

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

In the Matter of Enforcement Action
Against:

North Central Affordable Housing
Council

Respondent.

Case No. 13-029

STIPULATION AS TO FACTS,
VIOLATIONS AND PENALTY

The parties to this Stipulation, namely, the Public Disclosure Commission Staff, through its Executive Director, Andrea McNamara Doyle, and Respondent North Central Affordable Housing Council, through its Executive Officer, Marc S. Straub, submit this Stipulation as to Facts, Violations and Penalty 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, the Public Disclosure Act; Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC.

FACTS

1. 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.
2. On October 29, 2012, the PDC received a complaint from Kathy Humphrey alleging that NCAHC violated campaign requirements related to the proper filing of contribution and expenditure reports.

3. On October 29, 2012, PDC Staff contacted Kim Fenner with NCAHC and inquired about the apparent missing C-3 and C-4 reports. Ms. Fenner stated that she had mailed the C-3 and C-4 reports for NCAHC on numerous occasions on paper to the PDC. Staff informed Ms. Fenner that the PDC had not received any C-3 or C-4 reports from NCAHC during 2012, and that NCAHC was required to submit its reports electronically. Later that day, Ms. Fenner submitted all of NCAHC C-3 and C-4 reports for 2012 activity electronically.
4. On March 29, 2013, NCAHC filed a C-6 report disclosing Electioneering Communications and Independent Expenditure political advertisements totaling \$10,609 that were presented to the public during the 21-day period before the 2012 general election. The communications and advertisements identified or supported Ed Daling and Carol Kavanaugh, two candidates for Douglas County Commissioner in the November 6, 2012 general election.
5. On April 10, 2013, after querying the PDC database for contribution and expenditure information and reviewing NCAHC C-3 and C-4 reports, PDC staff contacted NCAHC and informed the committee that it appeared to be missing C-3 and C-4 reports for contribution and expenditure activity from 2006 through 2010. Staff requested that the committee file the missing reports.
6. On May 10, 2013, NCAHC electronically filed C-3 and C-4 reports covering the period September 12, 2006 through December 31, 2010. Of the late-reported activity from this period, only activity required to be disclosed after June of 2008 falls within the PDC's five-year statute of limitations. (RCW 42.17A.770)

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

7. 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.

8. NCAHC disclosed its 2012 contribution and expenditure activity eight days before the November 6, 2012 general election.

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

9. 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.
10. 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.
11. NCAHC's Electioneering Communications and Independent Expenditure advertisements were disclosed on form C-6 143 days after the November 6, 2012 general election.

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

12. 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.
13. NCAHC disclosed its 2008 - 2010 contribution and expenditure activity between two and five years after the relevant elections.

LEGAL AUTHORITY

14. **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.
15. **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.
16. **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.

VIOLATIONS

Based on the Stipulation of Facts set forth above, Respondent North Central Affordable Housing Council stipulates to violations of provisions of the state campaign finance disclosure laws 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

¹ From 2008 through December 31, 2011, **RCW 42.17A.235** and **RCW 42.17A.240** were codified as **RCW 42.17.080** and **RCW 42.17.090**, respectively.

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.

PENALTY

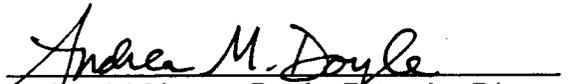
Based upon the stipulated facts and violations set forth above, Respondent agrees to pay a total civil penalty of \$8,000 with \$4,000 suspended on the following conditions:

1. Respondent is not found to have committed further violations of RCW 42.17 within four years from the date of the entry of the Commission's Final Order in this matter;
2. Payment of the non-suspended portion of the penalty (\$4,000) is made within 30 days from the date of entry of the Commission's Final Order in this matter.

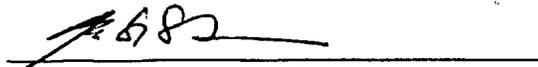
In the event that Respondent fails to meet either of these terms, the suspended portion of the penalty shall become due without any further intervention of the Commission.

Respondent affirms its intention to comply in good faith with the provisions of RCW 42.17 in the future.

This Stipulation is null and void if the Commission does not adopt it, or an amended version accepted by the parties, at its June 27, 2013 meeting.


Andrea McNamara Doyle, Executive Director
Public Disclosure Commission

6/20/13
Date Signed


Marc S. Straub, Executive Officer
North Central Affordable Housing Council
Respondent

6-20-2013
Date Signed