



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
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Jan. 23, 2019

Delivered electronically to “alexiafflocal31@gmail.com” and “franco@workerlaw.com”

Subject: Complaint filed by Glen Morgan, PDC Case 43017

Dear: Alex Wilse, Campaign Manager, Active in Democracy and Danielle Franco-Malone,
Counsel, Active in Democracy

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC). As noted in the letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into these allegations or take further enforcement action in this matter since the Committee completed a Statement of Understanding (SOU) and paid a \$300 civil penalty acknowledging violations of RCW 42.17A.235 for failing to timely file C-3 and C-4 reports.

However, pursuant to WAC 390-37-060(1)(b), Active in Democracy is hereby formally warned 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 Active in Democracy 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 Active in Democracy.

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 Alice Fiman at 1-360-586-4746 or toll-free at 1-877-601-2828, or by e-mail pdcc@pdcc.wa.gov.

/s _____
Alice Fiman
Compliance Officer

Endorsed by,
/s _____
Peter Lavalley
Executive Director



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January 23, 2019

Delivered electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Active in Democracy, PDC Case 43017

Dear Glen Morgan:

The Public Disclosure Commission (PDC) completed its review of the complaint you filed Oct. 29, 2018. Your complaint alleged Active in Democracy may have violated RCW 42.17A.235 and .240 by failing to timely file complete and accurate Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contributions and Expenditure reports (C-4 reports).

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response provided by Danielle Franco-Malone, Counsel for Active in Democracy; the applicable PDC reports filed by Active in Democracy and data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

We found the following:

- On October 20, 2017, Active in Democracy, a continuing political committee registered with the PDC, filed an amended Committee Registration (C-1pc Report), selecting the Full Reporting Option and listing Alex Wilsie, as Committee Manager and Matt Frank as Committee Treasurer. Active in Democracy (Committee) has been registered with the PDC as a political committee since at least 1996.
- On June 22, 2016, the Committee received a warning letter from the PDC concerning the failure to timely file a C-3 and C-4 report for campaign contribution and expenditure activities undertaken in May 2016, for PDC Case 5746.
- The Committee filed 21 C-3 and C-4 reports that were between one to seven days late covering reports filed between 2015 through 2018, disclosing minor contribution and expenditure activities late. In addition, the Committee filed seven amended C-3 and C-4 reports correcting minor reporting issues from previously reports that appear to have been initially timely filed.

- 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 an election was held.
- However, the Committee failed to timely file election-related C-4 reports for the 2016 and 2017 elections and completed a Statement of Understanding (SOU) acknowledging violations of RCW 42.17A.235 for the following C-4 reports:
 1. On Aug. 1, 2017, the Committee filed the 21-Day Pre-Primary Election C-4 report disclosing \$2,555 in monetary contributions received from members monthly withholdings, and \$3,000 in expenditures made for five contributions to five 2017 candidates for public office. The 21-Day Pre-Primary Election C-4 report was required to have been filed on July 11, 2017, covering the period June 1 through July 10, 2017. The C-4 report was filed 21 days late, the date the August 1, 2017 primary election was held.
 2. On July 18, 2016, Active in Democracy filed the 21-Day Pre-Primary Election C-4 report disclosing \$2,180 in monetary contributions received from members monthly withholdings, and \$5,104 in expenditures that included two contributions of \$1,000 each to the Jay Inslee for Washington Campaign and Friends of Christine Kilduff, and \$3,000 in expenditures for signs. The 21-Day Pre-Primary Election C-4 report was required to have been filed on July 12, 2016, covering the period June 1 through July 11, 2016, and was filed seven days late.
 3. On August 10, 2016, Active in Democracy filed the 7-Day Pre-Primary Election C-4 report disclosing \$2,132 in monetary contributions received from members monthly withholdings, and \$1,000 for one expenditure made for a contribution to the Committee to Elect Mark Leavitt. The 7-Day Pre-Primary Election C-4 report was required to have been filed on July 26, 2016, covering the period July 12 through 25, 2016. The C-4 report was filed 15 days late, and eight days after the August 2, 2016 primary election was held.
- Danielle Franco-Malone stated in her response on behalf of the Committee “Active in Democracy discovered that the individual responsible for PDC reporting had several performance issues that manifested themselves in multiple different ways, including failure to timely file some of the reports noted in the Mr. Morgan’s Exhibit A. A new individual is now responsible for those filings, and Active in Democracy has taken care to ensure that this person is properly trained on PDC compliance issues, including sending her to trainings.”

Active in Democracy completed a Statement of Understanding (SOU) and paid a \$300 civil penalty in accordance with WAC 390-37-143 (Brief Enforcement Penalty Schedule), acknowledging violations of RCW 42.17A.235 and RCW 42.17A.240 for failing to timely file the three Pre-Election C-4 reports listed above. The \$300 penalty assessed in this matter resolves the allegations listed in your complaint concerning those three reports.

Based on the above findings and the SOU, staff has determined that, in this instance, this matter does not warrant further investigation.

However, pursuant to WAC 390-37-060(1)(b), PDC staff issued a formal written warning to Active in Democracy 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 Active in Democracy 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 Active in Democracy.

The PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Alice Fiman at 1-360-586-4746 or toll-free at 1-877-601-2828, or by e-mail pdcc@pdcc.wa.gov.

/s _____
Alice Fiman
Compliance Officer

Endorsed by,
/s _____
Peter Lavalley
Executive Director

CC: Alex Wilse, Campaign Manager and Danielle Franco-Malone, Counsel, Active in Democracy