

To Whom it May Concern --

It has come to my attention that the Spokane County Democratic Central Committee (SCDCC) has continued to commit multiple violations of **RCW 42.17A** even while this committee is in active litigation with the Attorney General for massive non-compliance with Washington State's campaign finance laws.

1) Failure to file accurate, timely C3 and C4 reports. (Violation of RCW 42.17A.235, and RCW 42.17A.240)

Despite the seriousness and significance of the lawsuit filed against the SCDCC by the Washington State Attorney General's office (Thurston County Court **Case #17-2-02837-34 filed May 11, 2017**), and despite the fact that the SCDCC has known since my original complaint was filed against them (**PDC #15599 filed March 16, 2017**), there is still significant failures on the part of the SCDCC to comply with Washington State's Campaign Finance Laws. I can only attribute this astounding continued purposeful lack of compliance to be reflective of a similar cavalier attitude regarding compliance with the law on the part of the SCDCC chair Andrew Biviano. It is exceptional and notable that an attorney like Mr. Biviano, particularly when involved in litigation on this exact matter, would just treat compliance like an unimportant afterthought.

Example #1

The SCDCC has been in active litigation for two months as referenced earlier in this complaint and has retained the law firm Etter, McMahon, Van Wert, and Oreskovich based in Spokane. The SCDCC primary attorney is Michael F. Connelly, who was a commissioner and chair of the Public Disclosure Commission from 2001-2006.

SCDCC chair Biviano requested and the SCDCC voted to allocate funds to pay this law firm for legal representation costs months ago. The SCDCC has received bills from this lawyer. However, a comprehensive review of the C4s filed by the SCDCC over the last three months show nothing for legal costs. There would be one of three methods the SCDCC could accurately and legally comply with the law and show these legal costs.

A - Pay the bills as submitted by the law firm and reflect these payments on the relevant C4 filed with the PDC

B - Decide not to pay the bills, and reflect the bills as unpaid debt on the correct C4 Schedule B form

C - Convince the law firm to generously represent the SCDCC in this lawsuit pro-bono and represent the value of the firm's time as in-kind donations to SCDCC and report these amounts to the PDC on the correct C4 Schedule B form. (Please note, must still be in compliance with **WAC 390-17-405 (2)**)

Some combination of the above options could even be found compliant with the statute. However, the SCDCC has chosen to violate the law instead, possibly and astoundingly, in cooperation with a former PDC commissioner as legal counsel who absolutely knows better than allowing his client to overtly violate the law like this. This specific violation of the statute is exceptional and unexplainable in this context. Chair Andrew Biviano has made many public statements about the decision to use this law firm and Michael Connelly as the SCDCC attorney on this matter, and to hide the billing from the public (and donors to the SCDCC) is a

continuation of the arrogant and careless behavior that led to the current litigation in which the SCDCC finds itself today.

Example #2

Less dramatic than the first example, but still reflective of the cavalier approach by the SCDCC to compliance with the campaign finance laws was the Chair Andrew Biviano's reimbursement to himself for \$661.75 on 4/20/2017 for Nina Turner's Plane Ticket (**ref #100759074** and also amended **ref #100765156**). Nina Turner was the main speaker for the Tom Foley Dinner, which is a major fund-raising dinner event annually organized by the SCDCC for many years now. Nina Turner spoke at the 2017 Foley Dinner on March 25, 2017. The expenditure for this plane ticket was made at the latest by Chairman Biviano sometime earlier in March, or even February. Regardless, this expenditure or debt should have been reflected in the C4 filed for that time period, not 30 or 60 days later as it was actually reported.

Example #3

Related and similar to this example would be the expenditure reimbursements to Lorilee Gill, the SCDCC treasurer who was reimbursed \$157.68 on 4/14/17 for the "Nina Turner Room." The detail of this expenditure was not revealed until a revised C4 (**ref #100765156**) was submitted, but even the originally reported expenditure (lacking expenditure detail specificity per **RCW 42.17A.240(6)**) was over 30 days late.

There is good reason to believe other violations similar to these are standard practice and found throughout the filings of the SCDCC despite all the attention, litigation, and resources that have been directed to correct these failures. Clearly remedial training is in order. If the statute allowed for some type of remedial receivership, the SCDCC would be a prime candidate for this option of compliance assistance.

2) Failure to accurately, timely report debt. (Violation of RCW 42.17A.240 (8), see WAC 390-05-295)

Overlapping the above violations is a clear failure on the part of the SCDCC to report debt.

State law requires that the name and address of any person and the amount owed for any debt, obligation, note, unpaid loan, or other liability in the amount of more than two hundred fifty dollars or in the amount of more than fifty dollars that has been outstanding for over thirty days. Per **WAC 390-05-295**, this includes any oral or written order placed, debt or obligation to purchase goods or services or anything of value, or any offer to purchase advertising space, broadcast time or other advertising related product or service.

The SCDCC has habitually failed to accurately report debt for the following known and predetermined expenditures. Even during litigation and despite "hundreds of hours" spent "coming into compliance" there seems to be a total unwillingness to comply with this statute. For example:

1. Legal Fees (including any votes by the Committee to set aside funds for legal expenditures)
2. Known costs of future events (Foley Dinner expenditures like speaker fees, transportation costs, room rentals).

The PDC (and the AG) should investigate the near certainty that the Spokane County Democratic Central Committee and/or Andrew Biviano in his capacity as Chair committed the above violations recklessly and maliciously, which would be a class C felony per **RCW 42.17A.750 (2)(c)**. If the PDC determines that is the case, they should refer the case to the Attorney General's office for criminal prosecution immediately (or to be included in the current active litigation against the SCDCC)

Please don't hesitate to contact me if you need any additional information.

Best Regards,

Glen Morgan