

Respondent Name
Teamsters Local 117 Working Families PAC
Complainant Name
Glen Morgan
Complaint Description
<p>Glen Morgan reported via the portal (Wed, 9 Oct 2024 at 1:53 PM)</p> <p>To whom it may concern,</p> <p>It has come to my attention recently that the Teamsters Local 117 Working Families PAC appears to have violated Washington State's Campaign finance laws (RCW 42.17A). The details of these violations are as follows:</p> <p>1) Disappearing cash, missing funds, or possible theft of funds with no reporting on where the \$25,000 went (Violation of RCW 42.17A.235, .240)</p> <p>As I've been surfing a variety of C4 reports on the PDC website, I noticed this well-funded PAC is missing reporting details on a large sum of cash this current year. Specifically, I noticed that the final C4 report filed for 2023 claimed on line18 that they had \$43,112.12 in their bank account (See PDC C4 Report # 110195594, attached for staff reference). However, the first C4 of 2024 clearly indicates that this well-funded large dark money PAC started out the year with a reported \$18,112.12 in the account (See PDC C4 Report # 110200998, attached for staff reference). Where did the missing \$25,000 go?</p> <p>Was this missing \$25,000 stolen? Did it end up in someone's back pocket? Was it a kickback to a corrupt politician?</p> <p>Nobody knows, and there is no way for the public to know the way this is currently reported. Hopefully, PDC staff can investigate and get to the bottom of this one, but it might help if subpoena's are issued for the bank accounts of this secretive well-funded PAC just to make sure.</p> <p>For additional background, while I realize the Teamsters have many PACs and slush funds for political influence operations, this is not the first time I have caught one of them breaking our state's laws. I've attached a copy of another example where one of their secretive PACs was fined \$1,000 by the PDC for also violating the state's campaign finance laws (See PDC Enforcement Case #29798, attached for staff reference).</p> <p>Let me know if you want to know more about this one.</p> <p>Best Regards,</p> <p>Glen Morgan</p>
What impact does the alleged violation(s) have on the public?
The public has a right to know when \$25,000 disappears from a well-funded local PAC that is influencing local politicians to do bad things in local government. Where did the money go? Who got it? Was it stolen? The public has a right to know.
List of attached evidence or contact information where evidence may be found
Attached as exhibits
List of potential witnesses with contact information to reach them
Everyone involved and probably would help to subpoena the bank records to be sure.
Certification (Complainant)
I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.



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: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

May 8, 2020

Delivered electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint regarding Washington Teamsters Legislative League (WTLL), PDC Case 29978

Dear Mr. Morgan:

Public Disclosure Commission (PDC) staff has completed its investigation of your complaint received December 21, 2017, initially as a Citizen Action Notice filed under RCW 42.17A.765(4), and later converted to a PDC complaint following implementation of Engrossed Substitute House Bill 2938, which took effect June 7, 2018. Your complaint alleged that during 2016 and 2017, Washington Teamsters Legislative League (WTLL), its officers, and its treasurer, may have committed multiple violations of RCW 42.17A. Your complaint alleged WTLL may have:

1. Failed on numerous occasions to file accurate, timely C-3 and C-4 reports of contributions and expenditures (RCW 42.17A.235 & .240). The complaint included Exhibit A, a spreadsheet listing allegedly late-filed C-3 and C-4 reports.
2. Failed to accurately, and timely, report debt (RCW 42.17A.240(8)). The complaint included Exhibit B, a spreadsheet listing alleged debt that was not timely reported.
3. Failed to properly break down and describe expenses (RCW 42.17A.235) (See WAC 390-16-037 and WAC 390-16-205). Although the complaint alleged that this violation applied to multiple expenditures, it did not cite specific examples in support of the alleged violations. However, several of the expenditures included in Exhibit B to the complaint did not contain a complete description of the expenditure.
4. Failed to file various C-6 reports related to independent expenditures (RCW 42.17A.255, RCW 42.17A.260, or RCW 42.17A.305). The complaint did not provide evidence of these alleged violations. However, Exhibit B to the complaint included an expenditure with a description of "Independent Expenditure."

RCW 42.17A.235 and .240 require candidates, single election political committees, and continuing political committees to file timely, accurate reports of contributions and expenditures. Under the full reporting option, until five months before the general election, C-4 reports are required monthly when contributions or expenditures exceed \$200 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. Contributions are reported weekly during this same time period, and must be disclosed on Monday for contributions deposited during the previous seven days.

