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Jennifer Hanson Compliance Officer Washington Public Disclosure Commission 711 Capitol Way S. #206 P.O. Box 40908 Olympia, WA 98504-0908

Re: PDC Case No. 141813

BIL No.: 4553-036

Dear Ms. Hansen,

We are writing on behalf of IAFF Local 2781 PAC (the Committee) to respond to allegations raised by Glen Morgan in his August 26, 2023, complaint. Mr. Morgan's complaint centers on claimed violations of RCW 42.17A.235 and .240 for failure to timely and accurately disclose contributions and expenditures, carry forward, and contributor address information. The Committee acknowledges its error in failing to timely submit certain reports and information. This was a significant oversight by the former treasurer of the Committee. However, this was not an intentional effort to conceal information from the public. As soon as the Committee's new treasurer identified the mistake, and before any complaint was filed, the Committee began the process of cleaning up its past reporting by submitting the missing information and reports. This written response discusses each of the primary issues raised in Glen Morgan's complaint below.

## Late Reports and Missing Reports

Glen Morgan's complaint identifies late-filed reports and missing reports for IAFF Local 2781 PAC. Without basis, Glen Morgan asserts that these late-filed and missing reports were intended to conceal contributions. In truth, well before any complaint was filed, IAFF Local 2781 PAC realized that its former treasurer had failed to submit a number of reports over a period of approximately three years. The treasurer role is a nonprofessional voluntary position held by a member of IAFF Local 2781. The Committee's former treasurer had simply dropped the ball in keeping up with reporting obligations. When a new treasurer took over the role this year, the Committee soon realized the reporting errors made by its former treasurer. Upon recognizing these errors, the Committee contacted PDC staff for assistance in bringing the Committee into compliance with campaign finance rules. From July through the present, the Committee has worked diligently to submit missing information and amended reports to the PDC. This is the reason that the Committee has now submitted a series of substantially late reports.

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IAFF Local 2781 PAC regrets this delay in its disclosures but has worked in good faith to address its past oversights and provide the required information. The task of correcting past reporting errors proved more challenging than the Committee initially expected because the Committee encountered several roadblocks. For example, the Committee no longer had access to the laptop that its former treasure used to file past reports, which meant they did not have access to the reporting data that was saved in the old version of ORCA on that laptop. This meant they had to manually input every contribution and expenditure for 2019 in the new version of ORCA. In inputting this new data, they encountered what appears to have been a glitch in the ORCA system which took additional guidance from PDC staff to address.

At the time the complaint was filed in this matter, the Committee was only part of the way through its project of correcting the missing information and reports, which is why Glen Morgan was able to identify missing reports. The Committee has now brought its reporting up-to-date and is resolved to carefully monitor its campaign finance reporting obligations to ensure that it maintains compliance going forward.

## Carry Forward Discrepancy

Like the late reports, the carry forward discrepancy noted in Glen Morgan's complaint resulted from the Committee's effort to address past reporting errors. As noted above, in submitting updated reports, the Committee encountered a glitch that appears to have resulted from the transition between the old version of ORCA to the new version of ORCA. In short, the automatic calculation of the balance on the last C4 of 2019 was not correct based on the data in the Committee's amended reports. The data the Committee entered through its amended reports is correct, but the automatic balance calculation did not update correctly. The Committee has recently been able to troubleshoot this issue with a PDC filing agent to correct the balances in the new ORCA system so that they properly match the data reported in the Committee's C3 and C4 reports.

## Missing Contributor Address

In reviewing and correcting its missing reports over the months of July and August, the Committee reported the information it had available for contributions. In a few instances, the Committee could not readily identify the address information for recipients of contributions from prior years. At the time, the Committee thought it would be better to submit the reports without the address information rather than delay reporting to try to track down those missing addresses. The Committee has since been able to track down address information for those past recipients and has submitted that information to the PDC and amended the relevant reports.

## Conclusion

IAFF Local 2781 PAC acknowledges that it made mistakes in its campaign finance reporting. This Committee is a small and relatively unsophisticated political committee with limited experience and expertise in campaign finance compliance. This is the first time it has faced a complaint before the PDC. As noted, the Committee treasurer role is held by a nonprofessional volunteer elected from the membership of IAFF Local 2781. Unfortunately, the former treasurer made significant errors in failing to report information to the PDC. Upon recognizing these errors, the new treasurer, who took office

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earlier this year, has worked diligently to come into compliance with Washington campaign finance rules

In similar cases, the PDC has found it appropriate to dismiss the complaint without pursuing a more formal investigation or further enforcement. For example, in PDC Case 29799, the PDC found that a committee's failure to file C-3 and C-4 reports for a period of many months when they lacked the services of a professional treasurer did "not amount to an actual material violation warranting further investigation." Similarly, in PDC Case 59665, the PDC found that a committee's failure to file a number of C-4 reports over an approximately one-year period, which the committee attributed to the lack of trained staff to handle reporting, did "not amount to a violation that warrants further investigation."

A similar informal resolution is warranted here under the mitigating factors enumerated in WAC 390-37-061, particularly the following: (1) the Committee's noncompliance resulted from a good faith error and did not reflect any intentional effort to conceal information; (2) the Committee is a small organization with limited experience navigating Washington's complex campaign finance regulations; (3) the Committee undertook to correct errors in its PDC reporting prior to any complaint, working closely with PDC staff to file amendments and correct errors in its reporting, and has continued to correct any errors in its reports in the weeks since the complaint was filed; and (4) this is the first time that the Committee has been the subject of a complaint related to campaign finance rules. Accordingly, the Committee requests that the PDC resolve this matter through a written reminder or an alternative response. IAFF Local 2781 PAC recognizes the importance of campaign finance reporting and will closely monitor compliance going forward.

Please contact me with any questions or concerns at (206) 257-6009.

Sincerely,

Derek Schoonmaker

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Counsel for IAFF Local 2781 PAC