



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
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Toll Free 1-877-601-2828 • E-mail: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

March 11, 2019

Delivered electronically to “rudynjerry@centurylink.net”

Subject: Complaint filed by Glen Morgan, PDC Case 23292

Dear 31st Legislative District Democrats:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Glen Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(b), this letter serves as a warning letter concerning your failure to comply with the filing requirements noted in the enclosed letter sent to Glen Morgan. Staff expects you to timely and accurately file all required reports of contributions and expenditures in future years. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by email at pdcc@pdcc.wa.gov.

Sincerely,

/s _____
Fox Blackhorn
Compliance Coordinator 2

Endorsed by,

/s _____
Peter Lavalley
Executive Director



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March 11, 2019

Delivered electronically to “glen@wethegoverned.com”

Subject: Complaint regarding 31st Legislative District Democrats, PDC Case 23292

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on August 2, 2017. Your complaint alleged that the 31st Legislative District Democrats 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 contributions and expenditures undertaken by the Campaign; RCW 42.17A.240 for failure to accurately disclose debts and obligations; RCW 42.17A.240, WAC 390-16-037, and WAC 390-16-205 for failure to accurately and completely break down expenditures and sub-vendors; RCW 42.17A.205 for failure to accurately and completely disclose committee officers; and RCW 42.17A.425 for allowing non-committee officers to authorize expenditures on behalf of the committee.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the responses provided by the 31st Legislative District Democrats; the applicable PDC reports filed by Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

Based on staff’s review, we found the following:

- On February 3, 2015, the 31st Legislative District Democrats filed a C-1pc under the filer name “31st District Democratic Campaign Fund” choosing the Mini-Reporting option for election year 2015.
- In accordance with WAC 390-16-115(4), committees are required to file a new C-1pc before January 31 of each calendar year in which the committee intends to use the mini reporting system, and states that failure, *“to file a new registration statement during January will automatically terminate the committee’s entitlement to use the mini reporting system until such time as a new C-1pc is filed.”*
- The 31st District Democratic Campaign Fund filed a new C-1pc on March 14, 2016, choosing the Full Reporting option, triggering the requirement to back-file the missing C-3 and C-4 reports due under RCW 42.17A.235.
- The 31st District Democratic Campaign Fund late filed 5 missing C-3 reports, between 19-52 days late, disclosing \$1450 in contribution activity, for 10% of total contributions in that year.

- These back filed reports included 5 late deposits, totaling \$961 or 6% of total contributions for election year 2016, filed between 1-15 days after the deadline of RCW 42.17A.220, requiring deposits within 5 business days of receipt.
- The 31st District Democratic Campaign Fund made good faith efforts to comply, including by consulting with PDC staff, and worked diligently to file missing reports before the complaint was filed.
- In 2016, the 31st District Democratic Campaign Fund filed an additional 10 late reports in its non-exempt account, filed between 1-66 days late, disclosing \$7,670 or 50% of total contributions for that year.
- The 31st District Democrats also made two additional late deposits, depositing \$1,594, or 10% of total contributions, between 10-62 days late.
- On August 17, 2016, the 31st District Democratic Campaign Fund changed its name to the 31st Legislative District Democrats and began separating out exempt and non-exempt funds, filing necessary C-3 and C-4 reports to bring the exempt account up to current at that time.
- On October 2, 2016, the 31st Legislative District Democrats filed a C-3 indicating receipt of \$11,031 in contributions on October 28, 2016, deposited on October 30, 2016, appearing to certify for a future deposit.
- That same day, the 31st Legislative District Democrats amended the C-3 to show receipt of the contributions on September 28, 2016, but did not amend the C-3 deposit date, creating the appearance of a late deposit.
- On February 13, 2019, the 31st Legislative District Democrats amended the C-3 to show that the September 28, 2016, contributions had been deposited on October 1, 2016, not October 30, 2016.
- The 31st Legislative District Democrats failed to properly report debts for political advertising and caucus expenses as required by the version of RCW 42.17A.240 in effect at the time, which required reporting of all promises to pay or orders placed over \$50 that have been overdue for more than 30 days, or over \$250 with no time limitations.
- In addition, the 31st Legislative District Democrats also failed to properly break down number of items printed for mailed political advertising in accordance with RCW 42.17A.240 and WAC 390-16-037, and failed to provide breakdowns of sub-vendors in accordance with WAC 390-16-205.
- Insufficient evidence was provided to support the allegations that additional individuals should have been listed on the C-1pc, or that they authorized expenditures on behalf of the committee.
- The 31st Legislative District Democrats have no prior found violations of PDC laws or rules in the past five calendar years.

Based on these findings staff has determined that, in this instance, insufficient evidence exists to support a finding of an actual violation warranting further investigation.

Pursuant to WAC 390-37-060(1)(b), however, the 31st Legislative District Democrats will receive a formal written warning concerning failure to accurately and timely disclose all contribution and expenditure activity. The formal written warning will include staff's expectation that the 31st Legislative District Democrats timely and accurately file all future required reports of contributions and expenditures. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

/s _____
Fox Blackhorn
Compliance Coordinator 2

Endorsed by,

/s _____
Peter Lavalley
Executive Director

cc: 31st Legislative District Democrats