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OCT 21 2013

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OSS

Public Disclosure Commission

2013 OCT 21 P 1:26

Honorable Bob Ferguson
Attorney General of Washington
1125 Washington Street SE
PO Box 40100
Olympia, WA 98501

ATTORNEY GENERAL
OF
WASHINGTON

RE: 45-day Citizen Action Letter, pursuant to RCW 42.17A.765(A)
Saving Whatcom Co dba Save Whatcom & Whatcom First

Dear Attorney General Ferguson:

This letter concerns two recently created Political Action Committees, Saving Whatcom Co and Whatcom First.

I am writing this letter pursuant to the citizen action provisions detailed in RCW.17A.765(A) to inform you that I have reason to believe that both of these organizations have willfully and purposefully with malice hid contributions and expenditures from the public, totaling more than \$154,000.

By analyzing the Public Disclosure reports, I have reason to believe that these two political action committees have violated at least 12 instances of RCW 42.17A and WAC 390. Both committees share the same treasurer and on the C1PC form of Whatcom First, filed on 10/17/2013, it delineates that these two committees are affiliated.

I believe these violations are intended to illegally skirt compliant and reporting requirements and illegally impact elections up here in Whatcom County.

1 Violation of RCW 42.17a.240 - Missing or Unreported Money – to the tune of at least \$154,000

- On 10/14/2013, Whatcom First reported receiving a contribution from Saving Whatcom Co in the amount of \$154,000. However, no C4 report was ever filed (due on 10/15/2013) showing this as an expenditure on the C4 report of Saving Whatcom. In fact, no expenditure reports appear to exist at all for this organization that show raising funds in excess of \$162,055.45 (as of 10/18 via Search Database)

9 Violations of RCW 42.17a.235 – Missing or Consistently Late Reports

Starting June 1, 2013, C3s are due every Monday (except on bank holidays) for the previous seven days of deposits. Nearly every single C3 for Saving Whatcom Co is egregiously late, depriving the public of timely and accurate information as it relates to elections. Nearly every C3 for Whatcom First is also late.

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- 8/23 Saving Whatcom Deposit for \$5000 from Richard Donahue. C3 was due on Monday, August 26th. The non-electronically filed C3 was originally filed with the PDC on 9/23, 29 days late.
- 9/12 Saving Whatcom Deposit for \$300 (originally filed PDC as non-electronically filed C3) was received on 9/23 and was due on 9/16, 7 days late.
- 9/9 Saving Whatcom deposit for \$100 -- was originally on a C3 with a deposit date of 9/12, then was re-filed electronically with a deposit date of 9/9 but was received by the PDC on 10/17. Depending on which deposit date you believe, this report is either 7 days late or is 31 days late.
- 9/12 Saving Whatcom deposit for \$775 -- was originally filed non-electronically with a deposit date of 9/10 but then was re-filed electronically with a deposit date of 9/12. The original report was received on 9/23 and the electronically filed report was filed on 10/17, so depending on which deposit date you believe, the report is either 4 or 6 days late.
- 9/16 Saving Whatcom deposit of \$200 was filed electronically on 10/16, but was due to the PDC on 9/23 or 23 days late.
- 10/9 Saving Whatcom deposit of \$12,000 from SSA Marine was due on 10/15 but was filed on 10/17, two days late.
- 10/10 Saving Whatcom deposit of \$100,000 from Cloud Peak and Global Coal Sales was due on 10/15 but was filed on 10/17, two days late.
- 10/11 Saving Whatcom deposit for \$33,150 was due on 10/15 but was filed on 10/17, two days late.
- 9/17 Whatcom First deposit for \$190 was due on 9/23 but wasn't received by the PDC until 9/30, seven days late.

2 Violations of RCW 42.17a.240 and 17a.235(7) -- Certifying Misleading Information

On two occasions Saving Whatcom certified reports that they knew were misleading, a violation of RCW 42.17a.240 in each instance. Original non-electronic reports that were filed by the committee had different deposit dates or deposit totals on both 9/10 (or 9/12) deposit of \$775 (electronic confirmation #100548884) and the 9/12 (or 9/9) C3 deposit of \$300 (or \$400).

There appear to be other violations such as the 10/7 Saving Whatcom deposit of \$525 which was never filed electronically or the nearly month lag time between filing the non-electronic reports (which again were filed very late in the first place) and the electronic reports -- nearly an additional month later.

With such a large sum of money involved and critical races hanging in the balance in Whatcom County, I respectfully ask that the Attorney General give this citizen action letter its highest priority. These PACs need to stop their illegal behavior and cease activity until they comply with the law.

Sincerely,



Mike Estes