



## State of Washington

### PUBLIC DISCLOSURE COMMISSION

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#### BEFORE THE PUBLIC DISCLOSURE COMMISSION OF THE STATE OF WASHINGTON

In RE COMPLIANCE WITH  
RCW 42.17A

AARP No on 2124 Sponsored by AARP Washington  
State

Respondent

PDC Case 158257

Report of  
Investigation

#### I. Background, Allegations/Complaints, and Response to Complaints

##### Background

- 1.1 **RCW 42.17A.225, .235 and .240** require candidates, political committees, and continuing political committees to file timely, accurate reports of contributions and expenditures, including in-kind contributions/expenditures. These reports must include the name and address of each person who has made one or more contributions during the period, together with the money or in-kind value, the date of each contribution, and the aggregate value of all contributions received from each person during the campaign, or in the case of a continuing political committee, the current calendar year, with certain exceptions. In-kind contributions must include a detailed description of the contribution, including the name and address of vendors where contributed goods or services were purchased, and if applicable, the same information for subvendors used by vendors.
- 1.2 Under the full reporting option, until five months before the general election, C-4 reports are required monthly when contributions or expenditures exceed \$750 since the last report. C-4 reports are also required 21 and 7 days before each election in which the committee makes expenditures, and in the month following the election. Monetary contributions are reported weekly during this same time period and must be disclosed on Monday for contributions deposited during the previous seven days.

- 1.3 **WAC 390-16-037** requires political committees to disclose the purpose of expenditures reported under RCW 42.17A.240, including the name of any candidate supported or opposed by the expenditure, and the details of goods and services to be provided by the recipient of the expenditure.

Additional statutory and regulatory authority is collected at the end of the Report of Investigation.

### **Allegations/Complaints/Initial Hearing (Case Status Review)**

#### **Complaint 1 (Exhibit 1)**

- 1.4 On August 2, 2024, Conner Edwards filed a complaint with the Public Disclosure Commission (PDC) alleging that the initial C-4 report filed by AARP No on 2124 Sponsored by AARP Washington State (the Committee), covering the period March 29 to July 31, 2024, disclosed in-kind contributions totaling \$17,415, received in April, May, and June 2024, that were not disclosed until Aug. 2, 2024. The complaint alleged that the C-4 was a merged report that should have been filed as separate reports for April by May 10, 2024 and for May by June 10, 2024. The complaint also alleged that the report failed to provide adequate descriptions of the in-kind contributions.

#### **Response to Complaint 1 (Exhibit 2)**

- 1.5 On Aug. 23, 2024, Cathy MacCaul responded on behalf of the Committee, stating:

“AARP created a Political Action Committee called ‘AARP No on I 2124 Sponsored by AARP Washington State’ on March 29, 2024. Reports were filed each month for work starting in March 2024 showing the in-kind contributions and media purchases AARP had made. On July 30, a colleague told AARP Washington State that their activity was not showing up on the public PDC site. Research was done to try to resubmit the report but it required PDC assistance. AARP Washington called the PDC on August 2 and left a voicemail. AARP Washington was contacted by Scott Hailey, a PDC filing specialist, the same day. He saw that reports had been submitted but they were sitting in a folder on the Public Disclosure Commission (PDC) ORCA (Online Reporting Campaign Activity) tool and had not been submitted to the public facing site. Mr. Hailey resolved the issue and the reports were posted.”

- 1.6 The response to the complaint went on to state:

“As to the complaint’s allegations that the filed reports do not provide sufficient detail for the general public to determine the exact nature of expenditures, AARP would point to the history of the complainant, who has made well-known that he utilizes the complaint process to advance a public policy position to improve campaign finance transparency. AARP stands by the details in the reports filed, which satisfy the statutory requirements of Title 42 of the RCW. If the PDC wishes to delineate new requirements, AARP is happy to work to those new standards as well.”

### **Initial Hearing (Case Status Review)**

- 1.7 On Nov. 8, 2024, pursuant to RCW 42.17A.755 and WACs 390-37-060 and 390-37-071, after having conducted a preliminary review and assessment of the complaint filed on Aug. 2, 2024, alleging that the Committee may have violated RCW 42.17A.235 and .240 by failing to timely and accurately report contributions and expenditures, PDC staff opened a formal investigation and held an Initial Hearing (Case Status Review).

### **Complaint 2 (Exhibit 3)**

- 1.8 On Jan. 29, 2025, Conner Edwards filed an additional complaint, alleging that the Committee failed to timely file its 7-day pre-general election C-4 report. The second complaint alleged that the C-4 report covering the period Oct. 15 to Oct. 28, 2024, due Oct. 29, 2024, was not filed until Nov. 8, 2024, 10 days late and three days after the Nov. 5, 2024 general election. The complainant noted that the amended version of the report included \$432,830.72 in expenditures, reported late as in-kind contributions from AARP Washington State.

