Respondent Name
Let's Go Washington (Sponsored by Brian Heywood)
Complainant Name
Abby Lawlor
Complaint Description
Abby Lawlor reported via the portal *(Wed, 19 Jul 2023 at 3:46 PM)* **Please see attached letter setting forth our complaint.**
What impact does the alleged violation(s) have on the public?
List of attached evidence or contact information where evidence may be found
List of potential witnesses
Certification (Complainant)
I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.

July 19, 2023

Peter Frey Lavallee, Executive Director
Public Disclosure Commission
P. O. Box 40908
Olympia, WA 98504-090

RE: Complaint re: violations of RCW 42.17A by Let's Go Washington
BIL File No. 3263-331

Dear Executive Director Lavallee:

We are writing on behalf of Heather Weiner to call your attention to apparent violations of the Fair Campaign Practices Act by political committee Let's Go Washington (Sponsored by Brian Heywood). If true, these violations undermine transparency in Washington State elections. This letter contains the evidence we believe supports a finding of multiple violations with significant impacts on the public. We ask that the PDC investigate this matter and take swift and appropriate action.

Let's Go Washington (Sponsored by Brian Heywood) (hereinafter "Let's Go WA" or "the Committee") is a registered political committee in Washington State.[1] The Committee first filed a statement of organization with the PDC on April 14, 2022.[2] According to its most recently amended C-1pc, Let's Go WA currently supports the following 2023 statewide ballot propositions: I-2113, I-2117, I-2124, I-2109, I-2111, and I-2081.[3] The Committee's contributions and expenditures consist almost entirely of in-kind donations of expenditures by its sponsor and chair Brian Heywood, amounting to just under $600,000 to date.[4]

[1] https://www.pdc.wa.gov/political-disclosure-reporting-data/browse-search-data/committees/co-2023-30644.
[2] *Id.*
[3] https://apollo.pdc.wa.gov/public/registrations/registration?registration_id=54053. The Committee's registration was recently updated on July 7, 2023 and information reported on prior forms C-1pc is not readily available to the public via the PDC website. Let's Go WA campaign materials indicate that the Committee supported eleven ballot propositions in 2022 targeting the 2023 legislative session: I-1474, I-1475, I-1480, I-1491, I-1495, I-1502, I-1505, I-1508, I-1509, I-1510, and I-1512. *See* https://www.facebook.com/photo/?fbid=154103167371537&set=ecnf.100082138546950. It is not clear when the Committee first updated its registration to reflect ballot propositions supported in 2023 or whether prior registrations accurately reflected those ballot propositions supported in 2022.
[4] https://www.pdc.wa.gov/political-disclosure-reporting-data/browse-search-data/committees/co-2023-30644.

Our review of Let's Go WA's campaign finance reports over this period has identified at least three major deficiencies in the Committee's disclosures to the PDC. First, Let's Go WA has failed to report the ballot proposition(s) supported by specific expenditures as required by RCW 42.217A.235(1)(a) and RCW 42.17A.240(7). Second, the Committee has failed to fully and accurately report expenditures to an entity called "R.M. Consulting Services" (hereinafter "R.M.")[5] in apparent violation of RCW 42.17A.435, RCW 42.17A.235(1)(a) and RCW 42.17A.240. Lastly, the Committee's almost exclusive reliance on in-kind expenditures has undermined public transparency, including by reducing the frequency of reporting and concealing plans for future spending, in possible violation of RCW 42.17A.235 and RCW 42.17A.240.

I. Failure to report the ballot proposition(s) supported by specific expenditures as required by RCW 42.17A.240(7)

Political committees must report "all contributions received and expenditures made."[6] RCW 42.17A.235(1)(A). Under RCW 42.17A.240(7), this reporting must include the purpose of all expenditures greater than fifty dollars. Further, the "purpose" of an expenditure "must identify any . . . ballot proposition(s) that are supported or opposed by the expenditure unless such . . . ballot proposition(s) have been previously identified in a statement of organization." WAC 390-16-037. This requirement ensures that, for committees formed to support or oppose several ballot propositions, members of the public are nonetheless able to identify spending in support or opposition to individual propositions.

