

1
2
3
4 **BEFORE THE PUBLIC DISCLOSURE COMMISSION**
5 **OF THE STATE OF WASHINGTON**

6 IN RE: Clear Ballot Choices
7 (Pacific International Terminals LLC)

PDC CASE NO. 1217

Initial Findings, Order,
Conclusions of Law and
Penalty

8 Respondent.
9

10
11 This matter came before the Washington State Public Disclosure Commission
12 (PDC) at Brief Adjudicative Proceeding (brief hearing) held on October 27, 2016 at the
13 PDC Office, 711 Capitol Way, Room 206, Olympia, Washington 98504. The hearing
14 was held pursuant to RCW 34.05.482 and .485, and WAC 390-37-140. The
15 proceeding was open to the public, and audio recorded.

16 Commission Chair Anne Levinson presided over this matter, and issued a
17 ruling. Also present was Assistant Attorney General Penny Allen, counsel to the
18 Commission. Tony Perkins, PDC Compliance Officer, presented on behalf of PDC
19 staff. Mark Lamb, legal counsel for Clear Ballot Choices, appeared via telephone.
20

21 The Chair considered the following written materials: a Notice of Administrative
22 Charges and staff's Report of Investigation, both dated September 29, 2016; exhibits
23 to the Report of Investigation; a proposed stipulation of facts, violation, and penalty
24 signed by the respondents on October 19, 2016 and by PDC staff on October 25,
25 2016; and an Addendum to staff's Report of Investigation dated October 26, 2016.
26

1 During the brief hearing, the Chair proposed modifications to the proposed
2 stipulation of facts, violation, and penalty. The modifications, agreed to by the parties
3 on November 8, 2016, are described below and the amended stipulation of facts,
4 violation, and penalty is attached.

5 I. FINDINGS OF FACTS

6
7 1. Clear Ballot Choices (Pacific International Terminals LLC) (hereafter, Clear
8 Ballot Choices) is a 2015 political committee that was active in local Whatcom County
9 elections by:

- 10 • Supporting Proposition 1 which pertained to district-only voting in Whatcom
11 County council elections.
- 12 • Supporting Propositions 2 and 3 which limited the power of the Whatcom County
13 council to amend the Whatcom County charter.
- 14 • Opposing Proposition 9 which is a charter amendment providing for Whatcom
15 County Council redistricting.

16
17 2. The Committee Registration Statement (C-1pc report) filed by Clear Ballot
18 Choices disclosed Ron Reimer, Steve Groen, and Tom Perry as the registered
19 committee officers, with Mr. Perry listed as Treasurer.

20
21 3. Tony Larson is the Director of the Whatcom Business Alliance and Publisher of
22 its magazine, Business Pulse, and a local activist who volunteered to assist Clear Ballot
23 Choices in its 2015 election campaign activity. Mr. Larson obtained possession of
24 monetary contributions to Clear Ballot Choices, and deposited all contributions in the
25 committee's campaign depository.
26

1 In addition, Mr. Larson conducted the following additional activities on behalf of Clear
2 Ballot Choices:

- 3 • Recruited the committee's treasurer.
- 4 • Conducted meetings with a vendor to Clear Ballot Choices, without the
5 involvement of the committee's registered officers.
- 6 • Received invoices from vendors for payment.
- 7 • Maintained Clear Ballot Choices' checkbook and executed payments to
8 vendors.
- 9 • Communicated contribution and expenditure information to Clear Ballot
10 Choices' treasurer for reporting purposes, without sharing similar information
11 with the committee's other registered officers.
- 12
- 13

14 6. At no point was Mr. Larson registered as a treasurer or deputy treasurer for Clear
15 Ballot Choices, or as any other officer or responsible leader for the committee.

16 7. In investigating complaints filed against Clear Ballot Choices on October 30,
17 2015 and November 16, 2015, PDC staff sought information from the respondent
18 concerning \$1,250 in debts for Facebook ads and \$3,484.45 for live calls, both
19 reportedly incurred on Election Day, November 3, 2015.

