



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

December 18, 2018

Sent electronically to Matthew Lundh at matthew@shiftwa.org

Subject: Shift Washington, PDC Case 41027

Mr. Lundh:

Below is a copy of an electronic letter sent to Samantha Kersul concerning two related complaints she filed with the Public Disclosure Commission (PDC) on September 19, 2018. For the complaint against Shift Washington, the complainant alleged that Shift Washington may have violated RCW 42.17A.405(7) by making an over-limit in-kind contribution to the Senate Republican Campaign Committee.

As noted in the letter to Ms. Kersul below, the PDC will not be conducting a more formal investigation into these allegations or taking enforcement action in this matter. Based on this information, the PDC has dismissed the complaint in accordance with RCW 42.17A.755(1).

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov.

Sincerely,

Endorsed by:

Erick Agina
PDC Compliance Officer

BG Sandahl, Deputy Director for
Peter Lavallee, Executive Director





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December 18, 2018

Sent electronically to Samantha Kersul at samantha@senatedemocrats.org

Subject: Senate Republican Campaign Committee (PDC Case 41028); and Shift Washington (PDC Case 41027) Complaints

Dear Ms. Kersul:

The Public Disclosure Commission (PDC) has completed its review of the two complaints you filed on September 19, 2018, against Shift Washington, a political committee registered with the PDC (PDC Case 41027), and the Senate Republican Campaign Committee, a caucus campaign committee (PDC Case 41028). The complaints alleged that: (1) Shift Washington (SW) may have violated RCW 42.17A.405(7) by making an over-limit contribution to the Senate Republican Campaign Committee (SRCC), a caucus committee subject to contribution limits; and (2) the SRCC may have violated RCW 42.17A.405(7)(14) by accepting an over-limit contribution from Shift Washington.

In order to more efficiently use PDC resources, the two complaints you filed with the PDC have been combined into one letter. PDC staff reviewed the allegations listed in the complaint, statutes, rules, reporting requirements and contribution limits, and the Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 report) filed by both committees, and the responses from SW. Based on staff's review, we found the following:

- On August 14, 2018, SRCC filed an amended Committee Registration (C-1pc report) for 2018 disclosing it was a continuing "Other" political committee, selecting the Full Reporting Option, and listing Steve O'Ban, Justin Matheson and Tom Perry as committee officer, campaign manager and campaign treasurer respectively. The SRCC has been registered and reporting with the PDC as a caucus political committee since the late 1980's.
- On June 1, 2017, The Leadership Council filed a C-1pc report as a Continuing "Other" political committee, selecting the Full Reporting Option, and listing Mark Schoesler, Peter Graves, and Tom Perry as committee officer, campaign manager and campaign treasurer respectively. The Leadership Council is a political committee related to the SRCC, but not affiliated, and the two committees share staffing, and office space.
- SW is a nonprofit corporation run by a board of directors. Serrno Digital, a company co-founded by Matthew Lundh and Josh Amato, runs the day-to-day operations of SW.

- Staff's review found only one filing for SW, which was a 2016 Independent Expenditure report (C-6 report) disclosing \$28,165 in independent expenditure for online political advertisements in opposition to Initiative 732.
- The SRCC, as a caucus political committee, is limited to receiving no more than \$1,000 in the aggregate for monetary and in-kind contributions during calendar year 2018, from any corporation, union, association or other entity. The Leadership Council has no contribution limits, except for \$5,000 in aggregate contributions received from any one source during the 21-day period preceding the general election.
- On April 11, 2018 the SRCC filed the March 2018 C-4 report, that disclosed a \$1,156.54 in-kind contribution received on March 28, 2018, from SW for "email addresses."
- Mr. Lundh stated on behalf of SW "given that both committees share a treasurer (whom I know well), I likely informed the treasurer of the value of the email list in a phone conversation and the amount was inadvertently recorded in the wrong committee's record." He stated SW made the in-kind contribution in March of 2018 for the email addresses to The Leadership Council, not the SRCC.
- Staff confirmed that Tom Perry is the Treasurer for both the SRCC and The Leadership Council. On September 28, 2018, after being notified about the complaint, both the SRCC and The Leadership Council filed amended C-4 reports for March of 2018. The amended C4 report filed by The Leadership Council disclosed a \$1,156.54 in-kind contribution had been received on March 28, 2018, from SW for "email addresses", and the SRCC amended C-4 report removed/deleted the in-kind contribution that was previously depicted at \$1,156.54.

Although the in-kind contribution was inadvertently recorded on the SRCC's C-4 report for March 2018 instead of the Leadership Council's C-4 for the same reporting period, both committees made a good faith effort and expeditiously filed amended C-4 reports to correct the error as soon as they were notified. The amended C-4 reports filed by both committees corrected the filing error by making the necessary technical corrections.

Based on the above, the PDC found no evidence of a material violation that would require conducting a more formal investigation into your two complaints or pursuing enforcement action in these instances for either Shift Washington or the Senate Republican Campaign Committee.

As such, the PDC has dismissed your complaints against Shift Washington (PDC Case 41027) and SRCC (PDC Case 41028) in accordance with RCW 42.17A.755(1).

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov.

Sincerely,

Endorsed by:

s/_____
Erick Agina
PDC Compliance Officer

s/_____
BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director

cc: Shift Washington, Senate Republican Campaign Committee