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

March 7, 2017

Sent electronically by email to David Rose: *david.rose3213@gmail.com*

David Rose, Chair
Benton County Democratic Central Committee
PO Box 636
Richland, WA 99352

Subject: Commission Order, Benton County Democratic Central Committee, PDC Case 2603

Dear Mr. Rose:

Enclosed is a copy of the Public Disclosure Commission's Order Imposing Fine that was entered in the above-referenced case concerning the Benton County Democratic Central Committee (BCDCC).

At the February 23, 2017 Commission meeting, the Commission accepted the signed Stipulation of Facts and Violations that had been agreed to by PDC staff and the BCDCC. The Commission assessed a total civil penalty of $3,000 against the BCDCC, of which $2,000 is suspended on the following conditions:

1. The BCDCC pays the $1,000 non-suspended portion of the penalty within 30 days of the date of this Order. The $1,000 non-suspended portion of the penalty is payable within 30 days of this Order or not later than April 5, 2017.

   Please make the $1,000 check or money order payable to the WA State Treasurer, and mail the payment to the address listed below:

   WA State Treasurer - Public Disclosure Commission
   Financial Office
   PO Box 41465
   Olympia, WA 98504-1465

2. The BCDCC commits no further violations of RCW 42.17A or WAC 390 for four years from the date of this Order.

3. In the event you fail to meet any of the above terms of this order, the entire penalty of $3,000 which includes the suspended portion of the penalty ($2,000), will become immediately due without any further intervention of the Commission. PDC staff will refer your debt to the Department of Enterprise Services (DES) for collection.

Thank you for your participation at the Hearing.

If you have questions, please contact Phil Stutzman at (360) 664-8853; toll free at (877) 601-2828 or by email at phil.stutzman@pdc.wa.gov.

Sincerely,

Kurt Young
Compliance Officer

Enclosure

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

In re the Matter of Enforcement Action Against: Benton County Democratic Central Committee, Respondent.	PDC CASE NO. 2603 FINAL ORDER

I. INTRODUCTION

This matter was heard by the Washington State Public Disclosure Commission (Commission) on February 23, 2017 at the Public Disclosure Commission Office, 711 Capitol Way, Room 206, Olympia, Washington 98504. The hearing was held pursuant to RCW 34.05, RCW 42.17A, and WAC 390-37. The proceeding was open to the public and recorded.

Commissioners Anne Levinson, Chair, John Bridges, Vice Chair, and David Ammons were present. Phil Stutzman, Senior Compliance Officer, presented the matter on behalf of Public Disclosure Commission Staff (Staff). Chad Standifer, Assistant Attorney General, was also present on behalf of Staff. Also present by phone was David Rose, Chair of the Benton County Democratic Central Committee.

The parties submitted to the Commission a proposed Stipulation as to Jurisdiction, Facts, and Violation (Stipulation). The Commission determined that the Stipulation would be accepted without modification.

The parties did not stipulate to a proposed penalty. Both Staff and the Respondent made presentations regarding penalty. The Commission did not consider information outside the evidence presented by the parties.

After reviewing the record, including the Stipulation, listening to the parties' presentations, the Commission HEREBY ORDERS that the following Findings of Fact, Conclusions of Law, and Final Order of the Commission be entered:

II. FINDINGS OF FACT

1. On August 24, 2015, Marilyn Moore filed a complaint with the Public Disclosure Commission (PDC) alleging that the Benton County Democratic Central Committee (BCDCC) had not filed any reports with the PDC since October 13, 2014. PDC Staff confirmed that as of the date of the complaint, the last C-4 report of contributions and expenditures on file was received October 15, 2014, covering the period of October 1, 2014 through October 14, 2014.

2. On September 16, 2015, PDC Staff sent a copy of the complaint to the BCDCC, and on September 30, 2015, Jhoanna Jones, newly appointed BCDCC Treasurer, sent an email to PDC Staff stating she had completed the missing reports for 2015, and would forward the reports to the PDC as soon as they were signed.

3. The reports were not received from Ms. Jones as promised, and on February 8, 2016, PDC Staff sent another request for a response to the complaint to the Chair, Vice Chair, and Secretary of the BCDCC.

4. On February 12, 2016, staff received an email from Regina Speer, stating she became Chair of the BCDCC on January 20, 2016. She said she asked Ms. Jones to resign as Treasurer, which she did. Ms. Speer said the only documentation she received from Ms. Jones was three months of bank statements. Ms. Speer also said there was a Treasurer before Ms. Jones' short tenure, who did not forward any documentation of her work to Ms. Jones. As of

February 21, 2016, the most recent C-1pc committee registration listed Jay Clough Chair, Rebecca Voll, Vice Chair, and Fatema Karim, Treasurer.

5. On February 22, 2016 Michele Levenite submitted a C-1pc listing the following new committee officers: Regina Speer, Chair and Michele Levenite, Treasurer.

6. Ms. Levenite identified two fundraisers for which adequate records were not kept: (1) A May 2015 Norm Miller Leadership Dinner fundraiser, a $75 per person fundraiser; and (2) a December 4, 2015, All Democrats Holiday Party Celebration Winter Fests Around the World fundraiser, a $40.00 per person fundraiser. Ms. Levenite worked with the bank and reconstructed a list of contributors for both fundraisers.

