



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

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February 2, 2017

Sent electronically to Mike Tiufekchiev "MikeT@wsrp.org"

Subject: October 19, 2016 Complaint filed against Hilary Franz, PDC Case 9049

Mr. Tiufekchiev:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 19, 2016. Your complaint alleged that Hilary Franz, former Executive Director for Futurewise, and a candidate for Washington State Lands Commissioner in 2016, violated RCW 42.17A.600 by failing to file a Lobbyist Registration (L-1 report) and file Monthly Lobbyist Expense Reports disclosing lobbying activities she was alleged to have undertaken while employed by Futurewise.

PDC staff reviewed your allegations in light of PDC laws and rules in order to determine whether a formal investigation or enforcement action is warranted.

RCW 42.17A.610(5) exempts a person from registering and reporting as a lobbyist under RCW 42.17A.600, .615, and .640, if that person restricts "their lobbying activities to no more than four days or parts of four days during any three-month period and whose total expenditures during such three-month period for or on behalf of any one or more members of the legislature or state elected officials or public officers or employees of the state of Washington in connection with such lobbying do not exceed *twenty-five dollars."

Staff reviewed your complaint, the Lobbyist Employer Annual Reports (L-3 reports) filed by Futurewise and L-2 reports filed by registered lobbyists for Futurewise, the PDC lobbyist database, and the response filed by Dmitri Iglitzin, an attorney and partner in the law firm Schwerin Campbell Barnard Iglitzin & Lavitt, LLP, representing Ms. Franz. Based on staff's review, we found that:

- Ms. Franz served as Executive Director of Futurewise from 2011 through 2016.
- Futurewise is a non-profit organization that has operated in Seattle for more than 25 years, and lists its mission as focusing on livability, housing, transportation, social and environmental justice and environmental quality in our urbanized areas.
- Futurewise has been a Lobbyist Employer and has employed contract lobbyists and staff members to lobby on its behalf in Olympia, during Ms. Franz's time as Executive Director, and prior to her serving as Executive Director.

- Futurewise filed L-3 reports for CY 2013-2015 disclosing the following lobbying activities:

Calendar Year 2015: \$19,423 in total lobbying activities that included \$10,000 in compensation paid to Cody Arledge, a contract lobbyist; and \$9,423 in compensation paid to Bryce Yadon, Futurewise State Policy Director.

Chris Wierzbicki was listed as the contact person for Futurewise on the L-3 report, and signed the L-3 report for 2015 as the Interim Executive Director

Calendar Year 2014: \$16,640 in total lobbying activities that included \$5,000 in compensation paid to Johnson Arledge Strategies, a contract lobbying firm; \$10,200 in compensation paid to Kelsey Beck, former Futurewise State Government Relations staff person; and \$978 in compensation paid to April Putney, former Futurewise Director of Policy and Advocacy. Ms. Franz was listed as the contact person for Futurewise on the L-3 report, and signed the L-3 report for 2014 as Executive Director.

Calendar Year 2013: \$30,773 in total lobbying activities paid to April Putney, former Futurewise Director of Policy and Advocacy, that included \$27,918 in total compensation paid, and \$2,856 in other lobbying expenses. Ms. Franz was listed as the contact person for Futurewise on the L-3 report, and signed the L-3 report for 2013 as Executive Director.

- The contract lobbyists and staff lobbyists for Futurewise made direct lobbying contacts with legislators, and based on staff's review, timely and properly registered and reported those activities to the PDC.
- Mr. Iglitzin stated the following in his response letter that Ms. Franz's direct lobbying contacts and "personal engagement with the Legislature...involved fewer than five direct contacts in any three-month period dating back to 2011. Thus, she was not required to register as a lobbyist.
- Mr. Iglitzin added that Ms. Franz spent the majority of her time as Executive Director of Futurewise "directing the work of as it gathered together stakeholders, community leaders, and members of the public to try to ensure that the Legislature worked successfully to meet the needs of our community, especially regarding transportation".

Staff's review of your complaint found that Hilary Franz did engage in lobbying activities on behalf of Futurewise as its Executive Director, but those activities did not exceed the thresholds for registering with PDC as a lobbyist in accordance with RCW 42.17A.610.

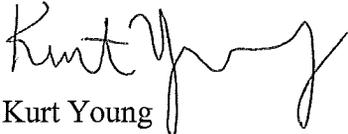
In addition, you provided no evidence of Ms. Franz's alleged lobbying activities other than statements she made while campaigning for Washington State Public Lands Commissioner in 2016.

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For these reasons, the PDC will not be conducting a more formal investigation into your complaint against Hilary Franz or pursuing enforcement action in this case. Thank you for bringing this matter to our attention.

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,



Kurt Young
PDC Compliance Officer

Endorsed by:



Evelyn Fielding Lopez
Executive Director

cc: Dmitri Iglitzin, attorney representing Hilary Franz



Public Disclosure Commission
Shining Light on Washington Politics Since 1972