suspended on the following conditions:
  - a. Steve Hall is not found to have committed any further violations of Chapter 42.17A RCW or Title 390 WAC within four years of the date of the Final Order in this matter. The suspended penalty shall not be assessed based solely upon any remediable violation, minor violation, or error classified by the Commission as appropriate to address by a technical correction.
  - b. Steve Hall remains in compliance with all reporting requirements.
  - c. The non-suspended portion of the penalty (\$5,000) is paid by Steve Hall within 30 days of the date of the Final Order in this matter. If he fails to comply with any of the conditions of this Order, the suspended portion of the penalty shall immediately become due without further action by the Commission.

So ORDERED this 29<sup>th</sup> day of July, 2020.

WASHINGTON STATE PUBLIC  
DISCLOSURE COMMISSION

FOR THE COMMISSION:



David Ammons,  
Chair, Public Disclosure Commission

Copy of this Order mailed and/or emailed to:

Jeffrey Myers, Attorney, for Steve Hall (jmyers@lldkb.com);

Kurt Young, PDC Senior Compliance Officer (Kurt.young@pdc.wa.gov);

Chad Standifer, Assistant Attorney General, Counsel for PDC Staff ([ChadS@atg.wa.gov](mailto:ChadS@atg.wa.gov)).

I, Fox Blackhorn-Delph, certify that I emailed a copy of this order to the Respondent at their respective address on the date stated herein.

Electronically Signed: Fox Blackhorn-Delph - 7.29.20

Signed

Date

**NOTICE: RECONSIDERATION**

Pursuant to the provisions of RCW 34.05.470 and WAC 390-37-150, you may file a Petition for Reconsideration with the PDC within ten (10) days from the date this Final Order is served upon you. Any Request for reconsideration must state the specific grounds for the relief requested. Petitions must be electronically mailed to the Washington State Public Disclosure Commission, 711 Capitol Way, Room 206, Box 40908, Olympia WA 98504-0908, [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov).

**NOTICE: PETITION FOR JUDICIAL REVIEW**

You have the right to appeal this Final Order to Superior Court, pursuant to the Petition for Judicial Review provisions of RCW 34.05.542. Any Petition for Judicial Review of this Final Order must be filed with the court and also served upon both the Commission and the Office of the Attorney general within thirty (30) days after the date this Final Order is served upon you.