

1  
2  
3  
4  
5  
6  
7 **BEFORE THE PUBLIC DISCLOSURE COMMISSION**  
8 **OF THE STATE OF WASHINGTON**

9 IN THE MATTER OF ENFORCEMENT  
10 ACTION AGAINST:

PDC CASE NO. 13-020

FINAL ORDER

11 45<sup>th</sup> Legislative District Democratic Central  
12 Committee,

13 Respondent.  
14

15 This matter came before the Washington State Public Disclosure Commission on  
16 December 6, 2012 at the PDC Office, 711 Capitol Way, Room 206, Olympia, Washington.  
17 Those present included Amit Ranade, Commission Chair; Barry Sehlin, Vice Chair; Jim  
18 Clements, Member; Grant Degginger, Member; and Kathy Turner, Member.

19 In attendance were Phil Stutzman, PDC Director of Compliance; Kurt Young, PDC  
20 Compliance Officer; PDC Executive Director Andrea McNamara Doyle; Nancy Krier,  
21 Commission General Counsel; and PDC staff member Jana Greer as recorder/reporter of the  
22 proceedings. The Respondent, 45<sup>th</sup> Legislative District Central Committee, was represented by  
23 Trent Latta, Respondent's Chair, who participated via telephone. The proceeding was open to  
24 the public and recorded.

25 This case concerns allegations in a 45-day citizen action letter complaint filed on  
26 October 19, 2012 by Kevin Carns, Political Director, House Republican Organizational

1 Committee against the Respondent, alleging the Respondent violated RCW 42.17A by failing  
2 to timely file contribution and expenditure reports, and by deliberately concealing the sources  
3 of its contributions and expenditures. The complaint was submitted to the Washington State  
4 Attorney General's Office and the King County Prosecutor's Office, and referred to the PDC  
5 for investigation and possible action.

6 The Commission was provided with a Notice of Administrative Charges dated  
7 November 26, 2012; a Report of Investigation dated November 26, 2012 (and exhibits); an  
8 Executive Summary and PDC Staff Analysis; and, a proposed Stipulation as to Facts and  
9 Violations (Stipulation) dated December 5, 2012.

10 Mr. Young summarized the investigation. Mr. Stutzman described the PDC staff  
11 recommendation to take appropriate enforcement action against the Respondent and to accept  
12 the proposed Stipulation, to dismiss the allegations in the complaint concerning concealment,  
13 and to recommend the Attorney General and the Prosecuting Attorney take no further action  
14 with respect to the allegations in the complaint.

15 The Commission voted to accept the Stipulation. The parties addressed the  
16 Commission with respect to imposing a penalty for the violations described in the Stipulation.  
17 On behalf of PDC Staff, Mr. Stutzman recommended a penalty. On behalf of Respondent, Mr.  
18 Latta recommended the Commission assess no penalty. The Commission unanimously voted  
19 to impose a penalty.

20 The Commission unanimously voted to dismiss the remaining allegation concerning  
21 concealment, and to recommend the Attorney General and Prosecutor take no further action  
22 with respect to the allegations in the complaint.

23 The Commission hereby enters the following Findings of Fact, Conclusions of Law,  
24 and Order.

25 ///

26 ///

1 **I. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

2 Based upon the Stipulation, which is hereby attached and incorporated by reference, the  
3 Commission finds and concludes:

4 1. The Jurisdiction, Facts, Legal Authority, and Violations are established as  
5 provided in the Stipulation.

6 2. The Respondent violated RCW 42.17A.235 and RCW 42.17A.240 as provided  
7 in the Stipulation.

8 In addition, the Commission finds and concludes:

9 3. A civil penalty should be imposed for Respondent's stipulated violations of  
10 RCW 42.17A.235 and RCW 42.17A.240.

11 4. RCW 42.17A.435 prohibits concealment. It requires that no contribution shall  
12 be made and no expenditure shall be incurred, directly or indirectly in a fictitious name,  
13 anonymously, or by one person through an agent, relative, or other person in such a manner as  
14 to conceal the identity of the source of the contribution or in any other manner as to effect  
15 concealment.

16 5. The investigation showed no evidence that the Respondent's late reporting  
17 violated RCW 42.17A.435. Instead, the evidence showed:

18 (a) The late reporting was an oversight.

19 (b) The information about the Respondent's source of contributions received and  
20 expenditures made was available to the public between October 23 and October 25, 2012, prior  
21 to the November 6, 2012 general election.

