

## 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: <a href="mailto:pdc@pdc.wa.gov">pdc@pdc.wa.gov</a> • Website: <a href="mailto:www.pdc.wa.gov">www.pdc.wa.gov</a>

January 22, 2021

Sent electronically to Alex Bond at alexibond@gmail.com

Subject: Complaint regarding the House Republican Organizational Committee, PDC Case 79637

Dear Mr. Bond:

The Public Disclosure Commission (PDC) has completed its review of the complaint filed on October 30, 2020. The complaint alleged that the House Republican Organizational Committee, a Washington State House Republican Caucus, may have violated RCW 42.17A.420 for accepting an over limit contribution, during the 21-day period preceding the November 3, 2020 general election.

PDC staff reviewed your allegation(s); the applicable statute(s), rule(s), and reporting requirements; the C-3 and C-4 reports filed by the House Republican Organizational Committee (Committee); and the December 21, 2020, response to the complaint provided by Mark Lamb, Attorney, on behalf of the Committee.

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

On February 10, 2020, the House Republican Organizational Committee filed a Committee Registration (C-1pc), selecting the Full Reporting Option and listing Luanne Werven and Andrew Aboen as Committee Officer and Treasurer, respectively.

Alleged violation of RCW 42.17A.420 for accepting an over limit contribution, during the 21-day period preceding the November 3, 2020 election.

- In its responses to this allegation, received on December 21, 2020, the Committee, by way of its attorney, Mark Lamb stated: "The complainant states, it's important to note that this does NOT appear to be a transfer of surplus funds from an Eslick surplus account to HROC. But in fact, that is exactly what the transaction at issue was. Indeed, Mr. Beatty clarified in an email dated 10-30-2020 that this was a permissible surplus transfer. The email indicated only requested change HROC needed to make was to report it as a miscellaneous receipt rather than a contribution. The initial C3 was filed on October 29<sup>th</sup> Report 101012825 and was then amended per the PDC's email in Report 101014403."
- RCW 42.17A.430(3) allows the transfer of surplus funds of a candidate or a candidate's authorized committee without limit to a political party or a caucus political committee.

• Staff noted that on or about October 30, 2020, the Committee contacted PDC customer service staff regarding this transfer and were advised to amend the October 29, 2020 Monetary Contribution (C-3) report to depict the \$15,000 transfer from Carolyn Eslick's surplus account as a miscellaneous receipt. The amended report depicting the \$15,000 transfer as a miscellaneous receipt from Carolyn Eslick's surplus account was received by the PDC on November 6, 2020. Staff further noted that a transfer coming from a candidate's surplus account is not considered a contribution when it is transferred to a caucus political party, and as such did not violate the prohibition against accepting an over limit contribution during the 21-day period preceding the November 3, 2020 general election.

Based on staff's review of the documentation submitted by the complaint, the written response provided, and the reports submitted by the Committee, no evidence was found to substantiate violation(s) of RCW 42.17A.420.

PDC staff has therefore determined that, in this instance, no evidence supports a finding of a violation that warrants further investigation.

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 Erick Agina, Compliance Officer at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,	Endorsed by:
s/	s/
Erick Agina, Compliance Officer	Barbara Sandahl, Deputy Director for Peter Lavallee, Executive Director

cc: Andy Aboen – House Republican Organizational Committee

