



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

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BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

In the Matter of Enforcement Action  
Against

Food Democracy Action! (FDA) and  
Food Democracy Action! Yes on I-522  
Committee to Label GMOS in  
Washington (FDA-WA State PAC)

Respondents.

PDC Case No. 14-007

Notice of Administrative Charges

**I. Jurisdiction**

1. The Public Disclosure Commission (PDC) has jurisdiction over this proceeding pursuant to Chapter 42.17A RCW, the state's campaign disclosure and contribution law; 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 Food Democracy Action! (FDA) and Food Democracy Action! Yes on I-522 Committee to Label GMOs in Washington (FDA-WA State PAC) violated RCW 42.17A as follows:
  - A. RCW 42.17A.205 by failing to timely file a Political Committee Registration (C-1pc report) in support of Initiative 522 (I-522), a 2013 statewide initiative concerning a proposed requirement to label Genetically Modified Organisms (GMOs) in certain food and beverages.
  - B. RCW 42.17A.235 and 42.17A.240 by failing to timely disclose the receipt of monetary contributions on Cash Receipts Monetary Contributions reports (C-3 reports); and by failing to timely disclose contribution and expenditure activities on Campaign Summary Receipts & Expenditures reports (C-4 reports).

### **III. Facts**

#### **Failure to timely file C-1pc Report during 2013 Election (RCW 42.17A.205)**

3. FDA received its first contribution for I-522 on July 31, 2013, which required it to register as a political committee no later than August 13, 2013. On November 13, 2013, eight days after the November 5, 2013 general election, and 92 days late, FDA-WA State PAC registered as a first-time political committee.

#### **Failure to timely file C-3 and C-4 Reports during 2013 Election (RCW 42.17A.235 and 42.17A.240)**

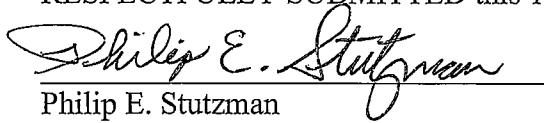
4. FDA-WA State PAC failed to report any of its \$295,662 in monetary and in-kind contribution and expenditure activities until after the election; each of FDA-WA State PAC's 11 required contribution reports were filed between two weeks and more than three months late; and each of FDA-WA State PAC's five required expenditures reports were between one and five months late.
5. Yes on I-522 Committee reported receiving five monetary contributions totaling \$200,000 from FDA during the period August 16 through October 30, 2013. The contributions represented 2.47 percent of the Yes on I-522 Committee's total monetary contributions received. The contributions included:
  - A \$50,000 monetary contribution received on August 16, 2013;
  - A \$50,000 monetary contribution received on October 15, 2013;
  - A \$50,000 monetary contribution received on October 24, 2013;
  - A \$25,000 monetary contribution received on October 25, 2013; and
  - A \$25,000 monetary contribution received on October 30, 2013.
6. On November 22, 2013, FDA-WA State PAC filed 11 C-3 reports disclosing the receipt of \$250,036 in monetary contributions received during the period July 30 through October 30, 2013. These monetary contributions were reported between 18 and 109 days late, and more than two weeks after the November 5, 2013 general election.

7. The \$250,036 in monetary contributions included 3,069 monetary contributions of more than \$25 each, and an additional \$52,917 in non-itemized contributions of \$25 or less from 4,326 contributors.
8. The C-3 reports disclosed the receipt of thirteen contributions of \$1,000 or more, including a \$10,000 contribution from a Washington individual (Richard Clise), and 12 contributions from nine out-of-state individuals totaling over \$22,000.
9. On January 15, 2014, FDA-WA State PAC filed five C-4 reports disclosing contribution and expenditure activity during the period July 1 through November 30, 2013. Expenditures totaling \$295,662 were disclosed on C-4 reports filed between 36 and 158 days late.
10. The post-general election C-4 report included two in-kind contributions totaling \$45,627 from Food Democracy Action! for committee staffing and data services, received on November 5, 2013.

#### IV. Law

**RCW 42.17A.235** and **RCW 42.17A.240** require political committees to file timely, accurate reports of contributions and expenditures. 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.

RESPECTFULLY SUBMITTED this 17<sup>th</sup> day of March, 2014.

  
Philip E. Stutzman  
Director of Compliance