

Fox Blackhorn

From: Perkins, Tony (ATG) <TonyP@ATG.WA.GOV>
Sent: Wednesday, November 22, 2017 12:05 PM
To: Steve Kirby
Subject: RE: 2016 Steve Kirby Campaign - Citizen Action Notice - Request for Response

Thank you for your response, Representative Kirby. I'll review it and contact you if I have any questions.

Tony Perkins

Investigator, Campaign Finance Unit
Washington Attorney General's Office
Desk 360.570.3402 | Mobile 360.485.3368 | Email tonyp@atg.wa.gov

From: Steve Kirby [<mailto:stevekirby@harbournet.com>]
Sent: Wednesday, November 22, 2017 11:37 AM
To: Perkins, Tony (ATG) <TonyP@ATG.WA.GOV>
Subject: RE: 2016 Steve Kirby Campaign - Citizen Action Notice - Request for Response

Dear Mr. Perkins,

Below are my specific responses to the complaint by Mr. Morgan. I've acted as my own treasurer for 10 years. I'm pretty good at running the PDC software and I keep pretty good records, but I'm not perfect. As you will see, when I discover mistakes, I fix them and report them – and that's what most of the late filings are in Exhibit A. I take exception to the "Failure to report debt" allegations in Exhibit B. I have never incurred any debt in any campaign. I am not aware of the requirement to disclose the level of detail included in the allegations in Exhibit B, but if it is determined that I need to do that, I'll fix it. Let me know if this isn't sufficient or if it's more information than you need. I'm happy to cooperate in any way that makes everyone's job easier.

Steve Kirby

Exhibit B – Late reports:

1. This C-4 was inadvertently filed late. I discovered it when I went to file alleged violation #3 and immediately filed the report.
1. When I discovered that I hadn't filed the above C-4, I amended the report to show the \$5.13 worth of bank interest that had accumulated.
2. Mr. Morgan is mistaken. This form was filed properly *one day early*. It is my understanding that we are not required to file monthly C-4 reports unless or until the total of any and all financial activity reaches \$200.00. That is a common occurrence for incumbent legislators during the first quarter of the year while we're in session, and there's a process that allows us to consolidate reporting periods during those times. That's what I did and as far as I can tell, I did it right.
2. The report in question was the final C-4 report for the 2016 campaign cycle. It was due on 1/10/17. I did all the input to complete the form on time – but apparently did not upload the report to the DC. It was simply a mistake on my part that I corrected as soon as I discovered it in April of 2017.
3. While I was away at the legislative session, accrued interest was added to my campaign account. I reported it as soon as I discovered it when I filed the C-4 in #1 above.
4. This one is exactly the same circumstance as #5.

5. The contributions in question were inadvertently deposited after the required five business days. The moment I discovered they had not been deposited, I chose to disclose my mistake to the PDC, in the spirit of full disclosure.
3. When I discovered the 11 cents of accrued interest to my account, I reported it immediately.
4. I amended my C-4 to reflect the 11 cents I overlooked in #8 above.
5. This C-4 was inadvertently filed late. I immediately filed the report upon discovering I was late.
6. Exactly the same as above.
6. This report was inadvertently filed late. I immediately filed the report upon discovering I was late.
7. This C-4 was inadvertently filed late. I immediately filed the report upon discovering I was late.
8. I received the contributions on the 24th and deposited them on the 27th. I'm not sure if that was a violation or not.
9. When I discovered the \$5.56 of accrued interest to my account, I reported it immediately.

Exhibit = – Failure to Report Debt

I dispute every alleged violation on this exhibit. The moment a vendor sends me invoices, I pay them and report them as an expenditure on the following month's report. It appears that Mr. Morgan simply lists most of my committee's expenses and claims they should have been reported as debt on the previous C4 report without explanation or review. I'll leave it to the PDC to determine the validity of this accusation – at which point they would probably need to specify a mechanism for campaigns to comply. If deemed to be a violation, I'll do what it takes to amend the appropriate reports.

