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Original via electronic mail to:
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January 31, 2017

Jacob Berkey
Public Disclosure Commission
711 Capitol Way, Rm. 206
P. O. Box 40908
Olympia, WA 98504-0908

Re: Response To PDC Complaint # 12110 (People for Thurston County)
SCBIL File No. 6548-001

Dear Mr. Berkey:

We write to you today on behalf of our client, People for Thurston County (“the Committee”), in response to an additional complaint submitted by Glen Morgan. As you are undoubtedly aware, Mr. Morgan has submitted numerous complaints against the Committee, many with overlapping or repetitive assertions. This letter will address the following complaint:

Complaint No.	Allegations
12110	Alleged violations of RCW 42.17A.205, .235, .240, .265, .270, .405, and .425

We will attempt to address each allegation within the complaint in turn, although there is some overlap/repetition from answers submitted regarding previous complaints. As further explained herein, many of Mr. Morgan’s claims are inaccurate at best. Mr. Morgan relies solely upon his contempt for the Committee as support for the numerous allegations he makes. But overall, the very few issues correctly identified in the complaints address simple errors that were immediately corrected by the Committee and ultimately do not rise to the level of gravity insinuated by Mr. Morgan. The Committee ultimately wishes to do whatever it takes to rectify the situation.

The Allegations

1) “Failure to timely, accurately report debt. (Violation of RCW 42.17A.240(8))”

The Committee did *not* fail to report anything related to this bill, as previously explained in our answer submitted on January 20, 2017. As already explained, the Committee knew that the Firm would be engaging in its defense against Mr. Morgan’s largely frivolous claims, but it did *not* know the total amount it would be billed until well after December 1, the start of a new

reporting period. The deadline for that reporting period was January 10, 2017, by which point the Committee did identify this invoice on the appropriate filings.

2) “Failure to report last minute contributions. (See RCW 42.17A.265)”

Mr. Morgan identifies two contributions that he alleges were improperly reported:

Contributor	Date	Amount
THURSTON ENVIRONMENTAL VOTERS	10/18/2016	\$1,000.00
WASHINGTON CONSERVATION VOTERS ACTION FUND	10/27/2016	\$1,000.00

RCW 42.17A.265 requires that contributions received in the “twenty-one days preceding a general election” be reported via a “special report” to the Commission “within forty-eight hours of the time, or on the first working day after... [t]he contribution of one thousand dollars or more is received by the candidate or treasurer...”

The contribution dated October 18, 2016 was incorrectly identified by the treasurer of the Committee as being received on that date. The check was dated 10/18/2016. The PAC received the check the evening of 10/19/2016. It was deposited and reported within 48 hours of receipt, on 10/21/2016. When it was deposited, the treasurer incorrectly cited the date *on* the check instead of the date of the *receipt* of the check.

Regardless, both contributions were reported within 48 hours of receipt. While it is correct that the Committee did not use Form LMC to report such contributions—instead relying on Form C3—the Committee *did* comply with the spirit and intent of the law by ensuring that the contributions were reported within 48 hours. The contributions were timely disclosed, and the Committee’s actions did not result in the concealment of the contributions from the public.

3) “Failure to timely report contribution (pledge). (Violation of RCW 42.17A.235, see RCW 42.17A.005 (13)(a)(i))”

Mr. Morgan asserts that he “believes” that Mr. Jay Manning (or some other entity) “intends to pay the legal balance that is currently owed to the law firm. This intention must be reported as a pledge.” The Committee has received no pledge and has had no communications of any kind with any entity regarding the payment of its debts. Furthermore, thanks in large part to Mr. Morgan, legal services are ongoing, and the Committee is unsure of the total final amount that will be owed.

4) “Failure to list Christian Sinderman and JZ Knight/Ramtha as committee officers. (Violation of RCW 42.17A.205 (2) (c), see WAC 39005245.”

This allegation is based on two flawed assertions supported by equally flawed logic. First, Mr. Morgan asserts that because the Committee hired a firm to handle its mailings, the principal of that firm should therefore be named an officer of the Committee. There is simply no support for such an assertion. PACs enlist the services of consulting firms, law firms, and other

entities to assist with mailings and graphics, as well as to assist in ensuring compliance with Washington's campaign finance laws. In no statute or regulation is it required that such firms be made officers of the PACs they are hired by to perform such work.

Second, Mr. Morgan further asserts that "JZ Knight/Ramtha" should have been listed as an officer, because it is "implausible" that anyone who donated a substantial sum of money would not exercise control over how it was spent. This assertion is untrue and patently unsubstantiated. Mr. Morgan's subjective assessments of what he believes is "plausible" have no bearing on the facts here. Other than making a contribution, "JZ Knight/Ramtha" had no involvement or communication with the Committee, and had absolutely no input in or control over how the contributed funds were spent.

5) *"Illegal unauthorized expenditure of funds by an individual not listed as an officer on C1 form. (Violation of RCW 42.17A.425)"*

This assertion builds off of the previous allegation's faulty premise involving Mr. Sinderman. The Committee authorized Mr. Sinderman's firm to engage in the activities already addressed in our previous three letters to the PDC. No illegal expenditures occurred here.

6) *"Failure to report earmarked contribution, illegally serving as a conduit for overlimit contributions. (Violation of RCW 42.17A.270, .405 see WAC 39016240)"*

As noted on the Committee's C1pc report, the Committee was formed with the express intention of dealing with a certain set of races in Thurston County. Any individual contributing to the Committee would be contributing to a PAC involved with these races. However, this is not earmarking as contemplated by RCW 42.17A. None of the contributors to the Committee expressed how or for whom the money was to be spent. This allegation is meritless.

7) *"Failure to properly break down expenses. (Violation of RCW 42.17A.235, see WAC 39016205)"*

Mr. Morgan "believes" that the consulting firm retained by the Committee purchased "unique, high resolution stock photography images" for use in various mailers. The Committee has never received any invoice expressing such a purchase, or even hinting at such a purchase. The Committee has never received any communication indicating that such a purchase even occurred. This allegation is also completely meritless.

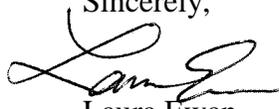
Conclusion

The Committee simply wishes it to be known that the Committee attempted to follow the letter and intent of the law in every way. The Committee deeply regrets the minor errors committed in connection with its first mailing, and wishes to rectify the situation however the PDC deems appropriate. But due to the limited scope of violations here, aggressive or punitive measures would not support the spirit or intent of the State of Washington's disclosure laws.

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If you have any questions, or if there is anything we can do to be of assistance to you, please do not hesitate to contact us.

Sincerely,



Laura Ewan

cc: Jay Manning (*via email, jmanning@cascialaw.com*)
Walter Smith (*via email, walters@atg.wa.gov*)