

## 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 15, 2018

Delivered electronically to George Hurst

Subject: George Hurst Complaint Return Letter with SOU; PDC Case 34602

Mr. Hurst:

Below is a copy of an electronic letter sent to Glen Morgan concerning the complaint he filed with the Public Disclosure Commission (PDC) against you, and the 10-Day Notice that he filed on November 5, 2018. You confirmed in an email that on November 9, 2018, you completed and mailed a Statement of Understanding (SOU) along with the \$300 penalty payment. In addition, you provided PDC staff with a signed copy of the SOU acknowledging violations of RCW 42.17A.205, .235, and .240, and also dated November 9, 2108.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1). If you have questions, please contact PDC staff member Kurt Young by e-mail at kurt.young@pdc.wa.gov.

| Sincerely,                     | Endorsed by,                           |
|--------------------------------|--|
|                                |  |
| /s                             | /s                                     |
| Kurt Young, Compliance Officer | BG Sandahl, Deputy Director            |
|                                | For Peter Lavallee, Executive Director |





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November 15, 2018

Sent electronically to Glen Morgan "glenmorgan89@gmail.com"

Subject: George Hurst Complaint, PDC Case 34602

Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on April 11, 2018 against George Hurst, a candidate for Mayor for the City of Lynwood in 2017. The complaint alleged that Mr. Hurst may have violated RCW 42.17A by exceeding the limitations of the Mini Reporting Option, failing to timely and accurately filed Monetary Contribution reports (C-3 report) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), and several other allegations.

PDC staff reviewed the allegation listed in the complaint you filed, the statutes, rules and reporting requirements, reviewed the Candidate Registrations (C-1 reports), and C-3 and C-4 reports filed by the George Hurst Campaign (Campaign), and the responses to the complaint provided by Mr. Hurst. Based on staff's review, we found the following:

- On February 23, 2017, George Hurst filed a C-1 report declaring his candidacy for Mayor of Lynnwood, selecting the Mini Reporting Option and listing Christy Orwiler as the Campaign Treasurer. Mr. Hurst is an incumbent Lynnwood City Councilmember since being elected to that office in 2015, as a first-time candidate. Mr. Hurst also selected the Mini Reporting Option for his 2015 City Council race.
- On August 26, 2017, Mr. Hurst filed an amended C-1 report and selecting the Full Reporting Option. On August 29, 2017, he sent a letter to the PDC requesting to change reporting options to the Full Reporting Option, confirming that he notified his opponent that he was changing options, and filed four C-4 reports, and 11 C-3 reports electronically using the Online Reporting of Campaign Activities (ORCA) software provided by the PDC.
- On August 30, 2017, Mr. Hurst paper-filed C-4 report covering the period August 1 through 31, 2017, and disclosing \$9,638 in contributions received, \$8,324 in expenditures made, and a \$5,000 outstanding candidate loan.
- Under the Mini Reporting Option, candidates are limited to receiving no more than \$5,000 in monetary and in-kind contributions received or \$5,000 in expenditures made (plus the filing fee), with no more than \$500 in aggregate contributions received from any one source other than the candidate using personal funds.

Glen Morgan complaint filed against George Hurst PDC Case 34602 Page 2

- Staff reviewed the C-3 and C-4 reports filed by the Campaign as part of the request to change reporting options and determined that Mr. Hurst exceeded the \$5,000 contribution limitations of the Mini Reporting option on April 4, 2017and should have changed reporting options at that time. On April 4, 2017, Mr. Hurst accepted and deposited \$5,100 in monetary contributions received into his Campaign bank account, which included a \$5,000 candidate loan.
- In an August 30, 2017 email to the PDC, Mr. Hurst stated that after speaking with PDC staff about changing reporting options, he realized that he was not "in compliance with PDC regulations, I believed the \$5,000 limit for mini reporting did not include my personal loan as a contribution, but I now know that this was an error on my part." He stated that he believed he had "until August 31 to change to full reporting and to hand over the campaign filing to my treasurer but now I realize that this change should have occurred as soon as contributions or expenditures exceeded the \$5,000 limit. I alone accept responsibility for this violation of the PDC regulations."
- On August 31, 2017, PDC staff notified Mr. Hurst that based on his acknowledging violations of RCW 42.17A by exceeding the Mini Reporting limits, his request to change to the Full Reporting option was approved.

Mr. Hurst confirmed in an email to PDC staff that he completed and mailed a Statement of Understanding (SOU) to the address listed on the SOU, along with a \$300 civil penalty that was assessed in accordance with WAC 390-37-143, (Brief Enforcement Penalty Schedule). Mr. Hurst also sent PDC staff a signed copy of the SOU. The \$300 penalty resolves the allegations listed in your complaint for exceeding the Mini Reporting limits. By completing the SOU, Mr. Hurst acknowledged violations of RCW 42.17A.205, .235, and .240 by failing to timely change reporting options and to timely file the accompanying C-3 and C-4 reports.

PDC staff dismissed the allegations listed in your complaints based "on information and belief" in accordance with RCW 42.17A.755(1), since you failed to provide any evidence to support or substantiate those allegations.

Based on this information, and the fact that Mr. Hurst completed an SOU, paid a civil penalty, and acknowledged violations of RCW 42.17A.205, .235 and .240, PDC staff is dismissing the remaining allegations in accordance with RCW 42.17A.755(1).

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

| Endorsed by:                           |
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| s/_                                    |
| BG Sandahl, Deputy Director            |
| For Peter Lavallee, Executive Director |
|  |

cc: George Hurst

