

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

January 11, 2024

Delivered electronically to Vote Yes Parks Longview at michaelwallin@hotmail.com

Subject: Complaint filed by Chuck Wallace, PDC Case 143483

Dear Vote Yes Parks Longview:

Below is a copy of an electronic letter sent to Chuck Wallace concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Chuck Wallace, 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 your failure to timely comply with the filing requirements noted in the enclosed letter sent to Mr. Wallace. Staff expects you to timely file all required reports in the future. The Commission will consider this 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 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

Electronically signed by Peter Frey Lavallee
Peter Frey Lavallee

Compliance Officer Executive Director



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January 11, 2024

Delivered electronically to Chuck Wallace at wallacecharlesr@gmail.com

Subject: Complaint regarding Vote Yes Parks Longview, PDC Case 143483

Dear Chuck Wallace:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 11, 2023. The complaint alleged that Vote Yes Parks Longview, a local ballot measure committee, may have violated RCW 42.17A.205, .235 and .240 by failing to timely and accurately register and report contributions and expenditures as a political committee and/or RCW 42.17A.255 for failure to report independent expenditures, specifically for yard signs and radio advertisements.

PDC staff reviewed the allegations and evidence you submitted; the applicable statutes, rules, and reporting requirements; the responses provided by Vote Yes Parks Longview (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:

- RCW 42.17A.205 requires every political committee to register with the PDC by filing a C-1pc report within two weeks of organizing; or first having the expectation of receiving contributions or making expenditures in an election campaign, whichever is earlier.
- RCW 42.17A.005(41) defines a "political committee" as "any person¹ (except a candidate or an individual dealing with the candidate's or individual's own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition."
- If a committee does not indicate it qualifies for the Mini-Reporting option on its C-1pc report, it is a Full-Reporter by default and therefore required to report contributions and expenditures to the PDC on C-3 and C-4 reports pursuant to RCW 42.17A.235 & RCW

¹ "Person" includes "an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized." RCW 42.17A.005(39)

<u>42.17A.240</u>. The due dates for these reports are based upon the election cycle, the committee's election participation, and its financial activity.

- RCW 42.17A.255 requires a person making an independent expenditure (IE) equaling \$1,000² or more in the aggregate to disclose the expenditure to the PDC on a C-6 report within five days³ of making the expenditure. For the purposes of .255, an "independent expenditure" means "any expenditure that is made in support of or opposition to any candidate or ballot proposition and is not otherwise required to be reported pursuant to RCW 42.17A.225, .235 and .240," which are statutes that set forth reporting requirements for continuing, candidate, political and incidental committees.
- The City of Longview passed and approved Resolution 2455 on July 12, 2023, which proposed the creation of a Metropolitan Park District to be governed by the Longview City Council. This resolution was submitted to voters as "Proposition 1" for their consideration in the November 7, 2023 General Election.
- On September 13, 2023, Michael Wallin reached out PDC staff by email and inquired about the reporting requirements for individuals who create, print, display and pay for yard signs that say: "We love our parks" (which was later changed to "Vote Yes Parks"). PDC staff provided Mr. Wallin with information regarding sponsor identification requirements for yard signs and informed him that additional reporting requirements would apply if he was working with a committee or candidate.
- In his complaint filed October 11, 2023, the Complainant said he began seeing "Vote Yes Parks" signs appear on September 24, 2023. Mr. Wallin later indicated that he erected his first yard sign on or around September 23, 2023, which is 45 days before the General Election.
- Michael Wallin responded to the allegations by email and left a voice mail message on October 17, 2023, the same day the PDC notified him of the complaint. He stated that signs were created for a parks proposal in Longview and individuals were purchasing these Vote Yes Parks signs directly from Sign Print 360, a print shop in Kelso. Mr. Wallin indicated he had personally purchased 20 signs. He said there was no committee raising or expending funds for Proposition 1, indicated his belief that the individuals purchasing the signs were not an organization, and asked the PDC for guidance regarding how they should proceed. Mr. Wallin added that the individuals buying signs were not fundraising and [collectively] did not have a bank account.
- On October 24, 2023, the Complainant notified the PDC by email that a radio advertisement in support of Proposition 1, sponsored by Longview Parks and Recreation Foundation, had aired that day at 6:12PM (PST). The Complainant said the Foundation is a 501(c)(3) tax-exempt organization but is not registered with the PDC as a political action committee.
- On November 2, 2023, Sign Print 360 indicated that it fulfilled two orders for a total of 200 "Vote Yes Parks" signs (100 signs per order) for which it charged \$2,542.70. The print shop stated that the first Vote Yes Parks signs were purchased on September 14, 2023.

² Per WAC 390-05-400, this dollar amount increased from \$100 to \$1,000 effective April 1, 2023.

³ A shorter deadline applies to IEs that are presented to the public within 21 days of an election. RCW 42.17A.260.

- Between October 18, 2023 and November 2, 2023, the Respondent worked with PDC staff to determine its registration requirements. On the latter date, the PDC asked the Respondent to register as a political committee and report the sign expenditures made to Sign Print 360 as in-kind contributions to the committee.
- The Respondent registered as a local ballot measure committee with the PDC under the name "Vote Yes Parks Longview" on November 3, 2023. On its C-1pc report (*Committee Registration*), the committee indicated it supported City of Longview Proposition 1 and selected the Full-Reporting option. The Respondent filed within 24 hours of the PDC's request that it register as a political committee. The C-1pc report was due within two weeks of the first (9/14) sign expenditure, which was September 28, 2023, making the report 36 days late.
- On November 3, 2023, the Respondent filed two pre-General C-4 reports with the PDC disclosing the sign purchases as in-kind contributions made to the committee. These reports were filed 17 and 3 days late, respectively.
- Proposition 1 appeared on the November 7, 2023 General Election ballot but did not pass.
- Between November 7, 2023 and November 17, 2023, the Respondent amended its pre-General C-4 reports to include additional information at the request of PDC staff. On amended C-4 report 110189256, the Respondent disclosed eleven in-kind contributions made to the committee for 200 signs purchased from Sign Print 360 and three radio ads paid for by Longview Parks Foundation.
- Respondent does not have any previous warnings/violations of PDC requirements.

Non-compliance appears to be the result of good-faith uncertainty concerning the reporting requirements for the Respondent's unique method of paying for and distributing yard signs. Other mitigating factors include the Respondent's good-faith effort to comply, its timely responses, and its cooperation throughout the process.

This case is further mitigated by the fact that the Respondent registered as a political committee and filed two pre-General C-4 reports with the PDC prior to the November 7, 2023 election, thereby ensuring this information was made available to voters.

Based on our findings, staff has determined that, in this instance, failure to timely register as a political committee and report in-kind contributions does not amount to a violation that warrants further investigation.

Pursuant to WAC 390-37-060(1)(d), however, Vote Yes Parks Longview will receive a formal written warning concerning its failure to timely register and disclosure in-kind contributions and expenditures. The formal written warning will include staff's expectation that Vote Yes Parks Longview timely file all future required reports. 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 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 Compliance Officer

<u>Electronically signed Peter Frey Lavallee</u>
Peter Frey Lavallee
Executive Director

cc: Vote Yes Parks Longview