Since its initial registration in April, 2022, Let's Go WA has reported well over 100 expenditures though C-4 reports filed with the PDC. Some of these expenditures likely relate to multiple supported ballot propositions, such as rent, phone expenses, and web hosting. Others, such as the printing of initiative petitions, must necessarily relate to one ballot proposition and one ballot proposition only. In all but two instances, C-4 reports filed by Let's Go WA fail to identify the individual ballot propositions supported by its expenditures.[7]

For example, on C-4 report number 110097944, filed July 11, 2022, Let's Go WA lists two separate expenses for initiative printing, each incurred on the same date (June 30, 2022), from the same vendor

[5] As discussed below, Let's Go WA has reported in-kind expenditures to this entity using various names: "R.M Consulting Services," "R.M. Consulting," "RM Consulting Service," and "RM Consulting," none of which appear to reflect the entity's true name. For the sake of simplicity, this entity will be referred to throughout as "R.M."
[6] Subject to certain thresholds and in compliance with prescribed deadlines. *See* RCW 42.17A.235, .240.
[7] In an expenditure reported on C-4 report number 110105055 filed July 31, 2022 and an expenditure reported on C-4 report number 110158134 filed June 30, 2023, the Committee did identify a specific ballot proposition for which initiative petitions were printed.

(Pixelpure Media), for the same number of petitions (10,000), at different costs. However, the Committee does not provide any information that would enable the public to determine the initiative petition(s) being printed.

06/30/2022	HEYWOOD BRIAN 12025 154th Place NE , Redmond, WA 98052	Retired / Retired Redmond, WA	Printing Initiatives (10000 - Pixelpure Media)	Fair market value: $18,577.13 Aggregate total (N): $97,164.04
06/30/2022	HEYWOOD BRIAN 12025 154th Place NE , Redmond, WA 98052	Retired / Retired Redmond, WA	Printing Initiatives (10000 - Pixelpure Media)	Fair market value: $19,018.13 Aggregate total (N): $97,164.04

Let's Go WA has also incurred significant expenses related to radio and other advertising, SMS messages, and "initiative outreach and distribution services" (discussed further below). These expenses are of particular public interest as they relate to outreach efforts that voters will directly experience. But the Committee's failure to adequately state the purpose of these expenses undermines voters' ability to connect communications they are receiving to expenditures reported to the PDC.

Let's Go WA's failure to disclose the ballot proposition(s) supported by specific expenditures is also particularly harmful to transparency because the Committee has supported at least 17 ballot propositions in the 15 months since first registering with the PDC, 11 of which are no longer reflected on its statement of organization. Because the PDC's website only displays a committee's most recent statement of organization, members of the public cannot currently connect reported expenditures to prior supported ballot propositions absent adequate disclosure of the purpose of each individual expenditure.

II. Failure to fully and accurately report expenditures to R.M. as required by RCW 42.17A.435, RCW 42.17A.235(1)(a) and RCW 42.17A.240

Let's Go WA's reported pattern of in-kind expenditures to R.M. suggest at least three distinct violations of the Fair Campaign Practices Act. First, by inaccurately reporting the name of the entity to which payments were made on behalf of the Committee, Let's Go WA appears to have engaged in unlawful concealment in violation of RCW 43.17A.435. Second, by failing to report promises to pay for services rendered by R.M. as debts incurred by the Committee, the Committee appears to have violated RCW 43.17A.235(1)(a), and RCW 43.17A.240(9)(a). Third, Let's Go WA has likely violated RCW 42.17A.235(1)(a) and RCW 43.17.240(7) by failing to report TDM Strategies as a subvendor of R.M. Alternatively, if TDM Strategies is in fact a direct vendor, the Committee has instead likely violated RCW 43.17A.235(1)(a) and RCW 43.17A.240(9)(a) by failing to report expenses related to paid signature gathering.