22 (c) The identity of the Respondent as the source of contributions to Roger  
23 Goodman was publicly known because Friends of Roger Goodman timely filed its C-3 reports  
24 disclosing the receipt of three monetary contributions from the Respondent totaling \$22,000.  
25 The majority of the larger contributions received by the Respondent during the 2012 election  
26 were made by political committees registered and reporting with the PDC, including the Harry

1 Truman Fund, the Roosevelt Fund, WEA PAC,<sup>1</sup> SEIU WA PAC, and the Eastside Democratic  
2 Dinner Committee. One contributor, the Washington Federation of State Employees, is a  
3 Lobbyist Employer. These sources of contributions to the Respondent were available to the  
4 public through the contributors' filings.

5 (d) No evidence was provided or found that the Respondent reported any of the  
6 contributions it received or expenditures it made in a fictitious name, anonymously, or through  
7 an agent, relative, or other person in such a manner as to conceal the identity of the source of  
8 the contribution or in any other manner so as to effect concealment.

9 6. Based upon the record herein, the allegations concerning RCW 42.17A.435  
10 should be dismissed.

## 11 II. ORDER

12 Based upon the findings and conclusions, the Commission orders that:

13 1. The Stipulation is accepted.

14 2. The Respondent is assessed a civil penalty of \$2,500 for the stipulated  
15 violations. Of the total penalty amount, \$1,250 is suspended based on Respondent's  
16 compliance with the following conditions:

17 a. Respondent is not found to have committed violations of RCW 42.17 or RCW  
18 42.17A within four years from the date of the entry of the Commission's Final Order in this  
19 matter; and

20 b. Respondent pays the non-suspended portion of the penalty (\$1,250) within six  
21 months of the date of entry of the Commission's Final Order in this matter.

22 3. In the event Respondent fails to meet the conditions in paragraph 2, the  
23 suspended portion of the penalty (\$1,250) shall become due without any further intervention of  
24 the Commission.

25 \_\_\_\_\_  
26 <sup>1</sup> The Respondent did timely file a C-3 showing a \$2,000 contribution from WEA-PAC.

1 4. The alleged violations of RCW 42.17A.435 are dismissed.  
2 The Executive Director is authorized to enter this order on behalf of the Commission.  
3 So ORDERED this 20 day of December, 2012.

4 WASHINGTON STATE PUBLIC  
5 DISCLOSURE COMMISSION

6 FOR THE COMMISSION:

7 *Andrea M. Doyle*  
8 Andrea McNamara Doyle  
9 Executive Director

10  
11 *Attachments: Stipulation as to Facts and Violations (Dec. 5, 2012)*  
12 *Appeals and Enforcement of Final Orders*

13 *Copy of this Order to:*

14 45<sup>th</sup> Legislative District Democratic Central Committee  
15 c/o Trent Latta  
16 P.O. Box 2784  
17 Redmond, WA 98073

18  
19 I, JANA GREER, certify that I mailed a copy of this order to the  
20 Respondent at the respective address above, postage prepaid, on the date stated herein.

21 *Jana Greer*  
Signature

22 12/20/12  
Date

# INFORMATION ABOUT APPEALS AND ENFORCEMENT OF FINAL ORDERS

## APPEALS

### RECONSIDERATION OF FINAL ORDER – BY THE COMMISSION

Any party may ask the Commission to **reconsider** a final order. Parties seeking reconsideration must:

- Make the request in writing;
- Include the specific grounds or reasons for the request; and
- Deliver the request to the PDC office so it is received within **TWENTY-ONE (21) BUSINESS DAYS** of the date that the Commission serves this order upon the party. *WAC 390-37-150*. (Note that the date of service by the Commission on a party is considered the date of mailing by U.S. mail if the order is mailed, or the date received if the order is personally served. RCW 34.05.010(19). The Commission orders are generally mailed via U.S. mail.)

Within twenty (20) business days after the petition for reconsideration is filed, the Commission may either act on the petition or notify the parties in writing of the date by which it will act. If neither of these events happens within twenty business days, the Commission is deemed to have denied the petition for reconsideration. *WAC 390-37-150*.

A Respondent is not required to ask the Commission to reconsider a final order before seeking judicial review by a superior court. *RCW 34.05.470(5)*.

### FURTHER APPEAL RIGHTS – SUPERIOR COURT

A final order issued by the Public Disclosure Commission is subject to **judicial review** under the Administrative Procedure Act (APA), chapter 34.05 RCW. *RCW 42.17A.755*. The procedures are provided in the APA at RCW 34.05.510 - .574.

## ENFORCEMENT OF FINAL ORDERS

If **enforcement** of a final order is required, the Commission may seek to enforce a final order in superior court under RCW 42.17A.755 - .760, and recover legal costs and attorney's fees if a penalty remains unpaid and no petition for judicial review has been filed. This action will be taken without further order by the Commission.

