



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: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

June 17, 2013

PDC CASE NO: 13-029

North Central Affordable Housing Council
Attn: Marc S. Straub, Executive Officer
2201 North Wenatchee Avenue
PO Box 2065
Wenatchee, WA 98807

ENFORCEMENT HEARING NOTICE

Hearing/meeting date: June 27, 2013
Time: 1:00 p.m.
Place: Evergreen Plaza Building
711 Capitol Way, Room 206
Olympia, WA 98504

Presiding Officer: The Public Disclosure Commission
Authority: RCW 42.17A.105, 42.17A.110 and 42.17A.755

On the above date, the Public Disclosure Commission will hold an enforcement hearing concerning the allegations that North Central Affordable Housing Council, a local political committee for the North Central Home Builders Association, violated the following:

- A. RCW 42.17A.235 and 42.17A.240 by failing to timely file multiple Cash Receipts Monetary Contributions reports (C-3 reports) and Campaign Summary Receipts and Expenditures reports (C-4 reports) disclosing contribution and expenditure activities undertaken during the 2012 election;
- B. RCW 42.17A.305 by failing to timely file an Electioneering Communication report (C-6 report) disclosing newspaper and radio electioneering communications identifying two candidates for Douglas County Commissioner in the November 6, 2012 general election;
- C. RCW 42.17A.260 by failing to timely file an Independent Expenditure report (C-6 report) disclosing independent telephone and yard sign political advertising expenditures supporting two candidates for Douglas County Commissioner in the November 6, 2012 general election; and
- D. RCW 42.17.080 and RCW 42.17.090 by failing to timely file multiple C-3 and C-4 reports disclosing contribution and expenditure activities undertaken from the 2008 election through the 2010 election.

North Central Affordable Housing Council
Marc S. Straub, Executive Officer
Enforcement Hearing Notice
PDC Case No. 13-029
Page - 2 -

I am enclosing a copy of the Notice of Administrative Charges and Report of Investigation with Exhibits. The Commission is scheduled to hold a hearing on the allegations to determine if actual violations occurred, and assess penalties. The Commission may also determine if it wishes to accept a Stipulation (informal settlement) by the parties as to facts, violations and/or penalties, if such a Stipulation is proposed by the parties. See WAC 390-37-090.

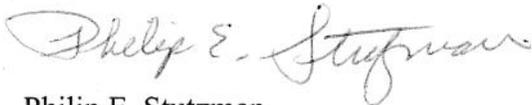
If you do not plan to be present at the hearing, you may submit evidence in your own behalf or in mitigation no later than noon on June 20, 2013 for inclusion in the mailing to Commission members or by June 25, 2013 for presentation at the Commission meeting. You may do so by writing to the Chair, Public Disclosure Commission, P.O. Box 40908, Olympia, WA 98504-0908.

If a hearing proceeds and you fail to attend or provide information on your own behalf, you may be in default and the Commission may assess appropriate penalties. The Commission has the authority to assess a penalty of up to \$10,000, or they can find apparent violations and refer the matter to the Attorney General for higher penalties.

You are not required by law to personally attend. However, the Public Disclosure Commission recommends that respondents personally appear whenever possible. PDC staff will present this matter to the Commission.

If you have questions regarding this matter, please contact me at (360) 664-8853 or by e-mail at phil.stutzman@pdc.wa.gov

Sincerely,



Philip E. Stutzman
Director of Compliance

c: Linda A. Dalton, Senior Assistant Attorney General



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BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

In the Matter of Enforcement
Action Against

North Central Affordable Housing
Council

Respondent.

PDC Case No. 13-029

Notice of Administrative Charges

I. Jurisdiction

1. The Public Disclosure Commission (PDC) has jurisdiction over this proceeding pursuant to Chapter 42.17 and 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 the North Central Affordable Housing Council violated RCW 42.17 and RCW 42.17A as follows:
 - A. RCW 42.17A.235 and 42.17A.240 by failing to timely file multiple Cash Receipts Monetary Contributions reports (C-3 reports) and Campaign Summary Receipts and Expenditures reports (C-4 report) disclosing contribution and expenditure activities undertaken during the 2012 election.
 - B. RCW 42.17A.305 by failing to timely file an Electioneering Communication report (C-6 report) disclosing newspaper and radio electioneering communications identifying two candidates for Douglas County Commissioner in the November 6, 2012 general election.
 - C. RCW 42.17A.260 by failing to timely file an Independent Expenditure report (C-6 report) disclosing independent telephone and yard sign political advertising expenditures supporting two candidates for Douglas County Commissioner in the November 6, 2012 general election.

