



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
(360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

September 24, 2020

Delivered electronically to Mark Lamb on behalf of Sharon Raye Brown at
“mark@northcreeklaw.com”

Subject: Complaints filed by John Trumbo & Lillian “Randy” Slovic, PDC Case 73017

Dear Mr. Lamb:

Below is a copy of an electronic letter sent to John Trumbo and Lillian Slovic concerning two complaints filed with the Public Disclosure Commission (PDC).

As noted in the letter to Mr. Trumbo and Ms. Slovic, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

PDC staff is reminding your client about the importance of the timely and complete disclosure of all personal financial information on the Personal Financial Affairs Statement (F-1 report.) PDC staff expects in the future that you will submit all F-1 reports in accordance with PDC laws and rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

Endorsed by,

Electronically signed

Jennifer Hansen
Compliance Officer

Electronically signed

Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
(360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

September 24, 2020

Delivered electronically to John Trumbo at “johntnews@gmail.com” & Lillian Slovic at “rslovic@gmail.com”

Subject: Complaint regarding Sharon Raye Brown, PDC Case 73017

Dear Mr. Trumbo & Ms. Slovic:

The Public Disclosure Commission (PDC) has completed its review of the complaints filed by John Trumbo on July 2, 2020 and by Lillian “Randy” Slovic on July 15, 2020. As both complaints alleged violations of RCW 42.17A.710, PDC staff combined the complaints and investigated the allegations under PDC Case 73017. The complaints alleged that Sharon Raye Brown, a Senator in Legislative District 8, may have violated: (1) RCW 42.17A.710 for failure to fully report assets on Personal Statement of Financial Affairs (F-1 reports) for calendar years 2015 to 2019; and (2) RCW 42.17A.710 for failure to report debt on F-1 reports for calendar years 2015 to 2018.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the response(s) provided by Mark Lamb, Attorney with The North Creek Law Firm on behalf of Sharon Raye Brown (the “Respondent”); the applicable PDC reports filed by the Respondent; and the Order issued by the Commission granting the Respondent’s request for a retroactive reporting modification, to determine whether the record supports a finding of one or more violations.

Based on staff’s review, we found the following:

- Sharon Raye Brown is a current member of the Senate in Legislative District 8, after being appointed in 2013 and elected in 2014 and 2018. Senator Brown has declared her candidacy for election in the 2022 election.
- As an elected official, Sen. Brown was required to file an F-1 report annually by no later than April 15th disclosing her personal financial information for the preceding calendar year, for as long as she holds public office.
- Sen. Brown timely filed each required F-1 report covering calendar years 2015, 2016, 2017 and 2018, on or before the April due date.
- The complaint submitted by Mr. Trumbo included a list of 14 entities that he alleged Sen. Brown was required to disclose on F-1 reports for calendar years 2013 to 2019. Allegations prior to 2015 were beyond the statute of limitations for enforcement action and were not included in staff’s review. In addition, Mr. Trumbo attached documentation related to Sen. Brown, her former spouse and their business or personal circumstances. Staff reviewed this information as it specifically related to the laws and rules enforceable by the PDC only.

- On July 8, 2020, staff forwarded a copy of Mr. Trumbo’s complaint to Sen. Brown for her review and to make any necessary amendments to her previously submitted F-1 reports.
- In his response, Mr. Lamb addressed the allegations in Mr. Trumbo’s complaint by stating that his client was unable to fully disclose financial information related to her former spouse due to the restrictions of a post nuptial agreement signed in 2005. Mr. Lamb forwarded a written request for a retroactive reporting modification on Sen. Brown’s behalf.
- WAC 390-28-025 states that any individual who considers compliance with any of the reporting requirements of chapter 42.17A RCW to be a manifestly unreasonable hardship in a particular case may apply for a modification of such reporting requirements.
- WAC 390-28-090 authorizes the Commission to grant a modification that applies retroactively if it determines that literal compliance with RCW 42.17A.710 causes a manifestly unreasonable hardship on the applicant and that granting the modification would not frustrate the purposes of the act.
- At its August 27, 2020 Regular Meeting, the Commission reviewed Sen. Brown’s request for a modification, listened to verbal testimony provided by Mr. Lamb on her behalf, which included details of his client’s divorce, and issued a written Order granting the request.
- The complaint submitted by Lillian Slovic alleged that Sen. Brown failed to disclose a commercial debt owed by her and her former spouse on F-1 reports for calendar years 2015 to 2018. Ms. Slovic attached documentation related to Sen. Brown, her former spouse and their various business transactions. Staff reviewed this information as it specifically related to the laws and rules enforceable by the PDC only.
- RCW 42.17A.710(1)(c) requires disclosure of the identity of each creditor to whom a debt with a value of \$2,400 or more was owed during the reporting period.
- WAC 390-24-110 states that for the purpose of RCW 42.17A.710 (1)(c), the term "debt" means and includes a personal obligation or liability to pay or return something of value and does not include an account payable of a business entity in the ordinary course of such entity's business.
- In his response, Mr. Lamb stated that in her role as a guarantor, the debt was not owed personally by Sen. Brown, therefore, he did not believe RCW 42.17A710(1)(c) was applicable in this instance.

During the review of Ms. Slovic’s complaint, staff referred to the requirements in RCW 42.17A.710(1)(c), the definition of the term “debt” in WAC 390-24-110, and the response provided by the Respondent. Based on this review, staff did not find that Sen. Brown was required to disclose the debt on her previously submitted F-1 reports.

Although Sen. Brown was required to either include reportable financial interests of her former spouse’s business or timely request a modification to these reporting requirements, the Commission granted her retroactive reporting modification request, therefore relieving her of the obligation of full disclosure under chapter 42.17A RCW.

Based on our findings staff has determined that, in this instance, failure to accurately file F-1 report covering calendar years 2015, 2016 and 2017 or timely submit a request to modify the required filing obligations, does not amount to a finding of a violation that warrants further investigation.

PDC staff is reminding Sen. Brown about the importance of the timely and complete disclosure of all personal financial information and the timely filings of all future PDC F-1 reports in accordance with the statutes and rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdcc@pdc.wa.gov.

Sincerely,

Electronically signed
Jennifer Hansen
Compliance Officer

Endorsed by,

Electronically signed
Barbara Sandahl
Deputy Director
For Peter Lavalley
Executive Director

cc: Mark Lamb, Attorney, on behalf Sharon Raye Brown