

To whom it may concern,

It has come to my attention that a major violation of **RCW 42.17A.250** may have been committed by out of state political committee **“Natural Gas PAC” located in Portland, OR (please note, sometimes this PAC is also called “Natural Gas PAC #102”)** during the 2016 election campaign season.

This out-of-state political committee clearly meets the criteria and requirements defined in **RCW 42.17A.250** and **WAC 390-16-049** and **WAC 390-16-050**. As clearly explained in **WAC 390-16-049**:

“(1) RCW **42.17A.250** governs campaign reporting in Washington state by committees located outside of Washington. The statute directs that an out-of-state political committee organized for the purpose of supporting or opposing candidates or ballot propositions in another state (and that is not otherwise required to report as an in-state committee) reports the information listed in **RCW 42.17A.250** on a C5 form (WAC **390-16-050**). The committee begins reporting on a C5 form when it makes an expenditure supporting or opposing a Washington state candidate or political committee.

(2) To file as an out-of-state political committee, all the criteria in (a) and (b) of this subsection must be satisfied:

(a) **Out-of-state**. First, the committee must be located out-of-state. It must be maintaining its office or headquarters in another U.S. state or the District of Columbia, and has no office, street address or corporate registered agent in Washington state. If there is no office or headquarters in another state or the District of Columbia, and no corporate registered agent in Washington state, the political committee is deemed out-of-state if its treasurer resides in another U.S. state or the District of Columbia.

(b) **Organizational purpose and campaign activities**. Second, the committee must also be currently organized primarily for engaging in campaign activities in another state. Therefore, to qualify as a current out-of-state committee, the committee must also:

(i) Be currently registered and actively filing campaign disclosure reports in one or more other states and has been so filing for the preceding two years; and

(ii) Have organizational documents showing it was originally formed and is currently organized for the purpose of making expenditures in another state or soliciting contributions for use in another state’s election campaigns; and

(iii) Have spent less than twenty percent of its aggregate expenditures for all political campaign activity nationwide at any point in any calendar year to support and/or oppose Washington candidates for state, local and judicial office, Washington ballot measures and/or Washington political committees.

(3) A committee that does not satisfy the criteria in subsection (2) of this section shall file as an in-state committee under chapter **42.17A** RCW, including RCW **42.17A.205** through **42.17A.240**.

(4) Out-of-state political committees reporting under RCW **42.17A.250** are also subject to reporting pursuant to RCW **42.17A.260** (political advertising independent expenditures) and RCW **42.17A.305** through **42.17A.315** (electioneering communications).”

Specific Violations:

On November 2, 2016, the illegally unregistered out of state political committee **“Natural Gas PAC”** located in Portland, Oregon gave **\$500** to Chris Reykdal during his successful 2016 campaign for Washington State Superintendent of Public Instruction (**PDC doc Ref #100734652**). As required under **RCW 42.17A.250**, this out of state political committee could have followed the law by submitting a C-5 form to the Public Disclosure Commission (**WAC 390-16-050**). However, this committee chose to violate the law instead and decided to not register with the PDC. **(Please note, that the name used on this PAC was “Natural Gas PAC #102”, however these transactions are from the same political entity)**

On October 14, 2016, this same unregistered out of state political committee “**Natural Gas PAC**” located in Portland, Oregon also gave **\$500** to Patricia McCarthy during her successful 2016 campaign for Washington State Auditor (**PDC doc Ref #100726777**).

Total known illegal donations by this unregistered out of state PAC during the 2016 election cycle so far are \$1000. There may be more unreported at this time.

There have been frequent complaints by many political observers in recent years about dark money in politics. Out-of-state unregistered political committees like “**Natural Gas PAC**” are perfect examples of how shady out of state political organizations are able to influence Washington State elections while simultaneously violating Washington State law.

The PDC should investigate the possibility that this unregistered out of state political committee committed the above violations 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 this case to the Attorney General’s office for criminal prosecution immediately.

Please note, this complaint has only been filed with the PDC due to the date of the violation.

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

Best Regards,

Glen Morgan