### **Response to Complaint 2 (Exhibit 4)**

- 1.9 On Feb. 6, 2024, Cathy MacCaul responded, stating that the late-reported 7-day pre-general election C-4 report was an oversight on her part. Ms. MacCaul said she vaguely remembered a reference to a need to file the 7-day pre-general election C-4 report, outside of the regular reporting schedule, but did not receive any reminder about the importance of the upcoming deadline.

## **II. Investigative Findings**

- 2.1 On March 29, 2024, the Washington state chapter of AARP created a political committee called “AARP No on I 2124 Sponsored by AARP Washington State.” As the name implies, the Committee was formed by AARP Washington to oppose statewide initiative 2124, an initiative to make funding of the state’s long term care program voluntary instead of mandatory. The Committee registered and reported as a single election committee, with reportable activity from March 2024 through the Nov. 5, 2024 general election. The Committee’s treasurer was Cathy MacCaul, AARP Washington’s Advocacy Director. Ms. MacCaul was responsible for timely reporting the Committee’s contributions and expenditures, including amendments to the descriptions of in-kind contributions. The Committee received no monetary contributions. All activities were in-kind contributions planned and executed by AARP Washington, on behalf of the Committee.
- 2.2 As noted by Ms. MacCaul in her response to the initial complaint, the Committee’s first C-4 report was filed Aug. 2, 2024 for activities spanning the period March 29 to July 31, 2024. The reported activities, planned and paid for by AARP Washington, consisted of the fair market value of AARP staff time supporting the Committee’s efforts to oppose I-2124, and for media purchases. Ms. MacCaul stated that on July 30, 2024, a colleague told her the Committee’s activities were not appearing on the public-facing PDC website, which prompted Ms. MacCaul to attempt to resubmit the missing report. However, Ms. MacCaul said she required PDC assistance, which she received from Scott Haley, PDC Filer Assistance Specialist, on Aug. 2, 2024. Ms. MacCaul said Mr. Haley resolved the issue and the reports were posted.

### **C-4 Reports filed by the Committee**

- 2.3 C-4 Report, 3/29/24 – 7/31/24, filed 8/2/24 (Report #110 235 448) **(Exhibit 5)** The initial C-4 report filed by the Committee consisted of in-kind contributions totaling \$17,415. Of this amount, \$8,315 was for AARP staff time, stating “AARP staff time on No on I 2124,” listing the names of the employees but not describing the work performed by the employees; \$2,850 was described as print and online advertising in the May 2024 edition of Third Act Magazine; and \$6,250 was described as “KING 5 ‘New Day’ July 17, TVW general long term care rotators during months.” The report was amended on Feb. 3, 2025 (Report #110 269 951) to add \$5 to staff time and to provide the number of hours worked along with more detailed descriptions of the work performed.
- 2.4 C-4 Report, 8/1/24 – 8/31/24, filed 9/5/24 (Report#110 242 508) **(Exhibit 6)** This C-4 included in-kind contributions totaling \$13,660. Of this amount, \$7,410 was for AARP staff time, listing the names of the AARP employees without describing the work performed; and \$6,250 was described as “New Day and TVW.” This C-4 was amended on Feb. 3, 2025 with Report #110 269 952, to provide more detailed descriptions of the work performed.
- 2.5 C-4 Report, 9/1/24 – 10/14/24, filed 10/7/24 (Report #110 249 913) **(Exhibit 7)**. This C-4 was the original 21-day pre-general election C-4 report that was due by Oct. 15, 2024. It included in-kind contributions totaling \$30,718.57. Of this amount, \$11,115 was for AARP staff time, listing the names of the AARP employees without describing the work performed; \$2,827.57 was described as “GMMB Production;” \$2,850 was described as “3<sup>rd</sup> Act Magazine;” and \$13,926, was described as “New Day (King 5), TVW, KXLY-TV.”
- 2.6 Report #110 249 913 was amended by Report #110 269 953 on Feb. 3, 2025 to include \$2,750 received Oct. 7, 2024 for “TVW – Cable ads, digital ads on website. Rotated by station.” **(Exhibit 8)**
- 2.7 Report #110 269 953 was amended by Report #110 270 515 on Feb. 6, 2025 **(Exhibit 9)** to include an additional \$390,000 (\$125,000 on Oct. 1, 2024 and \$265,000 on Oct. 4, 2024) of in-kind contributions for various media related expenditures previously reported on the original 7-day pre-general election C-4 report, due Oct. 29, 2024 but filed on Nov. 8, 2024, 10 days late and three days after the Nov. 5, 2024 general election. Report #110 270 515 also included “Report Notes/Attachments of AARP Additional Documentation for No on I-2124 Campaign” to provide a detailed description of in-kind contributions not adequately described in other reports. The in-kind contributions totaling \$390,000 reported on the amended 21-day pre-general election C-4 report were required to be reported by Oct. 15, 2024 but were reported 24 days late on Nov. 8, 2024 and three days after Nov. 5, 2024 general election.
- 2.8 C-4 Report, 10/15/24 – 10/28/24, filed 11/8/24 (C-4 Report #110 259 639) **(Exhibit 10)** Report #110 259 639 amended Report #110 259 354 to become the original 7-day pre-general election C-4 report. It included in-kind contributions totaling \$432,830.72. The report was due Oct. 29, 2024 but was filed 10 days late and three days after the Nov. 5, 2024 general election. Of this amount, \$3,500 was described as, “New Day Northwest

