STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION
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BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE WITH RCW 42.17/42.17A	)	PDC CASE NO: 12-168
FAMILY PAC AND JOSEPH BACKOLM, TREASURER	)	REPORT OF INVESTIGATION
Respondent.	)	

I.

BACKGROUND

1.1 On October 21, 2009, Family PAC filed a C-1pc Political Committee Registration with the Public Disclosure Commission, indicating its status as a continuing political committee that would conduct activity on an on-going basis. **(Exhibit 1.)** On the C-1pc registration, Family PAC's treasurer, Joseph Backholm, chose the Full Reporting option, certifying that the committee would file frequent, detailed campaign reports as mandated by law.

1.2 Since its October 21, 2009 C-1pc registration, Family PAC filed no reports of contribution or expenditure activity with the PDC, including reports of monetary or in-kind contributions and expenditures, or debts, obligations, pledges, loans, or other information.

1.3 As part of a federal court lawsuit in which Family PAC challenged the constitutionality of state campaign finance and disclosure laws and a regulation, Family PAC requested reimbursement for $148,987 in attorneys' fees and costs from the State of Washington on February 12, 2012. In its pleadings, Family PAC, through its attorney testifying under oath, stated that Family PAC has been receiving legal services, and expenditures for legal services have been made on Family PAC's behalf, since September 16, 2009. Family PAC, again through counsel, testified that the amount claimed

in the fee request is only a portion of the fees and costs Family PAC has received since 2009.

1.4 Outline of this report:

- Part I of this report provides background.
- Part II summarizes the allegations in the complaint.
- Part III summarizes the report.
- Part IV provides the factual findings. The findings address the historical background of previous court challenges to Washington's disclosure requirements by entities represented by The Bopp Law Firm; the *Family PAC v. McKenna* lawsuit and Family PAC's request for attorneys' fees as filed by The Bopp Law Firm for legal services rendered in that case; the PDC complaint concerning Family PAC's failure to disclose the legal services in reports filed with the PDC and Family' PAC's response to the complaint; the relationship of Family PAC to other entities that might have funded the legal services; and, the relationship of The Bopp Law Firm to other entities that might have funded the legal services.
- Part V provides the scope of information reviewed.
- Part VI provides the relevant laws and administrative rules.

II.

ALLEGATIONS IN COMPLAINT

2.1 On May 15, 2012, PDC Executive Director Andrea McNamara Doyle filed a staff-generated complaint against Family PAC, alleging that the political committee failed to disclose over $140,000 in contribution and expenditure activity connected with legal services rendered to the committee. **(Exhibit 2.)** She alleged that these contributions and expenditures were required to be disclosed by Family PAC in PDC filings accessible to the public as early as September 30, 2009, and have not been disclosed.

III.

SUMMARY

3.1 According to federal court pleadings filed under oath by Family PAC, it was aware of the political committee filing requirements in Washington prior to

filing the lawsuit. The committee stated under oath that it would file reports with the PDC if the court did not enjoin the contributor disclosure information. The federal court did not enjoin the statute requiring committees to file disclosure reports with the PDC. Family PAC stated under oath in federal court that it has been provided tens of thousands of dollars of legal services and expenses related to legal services.

3.2 As of the date of this report, Family PAC has filed no reports with the PDC except for its initial C-1pc registration form. It has filed no reports with the PDC showing any contributions or any expenditures, or debts, obligations, pledges, loans, or other information.

3.3 As of the date of this report, staff has been unable to ascertain the source of funds for Family PAC's attorneys' fees or litigation expenses, including whether they were provided or pledged by any person or organization, such as the organizations referenced in the C-1pc or in the pleadings and documents submitted in the federal court litigation (the Family Policy Institute; FPIW Action; "FPC"; Focus on the Family Action, Inc.; Focus Action; CitizenLink; the James Madison Center for Free Speech, and/or the center's funders; the National Organization for Marriage; Washington Values Alliance; or, Protect Marriage Washington).

3.4 As of the date of this report, staff has been unable to ascertain whether the legal services and litigation expenses were contributed to the committee by The Bopp Law Firm or its lawyers (Family PAC's prior legal counsel) under any arrangement with Family PAC, including whether the legal services fees and all or just some litigation expenses were advanced to Family PAC by The Bopp Law Firm or its lawyers with an expectation of later payment; or whether the legal services fees and expenses were donated to the committee or advanced by The James Madison Center for Free Speech or its funders; or, were or are donated by The ActRight Legal Foundation or its lawyers, or the law firm of Gourley, Bristol Hembree (Family PAC's current legal counsel); or, provided or advanced by any other person or firm. It appears that Family PAC may have other unreported activity, in the form of contributions and expenditures for office space, other office expenses, and paid staff time.

IV.

FINDINGS

Historic Background: Previous Court Challenges to Washington's Disclosure Requirements by Entities Represented by The Bopp Law Firm

4.1 The law firm of attorney James Bopp[1] represented Human Life of Washington in the *Human Life of Washington v. Brumsickle et al.*, federal court case, 624 F.3d 990 (2010), *cert. denied* 131 S.Ct. 1477 (2011). The *Human Life of Washington* action unsuccessfully challenged the political committee disclosure requirements in RCW 42.17. The challenge was unsuccessful at all stages during the course of that lawsuit from 2008 - 2011, including at the district court and appellate courts.

4.2 On July 28, 2009, on behalf of two unnamed plaintiffs and Protect Marriage Washington (a political committee), Mr. Bopp's firm filed a complaint in U.S. District Court. That case is *Doe v. Reed*. In the complaint, Larry Stickney, campaign manager for Protect Marriage Washington, testified that the committee was formed to campaign against Referendum 71 in the 2009 general election (i.e., to urge voters to reject SB 5688, known as the "everything but marriage" law). The complaint, in Case No. C09-5456-BHS, challenged the Washington Secretary of State's planned release of R-71 signature petitions pursuant to Washington's Public Records Act. **(Exhibit 3.)**

4.3 On September 10, 2009, the District Court granted a preliminary injunction in *Doe v. Reed*, preventing the release of R-71 petitions. On September 25, 2009, Protect Marriage Washington attempted to amend its complaint in that lawsuit to also challenge the disclosure and other provisions at RCW 42.17.090, WAC 390-16-034 and RCW 42.17.105(8).[2] **(Exhibit 4.)** RCW 42.17.090 specifies the content of required contribution and expenditure reports; WAC 390-16-034 requires candidates and political committees to disclose, for each individual contributor of more than $100 in the aggregate, the person's occupation and the name and address of the person's employer; RCW 42.17.105(8) required contributions to a political committee in excess of

[1] During the course of the events described in this report, the law firm changed its name from the "Bopp, Coleson & Bostrom" law firm to "The Bopp Law Firm" and it will be referred to as such in this report.

