



Smith & Dietrich Law Offices

South Sound Community Lawyers

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September 1, 2017

Via Electronic Delivery

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Re: *Citizen Action Notice Against Franklin County Republican Central Committee*

Dear Attorney General Ferguson and County Prosecuting Attorneys Tunheim and Sant,

I write you to notify you that there is good reason to believe several violations of chapter 42.17A RCW, Washington State's campaign finance law, have been committed by the Franklin County Republican Central Committee, a political committee (the "Respondent"), between 2015 and the present. Please note that, as provided by RCW 42.17A.765(4), in the event that you do not initiate an action against the Respondent within the applicable statutory notice periods for this Citizen Action Notice, I intend to satisfy any applicable notice requirements and proceed with an action in the name of the State. This message is being sent to each of you at the e-mail address you have provided to the Washington State Bar Association to ensure you receive notification of these allegations as required by RCW 42.17A.765(4).

This notice and the attached spreadsheet detail twenty apparent violations of various provisions of Washington's campaign finance law by the Respondent. The cumulative days late for all of the apparently untimely reporting included in this notice is 2,904 days as of today. The Respondent has apparently violated chapter 42.17A RCW as follows:

A. Failure to timely file and/or amend Public Disclosure Commission form C-3 and C-4 reports ("Summary, Full Report Receipts and Expenditures" and "Cash Receipts Monetary Contributions") (13 Apparent Violations)

The Respondent filed a significant volume of late reporting of its contributions and expenditures on forms C-3 and C-4 between 2015 and 2017. The attached spreadsheet identifies thirteen apparent violations of the law requiring timely reporting of contributions and expenditures during this period. RCW 42.17A.235, .240. Notably, two reports due prior to the August 2016 primary election were not filed until after it was over; another two reports were due prior to the November 2016 general election but only filed after it was over.

The apparent violations break down as follows:

| | |
|---|-------------|
| TOTAL DAYS LATE / REPORTS (2016) | 210 |
| TOTAL DOLLAR VALUE LATE (2016) | \$16,274.30 |

| | |
|--|-------------|
| TOTAL DAYS LATE / REPORTS (2017) | 260 |
| TOTAL DAYS LATE / DEPOSITS (2017) | 80 |
| TOTAL DOLLAR VALUE LATE (2017) | \$66,134.48 |

| | |
|---|--------------------|
| GRAND TOTAL DAYS LATE (2016-17) | 550 |
| GRAND TOTAL DOLLAR VALUES LATE (2016-17) | \$82,408.78 |
| GRAND TOTAL NUMBER OF LATE REPORTS | 13 |

B. Failures to timely report orders, debts, and obligations in Public Disclosure Commission form C-4 reports and Schedule B ("In Kind Contributions, Pledges, Orders, Debts, Obligations") (7 Apparent Violations)

Respondent apparently filed no Schedule B reporting of in-kind contributions, debts, obligations, or orders from 2015 to the present. This would be appropriate if no orders, debts, or obligations exceeding \$250 in value were incurred in any given reporting period, but paid in full at a later time. RCW 42.17A.235, .240. It appears, however, that unreported activity occurred, and that various reports of debts, orders, and obligations remain outstanding to date.

In particular, it appears that the following expenditures correspond to unreported orders placed, debts, obligations, and/or an in-kind loan existing in a prior reporting period. The cumulative lateness for these outstanding Schedule B and L reports would be a total of at least 2,354 days as of today, although the delinquency period continues to accrue. The specific instances of apparent violations include the following:

1. *February 20, 2016 Party Caucuses (At least one violation)*. Expenditures were reported of \$300 to CBC for "downpayment for caucus [sic] room" (dated 2/19/16) and \$500 to Chiawana High School for caucus space (dated 3/22/16). However, the caucuses themselves took place on February 20, 2016. These reported expenditures show that the Respondent incurred at least one reportable order, obligation, or debt related to the caucuses, incurred no later than February of 2016 and not paid in full until March. Furthermore, if the caucus meeting space was reserved prior to February, it would be reportable on Schedule B at an earlier time, but was not disclosed. At least one required report would be due no later than March 10, 2016, and would be at least 540 days late as of today, and still outstanding.