WAC 390-16-037 obligates any person required to report the “purpose” of an expenditure under RCW 42.17A.240(6) or 42.17A.255(5)(b) to identify any candidate(s) or ballot proposition(s) supported or opposed by the expenditure, and to describe in detail the goods and/or services provided by the expenditure. The rule includes two examples for disclosing the details of the goods and/or services provided.

WAC 390-16-205 states expenditures by agents and agents’ sub-vendors, made on behalf of a candidate or political committee, shall be deemed expenditures by the candidate or committee. The rule states that in accordance with WAC 390-16-037, such expenditures shall be reported by the candidate or political committee as if made or incurred by the candidate or committee directly. The rule includes three examples for disclosing the details of the goods and/or services provided.

PDC staff reviewed your complaint, the response provided on behalf of WTLL by its counsel, and appropriate reports filed by the respondent with the Public Disclosure Commission.

As a result of the investigation, staff found the following:

Alleged failure, on numerous occasions, to file accurate, timely C-3 and C-4 reports of contributions and expenditures (RCW 42.17A.235 & .240). (The complaint included Exhibit A, a spreadsheet listing allegedly late-filed C-3 and C-4 reports.)

C-4 Reporting

- The complaint alleged four amended C-4 reports covering reporting periods in 2016 and 2017 were filed late. The C-4 amending January 2016 was filed 57 days late, the C-4 amending February 2016 was filed 28 days late, the C-4 amending November 2016 was filed 29 days late, and the C-4 amending October 17-30, 2017 was filed 22 days late. However, the original reports were all filed timely. Of these four amended reports, two were amended to include \$1,093 and \$222 for the in-kind value of wages and benefits for two employees loaned to WTLL by the Joint Council of Teamsters. One of the reports was amended to remove a \$250 campaign contribution included in error on the original report, and the fourth C-4 was amended to reduce a \$500 expenditure to the Washington Fair Trade Coalition from \$500 to \$400.
- The complaint also alleged that the 21 day pre-primary C-4, covering the period 6/1/16 – 7/11/16, due 7/12/16, was filed 24 days late on 8/5/16. However, the C-4 filed 8/5/16 was not the 21 day pre-primary C-4 report. Rather, it was a C-4 report covering the month of July, filed 8/5/16. During 2016, WTLL was involved in the primary and general elections, which required the committee to file 21 day, 7 day, and Post-election C-4 reports for both the primary and general elections. Instead, WTLL filed monthly C-4 reports through the month of August, and then filed reports for the special reporting periods of the general election, as follows:

- 21 day pre-primary C-4: One bank deposit totaling \$12,230.97 was listed on the July C-4, filed 8/5/16, 24 days after it was required to be reported on the 21 day pre-primary C-4, due 7/12/16.
- 21 day pre-primary C-4: Monetary expenditures totaling \$1,665.00 were reported on the July C-4, filed 8/5/16, 24 days after they were required to be reported on the 21 day pre-primary C-4, due 7/12/16.
- 7 day pre-primary C-4: One bank deposit totaling \$9,180.00 was listed on the July C-4, filed 8/5/16, 10 days after it was required to be reported on the 7 day pre-primary C-4, due 7/26/16.
- 7 day pre-primary C-4: Monetary expenditures totaling \$48,279.60 were reported on the July C-4, filed 8/5/16, 10 days after they were required to be reported on the 7 day pre-primary C-4, due 7/26/16.
- WTLL timely reported the receipts and expenditures that should have been reported on the Post-primary C-4 (7/26-8/31, due 9/12/16) by reporting the receipts and expenditures on an August C-4, filed 9/9/16.

C-3 Reporting

Following is a list of nine original, late-filed, C-3 reports filed from 7-22 days late, totaling \$149,499. The late-filed reports represent deposits made in in June, July, August, and September 2016, and in August and October 2017. The contributions were from IBT DRIVE, an affiliated union in Washington D.C., and Joint Council of Teamsters 28 in Tukwila, Washington. The late-filed C-3 reports included significant contribution amounts and days late were significant.