[2] On October 22, 2009, Case No. C09-5456-BHS was stayed by the District Court, and all pending motions were removed from the court's calendar, including Protect Marriage Washington's motion to amend its complaint. The case was appealed through the 9th Circuit Court of Appeals and U.S. Supreme Court, where the plaintiffs lost in their challenge to the planned release of R-71 petition signatures. The motion to amend the complaint was never re-noted.

$5,000 in the aggregate from one source other than the state committee of a bona fide political party committee to be received more than 21 days before a general election.[3] In his Verified First Amended Complaint **(Exhibit 4, pp 9 - 11)**, Larry Stickney testified that he understood that RCW 42.17 required political committees to file reports of contributions, including legal and professional services performed for less than full consideration.

4.4 On September 30, 2009, five days after Protect Marriage Washington moved to amend its complaint in *Doe v. Reed*, Mr. Bopp made an in-kind contribution of legal services to the committee Protect Marriage Washington. This contribution, valued at $126,507, was disclosed by Protect Marriage Washington in an October 15, 2009 C-4 report. **(Exhibit 5, p 6.)**

Family PAC v. McKenna Court Challenge Filed by The Bopp Law Firm and Family PAC's Request for Attorneys' Fees

4.5 **Verified Complaint of Family PAC:** On October 21, 2009, the day before Protect Marriage Washington's federal challenge was stayed in *Doe v. Reed*, Family PAC filed a C-1pc Political Committee Registration with the PDC, and a concurrent civil rights challenge in U.S. District Court ("Verified Complaint") in *Family PAC v. McKenna et al.* **(Exhibit 6.)** Family PAC listed Washington State Attorney General Rob McKenna and the PDC Commissioners as defendants ("State Defendants"), among others.[4] Family PAC's Verified Complaint challenged the same three provisions of Washington's campaign finance and disclosure system that Protect Marriage Washington had sought to amend into its action in *Doe v. Reed*, namely, RCW 42.17.090, WAC 390-16-034 and RCW 42.17.105(8).

4.6 In the Verified Complaint, Mr. Backholm testified on Family PAC's behalf that Family PAC had the expectation of soliciting and receiving contributions, and making contributions and expenditures to support and oppose ballot propositions in 2009 and beyond. Mr. Backholm testified that Family PAC's initial project was to campaign against R-71. (This was the same referendum that was the subject of *Doe v. Reed*).

4.7 In the Verified Complaint, Mr. Backholm testified on Family PAC's behalf that: (a) the definition of a continuing political committee was at RCW 42.17.020, and Family PAC was a continuing political committee under RCW 42.17.040;

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[3] Effective January 1, 2012, the PDC's chapter of law was recodified, affecting the sections of law discussed in this report. These sections include RCW 42.17.020 (recodified as RCW 42.17A.005), RCW 42.17.040 (recodified as RCW 42.17A.205), RCW 42.17.080 (recodified as RCW 42.17A.235), RCW 42.17.090 (recodified as RCW 42.17A.240), and RCW 42.17.105 (recodified as RCW 42.17A.420).

[4] Other county defendants were later dismissed.

(b) that "contribution" was defined in RCW 42.17.020 to include legal and professional services; (c) that Family PAC would report the names and addresses of contributors, and the occupation and employer information where required, if the Washington law requiring such reporting was not enjoined; and (d) that Family PAC was required to file reports with the Public Disclosure Commission. **(Exhibit 6, pp 4 - 7.)**

4.8 The Verified Complaint was signed and verified under oath by Mr. Backholm, on behalf of Plaintiff Family PAC. Mr. Backholm listed his address as "Family Policy Institute of Washington, 16108 Ash Way, Ste 111A, Lynnwood, Washington 98087." Mr. Backholm is an attorney, and also served as co-counsel in the Family PAC case.

4.9 **Representation by The Bopp Law Firm in *Family PAC v. McKenna*:** The Verified Complaint also listed several attorneys of Mr. Bopp's law firm as counsel on behalf of Plaintiff Family PAC, including Mr. Bopp, Sarah Troupis, and Scott Bieniek. (Concurrently, Mr. Bopp, Ms. Troupis, and Mr. Bieniek were working on the federal challenge brought by Protect Marriage Washington in *Doe v. Reed*.)

4.10 **The James Madison Center for Free Speech and *Family PAC v. McKenna*.** *Family PAC v. McKenna* is listed as a representative case on the website of an organization called The James Madison Center for Free Speech ("the Center"). **(Exhibit 7.)** It is co-located with The Bopp Law Firm.

4.11 **Summary Judgment:** On May 19, 2010, Family PAC filed a motion for summary judgment. On September 1, 2010, U.S. District Court Judge Ronald Leighton heard oral argument and granted summary judgment on one of Family PAC's claims, regarding the timing provision in RCW 42.17.105(8). (As discussed above, effective January 1, 2012, RCW 42.17.105(8) was recodified as RCW 42.17A.420.) Judge Leighton denied summary judgment on the remaining claims, upholding disclosure of the information concerning contributors.

4.12 **Appeals:** On September 16, 2010, the State Defendants appealed the District Court decision on RCW 42.17.105(8) to the 9th Circuit Court of Appeals; on October 1, 2010, Family PAC filed a cross-appeal regarding its unsuccessful claims. Following various motions to the 9th Circuit Court of Appeals and U.S. Supreme Court, the parties briefed the 9th Circuit on the merits of the case and presented oral argument. On December 29, 2011, the 9th Circuit issued a decision upholding the District Court ruling, and stating that the timing provision in RCW 42.17.105(8) is unconstitutional as applied to ballot proposition committees and upholding the constitutionality of the state's disclosure provisions.

4.13 **Motion for Attorneys' Fees:** On February 12, 2012, attorney Jeffrey P. Gallant of The Bopp Law Firm filed a motion in U.S. District Court on behalf of Family PAC, seeking attorneys' fees and expenses in the amount of $139,124.42. **(Exhibit 8.)** Mr. Backholm's name was also listed on the motion as counsel for Family PAC. Of this amount, Mr. Gallant stated that $77,067.64 represented fees and expenses incurred for counsel's work representing Family PAC before the district court. He stated that the remaining $62,056.78 represented fees and expenses incurred for work before the 9th Circuit.

