July 17, 2023

Ian Spencer Compliance Coordinator Washington State Public Disclosure Commission P.O. Box 40908 Olympia, WA 98504-0908 Submitted electronically to pdc@pdc.wa.gov

Re: Case #139251: Vote Yes on Proposition One Sponsored by Kent Fire Fighters, IAFF Local 1747: Alleged Violations of RCW 42.17A.235 &.240.

Dear Mr. Spencer:

I am writing in response to Glen Morgan's allegation that the Vote Yes on Proposition One Sponsored by Kent Fire Fighters, IAFF Local 1747 PAC (hereinafter referred to as "the Campaign") violated campaign finance disclosure statutes. Mr. Morgan alleges that the Campaign failed to timely and accurately file contribution and expenditure reports under RCW 42.17A.235 and 42.17A.240. My understanding of campaign finance disclosure requirements was that the Campaign did not have to report using old, generic campaign signs as an in-kind contribution to the Campaign. Following the complaint, I spoke with a Public Disclosure Commission (PDC) compliance representative that corrected my understanding. I have since filed an amended C4 report to disclose that the Kent Firefighters, IAFF Local 1747 Political Committee (hereinafter referred to as "1747 PAC") provided an in-kind contribution to the Campaign of \$400 for the use of these yard signs. Because I reported the purchase of these signs in a previous campaign, the Campaign did not intend to hide its use of old campaign signs, I updated the Campaign's disclosure to include the use of these signs, and 1747 PAC is committed to transparency, I ask that the PDC decline to find Local 1747 in violation of the statute.

For background, Kent Fire Fighters, IAFF Local 1747, is a public-sector labor union representing the firefighters and professional staff of the Puget Sound Regional Fire Authority. Local 1747 established and maintains 1747 PAC as continuing political action committee. I am the treasurer for 1747 PAC.

Puget Sound Fire has gone through several expansions, having been originally formed when the Kent Fire Department and King County Fire District 37 joined together. Since then, the City of SeaTac and King County Fire District 43 have merged into Puget Sound Fire. Each merger required a vote by the jurisdiction's citizens, and each of these campaigns was called "Proposition 1." Additionally, Puget Sound Fire has gone to the ballot for property tax levy and fire benefit charge authorizations, and these ballot measures have also been "Proposition 1."

Local 1747, through local ballot measure campaigns, has supported each of these Proposition 1 campaigns. This support included purchasing generic, fire department oriented "Vote Yes on Prop 1" signs. Following these campaigns, Local 1747 members collect the generic signs and store them for the eventual next Proposition 1 campaign. For instance, Mr. Morgan's photos show differing versions of these used signs, demonstrating that they were not all purchased simultaneously.

Recently, Puget Sound Fire contracted with the City of Tukwila for fire protection services. Now, Tukwila is asking voters whether the City should formally merge with Puget Sound Fire. Local 1747 supports this campaign which voters will see as "Proposition 1." For transparency, Local 1747 established a local ballot measure campaign to support this latest version of Proposition 1. Local 1747 anticipated that its PAC would be the significant (if only) funder of the Campaign through 1747 PAC and previous Proposition 1 campaign contributions. As required by campaign finance statutes, regulations, and guidance, and as Local 1747 was aware, the Campaign's name includes "Sponsored by Kent Firefighters, IAFF Local 1747." I am the treasurer for the Campaign, and I spoke with a PDC compliance representative on approximately April 30, 2023, to help comply with the reporting requirements for the initial establishment of this committee.

With the campaign underway, Local 1747 members gathered again to put out the generic, fire department oriented "Vote Yes on Prop 1" signs. Local 1747 volunteers distributed approximately 200 of these signs around the City of Tukwila on approximately June 3, 2023.

With this background, I understood the campaign finance disclosure requirements to mean that I did not have to report the use of the old generic signs because I was unaware that use of these signs were considered a campaign contribution. RCW 42.17A.235(1)(a) requires campaigns to file contributions received and expenditures made as a political committee within the statute's timeline. RCW 42.17A.240 details what needs to be in these reports. I did not include the value of these signs in the June 2023 C4 report because I did not understand the use of old signs—not purchased by the Campaign, previously disclosed to the PDC, and owned by the Campaigns sponsoring entity—was a contribution to the new campaign,

After I received Mr. Morgan's PDC compliance allegation, I contacted the PDC on July 5, 2023, to discuss whether my understanding of campaign finance requirements was incorrect. A PDC compliance officer informed me that I did need to disclose the use of the signs as an in-kind contribution from a previous Proposition 1 campaign to the Campaign. The compliance officer instructed me to assign a fair market value to the sign. I assigned a value of \$2.00 per sign. With approximately 200 signs, the total in-kind contribution was \$400. I filed an amended C4 on approximately July 10, 2023, disclosing an in-kind contribution from the Vote Yes on Prop One (2021) campaign to the Campaign.¹ As a result, the Campaign is now fully compliant with disclosure requirements.

Outside of my attempts to comply with campaign finance requirements, Mr. Morgan makes several subjective and unfounded claims about the Campaign. First, Mr. Morgan claims the Campaign "refuses to follow the law and inform the public about the big dollars being funded..." I initially worked with the PDC to ensure the Campaign followed the law. And when it came to my attention that the Campaign might be out of compliance, I immediately contacted the PDC to rectify the issue. Moreover, Local 1747 could have funded this ballot measure campaign through alternative means and disclosures. Instead, it opted to disclose via local ballot measure reporting, the most thorough and transparent form of reporting. This form of disclosure also requires 1747 PAC to be the named sponsor, so the public knows where the campaign funds come from. Second, Mr. Morgan cites my experience as a treasurer for 1747 PAC. I am a volunteer for both PACs, which

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 $^{^1\,}https://apollo.pdc.wa.gov/public/registrations/campaign-finance-report/110157621$

have straightforward expenditures. I do not have experience with in-kind contributions because we normally do not have this form of contribution. Finally, the Campaign is not a "major political campaign." Most of the Campaign's funds are carryover from a previous Proposition 1 campaign funded by Local 1747 with some additional funds coming from Local 1747.

In conclusion, Local 1747, 1747 PAC, the Campaign, and I strive to follow campaign finance disclosure laws, regulations, and guidance. My omission of the in-kind contribution for using old signs was due to my misunderstanding of campaign finance law. Once it was brought to my attention, I immediately sought guidance from the PDC and filed amended reports to come into compliance. Furthermore, the fair market value and number of signs resulted in a comparatively small contribution. For these reasons, I request the PDC find the Campaign and 1747 PAC in compliance with disclosure requirements and decline to issue any enforcement action against these entities.

Sincerely,

Terry McCarten