



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.pdca.wa.gov

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

In the Matter of Enforcement
Action Against

New Majority (Reagan Fund) PAC

Respondent.

PDC Case No. 15-038

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 campaign finance and disclosure laws; 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 New Majority (Reagan Fund) PAC violated RCW 42.17A as follows:
 - A. RCW 42.17A.305 by failing to timely file three Electioneering Communications reports (C-6 reports) disclosing \$44,454 for Electioneering Communications first presented to the public between July 14, 2014 and July 31, 2014, for television advertisements and direct mail advertising in opposition to Roger Goodman, an incumbent State Representative in the 45th Legislative District seeking re-election in 2014. The one C-6 report filed to disclose these expenditures was filed between 25 and 42 days late, and after the primary election.
 - B. RCW 42.17A.225, 42.17A.235, and 42.17A.240 by failing to describe on its 21-day pre-primary election Summary, Full Report Receipts and Expenditures report (C-4 report) the media used, or provide a detailed breakdown of the expenditures, or identify that the Independent Expenditure included on the Schedule A to the C-4

report opposed Roger Goodman. The required information was provided 14 days late on an amended C-4 report.

- C. RCW 42.17A.245 by failing to timely file a Monetary Contributions report (C-3 report) by the required electronic method for a \$35,000 monetary contribution from the Reagan Fund received and deposited on June 20, 2014. The C-3 report was electronically filed 10 days late.

III. Facts

3. On June 24, 2014, New Majority (Reagan Fund) PAC (NMRF PAC) filed a Political Committee Registration (C-1pc report) as a continuing political committee. The registration disclosed that Jeffrey Possinger is the committee's sole officer, and serves as the committee's campaign treasurer, campaign manager/media contact, and chair. The name "Reagan Fund" is included in the name of the committee because the caucus-related Reagan Fund political committee is a "sponsor" of New Majority PAC as defined in RCW 42.17A.005(42)(b).
4. NMRF PAC filed a C-6 report on August 26, 2014, disclosing \$44,454 for electioneering communications made in opposition to Roger Goodman and presented to the public between July 14 and July 31, 2014. Based on the timing, media, and value of their advertisements identifying a candidate, NMRF PAC was required to file three C-6 reports disclosing the advertisements as electioneering communications. This information was filed between 25 and 42 days late, disclosing the following:
 - \$29,500 for Electioneering Communications presented to the public on July 14, 2014, for television advertisements in opposition to Roger Goodman. NMRF PAC was required to electronically file a C-6 report by July 15, 2014.
 - \$7,477 for an Electioneering Communication presented to the public on July 28, 2014, for direct mail advertising identified as "Mailer #1" in opposition to Roger Goodman. NMRF PAC was required to electronically file a C-6 report by July 29, 2014.

- \$7,477 for an Electioneering Communication presented to the public on July 31, 2014, for direct mail advertising identified as “Mailer #2” in opposition to Roger Goodman. NMRF PAC was required to electronically file a C-6 report by August 1, 2014.
5. On June 24, 2014, NMRF PAC timely filed a C-3 report, manually on paper, disclosing the receipt of a \$35,000 monetary contribution from the Reagan Fund received and deposited on June 20, 2014. On July 8, 2014, NMRF PAC received notification from PDC staff that its electronic filing account had been activated, but NMRF PAC did not file an electronic version of the C-3 report disclosing the receipt of a \$35,000 monetary contribution from the Reagan Fund until 10 days later on July 18, 2014.
 6. On July 18, 2014, NMRF PAC filed the 21-day pre-primary election C-4 report electronically disclosing the receipt of \$35,000 in monetary contributions, and expenditures made during the reporting period. The C-4 report filed by NMRF PAC: (1) disclosed three expenditures to Minnick & Minnick, Inc. on June 24, 2014 for “Media Production” (\$24,100 and \$5,400), and “Web Media” (\$5,500); (2) checked the independent expenditure (IE) box on the front of the C-4 report; and (3) listed “I” in the expenditure code, but failed to identify the candidate supported or opposed by the IE on the schedule A to C-4 report. The report was filed three days late.
 7. On July 29, 2014, NMRF PAC filed an amended 21-day pre-primary C-4 report, disclosing that the independent expenditures it sponsored during that reporting period opposed Roger Goodman. This information was disclosed 14 days late.

IV. Law

RCW 42.17A.005(19)(a) defines "Electioneering communication" to mean any broadcast, cable, or satellite television or radio transmission, United States postal service mailing, billboard, newspaper, or periodical that: (i) Clearly identifies a candidate for a state, local, or judicial office either by specifically naming the candidate, or identifying the candidate without using the candidate's name; (ii) Is broadcast, transmitted, mailed, erected, distributed, or otherwise published within sixty days before any election for that office in the jurisdiction in which the candidate is seeking election; and (iii) Either alone, or in combination with one or more communications identifying the candidate by the same sponsor during the sixty days before an election, has a fair market value of one thousand dollars or more.

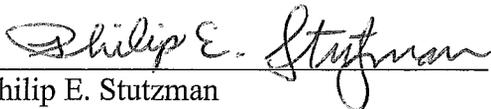
RCW 42.17A.305 requires that the sponsor of an electioneering communication shall report to the commission within twenty-four hours of, or on the first working day after, the date the electioneering communication is broadcast, transmitted, mailed, erected, distributed, or otherwise published, and include: (a) Name and address of the sponsor; (b) Source of funds for the communication, (c) Name and address of the person to whom an electioneering communication related expenditure was made; (d) A detailed description of each expenditure of more than one hundred dollars; (e) The date the expenditure was made and the date the electioneering communication was first broadcast, transmitted, mailed, erected, distributed, or otherwise published; (f) The amount of the expenditure; and (g) The name of each candidate clearly identified in the electioneering communication, the office being sought by each candidate, and the amount of the expenditure attributable to each candidate.

RCW 42.17A.225, 235 and 240 require continuing political committees to file timely, accurate reports of contributions and expenditures. Under the full reporting option, until five months before the general election, 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 in which the committee makes expenditures, and in the month following the election. Contributions are reported weekly during this same time period, and must be disclosed on Monday for contributions deposited the previous seven days.

WAC 390-16-037 requires political committees to disclose the purpose of expenditures reported under RCW 42.17A.240, including the name of any candidate supported or opposed by the expenditure, and the details of goods and services to be provided by the recipient of the expenditure.

RCW 42.17A.245 requires political committees that expended five thousand dollars or more in the preceding year, or expect to expend five thousand dollars or more in the current year, to file all required contribution reports and expenditure reports electronically.

RESPECTFULLY SUBMITTED this 7th day of January, 2015.



Philip E. Stutzman
Director of Compliance