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

In the Matter of Enforcement Action  
Against:

45<sup>th</sup> Legislative District Democratic  
Central Committee

Respondent.

Case No. 13-020

**STIPULATION AS TO FACTS AND  
VIOLATIONS**

The parties to this Stipulation, namely, the Public Disclosure Commission Staff, through its Executive Director, Andrea McNamara Doyle, and Respondent 45<sup>th</sup> Legislative District Democratic Central Committee, through its Chair, Trent Latta, submit this Stipulation as to Facts and Violations in this matter. The parties agree that the Commission has the authority to accept, reject or modify the terms of this Stipulation. The parties further agree that in the event that the Commission seeks to modify any term of this agreement, each party reserves the right to reject that modification. In the event either party rejects a modification, this matter will proceed to hearing before the Commission.

**JURISDICTION**

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to Chapter 42.17A RCW, Public Disclosure Acts Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC.

**FACTS**

1. The 45<sup>th</sup> Legislative District Democratic Central Committee (45<sup>th</sup> District Democrats) has been registered as a bona fide political party committee with the Public Disclosure Commission (PDC) and filing contribution and expenditure reports disclosing committee activities under the Full Reporting option since July 1992.
2. The statewide redistricting efforts that took effect in January of 2012 changed the boundaries of 45<sup>th</sup> Legislative District, and significantly affected the 45<sup>th</sup> Legislative District Democratic party by creating several vacancies among the volunteer executive board positions, including the chair position.

3. Trent Latta, Chair of the 45<sup>th</sup> District Democrats, volunteered and became chair in January of 2012. He acknowledged that he volunteered without fully understanding all of the public disclosure reporting requirements, and relied on the committee's volunteer treasurer to ensure compliance with the PDC filing requirements.
4. RCW 42.17A.235 and 42.17A.240 require committees, including bona fide political party committees participating in the 2012 election, to file timely, accurate reports of contributions and expenditures, including in-kind contributions. These reports include Monetary Contribution reports (C-3) and Summary Contribution and Expenditure reports (C-4).
5. Under the full reporting option, until five months before the general election, C-3 and C-4 reports are required monthly when contributions or expenditures exceed \$200 since the last report. C-4 reports are also required 21 and 7 days before each election, and in the month following the election, regardless of the level of activity. Beginning four months before the election, weekly C-3 reports are required to be filed every Monday disclosing contributions received and deposited during the previous week.

#### *Late C-4 Reports*

6. During the 2012 election cycle, the 45<sup>th</sup> District Democrats filed the following C-4 reports late:
  - **January 2012 C-4 report:** On May 10, 2012, the 45<sup>th</sup> District Democrats filed a C-4 report for the month of January 2012 disclosing that no contributions had been received and \$464 in expenditures had been made for room rentals for precinct caucus activities and for the rental of a post office box. The C-4 report was due by February 10, 2012, and was filed 90 days late.
  - **February 2012 C-4 report:** On May 10, 2012, the 45<sup>th</sup> District Democrats filed a C-4 report for the month of February 2012 disclosing that no contributions had been received and \$212 in expenditures had been made for room rentals for precinct caucus activities. The C-4 report was due by March 10, 2012, and was filed 61 days late.
  - **May 2012 C-4 report:** On October 23, 2012, the 45<sup>th</sup> District Democrats filed a C-4 report for the month of May 2012 disclosing \$1,585 in contributions received and \$1,216

in expenditures made for caucus activities. The C-4 report was due by June 11, 2012, and was filed 134 days late.

- **21-day pre-primary election C-4 report:** On October 23, 2012, the 45<sup>th</sup> District Democrats filed the 21-day pre-primary election C-4 report covering the period June 1 through July 16, 2012 disclosing no contributions received and \$1,696 in expenditures made for fundraisers and party-building activities. The 21-day pre-primary election C-4 report was due by July 17, 2012, and was filed 98 days late.
- **7-day pre-primary election C-4 report:** On October 23, 2012, the 45<sup>th</sup> District Democrats filed the 7-day pre-primary election C-4 report covering the period July 17 through July 30, 2012 disclosing \$4,700 in contributions received and \$4,850 in expenditures made. The expenditures included a \$4,500 monetary contribution to the Friends of Roger Goodman made on July 25, 2012. The 7-day pre-primary election C-4 report was due by July 31, 2012, and was filed 84 days late.
- **Post-primary election C-4 report:** On October 23, 2012, the 45<sup>th</sup> District Democrats filed the post-primary election C-4 report covering the period July 31 through August 31, 2012 disclosing \$3,600 in contributions received and \$927 in expenditures made. The expenditures included \$629 for printing a voters' guide. The post-primary election C-4 report was due by September 10, 2012, and was filed 43 days late.
- **21-day pre-general election C-4 report:** On October 23, 2012, the 45<sup>th</sup> District Democrats filed the 21-day pre-general election C-4 report covering the period September 1 through October 15, 2012 disclosing \$17,548 in contributions received and \$18,161 in expenditures made. The expenditures included a \$4,000 monetary contribution to the Friends of Roger Goodman on October 5, 2012, and a \$13,500 monetary contribution to the Friends of Roger Goodman on October 15, 2012. The 21-day pre-general election C-4 report was due by October 16, 2012, and was filed seven days late.