- D. RCW 42.17.080 and RCW 42.17.090 by failing to timely file multiple C-3 and C-4 reports disclosing contribution and expenditure activities undertaken from the 2008 election through the 2010 election.

III. Facts

3. The North Central Affordable Housing Council (NCAHC) is the political committee for the North Central Home Builders Association, which is a local affiliate of the Building Industry Association of Washington (BIAW). NCAHC filed a Political Committee Registration (C-1pc report) on September 21, 2004, registering as an "Other Political Committee" and selecting the Full Reporting option.

Alleged failure to timely file C-3 and C-4 Reports during 2012 Election (RCW 42.17A.235 and 42.17A.240)

4. NCAHC's C-3 reports filed on October 29, 2012 disclosed \$18,900 in total contributions, and were filed between seven and 202 days late. NCAHC's C-4 reports filed on October 29, 2012 disclosed \$14,131 in total expenditures, and were filed between 13 and 202 days late. Of these expenditures, \$12,676 paid for Electioneering Communications, Independent Expenditure political advertising and other political advertising. The late-reported expenditure activity also included \$1,000 in candidate contributions.
5. NCAHC disclosed its 2012 contribution and expenditure activity eight days before the November 6, 2012 general election.

Alleged failure to timely file C-6 Reports during 2012 election (RCW 42.17A.305 & 42.17A.260)

6. NCAHC's C-6 report filed on March 29, 2013 disclosed \$7,889 in newspaper and radio Electioneering Communications identifying Ed Daling and Carol Kavanaugh. The Electioneering Communications were presented to the public on October 8, 2012, and were required to be disclosed electronically the following day. The C-6 report was filed 171 days late.
7. NCAHC's C-6 report filed on March 29, 2013 disclosed \$2,720 in independent telephone and yard sign political advertising expenditures supporting Mr. Daling and Ms. Kavanaugh. The Independent Expenditure advertising was presented to the public on October 25, 2012 and October 31, 2012, and was required to be disclosed on November 1, 2012. It was disclosed 148 days late.

8. NCAHC's Electioneering Communications and Independent Expenditure advertisements were disclosed on the C-6 report 143 days after the November 6, 2012 general election.

Alleged failure to timely file C-3 and C-4 Reports (2008 – 2010) (RCW 42.17.080 & 42.17.090)

9. NCAHC's C-3 reports filed on May 10, 2013 disclosed \$16,780 in contributions received from 2008 – 2010, and were filed between two and five years late. NCAHC's C-4 reports filed on May 10, 2013 disclosed \$23,565 in expenditures made during the same time period, and were filed between two and five years late. The late-reported expenditure activity included \$4,500 in monetary contributions made to local candidates in the 2008 and 2010 elections, \$15,285 in contributions to the Washington Affordable Housing Council in 2009 and 2010, and \$3,780 for Independent Expenditures made in support of the Committee to Elect Steve Jenkins in the 2010 election.
10. NCAHC disclosed its 2008 - 2010 contribution and expenditure activity between two and five years after the relevant elections.

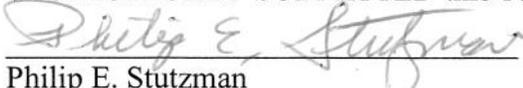
IV. Law

RCW 42.17A.235 and **RCW 42.17A.240** require political committees to file timely, accurate reports of contributions and expenditures.¹ 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 five months before the election, weekly C-3 reports are required to be filed every Monday disclosing contributions received and deposited during the previous week.

RCW 42.17A.260 requires political committees that present Independent Expenditure political advertising to the public within 21 days of an election to file special Independent Expenditure reports (C-6 report) within 24 hours of the date that the advertising is presented to the public, or on the first working date after.

RCW 42.17A.305 requires sponsors of Electioneering Communications to file special Electioneering Communication reports (C-6 reports) within 24 hours of the date that the Electioneering Communication is presented to the public, or on the first working date after. The C-6 report must be filed electronically.

RESPECTFULLY SUBMITTED this 17th day of June, 2013.


Philip E. Stutzman
Director of Compliance

¹ Prior to January 1, 2012, RCW 42.17A.235 and RCW 42.17A.240 were codified as **RCW 42.17.080** and **RCW 42.17.090**, respectively.