20 8. Specifically, staff sought information and documentation demonstrating that the
21 obligations were incurred on the date disclosed on the committee's December 10, 2015
22 C-4 Summary, Full Report of Receipts and Expenditures. At the end of its investigation,
23 staff had not received the requested information and documentation from Clear Ballot
24 Choices.
25
26

1 9. The parties to this matter stipulate to the above facts. In addition, the parties
2 further stipulate that Respondent Clear Ballot Choices violated:

- 3 • RCW 42.17A.205 by failing to disclose on the C-1pc report, the name, address,
4 and title of Mr. Larson as an officer or responsible leader; and
- 5 • RCW 42.17A.220 by allowing monetary contributions to be deposited in the
6 committee's campaign depository by a person other than a registered treasurer
7 or deputy treasurer.
8

9
10 10. The parties stipulate that a \$500 penalty is an appropriate resolution to this
11 matter.

12 11. Clear Ballot Choices and its officers affirm their intention to comply in good faith
13 with the provisions of RCW 42.17A in the future. Specifically, they agree that all political
14 committees which they serve as officers in the future will disclose, in the committee's
15 C-1pc report, the name, address, and title of all officers or responsible leaders of the
16 committee. They agree further that all political committees which they serve as officers
17 in the future will allow monetary contributions to be deposited in the committee's
18 campaign depository only by the treasurer or deputy treasurers listed on the
19 committee's C-1pc report.
20

21 12. By November 8, 2016, Clear Ballot Choices and its officers agree to produce
22 records documenting the date that the committee first incurred \$1,250 in debts for
23 Facebook ads and \$3,484.45 for live calls, as reported on the committee's December
24 10, 2015 C-4 report.
25
26

1 13. The parties stipulate that any apparent violation by Clear Ballot Choices of RCW
2 42.17A.240 stemming from the untimely disclosure of expenses for Facebook ads or
3 live calls, may be adjudicated at a future brief enforcement proceeding.

4 14. On November 8, 2016, Clear Ballot Choices and its officers through Mr. Lamb,
5 provided copies of two invoices for the committee expenditures made to Revolis
6 Consulting, Inc. the vendor that provided the services for the two expenditures.
7

8 **II. CONCLUSIONS OF LAW**

9 1. The Commission has jurisdiction to hear this matter pursuant to RCW 34.05
10 and WAC 390-37.

11 2. The modified stipulation of facts, violation, and penalty is accepted.

12 3. Clear Ballot Choices violated RCW 42.17A.205 by failing to disclose, on the
13 committee's statement of organization, the name, address, and title of Tony Larson as
14 an officer or responsible leader of the committee.
15

16 4. Clear Ballot Choices violated RCW 42.17A.220 by allowing monetary
17 contributions to be deposited in the committee's campaign depository by a person other
18 than a registered treasurer or deputy treasurer.
19

20 **III. ORDER**

21 Based upon the findings above, and the conclusion that a violation of RCW
22 42.17A.205 and .220 has occurred, the Chair orders as follows:

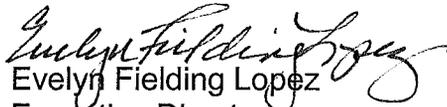
- 23 • Clear Ballot Choices is assessed a penalty of \$500, to be paid within 30 days
24 from the date of this initial order.
- 25 • The allegations not charged by staff in Case 1217 are dismissed.
26

1 The Executive Director is authorized to enter this order on behalf of the Commission.

2
3 So ORDERED this 14th day of November, 2016.

4 WASHINGTON STATE PUBLIC
5 DISCLOSURE COMMISSION

6 FOR THE COMMISSION:

7
8 
9 Evelyn Fielding Lopez
Executive Director

10 *Attachments: Amended Stipulation*
11 *2nd Addendum to Report of Investigation*

12 *Copy of this Order sent electronically and by mail to: Mark Lamb*

13 *cc electronic only: Alex Ramel; Sandra Robson*

14
15 I, Kurt Young certify that I
16 mailed a copy of this order to the
17 Respondent/Applicant at his/her respective
18 address postage pre-paid on the date stated
19 herein. WKM 11/16/2016

19 **NOTICE: REQUEST FOR FULL COMMISSION REVIEW**

20 Pursuant to WAC 390-37-144, if you disagree with this initial decision and order you
21 may request review of by the full Commission by filing a written request or making an
22 oral request within twenty-one (21) business days after the date on this initial order. If
23 you request review, you must state the reason for the review, and identify what
24 alleged errors are contained in the initial decision order. Petitions must be delivered
25 or mailed to the WASHINGTON STATE PUBLIC DISCLOSURE COMMISSION, 711
26 CAPITOL WAY, ROOM 206, PO BOX 40908, OLYMPIA WA 98504-0908.