4.14 Mr. Bopp submitted a declaration with Family PAC's February 12, 2012 motion. Mr. Bopp's declaration **(Exhibit 9)** sought to explain the method used to arrive at the fees and expenses requested by Family PAC, and to document those fees and expenses in "pre-bill worksheets" that he said were based on the attorneys' contemporaneous timesheets. **(Exhibit 10.)** On March 5, 2012 and May 11, 2012, Mr. Bopp submitted supplemental declarations in support of Family PAC's request. Mr. Bopp's first supplemental declaration **(Exhibit 11)** revised downward the amount requested for a certain attorney's work on the case, in recognition of the fact that during a particular month, the attorney was not admitted to the bar, and so during that time could not bill as an attorney. Mr. Bopp's second supplemental declaration **(Exhibit 12)** requested an additional $10,757.50 in fees, and $43.20 in expenses, for his firm's ongoing work on the motion for attorneys' fees.

4.15 The "pre-bill worksheets" attached to Mr. Bopp's declarations included notations of, and requests for payment for, discussions between Family PAC's attorneys and several persons and entities apparently connected to Family PAC's litigation. These persons and entities included the following, and are discussed further in paragraphs 4.36 – 4.56:

- **WA-FPC** ("Phone conference with Joseph Backholm [WA-FPC] regarding PAC questions"; and references to "WA-FPC Pleadings");
- **Tom Minnery** ("Phone conference with Tom Minnery regarding options and whether to proceed with litigation"; "Review email from Tom Minnery and prepare reply regarding litigation costs"; "Phone conference with Tom Minnery regarding District Court decision granting Summary Judgment"; "Review summary judgment document from Court, prepare email to Tom Minnery");
- **Family Policy Council** ("Phone call to general counsel for Family Policy Council regarding courtesy copy of lawsuit [left message]");

- **Stu Mendelsohn** ("Review email from Stu Mendelsohn and prepare reply regarding filing separate case and asking for consolidation with Protect Marriage WA case");
- **Erin Blad** ("conference call with Erin Blad");
- **Protect Marriage Washington** ("E-mail to Protect Marriage Washington regarding having potentially discoverable information to indicate on initial disclosures");
- **Focus on the Family** ("Discuss person to talk to at Focus on the Family regarding declaration with Barry A. Bostrom").

(Exhibit 10).

4.16 The billing records also identified "costs advanced" by The Bopp Law Firm on Family PAC's behalf, such as for filing fees, copies, faxes, phone calls, postage, Westlaw, service of documents, and similar activities. One entry on October 20, 2009 states "Cost advanced for FedEx to Joseph Backholm, Family Policy Institute of WA." **(Exhibit 10.)**

4.17 **Source of Payment for Legal Services and Expenses:** Neither Family PAC's February 12, 2012 motion for attorneys' fees nor the associated declarations by Mr. Bopp indicated whether Mr. Bopp's firm had been paid by Family PAC, or compensated by any other person. The motion included no information concerning the source of the monetary or in-kind contributions that paid for the services, or who paid for the expenses, except for some costs advanced by The Bopp Law Firm. Mr. Bopp's original declaration stated that as the prevailing party in a case, his requests for fees and expenses were determined without regard to the hourly rate his client was charged or paid, or whether he accepted the case on a contingency fee basis. **(Exhibit 9, p 3.)** In a letter attached as an exhibit to Mr. Bopp's second supplemental declaration, Jeffrey Gallant stated that The Bopp Law Firm had a fee agreement with Family PAC, but that the details of the agreement were private, privileged, and irrelevant to the committee's motion for fees. **(Exhibit 12, pp 4 - 5.)**

4.18 The net effect of Family PAC's original motion and amended declarations was a total request for attorneys' fees and costs of $148,987.62, comprised of $87,268.34 for work before the district court, including on the motion for attorneys' fees, and $61,719.28 for work before the 9th Circuit and U.S. Supreme Courts.

4.19 On April 16, 2012, State Defendants filed a response in federal court to Family PAC's request for attorneys' fees. They explained the requested fees and expenses had apparently not been disclosed in reports filed with the PDC. **(Exhibit 13.)**

4.20 On June 1, 2012, The Bopp Law Firm filed a request with the 9th Circuit Court of Appeals, asking that the firm's attorney Noel Johnson be removed from the *Family PAC v. McKenna* federal case, because he was discontinuing his employment with The Bopp Law Firm. On June 13, 2012, the attorneys of The Bopp Law Firm moved to withdraw from representing Family PAC in the case. The district court entered an order approving the withdrawal on June 14, 2012. **(Exhibit 14.)** On August 9, 2012, attorney Justin Bristol of the law firm Gourley, Bristol Hembree filed a Notice of Appearance on behalf of Family PAC in the federal court case. **(Exhibit 15.)** Mr. Backholm has continued as counsel.

4.21 On June 11, 2012, Noel Johnson contacted PDC staff from an email address of the ActRight Legal Foundation. **(Exhibit 16.)** Mr. Johnson stated that as of June 7, 2012, the foundation was Family PAC's new counsel in the current state investigation.[5]

4.22 On July 5, 2012, the District Court awarded Family PAC its requested fees based on its federal court filings, with a minor reduction. **(Exhibit 17.)** In the court's order, Judge Leighton described Family PAC's disclosure requirement as follows: *"Incurred legal services not yet paid are reportable as debts owed. Donated legal services to and costs advanced on behalf of political committees such as Family PAC are reportable contributions, and expenditures for legal services are likewise reportable…Family PAC asks this Court to award it $139,267.62 in attorneys' fees and expenses despite its apparent failure to comply since 2009 (and continuing to this day) with the law requiring it to report such contributed legal services and expenditures."* **(Exhibit 17, p 9.)** The District Court's award of fees to Family PAC has been stayed pending the State Defendants' appeal on the fees issue to the Ninth Circuit Court of Appeals.

[5] Mr. Johnson also represents Family PAC in the ongoing federal court litigation in *Family PAC v. McKenna et al.* Although Mr. Johnson withdrew from the case as a member of The Bopp Law Firm on June 1, 2012, he is now appearing on behalf of Family PAC again when he joined ActRight Legal Foundation.

