



**State of Washington  
PUBLIC DISCLOSURE COMMISSION**

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August 16, 2018

Delivered electronically to Taki Flevaris, an attorney with the Pacifica Law Firm on behalf of his client, Drew Hansen

Subject: Complaint return with reminder letter regarding Drew Hansen, PDC Case 27168

Dear Mr. Flevaris:

Enclosed is a copy of a letter sent to Glen Morgan concerning a complaint he filed with the Public Disclosure Commission (PDC) on November 1, 2017, against your client, Drew Hansen, an incumbent State Representative from the 23rd Legislative District and a candidate seeking re-election to that office in 2018.

As noted in the letter to Mr. Morgan, the PDC will not conduct a more formal investigation into these allegations or take further enforcement action in this matter. However, PDC staff is reminding Representative Hansen of the importance of filing timely and accurate campaign contribution and expenditure reports, including the timely filing of C-4 reports, the disclosure of orders placed, and the proper breakdown of expenditures including sub-vendor information.

If you have questions, please contact PDC staff member Alice Fiman by e-mail at [alice.fiman@pdc.wa.gov](mailto:alice.fiman@pdc.wa.gov).

Sincerely,

Endorsed by,

/s\_\_\_\_\_

Alice Fiman, Compliance Officer

/s\_\_\_\_\_

Barbara Sandahl, Deputy Director  
For Peter Lavallee, Executive Director



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August 16, 2018

Delivered electronically to Glen Morgan at "glenmorgan89@gmail.com"

Subject: Complaint regarding Drew Hansen, PDC Case 27168

Dear Mr. Morgan

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed against Drew Hansen, an incumbent State Representative from the 23rd Legislative District and a candidate seeking re-election to that office in 2018. The complaint alleged violations of RCW 42.17A.235 and .240 by failing to: (1) timely file the Summary Full Campaign Contribution and Expenditure reports (C-4 reports), including the 7-Day Pre-Primary Election C-4 report; (2) disclose outstanding debts and obligations on the C-4 reports filed by the Campaign; and (3) provide the proper reporting breakdown for a number of expenditures made by the campaign.

PDC staff reviewed the allegations listed in the complaints in light of PDC laws and rules in order to determine whether a formal investigation or enforcement action is warranted. Staff reviewed the Monetary Contributions reports (C-3 reports), and C-4 reports filed by the People to Re-elect Drew Hansen (Campaign), and the December 6, 2017, response from Taki Flevaris, an attorney with the Pacifica Law Firm on behalf of his client, Drew Hansen. Based on staff's review, we found the following:

- On January 17, 2015, Drew Hansen filed a Candidate Registration (C-1 report) declaring his candidacy for 23rd District State Representative.

**Allegation #1: Failure to timely file C-4 reports**

The complaint alleged that the Campaign failed to file C-4 reports beginning in July of 2016 through April of 2017.

- The Campaign timely filed the initial C-4 reports when they were originally submitted electronically. The Campaign did file several amended C-4 reports, but three of the amended reports re-classified "certain minor expenses from accounting expenses to expenses of \$50 or less." The remaining amended C-4 reports provided additional expenditure information as detailed below, or to reflect the proper monetary contributions received during the reporting period.
- The additional monetary contributions disclosed on the amended C-4 reports, had been timely filed and disclosed on the initial C-3 reports.

- The 7-Day Pre-Primary Election C-4 report was filed by the Campaign on July 28, 2016, two days late.

#### **Allegation #2: Failure to accurate report debts and obligations on C-4 reports**

The complaint alleged that the Campaign failed to disclose debts and obligations on the C-4 report, for orders placed in a prior reporting period.

- Mr. Flevaris stated in the response the “complaint simply makes assumptions—without foundation—that certain expenses are ‘debt’ that should have been reported earlier.” He stated the Campaign expenditures to ‘Stripe’ to process credit card contributions, and to Mr. Andrus for Treasury services did not create an obligation and were not reportable as debts. The Northwest Passages Consulting alleged debts concerned the ‘retainer’ for consulting services, and a small print job which is a service they provided in the same period.
- On June 1, 2016, the Campaign timely filed the May 2016 C-4 report disclosing a \$2,175 expenditure to Massive Designs, and listing the purpose as ‘Financial Software Development.’ On July 31, 2017, the Campaign filed amended C-4 reports for March, April and May of 2016 disclosing a \$2,175 order placed to Massive Designs made on March 28, 2016.

#### **Allegation #3: Failure to breakdown sub-vendor information for expenditures disclosed on C-4 reports**

The complaint alleged that the Campaign failed to properly breakdown the sub-vendors.

- On July 31, 2018, the Campaign filed amended C-4 reports disclosing the sub-vendor breakdown information for the necessary expenditures listed in the complaint.

The Campaign made minor or ministerial errors on several of the C-4 reports filed for the 2016 election, including the disclosure of orders placed, and the sub-vendor breakdown and details of certain expenditures. In addition, the Campaign filed one C-4 report two days late. Upon notification of these errors, the Hansen Campaign timely amended 10 C-4 reports making the necessary technical corrections to the C-4 reports covering the period from December 2015 through June 2016, disclosing orders placed for one expenditure, and providing additional expenditure information.

PDC staff found no evidence of an actual material violation that would require conducting a more formal investigation into your complaints or pursuing enforcement action in this instance. However, PDC staff is reminding the Drew Hansen Campaign of the importance of timely and accurate disclosure of campaign contribution and expenditure information, including the timely filing of C-4 reports, disclosure of orders placed, and the proper breakdown of expenditures. Therefore, PDC is returning your complaints filed against without taking any action.

If you have questions, you may contact Alice Fiman at 1-360-586-4746 toll-free at 1-877-601-2828, or by e-mail at [alice.fiman@pdc.wa.gov](mailto:alice.fiman@pdc.wa.gov).

Sincerely,  
/s\_\_\_\_\_  
Alice Fiman

Compliance Officer

Endorsed by,  
/s\_\_\_\_\_  
Barbara Sandahl  
Deputy Director  
For Peter Lavallee  
Executive Director

cc: Taki Flevaris,on behalf of Drew Hansen