Interview on voter engagement with website to AARP website;" \$9,815 was for AARP staff time, listing the names of the AARP employees, along with the hours worked and a description of the work performed; \$7,676 for "KXLY;" \$8,500 for "Brother Doug Media Production;" \$13,339.72 described as, "Senior Publication Statewide;" \$125,000 described as, "Radio ads KRWM, KSWD, KPNW, KKWF, KJEB, KICR, KXLY, KEYF, 10/1 to 11/5;" and \$265,000 described as, "Washington Post, CNN, Optimum, Sinclair, Bidtellect, StackAdapt 10/4 to 11/5." On Feb. 3, 2025, Report #110 259 639 was amended by Report #110 269 954 to include an additional \$391 for "Senior Publication Statewide."

- 2.9 On Feb. 17, 2025, Report #110 269 954 was amended by Report #110 272 548 (**Exhibit 11**) making it the final 7-day pre-general election C-4 report, covering the period Oct. 15 to Oct. 28, 2024. Report #110 272 548 reduced in-kind contributions by \$390,000 to \$43,221.72, because the same \$390,000 was included in the final, amended, 21-day pre-general election C-4, Report #110 270 515.
- 2.10 C-4 Report, 10/29/24 – 11/30/24, filed 12/6/24 (C-4 Report #110 262 405) (**Exhibit 12**) Report #110 262 405, filed Dec. 6, 2024, was the post-general election C-4 report. It included in-kind contributions totaling \$9,175. Of this amount, \$2,925 was for AARP staff time, listing the names of the AARP employees, along with the hours worked and a description of the work performed; and \$6,250 was described as, "New Day Northwest \$3,500 TVW Rotators, \$2,750 linked to AARP No on I2124 website." Report #110 262 405 was amended by Report #110 269 955 to increase the Line 1 starting balance to match the Line 8 ending balance from the previous report, an increase of \$396.
- 2.11 C-4 Report, 12/1/24 – 12/31/24, filed 12/6/24 (Report #110 269 956) (**Exhibit 13**) Report #110 269 956 reported no activity and was the committee's final report for the campaign.

**Table of Late Reporting**

<b>Amount of In-Kind Contributions Reported Late</b>	<b>Days Late</b>	<b>Days After General Election</b>	<b>Relevant C-4 Report &amp; Exhibit Number</b>
\$3,245.00	84	NA	3/29-7/31/24; Report #110 235 448; Exhibit 5
\$4,345.00	53	NA	3/29-7/31/24; Report #110 235 448; Exhibit 5
\$2,750.00	111	90	9/1-10/14/24; Report #110 269 953; Exhibit 8
\$390,000.00	24	3	9/1-10/14/24; Report #110 270 515; Exhibit 9
\$43,221.72	10	3	10/15-10/28/24; Report #110 259 639 Exhibit 10
<b>(Totals)</b> \$443,561.72	10-111	0-90	

### **Filer Assistance Concerning Amending C-4 Reports**

- 2.12 On Aug. 16, 2024, PDC Filer Assistance Specialist Scott Haley contacted Cathy MacCaul offering assistance for how to properly amend C-4 reports to provide the required detail when describing in-kind contributions from AARP Washington State. **(Exhibit 14)**
- 2.13 At the Initial Hearing (Case Status Review) held Nov. 8, 2024, PDC Staff informed Ms. MacCaul that the descriptions for in-kind contributions should be the same as they would be if the committee had made the expenditures and reported them on Schedule A to the C-4 report. PDC Staff asked Ms. MacCaul to provide a better description of the GMMB Production on the Sep. 1 to Oct. 14, 2024 C-4 report.
- 2.14 On Jan. 24, 2025, Mr. Haley reminded Ms. MacCaul that amendments were still needed to provide detailed in-kind contribution/expenditure descriptions, including for AARP staff time, showing the number of hours worked for each person along with a description of the work performed for the Committee. **(Exhibit 15)**
- 2.15 On Jan. 29, 2025, Ms. MacCaul responded that she was working with two colleagues to pull together the requested information. **(Exhibit 16)**
- 2.16 Ms. MacCaul was unable to fit all the requested details describing in-kind contributions into the description fields on C-4 reports. With permission from PDC Staff, Ms. MacCaul submitted detailed descriptions using the Attach a Note function for the C-4 reports. Ms. MacCaul attached all amended detailed descriptions to the 21-day pre-general election C-4 report, covering the period Sep. 1 to Oct. 14, 2024, filed Feb. 6, 2025, Report #110 270 515. The note includes all required details for the descriptions of in-kind contributions not previously reported on original or amended C-4 reports for June, July, August, September, October, and November 2024.
- 2.17 This was the first campaign in which Ms. MacCaul held the position of treasurer for a major initiative campaign.