2. *March 26, 2016 Lincoln Day Dinner (Four violations)*. Expenditures were reported of \$500 to TRAC for “Downpayment for Lincoln Day Dinner” (dated 1/26/16), apparently for a rental fee; \$995 to Wallbuilders Presentation for a speaking fee (dated 1/26/16 and apparently a down payment); \$1,500 to Wallbuilders Presentation (dated 3/31/16) for a speaker’s fee for the dinner; \$325.80 to Sonja Photography for dinner photos (dated 5/10/16), \$250 to KONA for dinner ads (dated 5/6/16), \$530.69 to B & B Printing for services for the dinner (dated 5/6/16), \$10,236.21 to TRAC for the balance of the rental fee for the dinner (dated 4/20/16), and \$120 to Shawn Sant for a reimbursement related to the dinner (dated 4/22/16). These expenditures apparently relate to the Lincoln Day Dinner held at TRAC in the city of Pasco on March 26, 2016. These reported expenditures show that the Respondent incurred multiple reportable orders, obligations, and debts—and apparently an in-kind loan—related to the Lincoln Day Dinner event, starting in January 2016, and which were not fully paid until May 2016. Accordingly, the outstanding debts, orders, and obligations should have been disclosed on Schedule B, and the in-kind loan on Schedule L, but the activity was not reported on the forms required by law. The required reports would be due each month beginning on February 10, 2016, and continuing through April, and the earliest would be at least 569 days late as of today, and still outstanding. (Additionally, the March 10, 2016 report is 540 days late, the April 11, 2016 report is 508 days late, and the May 10, 2016 report is 479 days late as of today; all three are still outstanding.)
3. *May 5, 2017 Lincoln Day Dinner (Two violations)*. Expenditures were reported to Red Lion Hotels for the Lincoln Day Dinner in the amount of \$14,373.40 (four payments dated 5/9/17) and to Hope Unseen in the amount of \$3,540 (dated 5/9/17), apparently for a speaker’s fee. The venue and date for the dinner were apparently set by March 2, 2017, when Respondent reported paying a vendor to prepare flyers to advertise it. Additionally, a screenshot from the Respondent’s public Facebook page clearly shows the date and location for the event, and the speaker, were arranged and advertised to the public by March 24, 2017. Accordingly, Respondent incurred reportable debts, orders, and obligations by March 2017 that should have been disclosed on Schedule B, but the activity was not reported on the forms required by law. The required reports would be due each month starting no later than April 10, 2017, and continuing until the debts were fully paid, and the earliest would be at least 144 days late (and the second report, due May 10, 2017, would be 114 days late) as of today, and both are still outstanding.

I await your position as to whether there is reasonable cause for a civil enforcement action based on these allegations, and whether you will file such an action in the name of the State.

Sincerely,



Walter M. Smith

Enclosures: Microsoft Excel spreadsheet identifying reporting violations
Facebook posts dated 3/2/16, 3/24/17
Promotional flyer for 2016 Lincoln Day Dinner

cc: Linda A. Dalton, Senior Counsel, Attorney General's Office (via e-mail)
Public Disclosure Commission staff (via e-mail)