PDC Complaint re: Family PAC's Failure to File Disclosure Reports for Legal Services & Family PAC's Response

4.23 **Timing of Reports Owed by Family PAC.** The billing statements attached as exhibits to Mr. Bopp's declaration indicate that Family PAC began receiving legal services from the employees and associates of Mr. Bopp's law firm on September 16, 2009, or 35 days before the committee filed its C-1pc registration with the PDC on October 21, 2009. **(Exhibit 10, p 2.)** Family PAC was required to register with the PDC within fourteen calendar days of first expecting to receive contributions or make expenditures in support of or in opposition to a candidate or ballot proposition, and to disclose all contributions received and expenditures made prior to that date. Thus, contributions and expenditures associated with legal services provided to Family PAC on September 16, 2009 were required to be disclosed by no later than September 30, 2009.

4.24 Under applicable reporting requirements, the committee was required to file a C-4 Summary Report of Receipts and Expenditures on the 10th day of the month following each month in which it had contribution or expenditure activity valued at more than $200. The billing statements and other exhibits attached to Mr. Bopp's declarations indicate that Family PAC received legal services, and expenditures were made on its behalf, that were valued at more than $200 during 22 of the 32 months between September 2009 and May 2012. No C-4 reports were filed by Family PAC for these months. As a result, and as described in paragraph 2.1, the PDC Executive Director filed a complaint for Family PAC's alleged violations of RCW 42.17 and RCW 42.17A.

4.25 **Response of Family PAC to PDC Complaint.** Family PAC responded to the PDC staff-generated complaint through its new legal counsel Noel Johnson of ActRight Legal Foundation. **(Exhibit 18.)** As noted above, Mr. Johnson is an attorney who formerly worked at Mr. Bopp's firm including on the Family PAC case; he left the firm and is now employed at ActRight Legal Foundation in Washington, D.C.

4.26 Through Mr. Johnson's response, Family PAC stated that from the time of its organization in 2009, Family PAC expected to receive contributions and make expenditures in support of or opposition to ballot propositions, beginning with Referendum 71 in the 2009 election. It stated that Family PAC understood the disclosure requirements of RCW 42.17.090 and WAC 390-16-034, specifically the requirement to disclose the name and address of contributors of more than $25 in the aggregate, and the occupation and employer of individual contributors of more than $100 in the aggregate. It stated that Family PAC believed these requirements imposed impermissible burdens on

its First Amendment rights, and so challenged the $25 and $100 thresholds in federal court. Finally, it acknowledged that Family PAC did not prevail on these claims.

Mr. Johnson's response contained additional legal argument, in which he explained Family PAC's view that it is also unconstitutional for the state to require committees to disclose contributions and expenditures associated with legal services.

4.27 **Value of Legal Services Family PAC received.** In his declaration filed with Family PAC's motion for attorneys' fees, Mr. Bopp stated that the amounts specified in the motion reflected discounts he made for items he deemed excessive, redundant or unnecessary, and also for work related completely or partially to the parts of the lawsuit in which Family PAC did not prevail (*e.g.*, Family PAC's unsuccessful challenge to RCW 42.17.090 and WAC 390-16-034):

> *In the Complaint, the space apportioned to the unsuccessful claim was approximately 33% of the total space and the space attributable to the successful claim or other matters required to be addressed was approximately 66%. The time and expenses incurred in drafting the Complaint were thus reduced by 33%. ...Using the same method, the time spent on the Motion for Temporary Restraining Order and Preliminary Injunction was reduced by 64%...Using this method to determine the appropriate reduction, the time spent and expenses incurred on the motion for summary judgment was reduced by 73%, and a reduction of 60% was taken for the reply in support of summary judgment...For the briefing on the merits before the Ninth Circuit, reductions of 69% and 90%, respectively, were made.*

(Exhibit 9, p 5.)

Neither Family PAC's motion for fees nor Mr. Bopp's declarations disclosed the undiscounted value of all legal services provided to the committee, or expenses incurred on the committee's behalf. However, they indicated that the actual value of unreported legal services activity exceeded the requested $148,987.62 by somewhere between 33 and 90 percent.

4.28 On April 13, 2012, Tracy Guinotte, a paralegal with the Government Enforcement and Compliance Division of the Washington Attorney General's Office, submitted a declaration in the federal court proceeding describing a number of errors in the billing statements prepared by Mr. Bopp's firm, including duplicative listings and excess charges, calling into question the accuracy of the billing statements. **(Exhibit 19.)**

4.29 **PDC Staff Request for Billing Records.** In the absence of certified C-4 reports disclosing all of Family PAC's contribution and expenditure activity,

and recognizing that the billing statements Family PAC submitted in federal court were of questionable accuracy, on August 14, 2012, PDC staff requested that Family PAC provide copies of billing records showing the months and undiscounted value of legal services provided to Family PAC from September 1, 2009 to the present. As an alternative, staff asked that Family PAC provide a certified chart summarizing the same information.

4.30 On August 24, 2012, Mr. Johnson responded on behalf of Family PAC, stating that the committee was not provided, nor did it receive, any billing records showing the months and undiscounted value of legal services that were performed on its behalf. **(Exhibit 20.)** Mr. Johnson stated that Family PAC therefore had no records it could provide or summarize.

4.31 On September 5, 2012, PDC staff requested that Family PAC obtain billing records from its current and former counsel, showing the months and undiscounted value of legal services provided to Family PAC from September 1, 2009 to the present and provide copies to the PDC upon receipt. Staff also requested that Family PAC obtain and furnish to the PDC, copies of any and all legal services retainer agreements between Family PAC and current or former counsel, and any such agreements between counsel and any other person acting on Family PAC's behalf.

4.32 On September 17, 2012, Mr. Johnson responded that *"Family PAC has requested it be provided billing records from its former counsel, The Bopp Law Firm, and has been informed by a representative of The Bopp Law Firm that the billing statements filed with the motion for attorney fees in the* Family PAC v. McKenna *litigation constitute all the time billed to Family PAC by The Bopp Law Firm. Therefore, the PDC is in possession of those requested billing records and they need not be provided in response to this request."* **(Exhibit 21.)**

4.33 Mr. Johnson's response stated that Family PAC objected to PDC staff's requests seeking copies of the billing records of Family PAC's current counsel, and staff's request for copies of legal services retainer agreements between Family PAC and current or former counsel, or between counsel and any other person acting on Family PAC's behalf. He stated that Family PAC's objection was based on its legal position that the PDC cannot constitutionally require any political committee to disclose contributions received and expenditures made for legal services, when those services are provided in the context of a civil rights challenge. Family PAC further objected on the basis that the records are subject to attorney-client privilege.