Exhibit = – Failure to break down expenditures

1. I don't know the identity of the sub-vendor or the number of items printed. I recall receiving an invoice from the consultant who produced the mailer and I paid it. Unfortunately, I am unable to locate the invoice on my computer. I can provide this information if needed, but I will need more time to get this information given the short timeframe allowed for my response to these allegations, over the Holiday weekend.
1. The invoices are attached. It appears as though the sub-vendor is Johnson Cox Printing on 6091. I was unaware that this level of detail is required to be included in the report, but I will amend the C4 report. There is no sub-vendor included on 6100, nor is there any indication of the exact number of items printed. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the #4 Report.
2. This refers to information on Invoice 6111 which is attached. There is no sub-vendor or number of items printed on the invoice. I was unaware that this level of detail is required to be included in the report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 Report.
2. This refers to information on Invoice 6061 which is attached. There is no sub-vendor or number of items printed on the invoice. I was unaware that this level of detail is required to be included in the report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 Report.
3. This refers to information on Invoice 6065 which is attached. There is no sub-vendor or number of items printed on the invoice. I was unaware that this level of detail is required to be included in the report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 Report.
4. This refers to the "printing" totals on invoices 6082 and 6084 which are attached. There is no sub-vendor or number of items printed on the invoice. I was unaware that this level of detail is required to be included in the

report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 report.

3. This refers to information on Invoice 6152 which is attached. It appears as though the sub-vendors are Johnson Cox Printers, Emprission Media, and TEKS Services. There is no indication of the number of items printed. I was unaware that this level of detail is required to be included in the report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 report.
4. This refers to information on Invoice 6161 which is attached. It appears as though the sub-vendors are Johnson Cox Printers, Emprission Media, and TEKS Services. There is no indication of the number of items printed. I was unaware that this level of detail is required to be included in the report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 report.
5. This refers to information on Invoice 6171 which is attached. It includes the sub-vendor, TEKS Services, but there may be others. There is no indication of the number of items printed. I was unaware that this level of detail is required to be included in the report. Again, per #1, I might need more time to get this information from the consultant if in fact, it is required by the PDC, in which case I will amend the C4 Report.

From: Perkins, Tony (ATG) [mailto:TonyP@ATG.WA.GOV]

Sent: Monday, November 13, 2017 2:24 PM

To: stevekirby@harboret.com

Subject: 2016 Steve Kirby Campaign - Citizen Action Notice - Request for Response

Dear Representative Kirby,

I am writing to let you know that on Thursday, November 2, 2017, the Washington Attorney General's office received a citizen action notice complaint filed under RCW 42.17A.765(4) by Glen Morgan, alleging violations of Washington's campaign finance and disclosure requirements by the 2016 Steve Kirby Campaign. I've attached an electronic copy of the complaint and attachments for your review.

Per state law, the initial 45-day notice period for this complaint expires Sunday, December 17, 2017. After reviewing the allegations, please provide a written response to me by email. A response by Monday, November 27, 2017 would be appreciated.

Finally, please reply to this email to confirm receipt. Thank you for your attention to this.

Sincerely,

Tony Perkins

Investigator, Campaign Finance Unit

Washington Attorney General's Office

Desk 360.570.3402 | Mobile 360.485.3368 | Email tonyp@atg.wa.gov

&nb=;

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6061

Date: 05/05/2015

Item	Description	Taxable	Unit Price	Total
Production, Targeting, and Mailhouse	Progressive Strategies NW	✓		2,449.74
Postage	USPS			1,741.00

Subtotal:	2,449.74
Tax Rate:	%9.6
Tax:	235.18
Professional Services:	
Miscellaneous:	1,741.00
Paid to Date:	
Balance Due:	\$4,425.92

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6065

Date: 05/10/2015

Item	Description	Taxable	Unit Price	Total
Production, Targeting, and Mailhouse	Progressive Strategies NW	✓		2,649.65
Postage	USPS			1,741.00

Subtotal:	2,649.65
Tax Rate:	%9.6
Tax:	254.37
Professional Services:	
Miscellaneous:	1,741.00
Paid to Date:	
Balance Due:	\$4,645.02

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6082

Date: 07/12/2015

Item	Description	Taxable	Unit Price	Total
Production, Targeting, & Mailhouse	Progressive Strategies NW	✓		4,745.46
Postage	USPS			3,415.65

Subtotal:	4,745.46
Tax Rate:	9.6%
Tax:	455.53
Professional Services:	
Miscellaneous:	3,415.65
Paid to Date:	
Balance Due:	\$8,616.24

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6084

Date: 07/13/2015

Item	Description	Taxable	Unit Price	Total
Production, Targeting, & Mailhouse	Progressive Strategies NW	✓		4,745.46
Postage	USPS			3,415.65

Subtotal:	4,745.46
Tax Rate:	9.6%
Tax:	455.53
Professional Services:	
Miscellaneous:	3,415.65
Paid to Date:	
Balance Due:	\$8,616.24