| <u>Number</u> | <u>Report Type</u> | <u>Date Filed</u> | <u>Amd.</u> | <u>Report due</u> | <u>Report days late</u> | <u>(C3's: Deposits)</u> | <u>(C3's: Deposit Amount reported late)</u> |
|---------------|--------------------|-------------------|-------------|-------------------|-------------------------|-------------------------|---|
| 100701470 | C4 | 6/12/2016 | Y | 5/10/2016 | 33 | | 10581.95 |
| 100715648 | C4 | 8/15/2016 | N | 7/12/2016 | 34 | | 115.00 |
| 100715649 | C4 | 8/15/2016 | N | 7/26/2016 | 20 | | 504.00 |
| 100725564 | C4 | 10/11/2016 | N | 9/12/2016 | 29 | | 350.00 |
| 100737378 | C4 | 12/11/2016 | N | 11/1/2016 | 40 | | 400.00 |
| 100737377 | C4 | 12/11/2016 | N | 10/18/2016 | 54 | | 4323.35 |

| | |
|--|----------|
| TOTAL DAYS LATE / REPORTS (2016) | 210.00 |
| TOTAL DAYS LATE / DEPOSITS (2016) | 0.00 |
| TOTAL DOLLAR VALUE LATE (2016) | 16274.30 |

| | | |
|-----------|----------|-----|
| 3/10/2016 | 9/1/2017 | 540 |
| 2/10/2016 | 9/1/2017 | 569 |
| 4/11/2016 | 9/1/2017 | 508 |
| 4/10/2017 | 9/1/2017 | 144 |
| 5/10/2017 | 9/1/2017 | 114 |
| 5/10/2016 | 9/1/2017 | 479 |

| <u>Number</u> | <u>Report Type</u> | <u>Date Filed</u> | <u>Am</u> | <u>Report due</u> | <u>Report days late</u> | <u>(C3's: Depos</u> | <u>(C3's: D</u> | <u>Amount reported late</u> |
|---------------|--------------------|-------------------|-----------|-------------------|-------------------------|---------------------|-----------------|-----------------------------|
| 100770399 | C3 | 6/19/2017 | N | 4/10/2017 | 70 | 4/30/2017 | 31 | 130.00 |
| 100770399 | C3 | 6/19/2017 | N | 5/10/2017 | 40 | | | 9906.84 |
| 100773253 | C3 | 7/9/2017 | N | 6/12/2017 | 27 | | | 4290.00 |
| 100773254 | C3 | 7/9/2017 | N | 6/12/2017 | 27 | | | 20805.00 |
| 100774713 | C3 | 7/11/2017 | N | 6/12/2017 | 29 | 6/30/2017 | 49 | 6770.40 |
| 100770398 | C4 | 6/19/2017 | N | 5/10/2017 | 40 | | | 2259.54 |
| 100773255 | C4 | 7/9/2017 | N | 6/12/2017 | 27 | | | 21972.70 |

| | |
|--|----------|
| TOTAL DAYS LATE / REPORTS (2017) | 260.00 |
| TOTAL DAYS LATE / DEPOSITS (2017) | 80.00 |
| TOTAL DOLLAR VALUE LATE (2017) | 66134.48 |

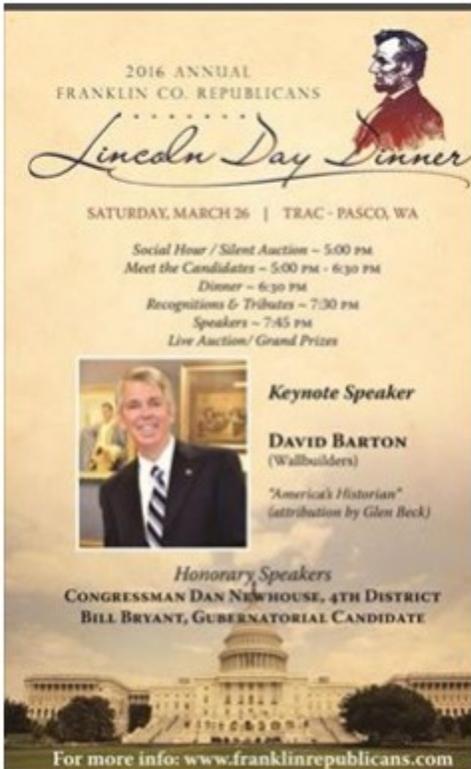
| | |
|---|----------|
| GRAND TOTAL DAYS LATE (2015-17) | 470.00 |
| GRAND TOTAL DAYS LATE / DEPOSITS (2015-17) | 80.00 |
| GRAND TOTAL DOLLAR VALUES LATE (2015-17) | 82408.78 |
| GRAND TOTAL NUMBER OF LATE REPORTS | 13 |



Franklin County Republicans of WA updated their cover

photo.

