



State of Washington
PUBLIC DISCLOSURE COMMISSION

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December 21, 2012

The Honorable Rob McKenna
Attorney General
Washington State Office of the Attorney General
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100

RE: Washington State Public Disclosure Commission Recommendation Following
Staff Report of Investigation on Citizen Action Letter Concerning Troy Kelley,
PDC Case No. 13-017

Dear General McKenna:

On September 26, 2012, your office received a citizen action letter submitted by Kirby Wilbur, pursuant to RCW 42.17A.765, alleging violations of the state's campaign finance disclosure laws by Troy Kelley, a candidate for State Auditor in the 2012 general election. The Attorney General's Office referred Mr. Wilbur's letter to the PDC on September 27, 2012, for review and possible investigation or action. This letter provides the results of the Commission's investigation, enforcement action, and recommendations to you.

At a brief enforcement hearing held on December 6, 2012, the Commission, acting through its Chair, found Mr. Kelley had violated RCW 42.17.241 by failing to file a required supplement to his Personal Financial Affairs Statement (F-1 report) for calendar year 2008, and by failing to file an accurate F-1A "short form" for calendar year 2009. More specifically, the Commission found that Mr. Kelley had failed to timely disclose: (1) his ownership interest in United National, LLC (United National) during 2008; (2) a trade name for United National registered and in active use during 2008; (3) a description of United National's business during 2008; and (4) that United National was dissolved in 2008 and therefore no income was earned from it during 2009. The Commission assessed a penalty of \$200, of which \$100 was suspended on the condition of no further violations for a period of four years.

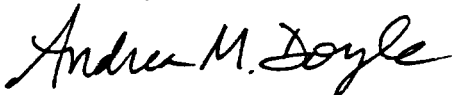
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At its meeting on December 6, 2012, the full Commission reviewed the results of the brief enforcement action and also reviewed the PDC staff investigation regarding additional allegations for which no charges were issued, and an executive summary and staff analysis. The Commission found that the action in the brief hearing was the appropriate enforcement response to Mr. Kelley's violations of RCW 42.17/42.17A with respect to those claims. The Commission accepted PDC staff's recommendation to dismiss the remaining allegations regarding Mr. Kelley's F-1 reports for which there was no evidence of violations and to recommend to you and the King County Prosecuting Attorney that no further action be taken regarding the citizen action letter.

A copy of the report of investigation is being provided to your office, along with the notice of administrative charges, and an executive summary and staff analysis. Copies of the Commission's brief enforcement order and order of dismissal are enclosed with this letter.

If you have any questions, please contact me at (360) 664-2735. Thank you.

Sincerely,



Andrea McNamara Doyle
Executive Director

C: Linda Dalton, Sr. Assistant Attorney General
John Gerberding, King Co. Sr. Deputy Prosecuting Attorney

Enclosures (1) Brief enforcement order; (2) Order of Dismissal.