



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](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)

November 7, 2016

The Honorable Robert Ferguson  
Attorney General  
1125 Washington St SE  
PO Box 40100  
Olympia, WA 98504-0100

RE: Public Disclosure Commission Recommendation re: Jared Karstetter, PDC Case 8642

Dear Attorney General Ferguson:

This letter concerns the matter that your office referred to the Public Disclosure Commission (PDC) for review and possible investigation on October 5, 2016 in response to a 45-day Citizen Action Complaint (Complaint) filed with the Attorney General's Office on September 7, 2016 by Dmitri Iglitzin. The Complaint alleged that Respondent Jared Karstetter violated:

1. RCW 42.17A.435 by concealing contributions made by the King County Corrections Guild from 2012 through 2015, and identifying himself as the source of the funds for the contribution.
2. RCW 42.17.460 by earmarking contributions received from the King County Corrections Guild through him to candidates for public office.
3. RCW 42.17A.470 by being an intermediary or an agent for a contribution.
4. RCW 42.17A.485 by being reimbursed by the King County Corrections Guild for contributions that were disclosed by the recipient candidate as having been made in Mr. Karstetter's name.

Staff reviewed the complaint and prepared an Investigative Review Memorandum concerning the alleged violations by Mr. Karstetter. A copy of the Investigative Review Memorandum with exhibits is enclosed with this letter. The Commission considered the results of staff's investigation at a special Commission meeting held November 2, 2016. At the meeting, PDC staff presented testimony concerning its Investigative Review Memorandum, which included a recommendation regarding the allegations.

**Staff Conclusion**

As noted in the attached Investigative Review Memorandum, PDC staff concluded that:

- The evidence indicates that Mr. Karstetter, acting on behalf of the King County Corrections Guild, used his personal credit card to make contributions to a number of candidates for public office, which were subsequently reimbursed by the King County Corrections Guild, and incorrectly attributed to Mr. Karstetter in contribution reports filed by the candidates.
- As a result of this practice, the true source of contributions (the King County Corrections Guild) was concealed.
- Mr. Karstetter acted as an agent or intermediary of the Guild when he made contributions with his personal credit card on behalf of the King County Corrections Guild and then was reimbursed by the Guild. This is an apparent violation of RCW 42.17A.470.
- These activities resulted in confusion and lack of clarity in the campaign reports filed by the recipient candidates, and it does not appear the campaign treasurers were aware that the contributions from Mr. Karstetter were really contributions made by the King County Corrections Guild. As a result, the contributions were not properly identified and tracked, and there was a likely risk of over limit contributions if additional contributions were made directly by the Guild.
- Mr. Karstetter acknowledged that he has always been reimbursed by the King County Corrections Guild for monetary contributions that he made personally on behalf of the Guild. The King County Corrections Guild contributions that Mr. Karstetter was reimbursed for, were for candidate campaign events in which Mr. Karstetter and other Guild Officers or members would personally attend on behalf of the Guild. Mr. Karstetter would make a contribution in advance through the candidate's online contributions link using his personal credit, and then get reimbursed by the Guild Treasurer at the next King County Corrections Guild meeting.
- The King County Corrections Guild knowingly reimbursed Mr. Karstetter for contributions that he made on behalf of the Guild using his personal credit card.
- When the reimbursed contributions made to Mr. Karstetter are combined with contributions that had been made directly to candidates by the King County Corrections Guild, it appears that the Guild contributed more than the legal campaign contribution amounts to several candidates for public office.

### **Commission Recommendation**

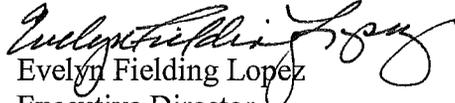
In a unanimous vote, the Commission returned the matter to the Attorney General with a recommendation the Attorney General take action on the allegations within the 45-day citizen action complaint made against Jared Karstetter

In a unanimous vote, the Commission retained jurisdiction in regards to possible violations by the King County Corrections Guild of alleged violations of RCW 42.17A.485 for knowingly reimbursing Jared Karstetter for contributions he initially made using his personal credit card, and RCW 42.17A.405 for exceeding contribution limits to several candidates for public office, and directed staff to open an investigation.

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If you have questions, please contact me at (360) 664-2735. Thank you.

Sincerely,

  
Evelyn Fielding Lopez  
Executive Director

Enclosure

cc: Commissioners  
Linda A. Dalton, Sr. Assistant Attorney General  
Dmitri Iglitzin  
Garret Garfield, Counsel for Jared Karstetter