March 2, 2016 · 🌐



2016 ANNUAL
FRANKLIN CO. REPUBLICANS

Lincoln Day Dinner

SATURDAY, MARCH 26 | TRAC - PASCO, WA

Social Hour / Silent Auction - 5:00 PM
Meet the Candidates - 5:00 PM - 6:30 PM
Dinner - 6:30 PM
Recognitions & Tributes - 7:30 PM
Speakers - 7:45 PM
Live Auction / Grand Prizes

Keynote Speaker

DAVID BARTON
(Wallbuilders)
"America's Historian"
(attribution by Glen Beck)

Honorary Speakers
CONGRESSMAN DAN NEWHOUSE, 4TH DISTRICT
BILL BRYANT, GUBERNATORIAL CANDIDATE

For more info: www.franklinrepublicans.com

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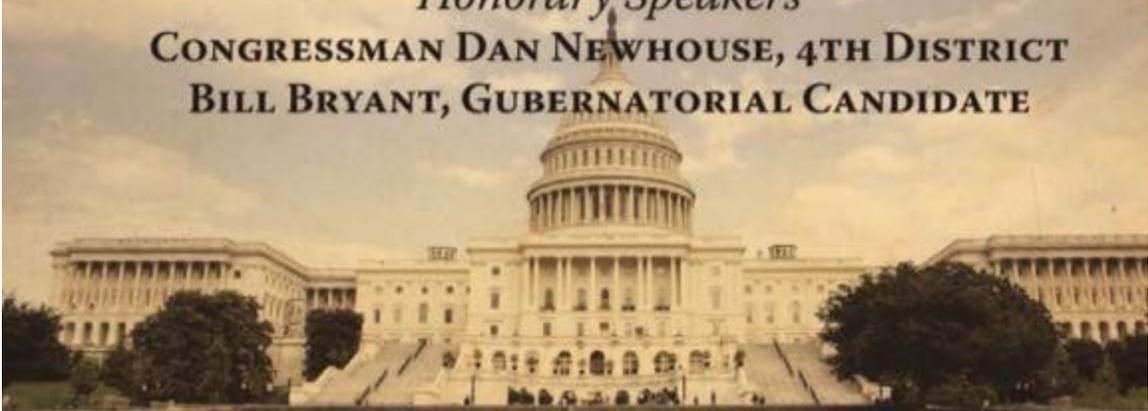
Keynote Speaker

DAVID BARTON
(Wallbuilders)

"America's Historian"
(attribution by Glen Beck)

Honorary Speakers

CONGRESSMAN DAN NEWHOUSE, 4TH DISTRICT
BILL BRYANT, GUBERNATORIAL CANDIDATE



For more info: www.franklinrepublicans.com



Franklin County Republicans of WA shared their photo.

March 24 · 🌐

Click this link to buy tickets: <http://franklinrepublicans.com/.../2017-lincoln-day-dinner-ti...> IT WILL BE AN AMAZING NIGHT!!!

2017 ANNUAL
FRANKLIN CO. REPUBLICANS

Lincoln Day Dinner



FRIDAY, MAY 5 | RED LION - PASCO, WA

Social Hour/ Raffle/Early Silent Auction First Look ~ 5:00pm

Welcome and Opening ~ 6:00pm

Dinner & Dessert Dash ~ 6:30pm

Raffle/Silent Auction/Door Prize Winners

Keynote Speaker ~ 7:45

Live Auction

Keynote Speaker
MAJOR SCOTTY SMILEY

