

Mr. Blackthorn,

Thank you for forwarding the complaints by Glen Morgan regarding alleged violations of RCW § 42.17A. Here is our response.

Mr. Morgan's complaint was apparently intentionally formatted in such a way that it maximized our effort in developing a response. His spreadsheet (Exhibits 1 and 2) sorted individual contributions and expenses in order of days late rather than date due or date filed. The alleged violations consisted of 177 contributions and 53 late expenditures. It turned out that his concerns related to 36 late C3 reports and 18 late C4 reports.

Last year we responded to a complaint regarding many of the late reports in Mr. Morgan's complaint, leaving only 22 late C3 reports and 6 late C4 reports as new violations.

PDC Case 2066 (the Stipulation is attached for your convenience) resulted from a complaint by a disgruntled former officer in our organization, and did cover serious violations on our part that resulted in 14 late C3 and 14 late C4 reports. The violations themselves, which included one report that was 228 days late, resulted from the refusal of a different former officer to carry out her duties and a subsequent delay in successfully transferring reporting duties to a another officer.

Violations prior to May 2016 have already been addressed in the Stipulation, so we will not discuss them further, but will now devote ourselves to responding to new violations claimed by Mr. Morgan. However, because Mr. Morgan is such a keen student of public disclosure laws and regulations, we would be surprised if he was not already aware of PDC Case 2066, information about which is available in multiple locations on the PDC's website.

We appreciate the opportunity to read carefully RCW § 42.17A. The final paragraph states,

"The provisions of this chapter shall be liberally construed to promote complete disclosure.... In promoting such complete disclosure, however, this chapter shall be enforced so as to insure that the information disclosed will not be **misused for arbitrary and capricious purposes** and to insure that all persons reporting under this chapter will be **protected from harassment** and unfounded allegations based on information they have freely disclosed." (emphasis added)

Glen Morgan is well known for his frequent and often minor complaints to the Public Disclosure Commission. While it is true that, in the words of Anatole France, "The law, in its majestic equality, forbids rich and poor alike to sleep under bridges," we are a small, all-volunteer Democratic organization in a heavily Republican part of the state. At the moment, we have less than \$4000 in the bank.

Mr. Morgan accuses us of having committed violations "maliciously," and of one or more Class C felonies. Indeed, he has alerted the state Attorney General's Office and the Kittitas County Prosecutor's office (attached) of our alleged felonious misconduct. In other words, it is not only our time that he is consuming.

While it is true that after May 2016 our previous treasurer (in office until December 2016) and our new treasurer (in office since December 2016) did file the late reports specified in Mr. Morgan's complaint, it is equally true that the delays were not malicious, not felonious, and, for that matter, not consequential with respect to the spirit of the law. The lateness of these reports averages 20 days, in the case of contributions, and 10 days in the case of expenditures.

The definition of harassment is "aggressive pressure or intimidation." We believe Mr. Morgan's actions toward us, which include accusing us of one or more felonies and reporting us to the State Attorney General's Office over real but minor violations, rise to this level.

We look forward to working with you to resolve our violations, and we trust that you will take appropriate action with respect to Mr. Morgan's harassment of us and other candidates and organizations.

Thank you,

Steve Verhey, Chair

Kittitas County Democratic Party
kittitasdemocrats.org



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

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**BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON**

In the Matter of Enforcement Action
Against

Kittitas County Democratic Central
Committee

Respondent.

PDC Case 2066

Stipulation as to Facts, and
Violations

The parties to this Stipulation, the Public Disclosure Commission Staff, through its Executive Director, Evelyn Fielding Lopez, and Steve Verhey, Chair of the Kittitas County Democratic Central Committee, submit this Stipulation as to Facts and Violations in this matter.

The parties agree that the Presiding Officer has the authority to accept, reject or modify the terms of this Stipulation. The parties further agree that in the event that the Presiding Officer suggests modification to any term of this agreement, each party reserves the right to reject that modification. In the event either party rejects a modification, this matter will proceed to hearing before the Commission.

Jurisdiction

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to RCW 42.17A, the state campaign finance and disclosure laws; RCW 34.05, the Administrative Procedure Act; and WAC 390.

Facts

1. The Kittitas County Democratic Central Committee (KCDCC) is a bona-fide County political party organization.
2. KCDCC has been registered and reporting with the Public Disclosure Commission (PDC) as political party committee dating back to at least 1997.
3. On January 31, 2012, KCDCC filed a Committee Registration (C-1 PC report) selecting the Full Reporting option, which requires frequent and detailed reports to be filed disclosing contribution and expenditure activities. The C-1pc report listed Debbie Strand as treasurer, and Theresa Petrey as the only other committee officer.