A. Unlawful concealment of the true identity of R.M. in violation of RCW 42.17A.435

Under RCW 42.17A.435, "no expenditure shall be incurred, directly or indirectly, in a fictitious name . . . or by one person through an agent, relative, or other person . . . so as to effect concealment." According to the PDC's general guidance, compliance with RCW 42.17A.435 entails that all campaigns "accurately record and report . . . the true recipients and amounts of expenditures."[8] Furthermore, "It is a serious violation of the law to use a fictitious name, no name, or substitute name in order to conceal the truth."[9]

Let's Go WA has reported in-kind expenditures with an aggregate value of $123,743.45 to an entity referred to variously as "R.M. Consulting Services," "RM Consulting Service," "R.M. Consulting," and "RM Consulting." No address or other identifying information is provided for the entity, as required by RCW 42.17A.240(7). A search of Washington Department of Revenue business license records indicates

[8] https://www.pdc.wa.gov/rules-enforcement/guidelines-restrictions/concealment.
[9] *Id.*

four licensed businesses in the State of Washington with the business name "RM Consulting" and one with the name "RM Consulting Services."[10] According to Department of Revenue records, RM Consulting Services is a sole proprietorship governed by Roberta L Marta. However, this entity is almost certainly not the entity to which Brian Heywood has made significant payments on behalf of Let's Go WA. Instead, R.M. is most likely "Research Mom Consulting Service," a sole proprietorship governed by Sharon R Koshi-Hanek that also operates under the registered trade name "Let's Go Washington."

License Information: New search Back to results

Entity name:	KOSHI-HANEK, SHARON R
Business name:	RESEARCH MOM CONSULTING SERVICE
Entity type:	Sole Proprietor
UBI #:	600-572-793
Business ID:	001
Location ID:	0002
Location:	Active
Location address:	21502 CONNELLS PRAIRIE RD BUCKLEY WA 98321-9710
Mailing address:	PO BOX 8055 BONNEY LAKE WA 98391-0897
Excise tax and reseller permit status:	Click here

Governing People *May include governing people not registered with Secretary of State*

Governing people	Title
KOSHI-HANEK, SHARON R	

Registered Trade Names

Registered trade names	Status	First issued
LETS GO 11 PAC	Active	Nov-16-2022
LETS GO WASHINGTON	Active	Nov-09-2022
RESEARCH MOM CONSULTING SERVICE	Active	Nov-16-2022
RESEARCH MOM CONSULTING SERVICES	Active	Jul-27-2009

Sharon Hanek is a repeat candidate for elected office in Washington State,[11] a current member of the Pierce County Planning Commission,[12] and a regular contributor to Washington political campaigns as well as frequent recipient of campaign expenditures. Let's Go WA's apparent failure to accurately report the true name of her consulting business or to provide an address for R.M. amounts to concealment of her receipt of in-kind expenditures. This has deprived the public of vital information not only about how Brian Heywood is spending money on behalf of the Committee, but of the relationship between the Committee and other political actors in the state.

B. Failure to report apparent services rendered by R.M. as in-kind contributions or debts incurred by the Committee as required under RCW 42.17A.235(1)(a) and RCW 42.17A.240

As discussed above, a political committee must timely report all contributions received and expenditures made. RCW 42.17A.235(1)(a). Contributions received include donations of "personal and

[10] There appear to be no businesses licensed in Washington State under the name "R.M. Consulting" or similar.
[11] Hanek has previously filed with the PDC as a candidate for state representative, state treasurer, Pierce County charter review commissioner, and Pierce County councilmember.
[12] https://www.piercecountywa.gov/5944/Planning-Commission.

professional services for less than full consideration." RCW 42.17A.005(15)(a)(i).[13] Expenditures made include "a promise to pay." RCW 42.17A.005(22). Additionally, a committee must report "[t]he name and address of any person and the amount owed for any debt with a value of more than seven hundred fifty dollars that has not been paid for any invoices submitted, goods received, or services performed." RCW 42.17A.240(9)(a).

