



18 West Mercer Street, Suite 400
Seattle, WA 98119
TEL (800) 238.4231
FAX (206) 378.4132

Juliana DeFilippis
Associate
F K T 1984 2 1 4 79 / 1 2 2 7
defilippis@workerlaw.com

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pdc@pdc.wa.gov

August 13, 2024

Public Disclosure Commission
711 Capitol Way S #206
Olympia, WA 98504

Re: Complaint No. 157761
BIL File No. 2722-9990

Dear PDC Staff,

This letter constitutes Electrical Workers 46 PAC's response to the allegations raised in Conner Edwards' (Edwards) complaint. Edwards' complaint alleges a failure to timely file various reports, failure to include employment information in reported contributions, and the occurrence of unknown contributions. As the PDC is aware, the actions cited in that complaint were taken as part of the PAC's efforts to respond to issues recently raised by the PDC. As such, this response serves as the PAC's reply to the allegations in Edwards' complaint and evidence of its ameliorative efforts to resolve the PDC's previously raised issues.

I. Allegedly Late Reports.

In April 2024, Glen Morgan (Morgan) submitted a complaint regarding a single contribution to a politician from the PAC. The PAC immediately worked with the PDC and resolved the allegations raised in Morgan's complaint. In its communications with the PAC about the Morgan complaint, the PDC raised other issues in the PAC's prior reporting that required resolution. The PAC immediately took action to respond to these issues and filed a series of late reports to ensure its compliance with the Fair Campaign Practices Act (FCPA).

The PDC is already aware of these late reports as it prompted and subsequently assisted the PAC with ensuring the PAC accurately filed these reports. While the PAC concedes these are in fact late reports, these reports also indicate the PAC's acknowledgement of its error and willingness to execute remedial efforts. As such, what Edwards cites as late reports is simply evidence of the PAC's efforts to maintain compliance with the requirements of the FCPA.

II. Alleged Missing Employment Information.

When conducting its ameliorative efforts to resolve the issues raised by the PDC, the PAC relied on all available records regarding contributions from IBEW Local 46 members to the PAC from 2018-

2022. The PAC reviewed its recently filed reports for 2018-2022 and updated the employment information of contributors based on all available records.

III. Alleged Unknown Contributions.

The PAC is, and has always been, entirely funded by contributions from IBEW Local 46 members. Thus, to accurately file reports for missing contributions and expenditures from 2018-2022, the current leadership obtained the PAC's bank statements and the records of all IBEW Local 46 member contributions to the PAC from 2018-2022.

The IBEW Local 46 membership contribution records from 2018-2022 show a total amount of membership contributions to the PAC from 2018-2022 that is sufficient to explain the total amount of deposits into the PAC bank account from 2018-2022. Consistent with the PAC leadership's own understanding, these records indicate that the PAC was entirely funded by membership contributions from 2018-2022. For most of the deposits shown on the PAC bank account statements from 2018-2022, there was a direct correlation to specific membership contributions within the same month. However, prior PAC leadership did not deposit all contributions into the PAC bank account in a timely manner. As such, there were limited instances where the PAC deposited membership contributions into the PAC bank account after the month the members made the correlating contributions.

In these limited instances, the PAC is certain the bank deposits were membership contributions, but the PAC cannot say with any certainty which IBEW Local 46 members contributed the money that provided for these unknown deposits. Accordingly, these deposits are unknown only in the sense that the PAC lost track of *which* members contributed the amount. However, it is certain all deposits into the PAC were union membership contributions. The PAC did not want to assume which contributors contributed these amounts and possibly file inaccurate reports. Instead, the PAC decided to absorb potential liability for unknown deposits rather than make assumptions as to which specific members contributed the money for these deposits. Going forward, the PAC is committed to making timely and accurate deposits and reports.

IV. An Alternative Response is Appropriate in this Case Due to Various Mitigating Factors.

Due to Electrical Workers 46 PAC's transparency and remedial efforts, we believe an alternative response to an investigation or adjudicative proceeding is appropriate, such as a warning letter or statement of understanding. Several factors set out in WAC 390-37-061 make clear that such an alternative response is appropriate.

1. The noncompliance resulted from a good-faith error, omission, or misunderstanding, and not intentional effort to conceal, deceive, mislead, or violate the law. The individual in charge of Electrical Workers 46 PAC's reporting from 2018-2022 had limited knowledge of state reporting requirements and was not sufficiently educated in state campaign finance laws. The PAC's failure to report certain contributions and expenditures within this period was not an intentional effort to conceal, deceive, or violate the law. Instead, its failure is an indication of its inexperience with state requirements and good-faith errors in reporting its activity.

2. The PAC is relatively unsophisticated and small. Electrical Workers 46 PAC is run by a small group of individuals with limited access to knowledge about PDC reporting. It is entirely funded by individual member contributions and relies on its limited staff to perform a variety of responsibilities.
3. There is no evidence that any person within the PAC, or the PAC itself, benefitted politically or economically from the noncompliance. No one within Electrical Workers 46 PAC nor the entity itself benefitted financially from the failure to disclose.
4. The PAC took corrective action and initiated extensive remedial measures when the noncompliance was brought to the PAC's attention (e.g., filing missing reports and amending incomplete or inaccurate reports). The PAC immediately took corrective action upon receiving the PDC's issues with its prior reporting. These actions were extensive and required the PAC to retrieve bank statement and contribution records going back to 2017, review each record, organize the missing information, and ensure each missing report was ultimately filed. The PAC invested significant time and energy to amend its past mistakes.
5. The PAC made a good-faith effort to comply, including consulting with PDC staff following a complaint and cooperating during the preliminary investigation. The PAC acknowledges and takes responsibility for the PDC's issues with its prior reporting.

Electrical Workers 46 PAC worked with the PDC staff to sufficiently report all missing information from 2018-2022. It acknowledges its past errors and now understands and recognizes its responsibilities under the FCPA, including the requirement under RCW 42.17A.235 that it must file reports with the Commission for all contributions and expenditures.

Please contact me with any questions or concerns at (206) 257-6005.

Sincerely,



Julianne DeFilippis

Dmitri Iglitzin

Counsel for IBEW Local 46