7. On behalf of the BCDCC, Ms. Levenite filed multiple missing reports between July 27, 2016 and December 13, 2016. These reports included 18 late-filed C-4 reports totaling $34,707.41 in expenditures. The C-4 reports were filed between 1 and 638 days late, and included expenditures made between September 1, 2014 and November 30, 2016. Ms. Levenite also submitted 45 late-filed C-3 reports totaling $18,503.10. The C-3 reports were filed between 8 and 632 days late, and included deposits made between October 17, 2013 and October 31, 2016.

Statement of Intention Concerning Future Reporting

8. Benton County Democratic Central Committee, through its Chair, David Rose, affirms the Committee's intention to implement a system of internal control that will ensure consistent, timely, accurate reports in the future. This system will include having at least one current officer of the Committee verify on a monthly basis that all required reports have been filed with the PDC by the Treasurer.

III. CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this proceeding pursuant to RCW 42.17A, the State campaign finance and disclosure law; RCW 34.05, the Administrative Procedure Act; and WAC 390.

2. RCW 42.17A.205 states in part: "Every political committee shall file a statement of organization with the commission. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier." Subsection 4 also states that "any material change in information preciously submitted in a statement of organization shall be reported to the commission within ten days following the change."

3. RCW 42.17A.210 states in part: "In the event of death, resignation, removal or change of a treasurer or deputy treasurer, the candidate or political committee shall designate and file with the commission the name and address of any successor."

4. RCW 42.17A.235 and RCW 42.17A.240 requires candidates and 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 during the previous seven days. Subsection 6 of RCW 42.17A.235 states the treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred.

5. Respondent BCDCC violated RCW 42.17A.235 and .240 by failing to timely report contributions deposited between October 17, 2013 and October 31, 2016 totaling $18,503.10, and expenditures made between September 1, 2014 and November 30, 2016 totaling $34,707.41.

6. Respondent BCDCC violated RCW 42.17A.205 by failing to file updated committee registration forms disclosing a change in treasurers on two occasions.

7. Respondent BCDCC violated RCW 42.17A.235(6) by failing to preserve books of account concerning its contributions received.

IV. ORDER

Based upon the findings and conclusions, the Commission orders that:

1. Respondent BDCC is assessed a total civil penalty of $3,000.00, of which $2,000.00 is suspended on the following conditions:

   a. Respondent BCDCC pays the $1,000.00 non-suspended portion of the penalty within 30 days of receiving this Order.

   b. Respondent BCDCC is in compliance with all required reporting obligations under RCW 42.17A and WAC 390.

   c. Respondent BCDCC commits no further violations of RCW 42.17A or WAC 390 for four years from the date of the Order.

   d. In the event Respondent BCDCC fails to meet any of the above terms of this order, the entire penalty of $3,000.00, which includes the suspended portion of the penalty ($2,000.00) will become immediately due without any further intervention of the Commission, and PDC Staff will refer any outstanding debt to the Department of Enterprise Services (DES) for collection.

The Executive Director is authorized to enter this order on behalf of the Commission.

So ORDERED this 7th day of March, 2017.

WASHINGTON STATE PUBLIC
DISCLOSURE COMMISSION

FOR THE COMMISSION:

Evelyn Fielding Lopez
Executive Director

Copy of this Order mailed and emailed to:
David Rose, Chair BDCC (chair@bencodems.org)
Phil Stutzman, PDC Staff (phil.stutzman@pdc.wa.gov)

I, Kurt Young, certify that I mailed a copy of this order to the Respondent/ Applicant at his/her respective address postage pre-paid on the date stated herein.
Signed Date 3/7/2017

NOTICE: RECONSIDERATION

PURSUANT TO THE PROVISIONS OF RCW 34.05.470 AND WAC 390-37-150 YOU MAY FILE A PETITION FOR RECONSIDERATION WITH THE PDC WITHIN TWENTY-ONE (21) DAYS FROM THE DATE THIS FINAL ORDER IS SERVED UPON YOU. ANY REQUEST FOR RECONSIDERATION MUST STATE THE SPECIFIC GROUNDS FOR THE RELIEF REQUESTED. PETITIONS MUST BE DELIVERED OR MAILED TO THE WASHINGTON STATE PUBLIC DISCLOSURE COMMISSION, 711 CAPITOL WAY, ROOM 206, BOX 40908, OLYMPIA WA 98504-0908.

NOTICE: PETITION FOR JUDICIAL REVIEW

YOU HAVE THE RIGHT TO APPEAL THIS FINAL ORDER TO SUPERIOR COURT, PURSUANT TO THE PETITION FOR JUDICIAL REVIEW PROVISIONS OF RCW 34.05.542. ANY PETITION FOR JUDICIAL REVIEW OF THIS FINAL ORDER MUST BE FILED WITH THE COURT AND ALSO SERVED UPON BOTH THE COMMISSION AND THE OFFICE OF THE ATTORNEY GENERAL WITHIN THIRTY (30) DAYS AFTER THE DATE THIS FINAL ORDER IS SERVED UPON YOU.