### ***Late C-3 Reports***

7. On July 6, 2012, the 45<sup>th</sup> District Democrats filed a C-3 report totaling \$1,345 listing multiple dates for the receipt of small itemized contributions from members during the period January 29, 2012 through March 7, 2012. The 45<sup>th</sup> District Democrats failed to timely file C-3 reports as follows:

- **January – February 2012 contribution activity:** Contributions totaling \$505 were received from 12 individuals between January 29, 2012 and February 1, 2012. The contribution information was due by March 12, 2012, and was filed 116 days late.
  - **March 2012 contribution activity:** Contributions totaling \$80 were received from two individuals on March 7, 2012. The contribution information was due by April 10, 2012, and was filed 87 days late.
8. Between October 22 and November 1, 2012, the 45<sup>th</sup> District Democrats filed 14 C-3 reports totaling \$31,978, disclosing monetary contributions and the proceeds from several low cost fundraisers that had been received and deposited from February 1 through November 1, 2012.
9. The 45<sup>th</sup> District Democrats failed to timely file 11 C-3 reports for contributions received from February 1, 2012 through October 15, 2012. These reports were filed between one and 227 days late, and totaled \$22,978.
10. Four of these 11 late-filed C-3 reports totaled \$19,950, and were filed late as follows:
- One C-3 report totaling \$8,000 was filed one day late disclosing a \$4,500 contribution from the Roosevelt Fund and a \$3,500 contribution from SEIU WA PAC;
  - One C-3 report totaling \$4,000 was filed 14 days late disclosing a \$4,000 contribution from the Washington Federation of State Employees;
  - One C-3 report totaling \$3,250 was filed 52 days late disclosing a \$3,250 contribution from the Eastside Democratic Dinner Committee; and
  - One C-3 report totaling \$4,700 was filed 91 days late disclosing a \$4,500 contribution from the Harry Truman Fund.
11. The 45<sup>th</sup> District Democrats have not been the subject of any prior PDC enforcement, complaints, or investigations, and took immediate corrective actions to bring the committee into compliance before the November 6, 2012 general election upon being notified of the violations.

## LEGAL AUTHORITY

12. **RCW 42.17A.235** states, in part, ... (2) Each treasurer shall file with the commission a report containing the information required by RCW 42.17A.240 at the following intervals:  
(a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held; ... (b) On the tenth day of the first month after the election; and (c) On the tenth day of each month in which no other reports are required to be filed under this section only if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.
13. **RCW 42.17A.240** states, in part, ... Each report required under RCW 42.17A.235(1) and (2) ... shall disclose the following: ... (2) The name and address of each person who has made one or more contributions during the period, together with the money value and date of each contribution and the aggregate value of all contributions received from each person during the campaign... (6) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, and the amount, date, and purpose of each such expenditure.

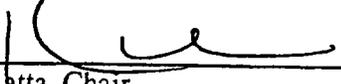
## VIOLATIONS

The 45<sup>th</sup> Legislative District Democratic Central Committee violated provisions of the state campaign finance disclosure laws during the 2012 election cycle as follows:

- A. Failure to timely file seven Campaign Summary Contribution and Expenditure Reports (C-4 reports) disclosing \$27,433 in contributions received and \$27,526 in expenditures made, as required by RCW 42.17A.235 and 42.17A.240. The reports were filed between seven and 134 days late.
- B. Failure to timely file 13 Monetary Contribution reports (C-3 reports) disclosing \$23,563 in unreported contributions received, as required by RCW 42.17A.235 and 42.17A.240. The reports were filed between one and 227 days late.

  
Andrea McNamara Doyle, Executive Director  
Public Disclosure Commission

12/5/12  
Date Signed

  
Trent Latta, Chair  
45<sup>th</sup> Legislative District Democratic Central Committee  
Respondent

12/5/12  
Date Signed