

State of Washington PUBLIC DISCLOSURE COMMISSION

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Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

June 13, 2024

Delivered electronically to "lewiscodemocratswa@gmail.com"

Subject: PDC Case 141449

Dear Lewis County Democratic Central Committee - Non-Exempt:

Enclosed is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the enclosed letter to Glen Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not be taking further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(d), this letter serves as a formal warning concerning your failure to timely file under the Full Reporting Option, which was required after the committee failed to confirm its intent to remain under the Mini Reporting Option. Staff expects Lewis County Democratic Central Committee to timely file reports of contributions and expenditures when under the Full Reporting Option. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Electronically Signed Philip E. Stutzman

Phil Stutzman

Compliance Officer

Endorsed by, Electronically Signed Peter Frey Lavallee Peter Frey Lavallee Executive Director



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June 13, 2024

Delivered electronically to "glen@wethegoverned.com"

Subject: Complaint regarding the Lewis County Democratic Central Committee, PDC Case 141449

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on August 18, 2023. Your complaint alleged that, for its non-exempt account, Lewis County Democratic Central Committee may have violated RCW 42.17A.205 by failing to update its committee registration listing current officers; and RCW 42.17A.235 and .240 by failing to timely and accurately disclose contributions and expenditures for its 2023 activities.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response provided by Lewis County Democratic Central Committee; the applicable PDC reports filed by the Respondent; and other relevant information, to determine whether the record supports a finding of one or more violations.

Based on staff's review, we found the following:

Complaint #1 – Alleged attempt to conceal the truth about political activity (Alleged violation of RCW 42.17A.235 and .240)

Non-Exempt Account - Mini Reporting

- On January 15, 2019, Lewis County Democratic Central Committee (LCDCC) selected, for its Non-Exempt account, the Mini reporting option. LCDCC stated that they complied with the contribution and expenditure requirements for Mini filers following January 15, 2019, including calendar year 2022, even though they did not confirm on their committee registration in subsequent years their intent to remain under Mini reporting.
- LCDCC failed to confirm, each January, the committee's intent to remain under the Mini Reporting Option.

Non-Exempt Account - 2023 Requests to Change from Full to Mini and Mini to Full Reporting

- LCDCC stated that Cheryl Hammer, Treasurer in 2023, kept accurate records of the committee's contributions and expenditures to ensure that PDC reporting requirements were met.
- On 3/29/2023, LCDCC asked to move from Full reporting to Mini reporting. Then, on 4/23/2023, Carol Brock, chairperson of LCDCC, requested permission to change from Mini to Full reporting. Reports were filed for 2023 and permission was granted on 7/11/2023 to file under Full reporting.
- C-4 reports for the period 1/1/2023 5/31/2023 were filed on 5/31/2023 and 6/2/2023 and included \$2,309 in contributions received and \$1,065 in expenditures made. The May report was filed timely, and the January through April reports were filed between 21 days and three months, 21 days late. LCDCC timely filed its June C-4 report on 7/6/2023 that included \$142 in contributions received and \$578 in expenditures made.

<u>Complaint #2</u> – Alleged failure to update committee registration with current officers (Alleged violation of RCW 42.17A.205(2))

- LCDCC stated that the committee registration filed with the PDC was updated timely and accurately when there was a change in committee officers. The committee cited as examples the resignations of Pete and Cheryl Hammer and the name change for Wynne McHale.
- LCDCC stated the committee updated its committee registration timely when the transfer of officers was made on June 23, 2023. They stated the committee registration did not match the "Lewis County Democrats" website, as mentioned in the complaint, because the committee's website had not been updated to reflect the changes. The committee said the registration information with the PDC correctly lists the current officers and said they were working with their website administrator to have the officer list updated. The most recent committee registration lists the same officers as the Lewis County Democrats website.

<u>Complaint #3</u> – Alleged failure to list the vendor name and address for in-kind contributions reported by the committee (Alleged violation of RCW 42.17A.235 and .240)

- LCDCC stated that when entering records for the receipt of in-kind contributions, the PDC's ORCA software program had no field to report the details from vendor receipts. The committee stated they were providing vendor detail as part of the in-kind description and are now also including vendor addresses in their descriptions.
- LCDCC stated they have not had any auctions, nor have they resold any items received as in-kind
 contributions. The committee also noted that in consulting with PDC staff, it was their
 understanding that reporting the address for Vendors when reporting in-kind contributions was a
 suggested practice rather than a requirement. LCDCC stated that in spite of this understanding,
 they are now including vendor addresses when reporting the receipt of in-kind contributions and
 will continue to do so in the future.
- As noted in the complaint, in Case 26735, LCDCC received a formal written warning concerning its
 failure to comply with the requirement to report contributions and expenditures under the Full
 Reporting Option from 2010-2017, even though the committee likely qualified to be under the
 Mini Reporting Option.

LCDCC wrongly assumed they would remain under the Mini Reporting Option until they changed to Full Reporting, not appreciating that to remain under Mini reporting, the committee must affirm, each January on a committee registration, its intent to remain a Mini filer and that failure to do so results in being subject to the requirements of the Full Reporting option.

Based on these findings, staff has determined that in this instance, the failure to affirm its intent to remain under the Mini Reporting Option, each January, following its selection of the Mini Reporting Option on January 15, 2019, does not amount to a finding of a violation warranting further investigation. Staff notes that it appears that the level of LCDCC's activity would have qualified for Mini Reporting, had it so designated on its registration.

However, pursuant to WAC 390-37-060(1)(d), Lewis County Democratic Central Committee will again receive a formal written warning concerning its failure to timely file under the Full Reporting Option, which was required after failing to confirm its intent to remain under the Mini Reporting Option. The formal written warning will include staff's expectation that Lewis County Democratic Central Committee will timely file reports of contributions and expenditures when under the Full Reporting Option. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Electronically Signed Philip E. Stutzman

Phil Stutzman

Compliance Officer

Endorsed by, *Electronically Signed Peter Frey Lavallee* Peter Frey Lavallee Executive Director

cc: Lewis County Democratic Central Committee