4.34 **PDC Staff Estimate of Reportable Activity.** Because Family PAC did not file required reports of contributions and expenditures for legal services, and declined to disclose the undiscounted value of these legal services to PDC

staff, staff constructed an estimate of the value of the committee's contribution and expenditure activity based on sworn testimony provided by the committee's counsel in federal court filings through May 11, 2012.

4.35 In his declaration filed with Family PAC's motion for attorney's fees **(Exhibit 9)**, Mr. Bopp testified on behalf of Family PAC that his firm had discounted its work for Family PAC before the U.S. District Court by as little as 33 and as much as 73 percent, depending on the activity in question. He stated that the firm had discounted its work for Family PAC before the 9th Circuit and U.S. Supreme Courts by between 69 and 90 percent. Based on these ranges, the following undiscounted values would result:

	Discounted Value	Estimated Minimum Value		Estimated Maximum Value	
U.S. District Court	$87,268.34	33%	$119,545.67	73%	$323,216.07
9th Circuit & U.S. Supreme Courts	$61,719.28	69%	$199,094.45	90%	$617,192.80
Amount Requested in Motion for Fees: **$148,987.62**		**$318,640.12 Total**		**$940,408.87 Total**	

The above estimates do not reflect contribution and expenditure activity occurring during the reporting periods of June through September of 2012, including the value of any legal services rendered by the committee's current legal counsel, ActRight Legal Foundation (in this state investigation and the federal court challenge), and the law firm of Gourley, Bristol Hembree (in the federal court challenge). In his September 17, 2012 email on behalf of Family PAC, Noel Johnson stated that Family PAC declined to disclose any information about its contributions and expenditures during that time period.

Relationship of Family PAC to Other Entities

4.36 **Relationship of Family PAC / Family Policy Institute of Washington / FPIW Action:** The following persons were listed as officers of Family PAC on the committee's October 21, 2009 C-1pc registration: **Joseph Backholm, Larry Sundquist, Roger Lageschulte, Bob Baker, Virginia Chapman, Shantae Sutton, Glenn Dobbs, Jim Robinson, Matt Shea and Joe Fuiten. (Exhibit 1.)** The Family Policy Institute of Washington's 2009 Form 990-EZ

filed with the Internal Revenue Service also lists the following as "Officers, Directors, Trustees, and Key Employees": **Joseph Backholm, Larry Sundquist, Roger Lageschulte, Bob Baker, Virginia Chapman, Shantae Sutton, Matt Shea, Joe Fuiten, and Lawrence Stickney. (Exhibit 22.)**

4.37 With its Verified Complaint in *Family PAC v. McKenna*, Family PAC filed a "Corporate Disclosure Statement" stating that "Family PAC is a political-action committee registered with the Washington State Public Disclosure Commission" and "FPIW Action is the parent corporation of Family PAC." **(Exhibit 23.)**

4.38 In its Articles of Incorporation filed with the Washington Secretary of State on February 9, 2007, FPIW Action incorporated as a 501(c)(4) tax exempt organization, under the original name "WSFPC Action." **(Exhibit 24.)** The organization filed amended Articles of Incorporation on August 9, 2007, changing its name to "FPIW Action." **(Exhibit 25.)** At that time, the incorporator, Secretary and registered agent was **Roger Lageschulte, Larry Sundquist** was the organization's President, and **John Johnson** served as an additional director. **(Exhibit 26.)** The registered agent's mailing address was "1155 N. 130th #310, Seattle WA, 98133."

4.39 On April 11, 2007, a new organization, Washington Family Action, filed Articles of Incorporation filed with the Washington Secretary of State. **(Exhibit 27.)** The incorporator and registered agent was **Matt Shea**, and the directors consisted of Mr. Shea, **Glenn Dobbs, and Jim Robinson**. On February 4, 2009, FPIW Action filed Articles of Dissolution with the Washington Secretary of State, stating that the corporation's remaining property and assets had been transferred to Washington Family Action. **(Exhibit 28.)** On August 19, 2010, Washington Family Action filed amended Articles of Incorporation, changing its name to "Family Policy Action." **(Exhibit 29.)** On April 4, 2012, Family Policy Action filed amended Articles of Incorporation, changing its name to "FPIW Action." **(Exhibit 30.)** In an annual report submitted two days prior, on April 2, 2012, FPIW Action stated that its Secretary and registered agent was **Roger Lageschulte, Larry Sundquist** was the organization's President, and additional directors were **Cindy Imholt, Virginia Chapman,** and **Jim Mischel. (Exhibit 31.)** The registered agent's mailing address was "1155 N. 130th #310, Seattle WA, 98133."

4.40 The net effect of the above incorporations, amendments, dissolutions, and transfers is that FPIW Action exists today under the same name as in mid-2007, has the same President, and the same Secretary and registered agent, located at the same address.

4.41 In response to Family PAC's motion for a temporary restraining order in *Family PAC v. McKenna*, State Defendants filed a declaration of former PDC Executive Director Vicki Rippie, describing that Family PAC's pleadings, C-1pc registration, and the PDC's database all showed that "FPIW Action" and "Family Policy Institute of Washington" share a street address, attorney, and email address with Family PAC. **(Exhibit 32.)**

4.42 The websites of the Family Policy Institute of Washington (www.fpiw.org) and FPIW Action (www.fpiwaction.org) describe Joseph Backholm as the Executive Director of both organizations. **(Exhibit 33.)**

4.43 In response to Family PAC's motion for a temporary restraining order, on October 26, 2009, intervenors Washington Families Standing Together (WAFST) filed a declaration of Anne Levinson, describing that Family PAC's officers and the FPIW Board of Directors are the same persons, and the FPIW is the state affiliate of Focus on the Family. **(Exhibit 34.)**

4.44 **Initial Disclosures in *Family PAC v. McKenna* Case: Focus on the Family, National Organization for Marriage, Washington Values Alliance:** On December 15, 2009, through its counsel, Family PAC provided to State Defendants "Plaintiff's Rule 26(a)(1) Disclosures" as initial discovery in *Family PAC v. McKenna et al.* **(Exhibit 35.)** These initial disclosures listed Mr. **Backholm** as Family PAC's campaign manager. Other persons Family PAC listed who may have discoverable information included **Tom Minnery** of the Focus on the Family Action, Inc. (as previously noted); **Brian Brown** of the National Organization for Marriage; and, **Larry Stickney** of the Washington Values Alliance. In these initial disclosures, Family PAC also described documents that Family PAC has in its possession as "Campaign Books – Maintained at Family PAC's office."