### **III. Scope**

- 3.1 PDC Staff reviewed the following:
- Two complaints filed by Conner Edwards
  - Responses to the two complaints submitted by Cathy MacCaul on behalf of AARP No on 2124 Sponsored by AARP Washington State
  - Original C-4 Reports submitted by AARP No on 2124 Sponsored by AARP Washington State
  - Amended C-4 Reports submitted by AARP No on 2124 Sponsored by AARP Washington State

- 3.2 During the investigation, PDC Staff exchanged numerous emails with Cathy MacCaul, Treasurer for the Committee.

Respectfully submitted this 14<sup>th</sup> day of March 2025,  
*Electronically Signed Phil Stutzman, Compliance Officer*  
Philip E. Stutzman, Compliance Officer

### **Exhibits**

- Exhibit 1** Complaint 1, filed Aug. 2, 2024
- Exhibit 2** Response to Complaint 1, Received Aug. 23, 2024
- Exhibit 3** Complaint 2, filed Jan. 29, 2025
- Exhibit 4** Response to Complaint 2, Received Feb. 6, 2025
- Exhibit 5** C-4 Report, 3/29/24 – 7/31/24, filed 8/2/24 (Report #110 235 448)
- Exhibit 6** C-4 Report, 8/1/24 – 8/31/24, filed 9/5/24 (Report#110 242 508)
- Exhibit 7** C-4 Report, 9/1/24 – 10/14/24, filed 10/7/24 (Report No. 110 249 913)
- Exhibit 8** C-4 Report, 9/1/24 – 10/14/24, filed 2/3/25 (Report #110 269 953) (Amends Report #110 249 913)
- Exhibit 9** C-4 Report, 9/1/24 – 10/14/24, filed 2/6/25 (Report #110 270 515) (Amends Report #110 269 953)
- Exhibit 10** C-4 Report, 10/15/24 – 10/28/24, filed 11/8/24 (Report #110 259 639)
- Exhibit 11** C-4 Report, 10/15/24 – 10/28/24, filed 2/17/25 (Report #110 272 548)
- Exhibit 12** C-4 Report, 10/29/24 – 11/30/24, filed 12/6/24 (C-4 Report #110 262 405)
- Exhibit 13** C-4 Report, 12/1/24 – 12/31/24, filed 12/6/24 (Report #110 269 956)
- Exhibit 14** PDC Filer Assistance Email Aug. 16, 2024
- Exhibit 15** PDC Filer Assistance Email Jan. 24, 2025
- Exhibit 16** PDC Filer Assistance Email Jan. 29, 2025

### **Applicable Statutes and Rules**

**RCW 42.17A.225, .235 and .240** require candidates, political committees, and continuing political committees to file timely, accurate reports of contributions and expenditures, including in-kind contributions/expenditures, including the name and address of each person who has made one or more contributions during the period, together with the money or in-kind value, the date

of each contribution, and the aggregate value of all contributions received from each person during the campaign, or in the case of a continuing political committee, the current calendar year, with certain exceptions. In-kind contributions must include a detailed description of the contribution, including the name and address of vendors where contributed goods or services were purchased, and if applicable, the same information for subvendors used by vendors.

Under the full reporting option, until five months before the general election, C-4 reports are required monthly when contributions or expenditures exceed \$750 since the last report. C-4 reports are also required 21 and 7 days before each election in which the committee makes expenditures, and in the month following the election. Monetary contributions are reported weekly during this same time period and must be disclosed on Monday for contributions deposited during the previous seven days.

**WAC 390-16-207** concerns the reporting of in-kind contributions (1) An in-kind contribution must be reported on the C-4 report. An in-kind contribution, as that term is used in the act and these rules, occurs when a person provides goods, services or anything of value, other than money or its equivalent, to a candidate or political committee free-of-charge or for less than fair market value, unless the item or service given is not a contribution according to RCW 42.17A.005 or WAC 390-17-405. An in-kind contribution includes an expenditure that: ***“Supports or opposes a candidate or a ballot measure.”*** (Emphasis added.)