

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

In the Matter of Enforcement Action
Against:

Richard Anderson

Respondent.

PDC Case No. 7946

STIPULATION AS TO
FACTS, VIOLATIONS AND
PENALTY

The parties to this Stipulation, namely, the Public Disclosure Commission Staff, through its Executive Director, Peter Lavalley, and Respondent Richard Anderson, submit this Stipulation as to Facts, Violations and Penalty in this matter. The parties agree that the Commission has the authority to accept, reject or modify the terms of this Stipulation. The parties further agree that in the event the Commission 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. On February 16, 2016, Richard E. Anderson filed a C-1 report with the PDC declaring his candidacy for Pacific County PUD Commissioner District #2, Position No. 3 in 2016. Mr. Anderson, a first-time candidate for public office, selected the Mini Reporting option and listed Patrick S. Myers as his Campaign Treasurer.
2. Under WAC 390-16-105, candidates selecting the Mini Reporting option are relieved from filing C-3 and C-4 reports as otherwise required under RCW 42.17A.235 and .240. To

qualify for the Mini Reporting option, a candidate checks the Mini Reporting Option box on the C-1 report indicating that the candidate's campaign will not receive contributions or make expenditures in excess of \$5,000 and that no contribution or contributions received from any one person will exceed \$500 in the aggregate.

3. Mr. Myers is the Publisher of the Willapa Harbor Herald, and he served in that capacity during the time he was Mr. Anderson's Campaign Treasurer from February 16 through September 30, 2016.
4. Between May 25 and August 3, 2016, a banner advertisement or a full-page advertisement ran in almost every weekly edition of the Willapa Harbor Herald in support of Mr. Anderson's candidacy. As Publisher of the Willapa Harbor Herald, Mr. Myers authorized the advertisements in support of Mr. Anderson's candidacy that appeared in the newspaper.
5. Mr. Myers filed twenty-two Independent Expenditure reports (C-6 reports) and five amended C-6 reports on behalf of the Willapa Harbor Herald as Publisher, disclosing \$10,980 in newspaper advertisements for independent expenditures (IE) or electioneering communications (EC) that had been made in support of Mr. Anderson during the 2016 election. The initial C-6 reports were all filed by Mr. Myers on July 29, 2016, only four days prior to the August 2, 2016 primary election, disclosing the Willapa Harbor Herald ran \$7,920 in newspaper advertisements in support of Mr. Anderson.
6. Mr. Myers stated that he created the messages for the advertisements since he *"knew of Mr. Anderson's positions from attending the [PUD Commission] meetings. I produced the large ad and it was placed by the production department"* of the Willapa Harbor Herald. As Mr. Myers was both Treasurer of Mr. Anderson's Campaign and Publisher of the Willapa Harbor Herald, by authorizing and working on the content of the free advertisements supporting Mr. Anderson, the advertisements became in-kind contributions to that Campaign.
7. While serving as Mr. Anderson's Treasurer, Mr. Myers, as Publisher of the Willapa Harbor Herald, filed C-6 reports disclosing that 19 banner or full-page newspaper advertisements totaling \$10,350 ran in the newspaper in support of Mr. Anderson. Based on the C-6 reports filed by Mr. Myers on behalf of the Willapa Harbor Herald, the \$500 limitation on aggregate contributions from any one contributor was exceeded by Mr. Anderson on June 8, 2016,

when the third banner advertisement ran in the Willapa Harbor Herald for an aggregate total of \$630 as of that date.

8. On September 14, 2016, Mr. Anderson filed an amended C-1 report disclosing that Mr. Myers was no longer serving as the Campaign Treasurer, and that he taken over those duties as candidate.
9. Mr. Anderson stated that his Campaign received two \$500 monetary contributions under the Mini Reporting Option, which included a \$500 monetary contribution from the IBEW Union and a \$500 monetary contribution from Dick Sheldon. In addition, he stated his Campaign made two expenditures of more than \$1,000 that included a \$1,345 expenditure to the Chinook Observer, a local newspaper for newspaper political advertising, and a \$1,950 expenditure to purchase campaign yard signs.

STATUTORY AND RULE AUTHORITY

RCW 42.17A.005(13)(a)(i) states "Contribution" includes: A loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or anything of value, including personal and professional services for less than full consideration."

RCW 42.17A.205 requires that that every candidate shall file a statement of organization with the commission within two weeks of declaring his/her candidacy or, within two weeks after the date when the candidate first has the expectation of receiving contributions or making expenditures in support of his/her campaign, whichever is earlier,

RCW 42.17A.235 and .240 require candidates under the Full Reporting Option to file timely, accurate reports of contribution and expenditure activities.

WAC 390-05-210(3) is entitled "*Consulting with a state, local or judicial candidate*" and states the following: "An expenditure made by a person in cooperation, consultation, concert or collaboration with, or at the request or suggestion of a candidate, the candidate's authorized committee or agent is a contribution to such candidate. An expenditure is presumed to be made in cooperation, consultation, concert or collaboration with, or at the request or suggestion of a candidate, the candidate's authorized committee or agent when:

(c) An expenditure is made by, through, in consultation with, or with the assistance of, including the fund-raising assistance of, any person who, during the twelve months preceding the expenditure, is or has been an officer of the candidate's authorized committee.”

WAC 390-16-105 states that a candidate shall not be required to comply with the provisions of RCW 42.17A.225 through 42.17A.240 and file detailed contribution and expenditure reports with the Commission when the candidate’s aggregate contributions or aggregate expenditures exceed \$5,000 (plus the candidates filing fee) and no contribution or contributions from any person other than the candidate within such aggregate exceed \$500.

WAC 390-16-125 states that a candidate or political committee shall apply in writing to the commission for authorization to change reporting options before the limitations specified in WAC 390-16-105 are exceeded. Exceeding the aggregate contributions or aggregate expenditures specified in WAC 390-16-105 without complying with the provisions of this section shall constitute one or more violations of chapter 42.17A RCW or 390-17 WAC.

VIOLATIONS

1. Based on the Stipulation of Facts set forth above, Respondent Richard Anderson stipulates that he violated WAC 390-16-125 by exceeding the limitations for the Mini Reporting Option as selected on the Candidate Registration (C-1 report) and as specified in WAC 390-16-105.
2. Respondent Richard Anderson also stipulates to violating RCW 42.17A.205, 235, and .240 by failing to file the following campaign finance reports as a candidate under the Full Reporting Option: an amended C-1 report; a Monetary Contribution report (C-3 report); and a Summary Contribution and Expenditure report (C-4 report) with relevant schedules and attachments, disclosing contribution and expenditure activities undertaken to date.

PENALTY

1. Based upon the Stipulation of Facts and Violations set forth above, Respondent Richard Anderson agrees to pay a total civil penalty of \$1,500 with \$500 suspended on the following conditions:
 - a. That the Respondent is not found to have committed any further violations of RCW 42.17A or WAC 390 within four years of the date of the final order in this matter.

b. That the Respondent is in compliance with all reporting requirements.

c. That the non-suspended portion of the penalty (\$1,000) is paid within thirty days of the date of the final order in this matter.

2. Respondent Richard Anderson affirms his intention to comply in good faith with the provisions of RCW 42.71A and WAC 390 in the future.


Peter Lavake, Executive Director
Public Disclosure Commission

2/22/2018
Date Signed


Richard Anderson

2-22-18
Date Signed