

**BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON**

In the Matter of Enforcement Action
Against:

Zack Zappone

Respondent.

PDC Case 136626

STIPULATION AS TO FACTS

I. INTRODUCTION

The parties to this Stipulation, namely, the Public Disclosure Commission Staff, through its Executive Director, Peter Frey Lavallee, and Zack Zappone, Respondent, submit this Stipulation as to Facts.

II. JURISDICTION

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to Chapter 42.17A RCW, the state campaign finance and disclosure laws; Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC.

III. FACTS

1. Zack Zappone was a candidate for public office in 2020 seeking the office of Washington State Representative, Legislative District 6 Position 1, Spokane County. He was defeated in the general election, but had surplus funds totaling \$8,411.77 at the conclusion of the campaign.
2. Mr. Zappone became a candidate for Spokane City Council in 2021. He was elected in 2021 and assumed office on January 1, 2022. His current term ends on January 1, 2026.
3. The February 2021 C-4 report of contributions and expenditures for Mr. Zappone's 2020 State Representative campaign show surplus funds of \$6,115 transferred on February 10,

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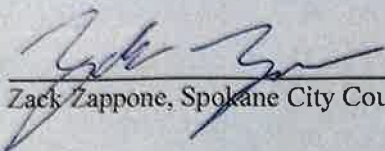
2021, and \$745 transferred on February 28, 2021 (a total of \$6,860). These funds were transferred to Mr. Zappone's 2021 campaign for Spokane City Council. Additionally, the April 2021 C-4 for his 2020 State Representative campaign reported \$1,000 transferred to his 2021 Spokane City Council campaign on April 3, 2021.

4. In total, Mr. Zappone transferred \$7,860 between his two campaigns. This amount is reflected on his 2021 Spokane City Council C-4 reports as contributions received, in lump sum amounts, from his 2020 State Representative campaign.
5. Mr. Zappone's 2021 campaign for Spokane City Council did not file C-3 reports naming the underlying contributors, as required by RCW 42.17A.235 and .240, to account for the original source of the lump sum transfers of surplus funds from his 2020 campaign to his 2021 campaign.
6. The PDC adopted PDC Interpretation 23-01 on May 25, 2023, which states, "When, with the written approval of the contributor, a candidate is transferring contributions left over from a previously completed election campaign, whether or not designated as surplus funds, to a new campaign for a different office, those contributions that are moved to the new campaign must be attributed to their sources, and count toward the contributor's limit for the new campaign. Each contributor whose written approval was obtained must be named along with their contribution."
7. Prior to adoption of PDC Interpretation 23-01, PDC Staff had published guidance that instructed filers who transfer "surplus funds" from one campaign to another campaign to complete a C-3 report as the first filing for the new campaign, and identify the surplus funds as a "Miscellaneous receipt, other receipt."
8. Mr. Zappone's C-3 reports from his 2021 campaign were filed before the Commission issued PDC Interpretation 23-01. PDC Staff requested that Mr. Zappone comply with PDC Interpretation 23-01 by amending the reports to account for the original sources of the surplus funds transferred from his 2020 campaign, and refund any over-limit contributions.

Mr. Zappone declined, and asked that the matter be brought to the Commission for a decision.


Peter Grey Lavalley, Executive Director
Public Disclosure Commission

6/16/2023
Date Signed


Zack Zappone, Spokane City Council Member

6/16/23
Date Signed