



**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

Oct. 25, 2018

Delivered electronically to James Erb at "jerb98229@gmail.com"

Subject: PDC Case 40029

Dear Mr. Erb:

Below is a copy of an electronic letter sent to Chester L. Dow concerning a complaint filed with the Public Disclosure Commission (PDC). As noted below in the letter to Mr. Dow, 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, this letter serves as a warning letter concerning your failure to comply with the reporting requirements for a candidate under the Full Reporting option to timely file C-3 and C-4 reports disclosing contributions and expenditures, including in-kind contributions, debts or other obligations, undertaken by your Campaign, in accordance with RCW 42.17A.235 and ,240 for the duration of the 2018 election cycle and future elections in which you participate . 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). If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 or toll-free at 1-877-601-2828, or by e-mail jennifer.hansen@pdc.wa.gov.

Sincerely,

/s _____

Jennifer Hansen
Compliance Officer

Endorsed by,

/s _____

Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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October 25, 2018

Delivered electronically to Chester L. Dow at "cdow1@cablespeed.com"

Subject: James Erb complaint return with warning cover letter PDC Case 40029

Dear Mr. Dow:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on August 24, 2018. Your complaint alleged that James Erb, a candidate for Whatcom County Prosecutor in 2018, may have violated RCW 42.17A.235 and RCW 42.17A.240 by failing to timely and accurately file Summary Full Reporting of Contribution and Expenditure Reports (C-4 report) disclosing expenditure activities, including in-kind contributions, debts or other obligations for mailed political advertising.

PDC staff reviewed your allegations, the C-4 reports filed by the James Erb Campaign, and the response from the Campaign. As a result of staff's review, we found the following:

- James Erb filed a Candidate Registration (C-1 report) on February 26, 2018, declaring his candidacy for Whatcom County Prosecutor, and choosing the "Full Reporting": option. Mr. Erb is a first-time candidate for public office.
- The James Erb Campaign is using a vendor kit, Blue Utopia, to electronically submit campaign reports with the Public Disclosure Commission and relies on the vendor's support staff for technical assistance.
- On July 25, 2018, the Campaign originally filed the 21-day pre-primary C-4 report covering the period of June 1, to July 16, 2018, disclosed \$9,806.26 in monetary and in-kind contributions received and disclosed \$2,931.15 in monetary expenditures for costs associated with campaign management, software, fundraising event expenses, credit card processing and postage and was filed 8 days late. The 21-day pre-primary C-4 was amended 58 days after the original due date disclosing \$11,146.42 in debts or other obligations owed to Northwest Passage Consulting for yard signs, printing costs, doorbells and \$6,524.41 to Publisher's Mailing Service for mailing services and postage. The originally filed 7-day pre-primary C-4 report covering the period of July 17, to July 30, 2018, disclosed \$5,355.00 in monetary contributions received and disclosed \$8,173.91 in monetary expenditures for yard signs and mailing costs and was filed timely. The 7-day pre-primary C-4 was amended 52 after the original due date disclosing \$48.92 in in-kind contributions from the candidate for a MailChimp subscription and a \$1,000.00 debt owed to Northwest Passage Consulting for Facebook advertising.
- In his response, Mr. Erb reiterated his statements regarding the lateness of the 21-day pre-primary C-4 caused by a technical glitch in the third-party vendor software. This was the subject of PDC Case 38098 which was closed based on the fact that the 21-day pre-primary C-4 was made available to the public timely and electronically submitted as soon as the technical issue was resolved.

- In response to the allegation regarding the omission of printing costs related to a direct mail piece distributed prior to the date of the primary election, Mr. Erb stated that the expense was inadvertently omitted because he failed to timely provide the invoice to his campaign treasurer for inclusion on the 21-day pre-primary C-4 report. Mr. Erb has since provided the invoice to his treasurer and an amended C-4 report has been submitted.
- Finally, Mr. Erb stated in his response that since receipt of this complaint, the Campaign has changed its workflow to ensure that the treasurer is copied on all invoices from vendors prospectively, so this will not happen again in the future.
- Mr. Erb has no prior violations of PDC laws or rules, and his Campaign took quick corrective action to address the non-compliance.

Pursuant to WAC 390-37-060(1)(b), James Erb will receive a formal written warning concerning the failure to timely and accurately file C-4 reports. The formal written warning will include staff's expectation that the Erb Campaign file accurate and timely C-3 and C-4 reports for the duration of the 2018 election cycle. 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 these facts, staff has determined that in this instance, no evidence to support finding a material violation warranting a more formal investigation into your complaint or pursuing further enforcement action in this case. 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 Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at jennifer.hansen@pdc.wa.gov.

Sincerely,
/s _____
Jennifer Hansen
Compliance Officer

Endorsed by,
/s _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director

cc: James Erb