

State of Washington

PUBLIC DISCLOSURE COMMISSION

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Memorandum

To: Public Disclosure Commission

From: Tabatha Blacksmith, Compliance Officer

Date: October 27, 2022

Subject: Kurt Shawn Merz Enforcement Hearing Memorandum: PDC Case 110582

Allegations:

Public Disclosure Commission (PDC) staff alleges that Kurt Shawn Merz, School Director for Wahkiakum School District 200, violated RCW 42.17A.700 by failing to file a Personal Financial Affairs Statement (F-1 report) for calendar year 2021 that was due no later than April 15, 2022.

Background:

- Kurt Shawn Merz (the "Respondent") serves as School Director for the Wahkiakum School District 200. His current term began on January 1, 2019.
- Pursuant to RCW 42.17A.700, an elected or appointed official who held office in 2021 was required to file a Personal Financial Affairs Statement (F-1 report), disclosing personal financial information for calendar year 2021, no later than April 15, 2022.
- From March 10, 2022 through April 5, 2022, PDC staff emailed reminders to elected and appointed officials regarding their missing F-1 reports for calendar year 2021.
- On October 13, 2022, PDC staff served the Respondent, by email and mail, with a hearing notice for an October 27, 2022 Adjudicative Proceeding (Enforcement Hearing) before the full Public Disclosure Commission concerning the Respondent's failure to file the F-1 report. The email was sent to the Respondent's personal and official email addresses.
- As of October 19, 2022, the Respondent has not filed the F-1 report for calendar year 2021 that was due April 15, 2022.

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Prior Violations:

The Respondent has two prior violations of RCW 42. 17A.700 within the last five years:

Violation (PDC Case 80221)

- The Respondent, who served as School Director for Wahkiakum School District 200, failed to file an F-1 report for calendar year 2019, which was due no later than April 15, 2020.
- At a December 17, 2020 Brief Adjudicative Proceeding (Brief Enforcement Hearing), the Respondent was found in violation of RCW 42.17A.700 and assessed a \$250 penalty for failing to file an F-1 report for calendar year 2019 that was due no later than April 15, 2020.
- To date, the Respondent has not filed the F-1 report covering calendar year 2019 but has paid the \$250 civil penalty for PDC Case 80221.

Violation (PDC Case 102540)

- The Respondent, who served as School Director for Wahkiakum School District 200 in 2020 and was a candidate for the same office during election year 2021, failed to timely file an F-1 report for calendar year 2020, which was due no later than April 15, 2021.
- PDC Case 102540 was resolved via the Respondent's submission of 1) an F-1 report for calendar year 2020; and 2) a signed *Statement of Understanding*, acknowledging a violation of RCW 42.17A.700 for the late-filed report.

Staff Recommendations:

- Staff recommends the Commission find that the Respondent violated RCW 42.17A.700 for failing to file an F-1 report for calendar year 2021.
- Assess the Respondent a civil penalty for a third occasion of a violation where the report was not filed before the date of the hearing per <u>WAC 390-37-182</u> to be made payable within 30 days of the date of the Order. The base penalty range for this fact pattern is \$2,000 \$3,000.
- Require the Respondent to file the missing F-1 report covering calendar year 2021 within 30 days of the date of the Order.