



**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](mailto:pdcc@pdcc.wa.gov) • Website: [www.pdcc.wa.gov](http://www.pdcc.wa.gov)**

February 7, 2019

Delivered electronically to Frank Chopp at [jason@argostrategies.com](mailto:jason@argostrategies.com)

Subject: Two complaints filed against Frank Chopp, PDC Cases 25236 & 28282

Representative Chopp:

Below is a copy of a letter sent electronically to Glen Morgan concerning two complaints he filed with the Public Disclosure Commission (PDC) against you. As noted below in the letter sent to Mr. Morgan, the PDC will not be conducting a more formal investigation or taking enforcement action concerning the allegations listed in the two complaints.

PDC staff is reminding you about the importance of the timely and accurate filing of C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by you as a candidate in the future.

Based on this information, the PDC has dismissed the allegations in the two complaints, PDC Case 25236 and PDC Case 28243, in accordance with RCW 42.17A.755(1).

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at [kurt.young@pdcc.wa.gov](mailto:kurt.young@pdcc.wa.gov).

Sincerely,

Endorsed by:

s/ \_\_\_\_\_  
Kurt Young, Compliance Officer

s/ \_\_\_\_\_  
BG Sandahl, Deputy Director  
For Peter Lavalley, Executive Director





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February 7, 2019

Delivered electronically to Glen Morgan at [glen@wethegoverned.com](mailto:glen@wethegoverned.com)

Subject: Two complaints regarding Frank Chopp, PDC Cases 25236 & 28282

Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the two complaints you filed against Frank Chopp, an incumbent State Legislator and a candidate seeking re-election to that office in 2016 and 2018, on September 18, 2017 for PDC Case 25236, and on December 11, 2017 for PDC Case 28282. The complaints alleged that Representative Chopp may have violated 42.17A.235 for failure to timely and accurately file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), disclosing contribution and expenditure activities, including debts and obligations undertaken by the Campaign.

PDC staff reviewed your allegations listed in the two complaints; the applicable statutes, rules, and reporting requirements; the C-3 and C-4 reports filed by the Citizens for Frank Chopp (Campaign); and the response provided by the Campaign. Based on staff's review, we found the following:

- On December 14, 2015, Frank Chopp filed an amended Candidate Registration (C-1 report) for his candidacy for re-election as State Representative in the 43<sup>rd</sup> Legislative District in 2016, selecting the Full Reporting Option and listing Jason Bennett as Treasurer. Speaker Chopp was first elected as a State Representative in 1994, and served as Speaker or Co-Speaker of the House from 1999 through 2018.
- On January 11, 2017, Frank Chopp filed a C-1 report declaring his candidacy for re-election as State Representative in the 43<sup>rd</sup> Legislative District in 2018, selecting the Full Reporting Option and listing Jason Bennett as Treasurer.

**PDC Case 25236:**

- The complaint alleged that Campaign failed to timely file C-3 and C-4 reports. PDC staff reviewed the 16 C-3 and C-4 reports you attached in the spreadsheet. Staff's review found that eight of the alleged late filed reports were only filed one and two days late.
- For the remaining eight alleged late filed C-3 and C-4 reports, six of those reports were amended filings correcting minor reporting issues from previously reports that appear to have been initially timely filed. The two remaining alleged late filed reports were filed as follows:

1. A C-3 report was filed on December 12, 2016, disclosing the receipt of a \$2,000 contribution received from Orin and Janet Smith on November 2, 2016, and deposited in the bank account on November 3, 2016. The C-3 report was required to be filed no later than November 6, 2016, and was filed 35 days late
  2. A C-3 report was filed on March 10, 2015, disclosing a \$500 Miscellaneous receipt for a \$500 refund from the candidate received and deposited on January 26, 2015. December 12, 2016. The C-3 report was required to be filed no later than February 10, 2015, however a refund is not listed under the definition of what a contribution includes in accordance with RCW 42.17A.005(16)(a).
- On March 27, 2017, Frank Chopp entered into a Stipulated Agreement with the Washington State Attorney General's Office in Thurston County Superior Court (TCSC) Case 17-2-00847-34, concerning late C-3 and C-4 reports; reimbursements for travel and office supplies; and untimely returns of over-limit contributions. Staff believes that the settlement agreement covers the alleged late filed C-3 and C-4 reports listed in the spreadsheet and summarized above.
  - Finally, you alleged that the May 2017 C-4 report was filed late by the Campaign. Staff's review confirmed that the Campaign filed the May 2017 C-4 report on June 11, 2017, which was a Sunday. In accordance with RCW 42.17A, whenever a mandatory filing date falls on the weekend, the C-3 and/or C-4 report(s) are due the following Monday. Since the June 10, 2017 filing date was a Saturday, the filing date for the May 2017 C-4 report was June 12, 2017, the C-4 report was timely filed one day early.

#### **PDC Case 28282:**

- The complaint stated that candidates are required to disclose "contingent contractual liabilities" as debt on Schedule B to the C-4 report, in accordance with WAC 390-16-042, and referenced that Speaker Chopp had entered into a settlement agreement with the Attorney General's Office (AGO) concerning campaign finance violations.
- The complaint alleged that the Campaign failed to disclose the \$1,740 suspended portion of the monetary penalty agreed to in the settlement agreement as debt, and that was a violation of RCW 42.17A.
- For your information, the suspended portion of a penalty that is contingent on the finding of a future violation is not reportable as a debt.

Based on these findings and the settlement agreement, staff has determined that, in this instance the Campaign's failure to timely file one C-3 report disclosing \$2,000 in monetary contributions received representing less than .8 percent of total contributions received for the 2016 election cycle, does not amount to a material violation warranting further investigation.

As noted above, a Respondent that has agreed to violations or has been found in violation and assessed a monetary penalty, and a portion of that penalty has been suspended, the suspended portion of the penalty is not reportable as debt. If in the future the same Respondent is found in violation, and the suspended portion of the penalty has been reinstated but is not timely paid as required, at that time the Campaign is obligated to disclose the portion of the penalty owed as debt, provided the new debt reporting requirements under ESHB 2938 have been met.

PDC staff is reminding Frank Chopp about the importance of the timely and accurate filing of C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by his Campaign in the future.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Kurt Young at 360-664-8854, toll-free at 1-877-601-2828, or by e-mail at [kurt.young@pdc.wa.gov](mailto:kurt.young@pdc.wa.gov).

Sincerely,

Endorsed by,

s/\_\_\_\_\_  
Kurt Young, Compliance Officer

s/\_\_\_\_\_  
BG Sandahl, Deputy Director  
For Peter Lavalley, Executive Director

cc: Frank Chopp