4.45 **Protect Marriage Washington:** As discussed above, at the time of Family PAC's initial disclosures, **Larry Stickney** was a Director of the Family Policy Institute of Washington and a registered officer of Protect Marriage Washington, which pursued its own challenge to Washington's disclosure law through The Bopp Law Firm.

4.46 **National Organization for Marriage:** The National Organization for Marriage (NOM) is a Washington, D.C.-based tax-exempt 501(c)(4) organization. NOM's web site at www.nationformarriage.org, states that the organization's mission is "to protect marriage and the faith communities that sustain it." **(Exhibit 36.)** To that end, the web site states, "NOM works to develop political messaging, build its national grassroots email database of voters, and provide political intelligence and donor infrastructure on the state level, with a focus on developing new strategies for increasing influence in the Northeast and West Coast, where marriage is most under threat."

4.47 **Brian Brown,** NOM's president, is also the Chairman and Founder of ActRight.com. **(Exhibit 37.)** In correspondence to the PDC received on April 9, 2012, attorney Barry Bostrom (a former member of The Bopp Law Firm, and counsel on the original Family PAC complaint), described ActRight.com as "the online clearinghouse for conservative action," stating that the website combines a 527 Organization, Federal PAC, and 501(c)(3) and 501(c)(4) tax-exempt organizations. **(Exhibit 38.)** ActRight Legal Services and the ActRight Legal Foundation, which comprise the legal wing of ActRight.com, are co-located with NOM at the address "2029 K Street NW, Suite 300 Washington, DC 20006." **(Exhibits 38, 18, and 36.)** As indicated above, the ActRight Legal Foundation is providing counsel to Family PAC in this investigation.

4.48 **Focus on the Family, CitizenLink and State Family Policy Councils:** The Family Policy Institute's website at www.fpiw.org lists the following as its "Associations": "Focus on the Family," "CitizenLink – A Focus on the Family Affiliate," the "Family Research Council," and the "Alliance Defense Fund." **(Exhibit 39.)**

4.49 Focus on the Family is a Colorado-based tax-exempt 501(c)(3) organization. The website of Focus on the Family, www.focusonthefamily.com, describes the organization as "a global Christian ministry dedicated to helping families thrive." **(Exhibit 40.)** Focus on the Family has an affiliated 501(c)(4) social welfare organization, Focus on the Family Action, which is active in public policy advocacy. In 2010, Focus on the Family Action changed its name to CitizenLink. **(Exhibit 40, p 3.)**

4.50 The State Defendants' response to the motion for summary judgment included a declaration of former Interim PDC Executive Director Doug Ellis on June 21, 2010. He testified that the CitizenLink's website lists the Family Policy Council for Washington State as the Family Policy Institute of Washington, **Joseph Backholm**, Executive Director. **(Exhibit 41.)**

4.51 In its Articles of Incorporation filed with the Washington Secretary of State on February 9, 2007, the Family Policy Institute of Washington originally incorporated under the name "Washington State Family Policy Council." **(Exhibit 42.)** The organization filed amended Articles of Incorporation on August 8, 2007, changing its name to the Family Policy Institute of Washington. **(Exhibit 43.)**

4.52 According to the CitizenLink's website at www.citizenlink.com, **Tom Minnery** is the organization's Executive Director, and in that role, oversees the network of 36 state-level family policy councils (FPCs), including the council based in

Washington State.[6] **(Exhibit 44.)** According to CitizenLink's Federal Tax Form 990 for the fiscal year ending September 30, 2011, Mr. Minnery holds the title of Senior Vice President for the organization. **(Exhibit 45.)** The same 990 report states that CitizenLink made a cash grant of $25,000 to FPIW Action during the period covered by the report.

4.53 In its initial disclosures in federal court, Family PAC listed **Tom Minnery**, CitizenLink's Executive Director, as a person with information about Family PAC's federal litigation. The CitizenLink website at lists an "**Erin Blad**" as a public policy compliance analyst for CitizenLink. **(Exhibit 44, p 2.)** CitizenLink's Federal Tax Form 990 for fiscal year ending September 30, 2011 shows a "**Stu Mendelsohn**" as CitizenLink's corporate Secretary. **(Exhibit 45.)**

4.54 **Family Research Council:** The Family Research Council (FRC) is a Washington, D.C.-based tax-exempt 501(c)(3) organization. The Family Research Council website, www.frc.org, states that FRC "champions marriage and family as the foundation of civilization, the seedbed of virtue, and the wellspring of society," and to that end, "shapes public debate and formulates public policy that values human life and upholds the institutions of marriage and the family." **(Exhibit 46.)** For a period beginning in the late 1980's, FRC was a division of Focus on the Family, but FRC has been a separate entity since 1992.

4.55 **Alliance Defense Fund/Alliance Defending Freedom:** The Alliance Defense Fund is a Scottsdale, Arizona-based tax-exempt 501(c)(3) organization. In July of 2012, Alliance Defense Fund changed its name to Alliance Defending Freedom, but still uses the acronym "ADF." **(Exhibit 47.)** The website for ADF, www.alliancedefendingfreedom.org, states that ADF advocates for "religious liberty, the sanctity of life, and marriage and family" through "a unique combination of strategy, training, funding, and litigation." Describing the organization's litigation strategy, the website states that ADF "employs a highly professional team of skilled constitutional law litigators who work in close cooperation with more than 2,200 Allied Attorneys to confront serious threats to religious liberty. [ADF] carefully select[s] strategic cases to set necessary legal precedents and – thanks to the generosity of thousands of Allied Ministry Friends – provide legal assistance free of charge." **(Exhibit 47, p 2.)** On March 4, 2010, the ADF submitted an *Amicus* brief to the U.S. Supreme Court in support of Protect Marriage Washington's challenge to Washington law in *Doe v. Reed.* **(Exhibit 48.)**

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[6] With a motion filed in district court on May 19, 2009, Family PAC filed a declaration of Mona Passignano dated May 18, 2009, in which she described that she is the lead analyst for "Focus on the Family/Focus on the Family Action" ("Focus Action"), now known as "CitizenLink". **(Exhibit 49.)** In her declaration, Ms. Passignano testified that "Focus Action" is associated with state-based Family Policy Councils, including the council based in Washington State.

