Response to Complaint

Alleged violation of RCW 42.17A.235 & RCW 42.17A.240

Summary

As the Treasurer of Question PAC, I have reviewed the initial complaint and although I disagree with its broader conclusions, I did find it necessary to amend and re-file several reports with the Public Disclosure Commission (the "PDC").

I appreciate the diligent effort put forth by the complainant Glen Morgan in reviewing the financial history of this PAC, and in response to his work, our PAC will be filing and/or amending reports with the PDC that will bring it largely in compliance with state election law.

Question PAC is tiny and has limited resources. Upon receiving the complaint, we became eager to achieve compliance with the PDC's filing and disclosure requirements. Starting a locally operated PAC from scratch involves a steep learning curve involving several complex processes, and we are striving to engage in political activity in a way that satisfies Washington State Law.

Our team reviewed every transaction and if necessary, will be filing and/or amending every report from the founding of the PAC with the PDC.

The Online Reporting Of Campaign Activity (ORCA) filing system for Question PAC lacked many of the transactions in the system that was previously entered by our accounting team.

I contacted the PDC help line and spoke with an agent named Scott (who was extremely helpful), and he advised us that he could have the PDC IT services look into restoring the data. Scott advised that I could NOT be assured that the data could be restored. I declined to have PDC IT services work on restoring the data, and instead decided that we would manually enter all the data again into ORCA.

We are currently working on this, and once re-entered, we will re-file the C-3s and C-4s. We will be advising PDC (per the PDC agent Scott) to amend the C-3 filings with the new data as entered.

As for the independent expenditures made by our PAC, most of these were dedicated to either a) general fundraising, publicity, or volunteer advertising, or b) for federal elections and were not related to any state, local or WA judicial candidates.

A response to the first complaint is presented in three sections below. The original numbering of the details of the complaint mirror those used in the three sections of the responses.

Responses to the Details of the Complaint

1) Failure to identify, or willfully conceal the true source of PAC contributions.

Complaint States "On Oct 21, 2021 - \$2,276.60 contribution attributed falsely to 'PayPal.'"

Updated C-3 reports will be filed in periods that include these funds. These filings are summarized below.

- The \$2,276.60 deposits represent a transfer from PayPal, the primary method the PAC used to receive funds.
- The gross total of funds received into this aggregated transfer before fees were removed was \$2,404.
- \$2,001 of these funds were loans from Charles Wiegand, the Question PAC Treasurer.
- \$155 of these funds were donations under \$25. The funds were aggregated and deposited as a lump sum. Per RCW 42.17A.240(2)(c) a separate and private list of the name, address, and amount of each such contributor is maintained by the Treasurer.
- \$248.00 of the funds were reported as "anonymous contributions.". These funds were deposited into the operating account per the provisions of RCW 42.17A.220(4).
- 2) Failure to accurately describe expense, and the illegal concealment of required information from the public.

Complaint states "On January 8, 2021 – This PAC claims to have used vendor "SMG Spokane" and reportedly spent \$1,703.40 – on "Advertising" but no clarification or specifics."

Updated C-3 reports will be filed in periods that include these funds with additional information on this transaction.

To summarize, the vendor used was Stephens Media Group, who aired commercials in the City of Spokane on the radio stations KEYF-FM and KZBD-FM in the month of October of 2019.

There was no attempt to conceal the required information from the public concerning this vendor or expenditure. The PAC was clearly identified in the radio communications, and it was the intent of the PAC to properly file the associated C-3 reports properly. Question PAC is taking every step possible to be in compliance with state regulations in both past and future filings.

Complaint states in various paragraphs that information regarding the payments to the vendors Google, Twitter, and FaceBook was illegally concealed.

All expenses paid to the venders listed above between September 10th, 2018 and October 1st, 2020 were independent expenditures related to federal elective office. Expenditures such as these are specifically listed as an exception to the requirements of Chapter RCW 42.17A. We

will be noting when exempt political spending takes place with the specific notation of "Advertising Related to Federal Offices" or a similar phrase to reduce confusion in the future.

3) Failure to properly identify as a sponsored committee

With the updated C-3 filings, all the funds received and the sources of those funds—whether they be loans or donations from the public—have been disclosed. Starting a PAC from scratch involves a steep learning curve for various complex processes. The startup nature of this venture and its initial funding does not represent any attempt at concealing those funds.

Conclusion

Question PAC is a small, locally operated PAC founded by Charles Wiegand, a local businessman. He is eager to make an impact on the political landscape of his hometown and to maintain compliance with state election law.

The issues raised in this complaint could be addressed almost in their entirety with satisfactory reporting, which this PAC is working hard to implement.

We thank everyone involved with their attention to this matter.

Signature:

Charles Wiegand - Treasurer

Date:

