

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

November 29, 2018

Delivered electronically to "info@electmarty.com"

Subject: PDC Case 40597

Dear Martin McClendon:

Below is a copy of an electronic letter sent to Washington Senate Democratic Campaign concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted below to Washington Senate Democratic Campaign, the PDC will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(b), this letter serves as a warning letter concerning accepting over-limit contributions. Staff expects you to properly monitor incoming contributions in the future to stay within the limits of the law. The Commission will consider the 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 e-mail pdc@pdc.wa.gov.

Sincerely,
/s
Fox Blackhorn
Compliance Coordinator
Endorsed by,
Peter Lavallee
Executive Director



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November 29, 2018

Delivered electronically to "samantha@senatedemocrats.org"

Subject: Complaint regarding Friends of Marty McClendon, PDC Case 40597

Dear Samantha Kersul:

The Public Disclosure Commission (PDC) has completed its initial review of the complaint you filed on September 12, 2018. Your complaint alleged that Friends of Marty McClendon may have violated RCW 42.17A.405 for accepting over-limit contributions from Senate Republican Campaign Committee (SRCC).

PDC staff reviewed your allegations, and as a result of staff's initial review, we found the following:

- In 2018, Marty McClendon was a candidate for State Senator in the 26th Legislative District, under the Full Reporting Option.
- There were 93,037 registered voters in the 26th Legislative District.after the November 2017 general election. Based on the contribution limits found in RCW 42.17A.405 and indexed for inflation, in 2018 a caucus political committee had a contribution limit of \$1.00 per registered voter, so for 2018 Legislative candidates the SRCC's contribution limit in the 26th Legislative District was \$93,037 to Marty McClendon.
- Between May 31 through August 17, 2018, the SRCC made 14 different monetary and in-kind contributions to the Friends of Marty McClendon totaling \$96,632.11, which exceeded the contribution limits for the SRCC by \$3,595.11.
- Marty McClendon acknowledged receiving \$3595.11 in over-limit contributions from the SRCC, and on September 14, 2018, the day he received notice of the complaint, his Campaign made an expenditure to the SRCC repaying the over-limit contributions received. On September 14, 2018, the Campaign filed an amended C-3 report disclosing the \$20,000 monetary contribution received from the SRCC on July 20, 2018, had been reduced to \$16,554.89 and that the SRCC aggregate contributions to the Campaign totaled \$93,037.
- Marty McClendon has no prior found violations of PDC laws or rules in the past five years.

Based on these initial findings, staff has determined that in this instance, while the contribution limits from the SRCC were exceeded after the 2018 primary election, the Campaign promptly

refunded the over-limit contribution on September 14, 2018, and filed an amended C-3 report that same day. In addition, staff's review of the C-4 reports filed by the Campaign found that the \$3,595.11 in over-limit contributions received from the SRCC were not spent by the Campaign, and therefore did not amount to an actual material violation warranting further investigation.

Pursuant to WAC 390-37-060(1)(b), Friends of Marty McClendon will receive a formal written warning concerning accepting over-limit contributions. The formal written warning will include staff's expectation that Friends of Marty McClendon properly monitor incoming contributions to stay within the limits of the law. 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 has dismissed this matter in accordance with RCW 42.17A.755(1), and will not be conducting a more formal investigation into your complaint or pursuing further enforcement action in this case.

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
For Peter Lavallee
Executive Director

cc: Friends of Marty McClendon