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6091

Date: 07/26/2015

Item	Description	Taxable	Unit Price	Total
Remits	Johnson Cox Printing	✓		225.00

Subtotal:	225.00
Tax Rate:	%9.5
Tax:	21.60
Professional Services:	
Miscellaneous:	
Paid to Date:	
Balance Due:	\$246.60

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6100

Date: 07/26/2015

Item	Description	Taxable	Unit Price	Total
Production, Targeting, and Mailhouse	Progressive Strategies NW	✓		3,843.05
Postage	USPS			2,546.02

Subtotal:	3,843.05
Tax Rate:	%9.5
Tax:	368.93
Professional Services:	
Miscellaneous:	2,546.02
Paid to Date:	
Balance Due:	\$6,758.00

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6111

Date: 07/26/2015

Item	Description	Taxable	Unit Price	Total
Production, Mailhouse, & Targeting	Progressive Strategies NW	✓		3,405.64
Postage	USPS			2,356.43

Subtotal:	3,405.64
Tax Rate:	%9.6
Tax:	326.94
Professional Services:	
Miscellaneous:	2,356.43
Paid to Date:	
Balance Due:	\$6,089.01

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6152

Date: 10/18/2016

Item	Description	Taxable	Unit Price	Total
Printing	Johnson Cox Printing	✓		1,465.00
Graphic Design	Empression Media	✓		325.00
Production	Progressive Strategies NW	✓		1,140.55
Mailhouse	TEKS Services			1,099.87
Targeting	Progressive Strategies NW			1,140.55
Postage	USPS			3,574.01

Subtotal:	2,930.55
Tax Rate:	9.6%
Tax:	281.33
Professional Services:	2,240.42
Miscellaneous:	3,574.01
Paid to Date:	
Balance Due:	\$9,026.31

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6161

Date: 10/28/2016

Item	Description	Taxable	Unit Price	Total
Printing	Johnson Cox Printing	✓		1,841.00
Graphic Design	Empression Media	✓		650.00
Production	Progressive Strategies NW	✓		943.20
Mailhouse	TEKS Services			936.00
Targeting	Progressive Strategies NW			943.20
Postage	USPS			3,052.61

Subtotal:	3,434.20
Tax Rate:	9.6%
Tax:	329.68
Professional Services:	1,879.20
Miscellaneous:	3,052.61
Paid to Date:	
Balance Due:	\$8,695.69

Progressive Strategies NW

25 N Broadway #108

Tacoma, WA 98403

Phone: 253-459-4758

E-Mail: Nic@ProgressiveStrategiesNW.com

Invoice

Bill To:

Steve Kirby Campaign

9415 Tacoma Ave S

Tacoma, WA 98444

Invoice No.: 6171

Date: 11/02/2016

Item	Description	Taxable	Unit Price	Total
Production	Progressive Strategies NW	✓		887.23
Targeting	Progressive Strategies NW			887.23
Mailhouse	TEKS Services			770.46
Postage	USPS			2,625.13

Subtotal:	887.23
Tax Rate:	9.6%
Tax:	85.17
Professional Services:	1,657.69
Miscellaneous:	2,625.13
Paid to Date:	
Balance Due:	\$5,255.22



Bob Ferguson
ATTORNEY GENERAL OF WASHINGTON

Campaign Finance Unit
PO Box 40100 • Olympia, WA 98504-0100 • (360) 753-6200

June 4, 2018

Mr. Glen Morgan
1001 Cooper Point Road, No. 140-222
Olympia, WA 98502

RE: Citizen Action Notice – Steve Kirby
Notice of Results

Dear Mr. Morgan:

The Attorney General's Office has completed its initial review of the allegations you made against Steve Kirby in your citizen action notice under RCW 42.17A.765(4). You identified that you had previously filed the same allegations in a complaint to the Public Disclosure Commission.

The AGO reviewed your notice and attachments and did an initial review of the allegations. Based on that evaluation, the AGO has determined that the matter should be left to the discretion of the Public Disclosure Commission. Under the recently passed House Bill 2938, the State Legislature determined that the Commission and its staff should have the opportunity to review and act on allegations under RCW 42.17A.

Sincerely,

LINDA A. DALTON
Senior Assistant Attorney General

LAD/nh

cc: Aileen Huang, Deputy Attorney General
Steve Kirby, Respondent
Elizabeth Petrich, Thurston County Prosecuting Attorney's Office
Mark Lindquist, Pierce County Prosecuting Attorney's Office
Peter Lavalley, Executive Director, Public Disclosure Commission