# BEFORE THE PUBLIC DISCLOSURE COMMISSION OF THE STATE OF WASHINGTON

In the Matter of Enforcement Action Against:

Tobacco-Free Action Fund,

Respondent.

Case No. 166185

STIPULATION AS TO FACTS, VIOLATIONS, AND PENALTY

The parties to this Stipulation, namely, the Public Disclosure Commission Staff, through its Executive Director, Peter Frey Lavallee, and Respondent, Tobacco-Free Action Fund, through its representative, named as signatory below, submit this Stipulation as to Facts, Violations, and Penalty in this matter. In lieu of a contested hearing, the parties jointly present this stipulation to the Commission for its review and approval. The parties acknowledge that the Commission has the authority to accept, reject, or modify the terms of this Stipulation. The parties further acknowledge that, in the event the Commission suggests modification to any term of this agreement, each party reserves the right to reject that modification. In the event either party rejects a modification, this matter will proceed to hearing before the Commission.

### **JURISDICTION**

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to Chapter 42.17A RCW, the state campaign finance and disclosure laws; Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC.

#### **FACTS**

### Late Reporting

Tobacco-Free Action Fund filed an L-6 Grass Roots Lobbying Report on March 11, 2025.
The L-6 listed the topics of the lobbying campaign as "Senate Bill 5183/House Bill 1203 - prohibiting the sale of certain tobacco and nicotine products." The L-6 covered the

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period of January 1–31, 2025, reported \$289,585.90 in expenditures, and contained two checked boxes (for "registration" and "monthly report").

2. Tobacco-Free Action Fund amended its January 2025 L-6 report on May 12, 2025. The amended report included required information missing from the original L-6, specifically the date the digital advertisements and billboards were launched (January 1, 2025).

3. The original L-6 report was filed 68 days late. The amended report was submitted 130 days late.

## **Mitigating Factors**

4. L-2 Lobbyist Monthly Expenditure Reports are due the 15th of the month following the activity. Monthly L-2 reports for Tobacco-Free Action Fund were filed by lobbyist Andrew Estep, working for lobbyist employer Cedar Strategies LLC. The February, March, and April 2025 L-2 reports were timely filed. The May 2025 L-2 report was filed five days late.

## **Aggravating Factors**

5. L-2 reports filed on behalf of Tobacco-Free Action Fund by Cedar Strategies LLC covering the months of February, March, April and May 2025 detailed expenses of \$255,379.58 in February, \$553,750 in March, \$201,875 in April and \$10,000 in May. In total, Tobacco-Free Action Fund reported close to \$1.31 million on direct and indirect lobbying during the 2025 legislative session.

6. Tobacco-Free Action Fund has been registered with the PDC since at least 2019.

#### **VIOLATIONS**

Based on the Stipulation of Facts set forth above, Tobacco-Free Action Fund stipulates to the following:

1) Violations of RCW 42.17A.640(2)(a)(i)(A), and WAC 390-20-125 for failing to:

- a) Register and report a grassroots lobbying campaign within 24 hours of the initial presentation to the public when the campaign occurred during the period beginning 30 days before the regular legislative session through the end of that session; and
- b) Timely report the date the campaign was first presented to the public.

#### PENALTY

Based on the Stipulation of Facts and Violations set forth above, the parties agree on the following monetary penalty:

- 1. An aggregate civil penalty of \$5,000 for the combined violations, with \$2,500 suspended on the following conditions:
  - The non-suspended portion (\$2,500 of the \$5,000 total monetary penalty) is paid a) by the Respondent within 30 days of the date of this Final Order; and
  - b) The Respondent remains in full compliance with all PDC reporting requirements and is not found to have committed any further violations of Chapter 42.17A RCW or Title 390 WAC within four years of the date of this Final Order. The suspended penalty shall not be assessed based solely upon any remediable violation, minor violation, or error classified by the Commission as appropriate to address by a technical correction.
- 2. If the Respondent fails to satisfy the above conditions, the suspended portion of the penalty shall immediately become due, and the matter may be sent to collections or enforced in Superior Court as allowed by law without further action by the Commission.

Peter Frey Lavallee, Executive Director

Public Disclosure Commission

Yolonda Richardson, CEO Tobacco Free Kids

Respondent

09/12/2024

7/8/2025 Date Signed

Date Signed