- \$34,567, deposited 6/15/16, reported 18 days late on 7/8/16 (100705989)
- \$12,231, deposited 7/11/16, reported 18 days late on 8/5/16 (100714360)
- \$9,180, deposited 7/21/16, reported 11 days late on 8/5/16 (100714361)
- \$35,708, deposited 8/24/16, reported 11 days late on 9/9/16 (100719519)
- \$20,501, deposited 8/24/16, reported 11 days late on 9/9/16 (100719520)
- \$10,001, deposited 9/29/16, reported 11 days late on 10/14/16 (100726175)
- \$12,300, deposited 6/23/17, reported 22 days late on 7/18/17 (100776029)
- \$9,511, deposited 8/21/17, reported 11 days late on 9/8/17 (100785812)
- \$5,500, deposited 10/2/17, reported 7 days late on 10/16/17 (100792901)

Other C-3 reports, filed as amended reports, included a significant amount of contributions, and initially appeared to have been filed a significant number of days late. However, it was found that prior to filing the amended reports, WTLL filed the same C-3 reports, some timely, and some late, but less late than the amended reports. The violations concerning C-3 and C-4 reporting, as noted above, are being resolved through a Statement of Understanding with an admission of violations and payment of a penalty.

Alleged failure to accurately and timely report debt (RCW 42.17A.240(8)). (The complaint included Exhibit B, a spreadsheet listing alleged debt that was not timely reported.)

Exhibit B to the complaint included 45 entries for accounting services or office rent. Accounting fees are monthly payments against a retainer for accounting services, and rent is a monthly payment for office space. On June 7, 2018, Engrossed Substitute House Bill (ESHB) 2938 became effective, clarifying that for the purposes of reporting expenditures under RCW 42.17A.240, debt does not include “regularly recurring expenditures of the same amount that have already been reported at least once and that are not late or outstanding.”

Exhibit B listed examples of other monetary expenditures the complaint alleged should have been reported as “debts or obligations” on the preceding report. Of the examples cited, staff had concerns about the periods immediately preceding and following the 2016 and 2017 primary and general elections. On the four post-election reports, WTLL reported expenditures to Cerillion N4 Partners for services allegedly ordered prior to the respective elections. Staff confirmed that the 12 expenditures to Cerillion N4 Partners (three for each of the four elections) likely should have been reported as orders placed/debts on the pre-election C-4 reports for the primary and general elections in 2016 and 2017. The expenditures totaled \$5,447.81 on 8/24/16; \$31,642 on 11/3/16; \$5,990.68 on 8/4/17; and \$29,130 on 11/9/17. The Respondent said the mailings in question were sent to union members, and could have been paid for using general treasury funds instead of PAC funds. The violations concerning proper reporting of debt on C-4 reports, as noted above, are being resolved through a Statement of Understanding with an admission of violations and payment of a penalty.

Alleged failure to properly break down and describe expenses (RCW 42.17A.235) (See WAC 390-16-037 and WAC 390-16-205). Although the complaint did not provide specific examples in support of the alleged violations, several expenditures listed in Exhibit B to the complaint appeared to lack complete descriptions.

- The Respondent acknowledged that for the 12 payments to Cerillion N4 Partners for the four elections noted above, sub-vendors were paid by Cerillion, but were not disclosed in C-4 reports. In addition, staff identified several expenditures from Exhibit B to the complaint that were credit card payments or reimbursements for travel related expenses that failed to list the vendors where the original purchases were made. These expenditures totaled \$19,078.38. This allegation is being dismissed. However, staff will issue a formal written warning to WTLL concerning these discrepancies.

Alleged failure to file various C-6 reports related to independent expenditures (RCW 42.17A.255, RCW 42.17A.260, or RCW 42.17A.305). (The complaint did not provide evidence of these alleged violations.)

- Mr. Iglitzin stated that WTLL has never made any independent expenditures, and is not required to file C-6 reports for its expenditures. He said the items identified in the complaint as being independent expenditures included a description of “Independent Expenditure” because they were expenditures to committees who themselves make independent expenditures. For example, the \$10,000 expenditure on 10/12/17 to People for Jenny Durkan was an expenditure to a political committee making expenditures supporting Jenny Durkan. No evidence of a violation was found.

After a careful review of the alleged violations and relevant facts, PDC staff has concluded its investigation.

