



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.pdca.wa.gov

January 17, 2019

Delivered electronically to Dmitri Iglitzin, legal counsel for SEIU PEAFF PAC

Subject: Complaint regarding the Service Employees International Union Political Education & Action Fund PAC, PDC Case 42700

Dear Mr. Iglitzin:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint he filed with the Public Disclosure Commission (PDC) against your client, the Service Employees International Union Political Education & Action Fund PAC in PDC Case 42700. As noted below in the electronic letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

PDC staff is reminding the Service Employees International Union and the SEIU PEAFF PAC concerning the importance of timely and accurately filing campaign finance reports as an in-state political committee disclosing contribution and expenditure activities undertaken to support Washington State candidates and political committees, if they do not qualify as an out-of-state political committee in future years in accordance with WAC 390-16-049.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1). 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@pdcc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Kurt Young, Compliance Officer

s/ _____
BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director





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January 17, 2019

Delivered electronically to Glen Morgan

Subject: Complaint regarding the Service Employees International Union Political Education & Action Fund PAC, PDC Case 42700

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its initial review of the complaint you filed against the Service Employees International Union Political Education & Action Fund PAC (SEIU PEAFF PAC). The complaint alleged that the SEIU PEAFF PAC, a federal political committee, may have violated RCW 42.17A.235 and .240 by failing to timely file Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities undertaken during calendar year 2016.

PDC staff reviewed the allegations listed in the complaint you filed, the statutes, rules and reporting requirements, queried the PDC contribution and expenditure database for SEIU PEAFF PAC activities, reviewed the Out-of-State Political Committee reports (C-5 reports), C-3 and C-4 reports filed by the SEIU PEAFF PAC, the response and attached exhibits to the complaint provided by Dmitri Iglitzin, an attorney on behalf of Schwerin Campbell Barnard Iglitzin & Lavitt LLP on behalf of SEIU PEAFF PAC. As a result of staff's review, we found the following:

- On April 3, 2018, Eric Stahl filed with the Freedom Foundation, e-filed a complaint for “Civil Penalties for Past and Ongoing Violations of the Fair Campaign Practices Act in Thurston County Superior Court against SEIU PEAFF PAC. The Complaint had been filed as a Citizen Action Notice (CAN) on January 22, 2018, with the Washington State Attorney General’s Office (AGO) and with the Prosecuting Attorneys of King and Thurston Counties. In addition, on March 9, 2018, a ten day CAN letter was filed with the AGO and the two Prosecuting Attorneys.
- The CAN notice alleged that SEIU PEAFF PAC, as an out-of-state political committee located in Washington DC, has “periodically filed limited reports required for out-of-state political committees pursuant to RCW 42.17A.250”, but in 2016 the committee made expenditures totaling more than 20% of its 2016 total expenditures for political contribution made in in Washington State. Thus, the complaint alleged that SEIU PEAFF PAC did “not qualify as an out-of-state political committee pursuant to WAC 390-16-049” and were required to register as an in-state political committee.

- Staff’s review indicated that SEIU PEAFF PAC has filed a total of 33 initial C-5 reports with the PDC dating back to August of 2004, and three amended C-5 reports. For CY 2016 SEIU PEAFF PAC filed six C-5 reports disclosing \$1,074,853 in contribution and expenditure activities undertaken in Washington State in 2016, that included the following:
 1. On February 8, 2016, the SEIU PEAFF PAC timely filed a C-5 report for January of 2016 disclosing a \$174,346 contribution made to SEIU 925 PAC.
 2. On March 9, 2016, the SEIU PEAFF PAC timely filed a C-5 report for February of 2016 disclosing a \$72,576 contribution made to SEIU 775 PAC.
 3. On July 11, 2016, the SEIU PEAFF PAC timely filed a C-5 report for June of 2016 disclosing a \$300,000 contribution made to SEIU 775 PAC.
 4. On September 12, 2016, the SEIU PEAFF PAC filed a C-5 report for August of 2016 disclosing a \$138,762 contribution made to SEIU 925 PAC.
 5. On October 7, 2016, the SEIU PEAFF PAC timely filed a C-5 report for September of 2016 disclosing a \$100,000 contribution made to SEIU 775 PAC.
 6. On November 10, 2016, the SEIU PEAFF PAC timely filed a C-5 report for October of 2016 disclosing two contributions that included a \$162,000 contribution made to New Directions PAC, and a \$129,168 contribution made to SEIU 775 PAC.

- On September 6, 2018, SEIU PEAFF PAC filed a Committee Registration (C-1pc report) as a New Other Political Committee, headquartered in Washington DC and selecting the Full Reporting Option.

- On October 2, 2018, SEIU PEAFF PAC filed C-3 and C-4 reports as a Washington State political committee for only calendar year 2016, disclosing \$5,463,061 in total contributions received and expenditures made, and checking the “Final Report” box. The \$5,463,061 in expenditures itemized on the Schedule A to C-4 reports included \$1,074,853 in contributions to political committees in Washington State, that were previously disclosed on the C-5 reports and listed above.

- The remaining \$4.3 million in expenditures made by SEIU PEAFF PAC during calendar year 2016 was for contribution and other activities involving political committees and candidate activities in other states and at the federal level. Those expenditures included the following:
 - \$942,019 for three contributions made to the SEIU Minnesota State Council.
 - \$840,000 for two contributions made to the New York State Political Action Fund.
 - \$554,987 for a contribution made to United We Can.
 - \$450,000 for a contribution made to the Democratic Governor’s Association.
 - \$198,466 for a contribution made to SEIU Florida State Council.
 - \$63,100 for two contributions made to the Cuomo 2018 Campaign for New York Governor.

- Staff found that SEIU PEAFF PAC made an additional \$313,979 expenditure to SEIU 775 on September 6, 2016, listing the address as 215 Columbia Street, Seattle, WA 98104, which was a different address than the contributions made to SEIU 775 Quality Care Committee, which listed the address as 33615 1st Way So, Suite A, Federal Way, WA 98003. Staff contacted Mr. Iglitzin concerning this issue and he stated that the expenditure made by SEIU PEAFF PAC was deposited into SEIU 775’s “general treasury”, was not a contribution to a political committee or used for political purposes and did not need to be disclosed on the C-5 report.

PDC staff found no evidence of a material violation that would require conducting a more formal investigation into your two complaints or pursuing enforcement action in this instance.

As noted above, the allegations concerning the late reporting of 2016 SEIU PEAFF PAC contribution and expenditure activities involved contributions to Washington State political committees participating in 2016 elections that were timely disclosed on six C-5 reports filed during calendar year 2016. The monetary contributions received and disclosed by SEIU PEAFF PAC during 2016 were all transfers from SEIU International, 1800 Massachusetts Avenue NW, Washington DC, 20036, and the remaining committee expenditures were for contribution and other activities involving political committees and candidate activities in other states and at the federal level.

PDC staff is reminding the Service Employees International Union and the SEIU PEAFF PAC concerning the importance of timely and accurately filing campaign finance reports as an in-state political committee disclosing contribution and expenditure activities undertaken to support Washington State candidates and political committees, if they do not qualify as an out-of-state political committee in future years in accordance with WAC 390-16-049.

Based on this information, PDC staff is dismissing this matter against the Service Employees International Union Political Education & Action Fund PAC in accordance with RCW 42.17A.755(1).

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,

Endorsed by:

s/ _____
Kurt Young, Compliance Officer

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BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director

cc: Dmitri Iglitzin, on behalf of SEIU PEAFF PAC

