

Phil replied a month ago (Wed, 8 Aug at 9:27 AM)
to : pdc@pdc.wa.gov

Thank you for your email regarding this complaint.

We have had the opportunity to review the complaint filed by Glen Morgan. Due to the length of the complaint, the fact that it makes allegations stretching back five years, and given that several of the specific allegations are premised on the same issues, we provide a general response. But please know that we treat campaign finance reporting very seriously and that the campaign is committed to scrupulous compliance with all requirements, and we look forward to working with the PDC toward resolution of the complaint.

The campaign respectfully submits that the complaint presents no evidence of any actual violations. Rather, the complaint addresses either very minor issues which would, at most, have warranted technical correction (if not already addressed by the campaign), or in the majority of cases no issues at all.

The complaint begins with alleged late filings of reports. The campaign has at all times striven to file timely and accurate reports based on the best information available to the campaign at the time of filing. That process sometimes required us to amend previously filed reports. This is particularly so with 7 and 21 day pre-election reports that are due only one day after the cutoff. We do not believe that making minor amendments to reports arises to the level of an actual violation, nor should campaigns be discouraged from amending reports when necessary based on the available information. In any event, what Mr. Morgan identifies are, at most, issues requiring technical correction that the campaign already long ago addressed.

Next, Mr. Morgan addresses bonuses to campaign staff, which he contends should have been reported as debts at earlier dates. This is incorrect. The payments in question were never obligations of the committee, as they were paid totally at the discretion of management. Thus, the campaign had no obligation to pay such bonuses until the payments were made.

The complaint next alleges that the campaign, in a handful of instances, failed to “accurately identify contributor names and addresses.” At issue are obvious typographical errors, in which five contributions from two contributors were inadvertently identified as coming from Seattle and Bellevue “WV” rather than “WA.” We will amend these C3 reports to correct these typos.

In the third section of the complaint, Mr. Morgan itemizes a large number of expenses and debts that he alleges are not adequately described. We disagree that the manner in which the campaign discloses debts and expenses was in any way inadequate. For example, Mr. Morgan objects to the campaign listing employee payments as “Wages” despite this being a very standard (and entirely accurate) way to report these payments. Likewise, when the campaign disclosed a debt for “travel reimbursement,” the subsequent expenditure (generally on the next C4) would itemize the sub-vendors once additional, detailed information was available. And while Mr. Morgan alleges that the campaign failed to disclose the address of vendors in various instances it did, in fact, report the addresses of persons to whom it made expenditures. To the extent that Mr. Morgan’s complaint is that the campaign did not, for example, identify the address of the particular Trader Joe’s at which a person paid by the campaign purchased event supplies, we do not agree that there is any requirement to disclose the addresses of such sub-vendors.

With regard to in-kind donations that were designated for the General election prior to the date of the primary, we determined that one was mistakenly recorded for the General and we have amended the associated C4 report to designate it to the Primary. There were two additional in-kinds prior to the Primary that were over-limit for the Primary and mistakenly designated to the General. These have since been refunded to the donors (see refunds to Don Barbieri and Sharon Smith on the March 2018 C4 report).

In the fourth section of the complaint, citing to WAC 390-16-238(3), Mr. Morgan alleges that Governor Inslee failed to disclose information related to mileage reimbursements. This allegation is frivolous. WAC 390-16-238(3) addresses a *candidate's* use the candidate's *personal vehicle*. It is apparent on the face of the complaint that none of the expenditures in question pertain to reimbursement for the Governor's use of his own personal vehicle.

Finally, Mr. Morgan alleges that any person incurring an expenditure or in possession of a credit card should be listed as an officer on the committee's C1 form. Mr. Morgan provides no support for that proposition. The officers named on the committee's C1 were ultimately responsible for the expenditures and the strategic decisions of the committee. The fact that an individual staff person is tasked with implementing officers' directives by making purchases does not make them officers of the committee. If the rule were different, a campaign's senior leadership would (by way of example) be compelled to personally purchase supplies at a grocery store for a campaign event. Neither Washington law nor common sense supports that interpretation.

Finally, Mr. Morgan alleges that the committee received an illegal donation from Tim Lovain for Alexandra City Council. The campaign identified this issue and refunded the donation long before the date of the complaint.

We are happy to work with PDC staff to answer any further questions or address any specific issues with our campaign disclosure reports as well as any improvements that we may make in the future to improve their accuracy and completeness. Our goal is always to file reports that are complete, timely and accurate. We welcome any opportunity to improve this process.

Please contact the undersigned if you have questions or require additional information.

Philip Lloyd, Treasurer
Jay Inslee for Washington