Pursuant to WAC 390-37-060(1)(f), Washington Teamsters Legislative League completed a Statement of Understanding (SOU) and paid a \$1,000.00 civil penalty in accordance with WAC 390-37-143 (Brief Enforcement Penalty Schedule), acknowledging the following violations: (1) the failure to file timely, accurate C-3 and C-4 reports of contributions and expenditures (RCW 42.17A.235 & .240); and (2) the failure to accurately and timely report debt (RCW 42.17A.240(8)). The \$1,000.00 assessed penalty resolves these allegations.

Pursuant to WAC 390-37-060(1)(d), Washington Teamsters Legislative League will receive a formal written warning concerning its failure to properly report sub-vendor information, including the underlying vendors when reimbursements for out-of-pocket expenditures were made. The formal written warning will include staff's expectation that WTLL will report the required vendor and sub-vendor information, including the underlying vendors when reimbursements are made, on future 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.

Because staff's investigation did not find evidence that Washington Teamsters Legislative League failed to file required C-6 reports (RCW 42.17A.255, RCW 42.17A.260, or RCW 42.17A.305), I am dismissing that portion of your complaint in accordance with WAC 390-37-070.

If you have questions, you may contact Phil Stutzman, Compliance Officer, at 360-753-1111; toll-free at 877-601-2828; or by e-mail at pdcc@pdc.wa.gov.

Sincerely,

Electronically Signed Peter Lavallee

Peter Lavallee
Executive Director

cc: Carson Phillips-Spotts, Counsel, Washington Teamsters Legislative League
Dmitri Iglitzin, Counsel, Washington Teamsters Legislative League



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**SUMMARY, FULL REPORT RECEIPTS
AND EXPENDITURES**

C4

TEAMSTERS LOCAL 117 WORKING FAMILIES PAC

14675 INTERURBAN AVE S STE 307
TUKWILA, WA 98168

Coverage: 01/01/2024 to 01/31/2024

Final report: No

Report number: 110200998

Reporting year: 2024

Date submitted: 02/12/2024

RECEIPTS

1. Previous total cash and in-kind contributions (last C4 line 8).		\$18,112.12
2. Cash received (Schedule A line 1).	\$0.00	
3. In-kind contributions received (Line 1 schedule B).	\$22.44	
4. Total cash and in-kind contributions received this period (Lines 2 + 3).		\$22.44
5. Loan principal repayments made (Line 2 schedule L).	\$0.00	
6. Corrections (Lines 1 or 3 schedule C).	\$0.00	
7. Net adjustments this period (Lines 5 + 6).		\$0.00
8. Total cash and in-kind contributions during campaign (Lines 1 + 4 + 7).		\$18,134.56
9. Total pledge payments due (Line 2 schedule B).	\$0.00	

EXPENDITURES

10. Previous total cash and in-kind expenditures (Last C-4 line 17).		\$0.00
11. Cash expenditures (Line 3 schedule A).	\$0.00	
12. In-kind expenditures (Line 1 schedule B).	\$22.44	
13. Total cash and in-kind expenditures made this period (Lines 11 + 12).		\$22.44
14. Loan principal repayment made (Line 2 schedule L).	\$0.00	
15. Corrections (Lines 2 + 3 schedule C).	\$0.00	
16. Net adjustments this period (Lines 14 + 15).		\$0.00
17. Total cash and in-kind expenditures during campaign (Lines 10 + 13 + 16).		\$22.44

CASH SUMMARY

18. Cash on hand (Lines 8 - 17)		\$18,112.12
Line 18 should equal your bank account balance(s) plus your petty cash balance.		
19. Liabilities: (Sum of loans and debts owed)		\$0.00
20. Balance (Lines 18 - 19)		\$18,112.12

I certify this report is true and complete to the best of my knowledge

Treasurer's name and date

JENNIFER SHAW - 02/12/2024

Schedule B: In-kind Contributions, Pledges, Orders, Debts and Obligations

1. IN-KIND CONTRIBUTIONS RECEIVED:

Date Received	Contributor	Employer/Occupation	Description	Amount
01/10/2024	SHAW JENNIFER 507 Alexander Ave , Kent, WA 98030		Accounting, legal, regulatory compliance, etc.	Fair market value: \$22.44 Aggregate total (N): \$22.44