4. On January 7, 2013, KCDCC filed its 7-day Pre-General Election C-4 report for the 2012 election disclosing \$12,055 in total contributions received, and \$7,480 in total expenditures made with a cash on hand balance totaling \$4,575.
5. On June 24, 2014, KCDCC amended its C-1 PC report, listing KCDCC as an "Other Political Committee" still under the Full Reporting option, with Debbie Strand as the treasurer, and Steve Verhey as the party Chairperson.
6. In 2013, political party committees such as KCDCC under the Full Reporting option were required to file monthly C-3 reports and C-4 reports by the 10th of each month disclosing contribution and expenditure activities incurred in the previous calendar month, if more than \$200 was received or spent since the previous C-4 report was filed.
7. During calendar year 2013, KCDCC failed to file any C-3 or C-4 reports disclosing contribution and expenditure activities. For calendar years 2014 and 2015, KCDCC filed its C-3 and C-4 reports sporadically, typically sending in several months of late reported contribution and expenditure activities on multiple reports to catch up with the reporting requirements.
8. On January 13, 2016, KCDCC filed a total of 22 C-3 and C-4 reports for 2013 activities, disclosing the committee had received a total of \$3,634 in monetary contributions and made expenditures totaling \$5,750. The contribution and expenditure activities were disclosed by KCDCC in a range from 765 to 1,077 days late.
9. The 2013 late reported monetary contributions included contributions received from individuals between \$25 and \$250, a low-cost fundraiser, and small contributions of \$25 or less.
10. During 2013, the late filed C-4 reports submitted by KCDCC disclosed that the party organization made no expenditures for any contributions to candidates.
11. The 2013 KCDCC expenditures included a \$1,000 expenditure for a Central Washington University scholarship; several expenditures totaling \$650 for office supplies; a \$600 expenditure for the rental of a storage unit; a \$383 expenditure for an election-related newspaper advertisement; a \$375 expenditure for a fair booth rental; a \$300 expenditure for travel for KCDCC committee members to attend two conferences; a \$250 expenditure for insurance; and a \$200 expenditure for telephone bills.
12. The electronic filing requirements in RCW 42.17A.245 requires political committees, that expended \$5,000 or more in the previous calendar year to file the C-3 and C-4 reports using ORCA or similar campaign finance filing software. KCDCC disclosed making more than \$7,000 in committee expenditures during calendar year 2012, which required KCDCC to file its 2013 C-3 and C-4 reports electronically.

13. To date, KCDCC has failed to file its 2013 C-3 and C-4 reports electronically.
14. Mr. Verhey, KCDCC Chair stated that in 2013, the party's by-laws specified that the Secretary, Hanna Fredeen was responsible for filing the PDC committee reports. Due to health issues, the need to care for an aging parent, personality conflicts with other KCDCC party members, and possibly confusion over how to use ORCA, Ms. Fredeen failed to make PDC filings in 2013.
15. KCDCC updated the party's by-laws listing that the Treasurer is responsible for filing the PDC reports. In addition, KCDCC has implemented new internal controls that include the Secretary checking the PDC website to ensure that the proper PDC reports are filed and posted.

Statutory Authority and Rule

RCW 42.17A.235 and .240 requires political committees under the Full Reporting option, including political party organizations to timely file C-3 and C-4 reports disclosing campaign contribution and expenditure activities.

RCW 42.17A.245 requires political committee that expects to expend five thousand dollars or more in the current year shall file all contribution reports and expenditure reports required by this chapter by the electronic alternative provided by the commission.

Violation

Based on the Stipulation of Facts set forth above, the Kittitas County Democratic Central Committee, violated RCW 42.17A.235 and .240 on multiple occasions by failing to timely file C-3 and C-4 reports for calendar year 2013, and RCW 42.17A.245 by failing to file its C-3 and C-4 reports electronically as required.

 Evelyn Fielding Lopez, Executive Director
 Public Disclosure Commission

 Date Signed



 Representative of Kittitas County Democratic
 Central Committee

5 May 2016

 Date Signed

From: [Glen Morgan](#)
To: [Bob Ferguson \(ATG\)](#); [Dalton, Linda A. \(ATG\)](#); [Smith, Walter \(ATG\)](#); [Bogges, Lisa \(ATG\)](#); [Zempel, Greg \(DOHI\)](#)
Cc: [Linda Olsen](#); [Jon Thunheim](#); [PDC Support](#)
Subject: RCW 42.17A.765(4) Notice (re: Kittitas County Democratic Party)
Date: Sunday, May 7, 2017 3:33:52 PM
Attachments: [ExhibitA - late contributions.pdf](#)
[ExhibitB - late expenditures.pdf](#)

To Whom it may Concern:

I am writing to you today pursuant to RCW 42.17A.765 (4). This e-mail serves as notification to the Attorney General's Office and the Kittitas County Prosecuting Attorney's Office that there is reason to believe multiple provisions of RCW 42.17A have been violated by the Kittitas County Democratic Party.

By request, I am also copying the Thurston County Prosecutor's office and the Public Disclosure Commission on this email. I have also attached the same two exhibits which were provided to the PDC with the original complaint.

Please see a copy of the formal complaint I submitted to the PDC below my signature line. I submitted the complaint on May 7, 2017.

Let me know if you would like me to provide you with any additional information.

Best regards,

Glen Morgan

[\(360\) 791-6556](#) cell

(The following PDC complaint was submitted 5/7/216):

To Whom It May Concern –

It has come to my attention that the Kittitas County Democratic Party has violated provisions of RCW 42.17A. Whereas normally I would put together a more comprehensive listing of violations, the severity of the late reporting in this instance are significant enough to justify a complaint as a stand-alone violation of Washington State's campaign finance laws. This is another example of the importance of timely and accurate PDC reporting.

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

State law requires that candidates and committees file frequent, accurate reports of contributions, expenditures, in-kind contributions, and debt. Unfortunately, the Kittitas County Democratic Party failed on numerous occasions to do this.

a) The Kittitas County Democratic Party failed to timely report the following contributions:

(See Attachment A – Late Contributions)

b) The Kittitas County Democratic Party failed to timely report the following expenditures:

(See Attachment B – Late Expenditures)

The PDC should investigate the possibility that The Kittitas County Democratic Party 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 the case to the Attorney General's office for criminal

prosecution immediately.

Additionally, the volume, variety and extensiveness of these violations clearly indicate additional remedial PDC training for the Kittitas County Democratic Central Committee. There is precedence for the PDC requiring that a candidate utilize a professional, educated treasurer to ensure compliance for future filings after a history of violations even less severe than this. It is possible the Kittitas County Democratic Party could benefit from this type of direction and requirement from the PDC.

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

Best Regards,

Glen Morgan