



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 • (360) 753-1111 • FAX (360) 753-1112
Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

March 1, 2017

National Federation of Independent Business

Attn: Kipp Maloney

Sent electronically to Kipp Maloney "kipp.maloney@nfib.org"

Subject: Complaint filed by Kay Miller; PDC Case 9378
Formal Written Warning

Dear Mr. Maloney:

Enclosed is a copy of a letter sent to Kay Miller concerning a complaint she filed with the Public Disclosure Commission (PDC) on October 31, 2016. The complaint alleged that the National Federation of Independent Business (NFIB), violated RCW 42.17A.320 by failing to include the party preference as required for two candidates for State Representative in 2016, on political advertising in the form of Independent Expenditure advertisements.

As noted in the letter to Ms. Miller, the PDC will not be conducting a more formal investigation into these allegations or taking enforcement action in this matter.

NFIB's failure to include the party preference of the candidates featured in political advertisements or independent expenditure advertisements appears deprives the public of information that is required by our state's campaign finance and political advertising laws. In accordance with WAC 390-73-060(1)(b), this is a Formal Written Warning and a reminder to include party preference information in any advertisements that the NFIB may sponsor in future elections. If there are future violations of PDC laws or rules, the Commission will consider this Formal Written Warning in deciding on further Commission action.

If you have questions, please contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,


Evelyn Fielding Lopez
Executive Director



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March 1, 2017

Sent electronically to Kay Miller “kaymiller217@yahoo.com”

Subject: Complaint filed against National Federation of Independent Business
PDC Case No. 9378

Ms. Miller:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 31, 2016. Your complaint alleged that the National Federation of Independent Business (NFIB), a nationwide association of businesses headquartered in Washington DC, violated RCW 42.17A.320 by failing to include the party preference on political advertising as required for two candidates for State Representative in 2016 in Independent Expenditure advertisements that were sponsored by NFIB.

PDC staff reviewed your allegations in light of PDC laws and rules in order to determine whether a formal investigation or enforcement action is warranted.

Staff reviewed your complaint, the independent expenditure political advertisements sponsored by the NFIB, the Monetary Contributions Reports (C-3 reports) and Campaign Summary Contributions and Expenditures Reports (C-4 reports) filed by an in-state political committee, and Independent Expenditure report (C-6 report) filed by the NFIB disclosing the political advertisement. Based on staff's review, we found that:

- NFIB has a political committee registered in Washington State with the PDC under the name “Nat'l Federation of Independent Business Wa – Save America's Free Enterprise,” located in Washington DC, that has been reporting to the PDC as a political committee dating back to 2006. Prior to that, NFIB had an in-state political committee that filed C-3 and C-4 reports with the PDC dating back to at least 1996.
- NFIB is a Lobbyist Employer that has been registered and filing Annual Lobbyist Employer reports (L-3 reports) with the PDC since 1996.
- As part of your complaint, you provided copies of the independent expenditure political advertisements sponsored by the NFIB that featured Janice Huxford and Mark Harmsworth, two Republican candidates seeking State Representative positions in the 44th Legislative District in 2016.

- The independent expenditure political advertisements sponsored by the NFIB failed to include any party preference for either of the two candidates featured in the ad.
- On October 25, 2016, the NFIB/Washington Safe Trust timely filed C-6 reports disclosing that two expenditures had been made by NFIB for independent expenditure political advertisements in the form of a direct mail piece totaling \$21,222. The C-6 report disclosed that the independent expenditure advertisements had been presented to the public on October 25, 2016, equally supported candidates Mark Harmsworth and Janice Huxford (\$10,611 each), and that both candidates were Republicans.

In accordance with WAC 390-73-060(1)(b), a warning letter is being sent to the National Federation of Independent Business. The warning will caution the National Federation of Independent Business, that if they fail to include the party preference on any political advertisements or independent expenditures in future elections, they may be subject to enforcement action before the Commission.

The PDC will not be conducting a more formal investigation into your complaint or pursuing enforcement action in this case. Thank you for bringing this matter to our attention. The process relies on citizens monitoring campaign activity to promote full compliance with the law. Your actions will contribute to better awareness of campaign restrictions and prohibitions.

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,



Kurt Young
PDC Compliance Officer

Endorsed by:



Evelyn Fielding Lopez
Executive Director

cc: Kipp Maloney, NFIB