



**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: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

March 7, 2019

Delivered electronically to Harrison Toepfer, 17th Legislative District Democrats Committee Chair at “chair@17thdems.org”

Subject: Complaint filed by Cheryl Aichele, PDC Case 43895

Dear Mr. Toepfer:

Below is a copy of an electronic letter sent to Cheryl Aichele concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Ms. Aichele, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

PDC staff is reminding you about the importance of the timely disclosure of all contribution and expenditure activities, including the received date of contributions, and the timely filing of the C-1pc disclosing material changes. PDC staff expects in the future that you will accurately and timely disclose all contribution and expenditure activities and timely file the C-1pc disclosing material changes, in accordance with PDC laws and rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by email at jennifer.hansen@pdc.wa.gov.

Sincerely,

/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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March 7, 2019

Delivered electronically to Cheryl Aichele at “cherylrenee143@gmail.com”

Subject: Complaint regarding 17th Legislative District Democrats, PDC Case 43895

Dear Ms. Aichele:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on December 7, 2018. Your complaint alleged that the 17th Legislative District Democrats, a bona fide legislative district party committee, may have violated: (1) RCW 42.17A.205 by failing to accurately and completely disclose committee officers on the Committee Registration (C-1pc report); (2) RCW 42.17A.425 for allowing persons not identified as committee officers on the C-1pc to authorize expenditures; (3) RCW 42.17A.220 for failure to timely deposit contributions within five business days of receipt; (4) RCW 42.17A.270 for failure to timely and accurately report earmarked contributions and WAC 390-17-015 for improper transfer of earmarked contributions; and (5) RCW 42.17A.460 for failure to report earmarked contributions as made from both the original contributor and the party as a conduit of earmarked contributions.

Your complaint also alleged violations RCW 42.17A.490 regarding the limitations on use of contributions for a different office which is not applicable to bona fide party committees.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response(s) provided by the 17th Legislative District Democrats and Committee Chair, Harrison Toepfer; the applicable PDC reports filed by Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

Based on staff’s review, we found the following:

- On February 13, 2016, the 17th Legislative District Democrats (17th LD) filed a Committee Registration (C-1pc report) registering a bona fide legislative district party committee for calendar year 2016 and choosing the “Full Reporting” option.

Allegation One & Two: Violation of RCW 42.17A.205 by failing to accurately and completely disclose Tanisha Harris and Marsha Manning as committee officers on the Committee Registration (C-1pc report) and RCW 42.17A.425 for allowing Ms. Harris and Ms. Manning to authorize expenditures.

- In response to the complaint, the 17th LD agree that Marsha Manning should have been included on the C-1pc filed for calendar year 2016 but was inadvertently left off due to an internal misinterpretation of the statute. The party confirmed that Tanisha Harris was not a committee officer in 2016 and was not involved in decision making for the party.

Allegation Three: Violation of RCW 42.17A.220 for failure to timely deposit contributions within five business days of receipt.

- Staff's review of the C-3 and C-4 reports filed by 17th LD and the evidence provided in the complaints, indicated that the contributions appeared to have timely disclosed based on the expenditure date disclosed by the contributing political committee and the received date disclosed by 17th LD. However, PDC staff found a few instances in which it appeared that some of the contributions disclosed on C-3 reports were not timely deposited.
- In their response, the 17th LD stated that in at least one instance, a C-3 report disclosed a contribution that had been timely deposited but that appeared to be deposited late due to a data entry error by the committee. The committee stated that they are working to prevent similar errors in the future.

Allegations Four & Five: Violation of RCW 42.17A.270 for failure to timely and accurately report earmarked contributions and WAC 390-17-015 for improper transfer of earmarked contributions and RCW 42.17A.460 for failure to report earmarked contributions as made from both the original contributor and the party as a conduit of earmarked contributions.

- The complaint alleged that several political committees and bona fide party committees, including Washington & Northern Idaho District Council of Laborers PAC and Harry Truman Fund, made contributions to the 17th LD that were earmarked by the original donor of the contribution and were not properly disclosed. In addition, the complaints alleged that the original sources of the earmarked contributions used for candidates had also given direct contributions to the same candidates and therefore exceeded the allowable contribution limits.
- RCW 42.17A.460 states that "earmarked" means a designation, instruction, or encumbrance, whether direct or indirect, expressed or implied, or oral or written, that is intended to result in or does result in all or any part of a contribution being made to a certain candidate or state official.
- In his response, 2019 Committee Chair Harrison Toepfer, stated that there is no evidence to indicate that contributions made by the 17th LD to 2016 candidate campaigns were earmarked by the original donor.
- In 2016, the 17th LD campaign was eligible to give \$0.50 per Registered Voter per cycle, or \$39,084 combined total with the Clark County Democratic Central Committee (CCDCC) to legislative and county council candidates Gun-Sam Kim, Tim Probst, Tanisha Harris and Roman Battan. Staff's review of contributions made by the 17th LD found that the Gun-Sam Kim State Representative campaign received \$12,900, the Tim Probst State Senate campaign received \$28,700 from January 2013 to October 2016, the Tanisha Harris campaigns received \$2,050 total including \$1,850 for her County Council campaign and \$200 received in April 2016 and spent for her discontinued 2016 State Representative campaign and the Roman Battan County Council campaign received \$150.

- No evidence was found that the 2016 candidates referenced above received over-limit contributions from the 17th LD or to indicate that that funds received by the 17th LD were earmarked as defined in RCW 42.17A.460 by any of the contributors identified in the complaint or were otherwise specifically intended to benefit any of the same candidates.

The 17th LD's response stated that they are committed to maintaining compliance with PDC regulations, and that any errors made were not done so with ill-intent.

The allegations concerning the 17th LD's internal organization by-laws and processes of operating as a bona fide political party organization are not regulated under the jurisdiction of the Public Disclosure Commission and were not reviewed by PDC staff. Those concerns should be addressed to the Washington State Democratic Party.

Based on these findings staff has determined that, in this instance, failure to timely and accurately file a small number of C-3 and C-4 reports that included minor data entry errors, does not amount to an actual violation warranting further investigation.

PDC staff is reminding the 17th LD about the importance of the timely disclosure of all contribution and expenditure activities, including the received date of contributions, and the timely filing of the C-1pc disclosing material changes, in future calendar years in accordance with the statutes and rules.

Based on this information, 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 Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at jennifer.hansen@pdc.wa.gov.

Sincerely,

/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director

cc: 17th Legislative District Democrats