According to Let's Go WA's reporting to the PDC, on June 30, 2022, the Committee incurred an in-kind expenditure reimbursing R.M. for mileage.[14] The committee reported substantial additional mileage and other reimbursements to R.M. on August 10, 2022, September 7, 2022, October 5, 2022, and November 10, 2022.[15] However, the Committee did not report a single expenditure related to services rendered by R.M. until November 21, 2022.[16] After November 21, 2022, the Committee reported numerous expenditures to R.M. for "consulting," "consulting fees," and "initiative outreach and distribution services."[17]

This pattern of reporting indicates two possible arrangements. R.M. could have donated its services for the period from June to November 2022 for less than fair market value, claiming only mileage and other reimbursements. Alternatively, R.M. could have provided services with an expectation of future payment. Regardless of the arrangement between the Committee and its consultant, Let's Go WA has failed to fulfill its reporting obligations. Under the first arrangement, services rendered by R.M. were reportable as in-kind contributions to the Committee. Under the second arrangement, services rendered by R.M. were reportable as outstanding debts of the Committee until paid. Therefore, the Committee is either in violation of its obligations to report in-kind contributions under RCW 42.17A.235(1)(a) and RCW 42.17A.240(2) or its obligations to report expenditures including debts under RCW 42.17A.235(1)(a) and RCW 42.17A.240(9)(a).

C. Failure to provide subvendor information as required by RCW 42.17A.240(7)

As discussed, RCW 42.17A.240(7) requires a political committee to report the purpose of all expenditures in excess of fifty dollars. When a committee enters into an agreement with a vendor to provide specific services, its reporting "must describe in detail" the services to be provided. WAC 390-16-037(2). Thus, "[i]f any person, agency, consultant, firm, organization, etc. employed or retained by the . . . political committee, subcontracts or otherwise has an agreement with a subvendor or third party to provide or perform services, the expenditures paid to that subvendor or other third party must also be disclosed." WAC 390-16-205(2).[18]

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[13] While certain volunteer services or labor are exempted, services or labor rendered for which the individual is compensated by any person must be reported. RCW 42.17A.005(15)(b)(vi); WAC 390-17-405.

[14] Let's Go WA C-4 report no. 110097944 filed July 11, 2022.

[15] Let's Go WA C-4 report no. 110112262 filed September 12, 2022; C-4 report no. 110118390 filed October 11, 2022; C-4 report no. 110126431 filed November 11, 2022; C-4 report no. 110128915 filed December 11, 2022. During this period, Brian Heywood reimbursed R.M. on behalf of the Committee for just shy of 6,000 miles of driving—the equivalent of traversing the state from Seattle to Spokane twenty-one times.

[16] Let's Go WA C-4 report no. 110128915 filed December 11, 2022.

[17] *See* Let's Go WA C-4 report no. 110132961 filed January 10, 2023; C-4 report no. 110139093 filed March 10, 2023; C-4 report no. 110146568 filed May 10, 2023; C-4 report no. 110151153 filed June 9, 2023; C-4 report no. 110158134 filed July 10, 2023. These payments for services range from $1,212.64 to $22,136.94, all well in excess of the $750 threshold for reporting a debt.

[18] Where expenditures are made by agents of a campaign, including "any person, agency, consultant, firm, organization, etc., employed or retained for the purpose of organizing, directing, managing or assisting the candidate's or committee's efforts," such expenditures "shall be reported by the . . . committee as if made or incurred by the . . . committee directly." WAC 390-16-205(1).

