



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

September 1, 2017

Sent electronically to Steven Drew at “drew4peacenow@aol.com”

2016 Sam Hunt Campaign
Attn: Steven Drew, Treasurer

Subject: Payment of legal fees related to AG complaint and investigation

Mr. Drew,

This letter is a follow-up to the telephone conversation I had last evening with you in your capacity as Treasurer for the 2016 Sam Hunt for State Senate Campaign (Campaign). Our telephone conversation concerned an August 29, 2017, email you sent to PDC staff requesting confirmation about how to report legal fees that had been incurred by the Campaign related to several Glen Morgan complaints filed with the Washington State Attorney General’s Office (AG) and the PDC.

You indicated that the Campaign had previously contacted PDC staff about how to report the debt for the legal fees that were incurred related to the investigation conducted by the AG. Your understanding from those discussions was that you should report the debt being incurred for the legal fees on the Summary Full Report of Contribution and Expenditure (C-4 report) for the Sam Hunt Surplus Funds Account, which you did.

Recently, the Campaign contacted PDC with questions about paying the AG fine and investigative expenses, and which account to use. The Campaign was advised in an email to pay those expenses using campaign funds (either the 2016 Campaign or a 2020 Campaign, the latter of which you indicated had not been established). On August 9, 2017, the following information was filed with the PDC:

1. The 2016 Campaign filed a C-4 report covering the period February 1 through July 31, 2017, disclosing a \$5,107.50 expenditure to pay the AG fines and costs related to the Glen Morgan complaints.
2. The Sam Hunt Surplus Funds account filed a C-4 report covering the period June 1 through July 31, 2017, disclosing three debts totaling \$1,050 as outstanding liabilities owed to Younglove & Cooker, PLLC, for legal fees.

Staff would revise our prior advice and recommend that the 2016 Campaign pay the \$1,050 in legal fees currently owed as outstanding liabilities to Younglove & Cooker, PLLC, using Campaign funds, rather than paying the expenditure with surplus funds.

Staff would note that the Campaign has already amended the August 9, 2017, C-4 report disclosing the previously disclosed surplus funds debt for legal fees owed to Younglove & Cooker, PLLC, as a Campaign debt.

Based on my review, it does not appear that the 2016 Campaign has enough funds to pay the \$1,050 outstanding obligations. Therefore, PDC staff advises that:

- You transfer surplus funds back into the 2016 Campaign as a Miscellaneous Receipt, and then make an expenditure to Younglove & Cooker, PLLC to pay the legal fees.
- You file C-3 and C-4 reports for the 2016 Campaign and a C-4 report for the surplus funds account.

Please let me know if you have any questions, and thank you for your attention to this matter.

Sincerely,



Kurt Young
PDC Compliance Officer
(360) 664-8854 Direct Line