2. PLEDGES RECEIVED BUT NOT YET PAID:

No pledges reported this period

3. ORDERS PLACED, DEBTS AND OBLIGATIONS:

No debt reported this period



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**SUMMARY, FULL REPORT RECEIPTS
AND EXPENDITURES**

C4

TEAMSTERS LOCAL 117 WORKING FAMILIES PAC

14675 INTERURBAN AVE S STE 307
TUKWILA, WA 98168

Coverage: 12/01/2023 to 12/31/2023

Final report: No

Report number: 110195594

Reporting year: 2023

Date submitted: 01/06/2024

RECEIPTS

1. Previous total cash and in-kind contributions (last C4 line 8).		\$57,758.11
2. Cash received (Schedule A line 1).	\$16,072.92	
3. In-kind contributions received (Line 1 schedule B).	\$22.34	
4. Total cash and in-kind contributions received this period (Lines 2 + 3).		\$16,095.26
5. Loan principal repayments made (Line 2 schedule L).	\$0.00	
6. Corrections (Lines 1 or 3 schedule C).	(\$800.00)	
7. Net adjustments this period (Lines 5 + 6).		(\$800.00)
8. Total cash and in-kind contributions during campaign (Lines 1 + 4 + 7).		\$73,053.37
9. Total pledge payments due (Line 2 schedule B).	\$0.00	

EXPENDITURES

10. Previous total cash and in-kind expenditures (Last C-4 line 17).		\$30,718.91
11. Cash expenditures (Line 3 schedule A).	\$0.00	
12. In-kind expenditures (Line 1 schedule B).	\$22.34	
13. Total cash and in-kind expenditures made this period (Lines 11 + 12).		\$22.34
14. Loan principal repayment made (Line 2 schedule L).	\$0.00	
15. Corrections (Lines 2 + 3 schedule C).	(\$800.00)	
16. Net adjustments this period (Lines 14 + 15).		(\$800.00)
17. Total cash and in-kind expenditures during campaign (Lines 10 + 13 + 16).		\$29,941.25

CASH SUMMARY

18. Cash on hand (Lines 8 - 17)		\$43,112.12
Line 18 should equal your bank account balance(s) plus your petty cash balance.		
19. Liabilities: (Sum of loans and debts owed)		\$0.00
20. Balance (Lines 18 - 19)		\$43,112.12

I certify this report is true and complete to the best of my knowledge

Treasurer's name and date

JENNIFER SHAW - 01/06/2024

Schedule A: Cash Receipts and Expenditure Detail

1. CONTRIBUTIONS AND OTHER CASH RECEIPTS REPORTED ON THE C3:

Deposit date	Amount	Deposit date	Amount	Deposit date	Amount
12/21/2023	\$15,272.92	12/31/2023	\$800.00		

2. TOTAL CASH RECEIPTS (LINE 2 OF C4): \$16,072.92

3. EXPENDITURES (CASH AND CREDIT TRANSACTION DETAIL):

Date paid	Vendor or recipient (Name and address)	Purpose of expense and/or description	Credit/Debt	Cash
N/A	Expenses	Non-itemized expenditures		\$0.00
			\$0.00	\$0.00

4. TOTAL EXPENDITURES: \$0.00

Schedule B: In-kind Contributions, Pledges, Orders, Debts and Obligations

1. IN-KIND CONTRIBUTIONS RECEIVED:

Date Received	Contributor	Employer/Occupation	Description	Amount
12/04/2023	SHAW JENNIFER 507 Alexander Ave , Kent, WA 98030	COMPTROLLER / Teamsters Local Union 117 Tukwila, WA	Accounting, legal, regulatory compliance, etc.	Fair market value: \$22.34 Aggregate total (N): \$491.25

2. PLEDGES RECEIVED BUT NOT YET PAID:

No pledges reported this period

3. ORDERS PLACED, DEBTS AND OBLIGATIONS:

No debt reported this period

Schedule C: Corrections

3. CONTRIBUTIONS AND RECEIPTS

No Contributions and receipts reported this period

2. EXPENDITURES

No expenditures reported this period

3. REFUNDS FROM VENDORS

Date of Report	Source of refund	Amount of refund
12/31/2023	Alex for Seattle 401 2nd Ave S Suite 303 , Seattle, WA 98104	\$500.00
12/31/2023	Vote Maren PO Box 16225 , Seattle, WA 98116	\$300.00