



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](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)

BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

In the Matter of Enforcement  
Action Against

Concerned Citizens of Kirkland

Respondent.

PDC Case No. 12-154

Notice of Administrative Charges

**I. JURISDICTION**

1. The Public Disclosure Commission (PDC) has jurisdiction over this proceeding pursuant to Chapter 42.17A RCW, the Public Disclosure Act; Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC. These charges incorporate the Report of Investigation and all related exhibits by reference.

**II. ALLEGATIONS**

2. PDC staff alleges that Concerned Citizens of Kirkland, a political committee formed on August 16, 2011 to oppose a candidate running for Kirkland City Council in 2011, violated WAC 390-16-125 by exceeding the limitations for Mini Reporting campaigns as specified in WAC 390-16-105, and RCW 42.17.040, 42.17.080 and 42.17.090 before applying in writing to the Commission for authorization to change reporting options in accordance with WAC 390-16-105.
3. Concerned Citizens of Kirkland violated RCW 42.17.040, 42.17.080 and 42.17.090 by failing to timely file: (1) an amended Committee Registration (C-1pc report); (2) a Monetary Contribution report (C-3 report); (3) a Summary Contribution and Expenditure report (C-4 report) with relevant schedules and attachments; and (4) confirmation that the opponent had been notified before exceeding the limits of the Mini Reporting option.

### III. FACTS

4. On August 16, 2011, Concerned Citizens of Kirkland (CCK) filed a Committee Registration (C-1pc report) registering as a political committee organized to oppose Bob Sternoff, an incumbent Kirkland City Councilmember who was running for re-election in 2011. CCK selected the Mini Reporting option, and listed Ken Albinger as the committee treasurer, and Michael Beaton as the campaign manager.
5. Under WAC 390-16-105, political committees selecting the Mini Reporting option are relieved from the basic filing requirements imposed by RCW 42.17.080 and .090 to file frequent, detailed reports of contribution and expenditure activities. To qualify for the Mini Reporting option, a political committee must agree that its total contributions and expenditures will not exceed \$5,000, and that no contribution or contributions from any one person will exceed \$500.
6. Ken Albinger, CCK campaign treasurer, made several out-of-pocket expenditures that included: (1) a \$150 expenditure on behalf of CCK that he made on July 22, 2011, to pay the application fee for the committee's Federal Employer Identification Number; (2) a \$79 expenditure on behalf of CCK that he made on July 28, 2011, to pay the U.S. Postal Service for a post office box rental; and (3) a \$220 monetary contribution to CCK on August 12, 2011, as part of an initial start-up bank deposit to establish the committee's bank account.
7. As of August 12, 2011, Mr. Albinger's monetary and in-kind contributions to CCK totaled \$449 in the aggregate.
8. On November, 1, 2011, Mr. Albinger made a \$675 expenditure on behalf of CCK in the form of an in-kind loan to pay for CCK political advertising in the form of two advertisements that ran in the local Kirkland Reporter. When Mr. Albinger paid for the two political advertisements, CCK exceeded the \$500 contribution limit for an individual contributor under the Mini Reporting option since the \$675 in-kind contribution/loan from Mr. Albinger raised his aggregate total contributions to \$1,124.

9. Under WAC 390-05-210(6), Mr. Albinger's expenditures to pay for political advertisements on behalf of CCK, are in-kind contributions to CCK. When the advertising costs are included in Mr. Albinger's aggregate contribution totals, he contributed a total of \$1,124 to CCK. This amount exceeded the \$500 limit for aggregate contributions from one person, under the Mini Reporting option selected by CCK, by \$624.
10. CCK raised a total of \$3,349 in monetary and in-kind contributions during the period July 22 through November 1, 2011, and spent less than \$3,400 during the election cycle.

#### **IV. Laws and Regulations**

**RCW 42.17.020(15)(a)** states, "Contribution" includes: A loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or anything of value, including personal and professional services for less than full consideration.

**RCW 42.17.040** states that every political committee, within two weeks after its organization or, within two weeks after the date when it first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier, shall file a statement of organization with the commission.

**RCW 42.17.080 and 090** require candidates under the full reporting option to file timely, accurate reports of contributions and expenditures.

**WAC 390-16-105** states that a candidate shall not be required to comply with the provisions of RCW 42.17.065 through 42.17.090 except as otherwise prescribed in WAC 390-16-038, 390-16-115, and 390-16-125 when neither aggregate contributions nor aggregate expenditures exceed the amount of the candidate's filing fee provided by law plus a sum not to exceed \$5,000 and no contribution or contributions from any person other than the candidate within such aggregate exceed \$500.

**WAC 390-16-125** states that a candidate or political committee shall apply in writing to the commission for authorization to change reporting options before the limitations specified in WAC 390-16-105 are exceeded. Exceeding the aggregate contributions or aggregate expenditures specified in WAC 390-16-105 without complying with the provisions of this section shall constitute one or more violations of chapter 42.17A RCW or 390-17 WAC.

RESPECTFULLY SUBMITTED this 21<sup>st</sup> day of September, 2012.

  
Kurt Young  
Compliance Officer