On April 27, 2023, "TDM Strategies LLC" filed a certificate of formation with the Washington Secretary of State listing Sharon Hanek as its registered agent and executor.[19] As early as May 2, 2023, Let's Go WA began to advertise paid signature gathering opportunities through TDM Strategies on the Committee's Facebook page.[20]

To date, Let's Go WA has not reported any direct or in-kind expenditures to TDM Strategies for paid signature gathering, nor has it reported any in-kind contributions or debts associated with services provided by TDM Strategies. However, on six separate occasions beginning February 7, 2023 through June 15, 2023, the Committee has reported payments to R.M. for "initiative outreach and distribution services" totaling over $75,000.[21]

Given the timing of these payments and Sharon Hanek's apparent role in both R.M. and TDM Strategies, it appears likely that payments to R.M. are financing TDM Strategies' paid signature gathering efforts on behalf of Let's Go WA. However, the Committee has failed to report any payments to subvendors of R.M. for "initiative outreach and distribution services" as required under RCW 42.17A.240(7).

If TDM Strategies is not operating as a subvendor of R.M., its activities are nonetheless reportable, as discussed below.

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[19] The LLC's initial report to the Secretary of State list both Sharon Hanek and Brian Heywood as its governors.

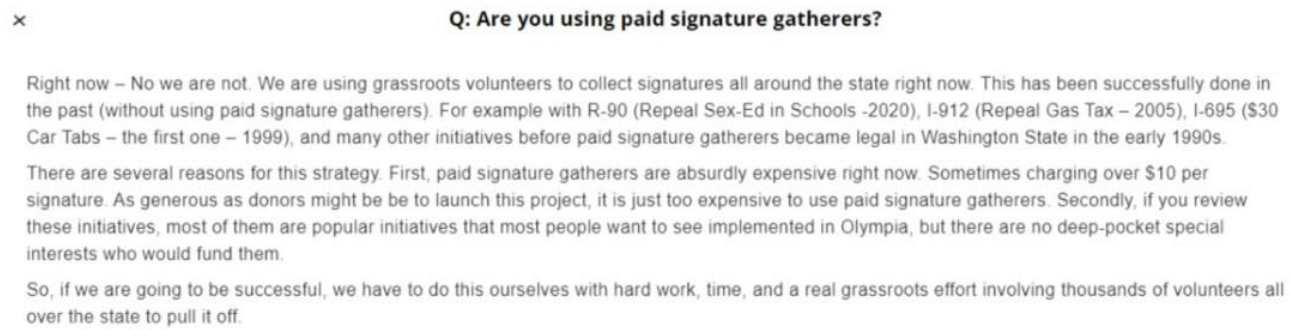
[20] https://www.facebook.com/photo.php?fbid=211628578251759&set=pb.100082138546950.-2207520000.&type=3.

[21] *See* Let's Go WA C-4 report no. 110139093 filed March 10, 2023; C-4 report no. 110146568 filed May 10, 2023; C-4 report no. 110151153 filed June 9, 2023; C-4 report no. 110158134 filed July 10, 2023.

D. Failure to otherwise report expenditures related to TDM Strategies as required by RCW 42.17A.235 and RCW 42.17A.240

If services provided by TDM Strategies were not reportable as a component of services rendered by R.M., they nonetheless should have been reported as in-kind contributions, or alternatively as expenditures made or debts incurred by Let's Go WA (or Brian Heywood). Instead, the Committee has made no disclosures whatsoever identifying TDM Strategies and the paid signature gathering efforts that kicked off in May of this year if not earlier.

Let's Go WA's failure to report these activities is particularly damaging to public transparency and trust for because the use of paid signature gatherers is of significant public interest. As recently as July 12, 2023, the Let's Go WA website stated that the Committee was not engaged paid signature gathering, stating: "We are using grassroots volunteers to collect signatures all around the state right now." As of July 16, 2023, this language has been scrubbed from the Committee website.[22] However, for a period of over two months, it appears that Let's Go WA was actively hiring for paid signature gatherers through TDM Strategies, not reporting these efforts to the PDC, and representing to the public that it was engaged in an all-volunteer effort.



