



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

BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

In the Matter of Enforcement Action  
Against:

Brad Owen, Citizens to Re-elect Brad  
Owen Lieutenant Governor and Brad  
Owen Surplus Funds Account

Respondents.

PDC Case No. 12-167

Notice of Administrative Charges

IT IS ALLEGED as follows:

**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. Staff alleges that Brad Owen, Citizens to Re-elect Brad Owen Lieutenant Governor, and Brad Owen Surplus Funds Account violated provisions of the state campaign finance disclosure laws between 2009 and 2012 as follows:

**Citizens to Re-Elect Brad Owen Lieutenant Governor**

- A. Failure to timely file the November 2011 Campaign Summary Contribution and Expenditure report (C-4 report) disclosing \$46,596 in monetary contributions, \$300 in in-kind contributions, and \$16,625 in monetary expenditures, as required by RCW 42.17.080 and .090. The C-4 report was filed 143 days late on May 1, 2012.
- B. Failure to timely file a Monetary Contributions report (C-3 report) disclosing \$27,195 in contributions received and deposited on November 8, 2011, as required by RCW 42.17.080 and .090. The C-3 report was filed 149 days late on May 8, 2012.

- C. Failure to timely file a C-3 report disclosing \$975 in contributions received and deposited on September 21, 2011, as required by RCW 42.17.080 and .090. The C-3 report was filed 203 days late on May 1, 2012.

### **Brad Owen Surplus Funds Account**

Failure to file C-3 and C-4 reports from January 2009 through February 2012 for receipts and expenditures totaling \$22,850, in accordance with RCW 42.17.090 and RCW 42.17A.240.

### **III. Facts**

3. On December 10, 2009, Lieutenant Governor Brad Owen filed a Candidate Registration (Form C-1) with the Public Disclosure Commission (PDC) declaring his candidacy for re-election in 2012. He listed Laurel Willis as campaign treasurer. Ms. Willis has been the campaign's treasurer since December 10, 2009. She had previously assisted the treasurer of Lt. Governor Owen's 2004 and 2008 re-election campaigns.
4. Lt. Gov. Owen selected the Full reporting option which requires frequent, detailed reports of contribution and expenditure activities.

### **Alleged failure to timely file one C-4 report and two C-3 Reports (RCW 42.17.080 and .090)**

5. Under RCW 42.17.080, the re-election campaign's November 2011 C-3 report and November 2011 C-4 report were due by December 10, 2011, and the re-election campaign's September 2011 C-3 report was due by October 10, 2011.
6. The re-election campaign filed its November 2010 C-4 report 143 days late on May 1, 2012. The C-4 report disclosed \$46,596 in monetary contributions, \$300 in in-kind contributions, and \$16,625 in monetary expenditures. The expenditures included paying for consulting services, setting up a campaign website, and other political advertising materials.
7. The re-election campaign filed a C-3 report 149 days late on May 8, 2012. The C-3 report disclosed \$27,195 in contributions received and deposited on November 8, 2011. The contributions were received prior to the 2012 Legislative Session Freeze period.
8. The campaign filed a C-3 report 203 days late on May 1, 2012. The C-3 report disclosed \$975 in contributions received and deposited on September 21, 2011.

**Alleged failure to C-3 and C-4 reports for the Brad Owen Surplus Funds Account**

9. The Brad Owen Surplus Funds Account failed to file C-3 and C-4 reports from January 2009 through February 2012 for receipts and expenditures totaling \$22,850, in accordance with RCW 42.17.090 and RCW 42.17A.240.
10. On June 4, 2012, the Brad Owen Surplus Funds Account filed C-3 and C-4 reports disclosing receipts and expenditures occurring from December 2008 through January 2012. The C-4 reports included the following expenditures:
  - December 2008 - \$534;
  - Calendar year 2009 - \$8,686;
  - Calendar year 2010 - \$7,913;
  - Calendar year 2011 - \$5,112; and
  - January 2012 - \$605.

**IV. Law**

**RCW 42.17.080 and .090**<sup>1</sup> require candidates under the full reporting option to file timely, accurate reports of contribution and expenditure activities, including in-kind contributions. C-4 reports are required to be filed 21 and 7 days before each election, and a post-election report, when the candidates name appears on the ballot, and in the months following the election if the campaign has raised or spent \$200 since the last report. In addition, C-3 reports are due every Monday disclosing contributions received and deposited during the previous seven days.

**RCW 42.17.095**<sup>2</sup> provides that the surplus funds of a candidate may be disposed of by “hold[ing] the surplus campaign funds in a separate account for nonreimbursed public office-related expenses ...and report[ing] any such disposition in accordance with RCW 42.17.090.”

Respectfully Submitted this 7<sup>th</sup> day of September, 2012.

  
Philip E. Stutzman  
Director of Compliance

---

1 Effective January 1, 2012, RCW 42.17.080 and RCW 42.17.090 were re-codified as RCW 42.17A.235 and RCW 42.17A.240.

2 Effective January 1, 2012, RCW 42.17.095 was re-codified as RCW 42.17A.430.