

Executive Summary and Staff Analysis

PDC Case No. 13-015

Washington United for Marriage and Sensa Salon

This summary highlights staff's findings, conclusions, and recommendations regarding the allegations contained in PDC Case No. 13-015, a 45-day citizen action letter (Citizen Action Complaint) filed on September 13, 2012 by Rebecca Faust. The Citizen Action Complaint was filed with the Washington State Attorney General's Office and the King County Prosecutor's Office, and referred to the PDC for investigation and possible action.

Allegations

The Citizen Action Complaint alleges violations of RCW 42.17A by Washington United for Marriage, a political committee, and Sensa Salon as follows:

1. ***Prohibited Activities as an Intermediary or Agent for Contributions (Bundling)***. That Washington United for Marriage and Sensa Salon violated RCW 42.17A.470 by arranging for a fundraising event at Sensa Salon to benefit Washington United for Marriage, and acting as an intermediary for contributions.¹
2. ***Failure to Maintain Open for Public Inspection Documentation of Employees' Authorizations for Withholding Wages for Contributions***. That Sensa Salon may have violated RCW 42.17A.495 by failing to maintain required records related to an employer's withholding of employee wages for use as political contributions.²

Investigative Findings for Citizen Action Complaint

First Allegation: The investigation revealed that on Sunday, September 9, 2012, Sensa Salon held an event in which participants could receive hair cutting or other salon services in exchange for making a contribution to Washington United for Marriage, a political committee supporting Referendum 74. The event, which was organized by employees of the salon with the permission of the salon's owner, was promoted on the Sensa Salon's Facebook page and by the committee via Twitter. Two Sensa Salon employees staffed the fundraiser and volunteered their time on a day the salon was normally closed. The employees were not compensated for their work and did not accept any tips for their services.

¹ Under RCW 42.17A.470(1) a person, other than an individual, may not be an intermediary or an agent for a contribution. Under RCW 42.17A.470(2) an individual may not make a contribution on behalf of another person, or while acting as an intermediary, without providing to the recipient the required name, address, occupation and employer disclosure information for both the contributor(s) and the individual intermediary.

² RCW 42.17A.495 requires employers to maintain open for public inspection documents and books of accounts that included a copy of each employee's request, the amounts and dates funds were actually withheld, and the amounts and dates funds were transferred to a political committee.

No one from Washington United for Marriage was present at the event. However, the committee provided pre-printed contribution envelopes and a larger return envelope so that contributions received could be returned to Washington United for Marriage. Two individuals attended the hair-cut fundraiser and made contributions totaling less than \$500. The two individuals who attended the fundraiser completed the donor information requested on the committee's pre-printed contribution envelopes. The two Sensa Salon employees placed the two contributions in the pre-printed contribution envelopes and mailed the contributions to Washington United for Marriage. No funds were run through Sensa Salon's cash register.

Second Allegation: The investigation revealed that the two Sensa Salon employees who provided volunteer hair cutting services for the fundraiser were not paid wages for the event, and no wages were withheld or transferred to Washington United for Marriage.

Conclusion and Recommendation:

Allegation 1: Prohibited Activities as an Intermediary or Agent for a Contribution.

Staff's investigation found that Sensa Salon's employees acted as intermediaries for contributions to Washington United for Marriage and that Sensa Salon authorized the fundraiser. However, because no evidence was found that either Sensa Salon or its employees were aware of the prohibition in RCW 42.17A.470, and only two people attended the fundraiser with combined contributions less than \$500, staff concludes that no material violation of the statute occurred warranting enforcement action against Sensa Salon. Additionally, because RCW 42.17A.470 applies to persons acting as intermediaries, and not to the ultimate recipient of the contributions, staff found no evidence that Washington United for Marriage violated this law. For these reasons, staff recommends the Commission dismiss allegation #1 with a warning to Sensa Salon, its employees, and Washington United for Marriage, and recommend to the Attorney General and the King County Prosecuting Attorney that no further action be taken.³

Allegation 2: Failure to Maintain Open for Public Inspection Documentation of Employees' Authorizations for Withholding Wages for Contributions to Washington United for Marriage. Because no wages were withheld or transferred to Washington United for Marriage, Sensa Salon did not violate RCW 42.17A.495. For this reason, staff recommends that the Commission dismiss allegation #2 and recommend to the Attorney General and King County Prosecuting Attorney that no further action be taken.

³ Staff recommends that, consistent with advice and direction staff has given other similarly situated committees, Washington United for Marriage be instructed to change the information on its website describing the process for people who wish to raise funds on behalf of the committee, to make clear that non-individuals may not act as intermediaries or bundlers of contributions.