× **Q: Are you using paid signature gatherers?**

Right now – No we are not. We are using grassroots volunteers to collect signatures all around the state right now. This has been successfully done in the past (without using paid signature gatherers). For example with R-90 (Repeal Sex-Ed in Schools -2020), I-912 (Repeal Gas Tax – 2005), I-695 ($30 Car Tabs – the first one – 1999), and many other initiatives before paid signature gatherers became legal in Washington State in the early 1990s.

There are several reasons for this strategy. First, paid signature gatherers are absurdly expensive right now. Sometimes charging over $10 per signature. As generous as donors might be be to launch this project, it is just too expensive to use paid signature gatherers. Secondly, if you review these initiatives, most of them are popular initiatives that most people want to see implemented in Olympia, but there are no deep-pocket special interests who would fund them.

So, if we are going to be successful, we have to do this ourselves with hard work, time, and a real grassroots effort involving thousands of volunteers all over the state to pull it off.

III. Near total reliance on in-kind expenditures in possible violation of RCW 42.17A.235 and RCW 42.17A.240

The vast majority of the hundred-and-thirty-plus expenses incurred by Let's Go WA to date have taken the form of in-kind expenditures by the Committee's sponsor and chair, Brian Heywood. Let's Go WA's near-exclusive reliance on in-kind expenditures undermines public oversight, including by reducing the frequency of reporting and concealing the Committee's plans for future spending.

The Fair Campaign Practices Act and accompanying regulations require that a political committee establish a bank account and presume that a political committee will collect contributions and incur expenditures in its own name. *See* RCW 42.17A.205(d). Though the frequency of reporting varies depending on the proximity to an election, a committee must generally file a weekly C-3 report detailing any bank deposits made during the prior week. RCW 42.17A.235(5); WAC 390-16-031. A committee must also file a monthly C-4 report indicating contributions and expenditures. RCW 42.17A.235(3), .240; WAC 390-16-041. This includes pledged contributions, RCW 42.17A.005(15)(a)(i), and the PDC has further clarified that "a pledge is a promise from a contributor to make a future contribution to the campaign [and] may be written or verbal and for monetary and/or in-kind contributions." PDC Interpretation No. 12-01.

[22] *See* https://letsgowashington.com/faq.

The C-4 report provides "[a] snapshot of the committee's finances at any given point in time," including "cash on hand" as well as expectations for future monetary and in-kind contributions.[23]

By using Brian Heywood's deep pockets as its near-exclusive source of campaign spending, Let's Go WA has circumvented the need to use its campaign bank account and has largely avoided filing C-3 reports that would give the public a weekly snapshot of the Committee's fundraising activities. Let's Go WA has also never disclosed pledges from Brian Heywood related to planned in-kind expenditures on its monthly C-4 reports. The Committee's approach to reporting has meant that the public has no insight into the Committee's capacity or plans for future spending. The public cannot tell how much money Let's Go WA has in the bank because the Committee is in effect using Heywood's bank account as a surrogate repository of its funds, rather than its own bank account. And the public cannot glean any sense of what money Heywood is planning to spend on behalf of the Let's Go WA because the Committee is not reporting planned in-kind expenditures as pledges. Instead, expenditures are reported (if at all) only after the fact—once Brian Heywood has already made them. This approach runs counter to the PDC's established framework for reporting and likely violates the Committee's reporting requirements under RCW 42.17A.235 and RCW 42.17.240.

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As detailed above, our review of Let's Go WA's reporting to the PDC has revealed evidence of numerous violations of Fair Campaign Practices Act. These violations are particularly troubling because they undermine the public's ability to know what spending is occurring in support of particular ballot propositions, to accurately identify entities and individuals receiving campaign funds, and to evaluate whether Let's Go WA is, in its own words, a "a real grassroots effort," or funded by "deep-pocket special interests." We urge the Commission to investigate the possible violations set forth in this letter.

Please do not hesitate to contact us if you have any questions, or if we can be of further assistance.

Sincerely,

Abby Lawlor
Dmitri Iglitzin

Counsel for Heather Weiner

[23] https://www.pdc.wa.gov/registration-reporting/forms-reports-directory.