4.56 According to the website of Alliance Defending Freedom, www.alliancedefendingfreedom.org, and ADF's Form 990 filed with the Internal Revenue Service for fiscal year ending June 30, 2011, **Tom Minnery** is also a board member of Alliance Defending Freedom. **(Exhibit 47, p 7, Exhibit 50.)**

Relationship of The Bopp Firm to Other Entities

4.57 **James Madison Center for Free Speech:** As previously noted, *Family PAC v. McKenna* is listed as a representative case on the website of an organization called The James Madison Center for Free Speech ("the Center"). According to that website at www.jamesmadisoncenter.org, the Center is a 501(c)(3) tax exempt organization with a mission "to support litigation and public education activities in order to defend the rights of political expression and association by citizens and citizen groups as guaranteed by the First Amendment of the United States Constitution." According to the website, the Center shares a mailing address and email address with The Bopp Law Firm, James Bopp serves as General Counsel to the Center, and legal services are provided to the Center by Mr. Bopp's law firm. **(Exhibit 7, p 4.)** Web domain registry information for www.jamesmadisoncenter.org indicates that the administrator of the site is located at the address of The Bopp Law Firm. **(Exhibit 51.)** According to the Center's 2010 Form 990-PF filed with the Internal Revenue Service, books documenting the Center's activities and exempt status were held in care of The Bopp Law Firm, at the firm's address and telephone number. **(Exhibit 52.)** The 990 form indicates that the Center distributed $183,361 for "charitable" purposes in 2010, all of which went to The Bopp Law Firm for legal fees. These legal expenses constituted 99.4% of the Center's expenses during the reporting year.

4.58 **Alliance Defense Fund/Alliance Defending Freedom:** According to the IRS Form 990-PF that the James Madison Center for Free Speech filed for calendar year 2010, during **Mr. Minnery's** tenure as an ADF board member, Alliance Defending Freedom helped to fund the Center's litigation pursued through The Bopp Law Firm. Of $135,000 in tax-exempt charitable contributions the Center received during 2010, $30,000 came from ADF. **(Exhibit 52, p 15.)**

V.

SCOPE/EXHIBITS

5.1 PDC staff reviewed the PDC report imaging system and database, and the following documents, which are also included as exhibits in the same number order:

Exhibit 1 Family PAC's C-1pc Political Committee Registration, filed with the Public Disclosure Commission on October 21, 2009.

Exhibit 2 PDC Executive Director Andrea McNamara Doyle's staff-generated complaint against Family PAC, filed on May 15, 2012.

Exhibit 3 Verified Complaint in *Doe v. Reed,* filed in U.S. District court on July 28, 2009.

Exhibit 4 Verified First Amended Complaint in *Doe v. Reed,* filed in U.S. District court on July 28, 2009 on September 25, 2009.

Exhibit 5 C-4 report filed by Protect Marriage Washington on October 15, 2009.

Exhibit 6 Verified Complaint in *Family PAC v. McKenna et al.,* filed in U.S. District court on October 21, 2009.

Exhibit 7 Pages from the website of The James Madison Center for Free Speech, www.jamesmadisoncenter.org, printed on October 16, 2012.

Exhibit 8 Motion for attorneys' fees and expenses in *Family PAC v. McKenna et al.,* filed in U.S. District Court on February 12, 2012.

Exhibit 9 Declaration of James Bopp, dated February 10, 2012, submitted with Family PAC's February 12, 2012 motion for attorneys' fees.

Exhibit 10 "Pre-bill worksheets" attached as exhibits to Mr. Bopp's February 10, 2012 declaration.

Exhibit 11 First supplemental declaration of James Bopp, dated March 5, 2012, filed in support of Family PAC's February 12, 2012 motion for attorneys' fees.

Exhibit 12 Second supplemental declaration of James Bopp, dated May 11, 2012, filed in support of Family PAC's February 12, 2012 motion for attorneys' fees, with an excerpt of exhibits.

Exhibit 13 State Defendants' response to Family PAC's request for attorneys' fees, filed in federal court on April 16, 2012.

Exhibit 14 Order approving the withdrawal of The Bopp Law Firm from *Family PAC v. McKenna et al.,* entered in federal court on June 14, 2012.

Exhibit 15 Notice of Appearance on behalf of Family PAC, filed in federal court on August 9, 2012 by attorney Justin Bristol of the law firm Gourley, Bristol Hembree.

Exhibit 16 Email from Noel Johnson, ActRight Legal Foundation to PDC staff, received on June 11, 2012.

Exhibit 17 Order of U.S. District Court Judge Ronald Leighton regarding Family PAC's request for attorneys' fees and expenses, entered in federal court on July 5, 2012.

Exhibit 18 Family PAC's response to the PDC staff-generated complaint, received electronically from legal counsel Noel Johnson of ActRight Legal Foundation on June 26, 2012. (A mailed copy was received on July 2, 2012.)

Exhibit 19 Declaration of Tracy Guinotte, Washington Attorney General's Office, submitted on April 13, 2012 in *Family PAC v. McKenna et al.*

Exhibit 20 Email from Noel Johnson, ActRight Legal Foundation to PDC staff, received on August 24, 2012.

Exhibit 21 Email from Noel Johnson, ActRight Legal Foundation to PDC staff, received on September 17, 2012.

Exhibit 22 The Family Policy Institute of Washington's Form 990-EZ filed with the Internal Revenue Service for calendar year 2009.

Exhibit 23 Family PAC's "Corporate Disclosure Statement" in *Family PAC v. McKenna et al.,* filed in federal court on October 21, 2009.

Exhibit 24 "WSFPC Action" (FPIW Action) Articles of Incorporation filed with the Washington Secretary of State on February 9, 2007.

Exhibit 25 "WSFPC Action" (FPIW Action) amended Articles of Incorporation filed with the Washington Secretary of State on August 9, 2007.

Exhibit 26 "WSFPC Action" (FPIW Action) restated Articles of Incorporation filed with the Washington Secretary of State on May 11, 2007.

Exhibit 27 Washington Family Action Application for NonProfit Corporation, filed with the Washington Secretary of State on April 11, 2007.

Exhibit 28 FPIW Action Articles of Dissolution, filed with the Washington Secretary of State on February 4, 2009.

Exhibit 29 Washington Family Action amended Articles of Incorporation, filed with the Washington Secretary of State on August 19, 2010.

Exhibit 30 Family Policy Action amended Articles of Incorporation, filed with the Washington Secretary of State on April 4, 2012.

