

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

Aug 18, 2025

Delivered electronically to CEO Matt Kempton on behalf of Pacific Hospital District 2 at mkempton@willapa.net

Subject: PDC Case 171276 regarding Pacific Hospital District 2

Dear Pacific Hospital District 2:

The Public Disclosure Commission (PDC) completed its review of the complaint filed by Michael Geer-Wagenblast on April 2, 2025. The complaint alleged violation(s) of RCW 42.17A.555 for use of public facilities or resources to support or oppose a ballot measure/proposition.

Applicable Laws and Rules

<u>RCW 42.17A.555</u> prohibits elected or appointed officials, their employees, and employees of a public office or agency from using, or authorizing the use of, public office/agency facilities (resources), directly or indirectly, for the purpose of assisting an election campaign or for the promotion of, or opposition to, any ballot proposition.

WAC 390-05-271 states that .555 does not restrict the right of individuals to express their own personal views concerning supporting or opposing any candidate or ballot proposition, provided that such expression does not involve the use of public office or agency facilities. The rule also says that .555 does not prevent a public officer or agency from 1) making facilities available on a nondiscriminatory, equal access basis for political uses; or 2) making an objective and fair presentation of facts relevant to a ballot proposition (commonly referred to as a "Fact Sheet") provided such action is part of the office or agency's normal and regular conduct.

Background and Findings

- Pacific District Hospital 2 (Willapa Harbor Hospital) is a public district hospital located in South Bend, Washington. It placed a bond measure on the ballot for the February 2024 and April 2025 elections to build a new hospital. Both measures failed.
- In <u>PDC Interpretation No. 04-02</u>, Guidelines for Local Government Agencies in Election Campaigns, the Commission held that "it is not only the right, but the responsibility of local government to inform the general public of the operational and maintenance issues facing local agencies." Accordingly, the Interpretation states that "[t]he PDC will presume that every agency may distribute throughout its jurisdiction an objective and fair presentation of the facts for each ballot measure,"

typically a jurisdiction-wide "fact sheet" mailing. Such a presentation must accurately portray the cost and other anticipated impacts of a ballot proposition and must not promote or oppose the proposition in the tenor or tone of the language used. An "objective and fair presentation of the facts" concerning a property tax levy may include an explanation, in neutral, factual terms, of the outcome anticipated if the proposition is rejected by voters.

In addition, an "objective and fair presentation of the facts" must avoid the following:

- Overtly promotional or oppositional content (including inflammatory or emotionally driven language; check marks and other indications of support; and gratuitous photos that tend to provoke an emotional reaction—e.g. an image of a body on an EMT stretcher, or a house exploding in flames);
- Statements that speculate about possible secondary or tertiary impacts of a ballot proposition;
- O Statements seeking to minimize the cost of a ballot proposition, e.g., through comparisons to small-ticket items such as coffee, pizza, or a magazine subscription;
- o Statements purporting to describe the sponsoring agency's responsible fiscal management;
- o Detailed information about property tax exemptions; and
- O Detailed information about the conduct of elections (e.g. ballot drop-off locations), unless it is the normal and regular conduct of the agency to provide such information in the manner of the proposed publication.

Finally, if an agency wishes to go beyond a single jurisdiction-wide mailed "fact sheet," for example, to make multiple election-related communications or communications in multiple formats, the agency must be able to demonstrate the additional communications are a part of the agency's normal and regular conduct. In other words, that the method, format, and frequency is typical of how the agency routinely communicates with its audience.

- In the response to the complaint, received on May 2, 2025, by way of CEO Matthew Kempton, the respondent stated: "upon reviewing the complaint by Michael Geer-Wagenblast, nowhere within the communications reference do they ask for a supporting vote from the public. All communications referenced within this complaint are strictly educational in nature."
- PDC staff reviewed the evidence provided in this matter and found the language used in some of the Facebook posts in the months of January April 2025 to be promotional and include indications of support by way of emotional appeals.
- For example, in one of the Facebook videos titled "Our Physicians Speak Out," a doctor states that the new hospital "would be life changing." Another features staff members pitching the new hospital as a community service, saying it is a chance for community members to be "giving back" to their families and other locals, and that it "would be great for our kids and our grandkids." A video tagged with "#newwillapaharborhospital" features a staff member describing how he may not be alive if the hospital was not in the community. Another video about the proposed hospital opens with the introduction: "We must compromise privacy and dignity because the facility does not adequately support modern medical care" without a discussion of alternatives to avoid such risks if the bond did not pass.
- In addition to the above, Kimberly Polanco, chief financial officer for the hospital, sent an oped/letter to the editors of two local newspapers (Daily World Newspaper and Chinook Observer) on February 18, 2025, using the email/facilities of Pacific County Hospital District 2. Prior to that, on

January 26, 2025, Ms. Polanco sent a copy of the draft op-ed to the Hospital's executive team for review/edits, using the email/resources belonging to Pacific County Hospital District 2. The hospital district subsequently shared the op-ed on its Facebook page.

- In the op-ed, Polanco expresses her appreciation for the "many community members who are engaged with Willapa Harbor Hospital and Medical Clinic to learn about the challenges with the current healthcare facility." She touted the benefits of a hospital and "how vital this organization is to the local economy." The op-ed stated that the hospital is critical to attracting new residents to the area and that the hospital's payroll helps support the community's small businesses, "encouraging a thriving commercial environment and fostering a sense of community."
- While not a direct appeal for support of the bond, the op-ed appears to have been timed to coincide with the ballot measure. If district officials wanted to communicate the benefits of a hospital generally, they should be careful not to do it while a ballot is pending.

Summary and Resolution

Some of the district's Facebook content and the op-ed written by Ms. Polanco using the facilities of the hospital are not consistent with permissible activities outlined in PDC Interpretation 04-02 – *Guidelines for Local Government Agencies in Election Campaigns*. Testimonials about medical care received at the hospital, calls to think of future generations and the discussion of potential secondary benefits are more appropriately the purview of a ballot measure committee established for the purpose of promoting the bond and funded by donors who support the effort.

Pursuant to WAC 390-37-060(1)(d), Pacific Hospital District 2 officials, Chief Financial Officer Kimberly Polanco and CEO Matthew Kempton are receiving a formal written warning concerning the use of public facilities to promote a ballot proposition. This formal written warning includes the staff's expectation that you will not in the future use public resources to influence the outcome of a ballot measure. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Accordingly, the PDC has dismissed this matter in accordance with <u>RCW 42.17A.755(1)</u>.

If you have questions, you may contact Erick Agina, Compliance Officer, by e-mail at pdc@pdc.wa.gov.

Sincerely, Endorsed by,

/s/Electronically signed
Erick O. Agina
Compliance Officer

/s/ Electronically signed
Peter Frey Lavallee
Executive Director

cc: Michael Geer-Wagenblast