



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: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

January 28, 2019

Sent electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint regarding the 25th Legislative District Democratic Central Committee, PDC Case 42557

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 29, 2018. The complaint alleged that the 25th Legislative District Democratic Central Committee (Committee), a bona fide legislative district political party committee registered with the PDC, may have violated RCW 42.17A.235 by failing to timely file Monetary Contributions reports (C-3 reports), and Campaign Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities undertaken by the Committee.

PDC staff reviewed the allegations listed in the complaint, exhibits, the statutes, rules and reporting requirements, and the C-3 and C-4 reports filed by the Committee and the response to the complaint. Based on staff's review, we found the following:

- On January 4, 2019, the Committee filed a Committee Registration (C-1pc report) as a Continuing Bona Fide Political Party Committee, selecting the Full Reporting Option, and listing Edward Herde and Robert Koreis as campaign manager and treasurer respectively.
- The Committee filed 25 C-3 and C-4 reports that were between one and eight days late, covering reports filed between 2015 through 2018, disclosing minor contribution and expenditure activities late. In addition, the Committee filed nine amended C-3 and C-4 reports correcting minor reporting issues from previous reports that appear to have been initially filed timely.
- The Committee failed to timely file C-3 and C-4 reports that were more than 10 days late disclosing contribution and expenditure activities undertaken between 2015 through 2018, but the information was disclosed well before the election was held.
- However, the Committee failed to timely file one Monetary Contribution report (C-3 report) and the following Summary Full Campaign Contribution and Expenditure reports (C-4 reports) that were required to have been filed during the accelerated reporting periods prior to the primary and general elections held in 2015, 2016 and 2017. Accordingly, the Committee completed a Statement of Understanding (SOU) acknowledging violations of RCW 42.17A.235 for the following reports:
 1. On July 24, 2016, the Committee filed the 21-Day Pre-Primary Election C-4 report disclosing no contributions were received and \$10,563 in expenditures made. The 21-Day Pre-Primary Election C-4 report was required to be filed by July 12, 2016, covering the period beginning June 1 through July 11, 2016. The C-4 report was filed by the Committee 11 days late and eight days before the August 2, 2016 primary election, disclosing \$10,500 in monetary contributions (expenditures by the Committee) that included three \$3,000 contributions to each legislative candidate running in the district.

2. On July 24, 2016, the Committee filed a C-3 report disclosing \$10,140 in monetary contributions received from seven contributors between June 7 and 27, 2016, and all listed as being deposited on July 24, 2016. The C-3 report disclosed a \$10,000 contribution had been received from the Dawn Morrell Surplus Funds account on June 7, 2016, which was required to be deposited within five business days of receipt. The \$10,000 in surplus funds contribution was required to be deposited no later than June 13, 2016 and disclosed on a C-3 report by June 20, 2016. The \$10,000 contribution, and the additional small contributions disclosed on the C-3 report, were disclosed 34 days late and represented more than 39 percent of total contributions received in 2016.
3. On September 4, 2016, the Committee filed the 7-Day Pre-Primary Election C-4 report disclosing \$10,140 in contributions received and \$1,258 in expenditures made that included \$782 to print door hangers, and \$475 for room rental for the caucus meeting, but no contributions were made to candidates or other political committees. The 7-Day Pre-Primary Election C-4 report was required to be filed by July 26, 2016, covering the period beginning July 12 through 25, 2016. The C-4 report was filed by the Committee 40 days late and 33 days after the August 2, 2016 primary election.
4. On December 19, 2016, the Committee filed both the 21-Day and 7-Day Pre-General Election C-4 reports. The 21-Day Pre-General Election C-4 report was required to be filed on October 18, 2016, covering the period beginning September 1 through October 16, 2016. The 21-Day Pre-General Election C-4 report disclosed \$270 in contributions received and \$2,713 in expenditures made, that included two \$1,250 monetary contributions to legislative candidates in the district and was filed 62 days late and more than six weeks after the November 8, 2016 general election. The 7-Day Pre-General Election C-4 report was required to have been filed on November 1, 2016, covering the period beginning October 16 through 31, 2016. The 7-Day Pre-General Election C-4 report disclosed \$275 in contributions received and \$2,000 in expenditures made, that included four \$500 monetary contributions made to four 2016 candidates and was filed 48 days late and more than five weeks after the November 8, 2016 general election.

On January 21, 2019, the Committee, emailed a scanned copy of a signed Statement of Understanding (SOU) acknowledging five violations of RCW 42.17A.235. In addition, the email confirmed the payment of a \$750 civil penalty that was assessed in accordance with WAC 390-37-143 (Brief Enforcement Penalty Schedule). The agreement to pay the \$750 penalty assessed in this matter resolves the allegations listed in your complaint concerning those reports.

However, pursuant to WAC 390-37-060(1)(b), PDC staff also issued a formal written warning to the Committee concerning the importance of timely and accurately filing C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by the political committee as required by PDC laws and rules. This formal written warning conveys staff's expectation that the Committee will fully comply with the C-3 and C-4 reporting requirements in the future as required for a registered political committee. The Commission will consider this formal written warning if there are any future PDC law or rule violations by the Committee.

Based on this information, the PDC has dismissed the complaint in accordance with RCW 42.17A.755(1).

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____

s/ _____

Erick Agina
PDC Compliance Officer

Peter Lavallee
PDC Executive Director

cc: Robert Koreis, Treasurer for 25th Legislative District Democratic Central Committee