

State of Washington PUBLIC DISCLOSURE COMMISSION

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January 27, 2021

Delivered electronically to "bkarpelman@me.com"

Subject: Complaint regarding Peter Zieve, PDC Case 80548

Dear Benjamin Karpelman:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on November 16, 2020. Your complaint alleged Peter Zieve may have violated RCW 42.17A.235 and .240 by failing to timely 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 political committee Preserve Mukilteo (Sponsored by Peter Zieve).

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; and the applicable PDC reports filed by the Respondent, to determine whether the record supports a finding of one or more violations.

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

- Preserve Mukilteo Sponsored by Peter Zieve is a political committee formed by Peter Zieve in April 2020 for the stated purpose of opposing the Affordable Housing Plan of the City of Mukilteo. The committee name of Preserve Mukilteo was required to include the name of its sole sponsor, Peter Zieve.
- Mr. Zieve stated he wanted to influence the City of Mukilteo's Affordable Housing Plan through a
 community mailing, and thought, to do so, he was required to register a political committee with
 the PDC. Mr. Zieve filed a political committee registration on April 17, 2020, naming himself as
 Treasurer and selecting the full reporting option, which required the committee to report
 contributions and expenditures, whether monetary or in-kind, on specified dates.
- Mr. Zieve wrote a personal check on May 21, 2020 to Design & Graphics for \$3,333.45 to design 9,400 jumbo postcards opposing the City of Mukilteo's Affordable Housing Plan. On May 12, 2020, Mr. Zieve provided Design & Graphics with a personal check in the amount of \$1,675.41, payable to USPS for postage. On May 18, 2020, Design & Graphics mailed 9,341 postcards to residents of the City of Mukilteo opposing the city's Affordable Housing Plan. The two

expenditures totaled \$5,008.86. Because the expenditures were in-kind contributions to Preserve Mukilteo (Sponsored by Peter Zieve) they were required to be reported by June 10, 2020 on a C-4 report covering the committee's activities during the month of May.

- The City of Mukilteo implemented its Affordable Housing Plan without a ballot proposition. Therefore, the \$5,008.86 expended by Peter Zieve on behalf of Preserve Mukilteo (Sponsored by Peter Zieve) in 2020 for a mailing opposing the city's Affordable Housing Plan appears to have been a local government lobbying effort that would not normally be reportable, but was reportable because the expenditures were made by Mr. Zieve on behalf of the registered political committee Preserve Mukilteo (Sponsored by Peter Zieve).
- Mr. Zieve said he thought he was required to report the source of the money used for the mailing, and to meet this requirement, he filed a C-3 report on September 26, 2020, showing a \$22,144.95 contribution from Peter Zieve to the committee, even though no funds were deposited into a committee bank account. The amount listed on the C-3 report represented personal funds of Mr. Zieve that were available to pay for the Affordable Housing Plan mailing. Mr. Zieve's two expenditures were in-kind contributions to the committee, and on January 21, 2021, after consulting with PDC's Filer Assistance personnel, Mr. Zieve amended the committee's C-3 report to show zero monetary contributions, and filed C-4 reports for April and May 2020, disclosing the receipt of two in-kind contributions totaling \$5,008.86. The May 2020 C-4, due June 10, 2020, was filed seven months late on January 21, 2021.
- Mitigating the violation of a late reported C-4 report is the fact that the entire activity of the
 committee consisted of a local government lobbying effort to oppose the City of Mukilteo's
 Affordable Housing Plan, an activity that would not have been reportable if Mr. Zieve had not
 formed a political committee. Mr. Zieve has been informed of the filing requirements for a
 political committee, and that expenditures for local lobbying are not reportable unless made
 through a political committee.
- No evidence was found that the Respondent has previous warnings/violations of PDC requirements.

PDC staff is reminding Peter Zieve and Preserve Mukilteo (Sponsored by Peter Zieve) about the importance of timely filing C-4 reports for a political committee, to disclose contribution and expenditure activities, including the receipt of in-kind contributions, in accordance with RCW 42.17A.235 and .240 and all applicable rules. Mr. Zieve will also be reminded that all contribution and expenditure activities conducted on behalf of a political committee must be reported, even if the activities are otherwise not reportable.

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 Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Electronically Signed Philip E. Stutzman

Philip E. Stutzman

Compliance Officer

Endorsed by,
Electronically Signed Barbara Sandahl
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director

cc: Preserve Mukilteo (Sponsored by Peter Zieve)