Exhibit 31 Annual report of FPIW Action, filed with the Washington Secretary of State on April 2, 2012.

Exhibit 32 Declaration of former PDC Executive Director Vicki Rippie, submitted on October 26, 2009 in *Family PAC v. McKenna et al.*

Exhibit 33 Pages from the websites of the Family Policy Institute of Washington (www.fpiw.org) and FPIW Action (www.fpiwaction.org), printed on October 18, 2012.

Exhibit 34 Declaration of Anne Levinson in *Family PAC v. McKenna et al.*, filed on October 26, 2009 on behalf of intervenors Washington Families Standing Together.

Exhibit 35 Family PAC's "Plaintiff's Rule 26(a)(1) Disclosures," provided on December 15, 2009 as initial discovery in *Family PAC v. McKenna et al.*

Exhibit 36 Pages from the website of the National Organization for Marriage at www.nationformarriage.org, printed on October 18, 2012.

Exhibit 37 Pages from the website of ActRight.com at www.actright.com, printed on October 18, 2012.

Exhibit 38 Correspondence to the PDC from Barry Bostrom, ActRight Legal Services, received on April 9, 2012.

Exhibit 39 A page from the website of the Family Policy Institute of Washington at www.fpiw.org, printed on October 18, 2012.

Exhibit 40 Pages from the website of Focus on the Family, www.focusonthefamily.com, printed on October 18, 2012.

Exhibit 41 Declaration of former Interim PDC Executive Director Doug Ellis, submitted on June 21, 2010 in *Family PAC v. McKenna et al.*

Exhibit 42 "Washington State Family Policy Council" (Family Policy Institute of Washington) Articles of Incorporation filed with the Washington Secretary of State on February 9, 2007.

Exhibit 43 Family Policy Institute of Washington amended Articles of Incorporation filed with the Washington Secretary of State on August 8, 2007.

Exhibit 44 Pages from the website of CitizenLink (formerly Focus on the Family Action) at www.citizenlink.com, printed on October 18, 2012.

Exhibit 45 CitizenLink's Federal Tax Form 990 for the fiscal year ending September 30, 2011, filed with the Internal Revenue Service on April 25, 2012.

Exhibit 46 Pages from the website of the Family Research Council at www.frc.org, printed on October 18, 2012.

Exhibit 47 Pages from the website of the Alliance Defending Freedom (formerly the Alliance Defense Fund) at www.alliancedefendingfreedom.org, printed on October 18, 2012.

Exhibit 48 *Amicus* brief of Alliance Defending Freedom/Alliance Defense Fund, submitted on March 4, 2010 to the U.S. Supreme Court in support of Protect Marriage Washington's challenge to Washington law in *Doe v. Reed*.

Exhibit 49 Declaration of Mona Passignano, lead analyst for Focus on the Family/Focus on the Family Action, dated May 18, 2009, and submitted on May 19, 2009 in *Family PAC v. McKenna et al.*

Exhibit 50 Alliance Defending Freedom/Alliance Defense Fund's Form 990 for fiscal year ending June 30, 2011, filed with the Internal Revenue Service on February 9, 2012.

Exhibit 51 Web domain registry information for www.jamesmadisoncenter.org, queried from WHOIS.net on October 18, 2012.

Exhibit 52 The James Madison Center for Free Speech's 2010 Form 990-PF, filed with the Internal Revenue Service on May 2, 2011.

VI.

LAW AND ADMINISTRATIVE RULES

RCW 42.17.020(13) defines "contribution" to include 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."* The definition of "contribution" also includes an *"expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political committee, the person or persons named on the candidate's or committee's registration form who direct expenditures on behalf of the candidate or committee, or their agents."* Effective January 1, 2012, this definition was recodified as **RCW 42.17A.005(13).**

WAC 390-05-210(6) describes the circumstances under which an expenditure is presumed to be made "in cooperation, consultation, concert or collaboration with, or at the request or suggestion of a political committee" and is therefore a contribution to such political committee.

WAC 390-17-405 describes "volunteer services" that are exempt from the definition of "contribution." WAC 390-17-405 states that neither that section nor the statutory definition of "contribution" authorize the services of an attorney to be provided to a political committee without a contribution ensuing, unless the political committee is a candidate's authorized committee, political party or caucus political committee and other conditions are satisfied, or unless the political committee pays the fair market value of the services rendered.

WAC 390-16-207 provides that an in-kind contribution occurs when a person provides goods, services or anything of value, other than money or its equivalent, to a candidate or political committee free-of-charge or for less than fair market value, unless the item or service given is not a contribution according to RCW 42.17A.005 or WAC 390-17-405. The rule states that an in-kind contribution also occurs when a person makes an expenditure that: 1) supports or opposes a candidate or a ballot measure; 2) meets the definition of contribution in RCW 42.17A.005 or WAC 390-05-210; and 3) is other than a monetary contribution made directly to a candidate or political committee.

RCW 42.17.020(20) defines "expenditure" to include a "payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. "Expenditure" also includes a promise to pay, a payment, or a transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, benefiting, or honoring any public official or candidate, or assisting in furthering or opposing any election campaign." Effective January 1, 2012, this definition was recodified as **RCW 42.17A.005(13).**

RCW 42.17.040 requires every political committee to file a statement of organization with the commission. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier. Effective January 1, 2012, this section was recodified as **RCW 42.17A.205.**

RCW 42.17.080 and .090 require political committees to file timely, accurate reports of monetary and in-kind contributions, including contributions pledged but not received, and monetary and in-kind expenditures, including debts, orders placed and obligations. The reports are filed monthly following an excess of

$200 in contribution or expenditure activity, except during the five months before the election, during which time summary reports of receipts and expenditures are required to be filed 21 days and again 7 days before each election in which the committee is participating. The reports must disclose any debt, obligation, note, unpaid loan, or other liability valued at more than $250, or valued at more than $50 that has been outstanding for over thirty days. Any contributions received and expenditures made prior to the date of registration must be disclosed on the day the registration is filed. Reports of contributions must include the name and address of any contributor who has given more than $25 in the aggregate. Effective January 1, 2012, RCW 42.17.080 and .090 were recodified as **RCW 42.17A.235 and RCW 42.17A.240,** respectively.

WAC 390-16-034 requires political committees to disclose, for each individual contributor of more than $100 in the aggregate, the person's occupation and the name and address of the person's employer.

Respectfully submitted this 18th day of October, 2012.

Tony Perkins
Lead Political Finance Specialist
Public Disclosure Commission