

State of Washington PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 (360) 753-1111 • FAX (360) 753-1112

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

November 20, 2023

Delivered electronically to King County Young Democrats at mailq.phakdymanivong@kcyd.org, max.shifrin@kcyd.org, chair@kcyd.org and treasurer@kcyd.org

Subject: Complaint filed by Glen Morgan, PDC Case 141993

Dear King County Young Democrats:

Below 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 letter to Glen Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(d), this serves as a formal written warning concerning King County Young Democrats' failure to timely comply with the filing requirements noted in the enclosed letter sent to Mr. Morgan. Staff expects you to timely file all required reports of contributions and expenditures in future years. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

King County Young Democrats is also reminded to affirmatively select the Mini-Reporting option on its C-1pc report (in January of each year that it qualifies) so its status does not default to Full Reporting, if it wishes to remain under Mini-Reporting.

If you have questions, you may contact Tabatha Blacksmith at 1-360-586-8929, toll-free at 1-877-601-2828 or by e-mail at pdc@pdc.wa.gov

Sincerely,

Endorsed by,

Electronically signed Tabatha Blacksmith
Tabatha Blacksmith

Peter Frey Lavallee Executive Director

Electronically signed Peter Frey Lavallee

Compliance Officer



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November 20, 2023

Delivered electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint regarding King County Young Democrats, PDC Case 141993

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on August 28, 2023. The complaint alleged that King County Young Democrats, a continuing committee, may have violated RCW 42.17A.235 & .240 by failing to timely and accurately file *Cash Receipts Monetary Contributions* reports (C-3 reports) and *Campaign Summary Receipts & Expenditures* reports (C-4 reports) disclosing contributions and expenditures undertaken by the committee during election years 2020-2022.

PDC staff reviewed the allegations and evidence you submitted; the applicable statutes, rules, and reporting requirements; the response provided by King County Young Democrats (the "Respondent"); 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:

- The Respondent is a continuing political committee that first registered with the PDC on March 8, 2013 and selected the Mini-Reporting option.
 - The Respondent amended its C-1pc report (Committee Registration) on 8/2/21 and selected the Full-Reporting option, which triggered the requirement to file periodic reports with the PDC disclosing its contributions and expenditures.
 - The Respondent subsequently amended its C-1pc report on 2/14/22, 10/16/22, 1/23/23 and 2/11/23, and selected the Mini-Reporting option in each instance.
- A registered committee that does *not* select the Mini-Reporting option on its C-1pc report is required to report contributions and expenditures to the PDC on C-3 and C-4 reports pursuant to RCW 42.17A.235 & RCW 42.17A.240. The due dates for these reports are based upon the election cycle, the committee's election participation, and its financial activity.
- Pursuant to <u>WAC 390-16-105(3)</u> and <u>WAC 390-05-400</u>, a continuing committee qualifies for the Mini-Reporting option if it meets the following criteria: 1) its aggregate

contributions and aggregate expenditures do not exceed \$7,000¹ during the calendar year; and 2) it does not receive contribution(s) from a single source that exceed \$500 in the aggregate.

- To retain its Mini-Reporting status, a continuing committee must affirmatively select the Mini-Reporting option in filing its C-1pc report in January of each year. Conversely, a committee's reporting status defaults to Full Reporting if it does not file a C-1pc report each year indicating it qualifies for Mini-Reporting status.
- The Respondent provided a written response to the complaint allegations on October 4, 2023. The committee stated it was registered under the Mini-Reporting option in 2020, accidentally selected the Full-Reporting option in 2021, and amended its registration in 2022 to revert to Mini-Reporting status. The committee said they filed some late reports in 2021 but indicated no other reports were filed because they fell under the Mini-Reporting option in 2020 and 2022. The Respondent said they don't expend money to support candidates and, for this reason, plan to terminate their committee registration with the PDC after this complaint is resolved.
- The Respondent filed the following reports for its 2021 activity:
 - o A C-4 report covering Jan.-May of 2021 was filed on 5/2/22, disclosing \$1,045 in cash received. The report was filed 326 days late (report 110082726).
 - o A C-3 report was filed on 5/2/22 disclosing a 5/28/21 deposit of \$1,045, which included 51 contributions. The report was filed 326 days late (report 110082721).
 - A C-4 report covering June-Dec. of 2021 was filed on 5/2/22 disclosing a single expenditure of \$113.50 for "pizza for committee gathering." The report was filed 112 days late (report 110082723).
 - A C-3 report was filed on 5/2/22 disclosing a 12/31/21 deposit of \$1.10 accrued from bank interest. The report was filed 122 days late (report 110082722).
- The Respondent does not have any previous warnings/violations of PDC requirements.

This case is mitigated by the fact that non-compliance was due to a good-faith error the Respondent made on its C-1pc report. The committee's minimal financial activity in 2021 (\$1,046.10 received and \$113.50 spent) suggests that it likely qualified for the Mini-Reporting option had it not selected Full-Reporting in error. Furthermore, the impact of non-compliance on the public was minimal because the committee's modest expenditures did not support or oppose any candidates or ballot propositions in the 2021 Primary or General Elections.

Based on our findings, staff has determined that, in this instance, failure to timely file two C-3 and two C-4 reports does not amount to a violation that warrants further investigation.

Pursuant to WAC 390-37-060(1)(d), however, King County Young Democrats will receive a formal written warning concerning its failure to timely disclosure of all contributions and expenditures on C-3 and C-4 reports for 2021. The formal written warning will include staff's expectation that King County Young Democrats timely files all future required reports of

¹ Prior to April 1, 2023, the threshold for aggregate contributions & expenditures was \$5,000 for Mini-Reporting.

contributions and expenditures. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

King County Young Democrats will also be reminded to affirmatively select the Mini-Reporting option on its C-1pc report (in January of each year that it qualifies) so its status does not default to Full Reporting.

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 Tabatha Blacksmith at 1-360-586-8929, toll-free at 1-877-601-2828 or by e-mail at pdc@pdc.wa.gov

Sincerely,

Endorsed by,

<u>Electronically signed Tabatha Blacksmith</u> Tabatha Blacksmith

Compliance Officer

Electronically signed Peter Frey Lavallee

Peter Frey Lavallee Executive Director

cc: King County Young Democrats