

## 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: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

November 27, 2019

Delivered electronically to Patrick Keegan at hufflor@aol.com and Maureen E. Cox-O'Brien at mobrien@dunnandblack.com

Subject: PDC Case 25731

Dear Patrick Keegan:

Below is a copy of an electronic letter sent to Mary M. Winkes, concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(d), this letter serves as a warning concerning the requirement to report all political advertising, including independent expenditures that support or oppose candidates, in accordance with PDC laws and rules.

The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, contact Alice Fiman toll-free at 1-877-601-2828 or by e-mail at pdc@pdc.wa.gov

Sincerely,
/s
Alice Fiman
Compliance Officer
Endorsed by,
/s
Peter Lavallee
Executive Director



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November 27, 2019

Delivered electronically to mmcspo@yahoo.com

Subject: Complaint regarding, PDC Case 25731

Dear Mary W. Winkes:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed September 24, 2017. Your complaint alleged the Monroe Street Business Association and Gary Jarvis may have violated RCW 42.17A.205 by failing to register as a political committee, RCW 42.17A.255 by failing to report an independent expenditure, and RCW 42.17A.320 by failing to list sponsor identification on political advertising.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; applicable PDC reports, the attachments you provided, and the response provided by Maureen E. Cox-O'Brien of Dunn & Black, P.S. legal counsel for Monroe Street Business Association and Gary Jarvis, plus the response from Patrick Keegan, an individual, to determine whether the record supports a finding of one or more violations.

Based on staff's review, we found the following:

- In the response provided by Cox-O'Brien, it states "The Monroe Street Business Association, LLC, registered as a Limited Liability Company (LLC) with a filing date of June 13, 2017. The formation and registration of the LLC was done lawfully by its various members, and any act in that regard was done by the entity, and not by Mr. Jarvis personally or in any kind of individual capacity."
- The response also states "Mr. Jarvis did not personally, or as an individual, purchase or place any billboard content relating to the dispute about the 'road diet' for Monroe Street in Spokane. Mr. Jarvis did not personally, or as an individual, purchase or place any billboard content relating to any election campaign or ballot proposition." In addition, it states "The only radio spots run by the Monroe Street Business Association made no mention of any election campaign, candidate, or ballot proposition."
- During the investigation, PDC staff viewed the Facebook advertisement provided and contacted Katy Azar, an individual who shared the video on Facebook. Azar stated she only shared the video and could not remember who originally posted it. The video is no

- longer available for viewing. PDC staff was able to view the video before it was removed, and its focus was opposition to the Monroe Street Project, a City of Spokane road project, and not a campaign, candidate or ballot proposition.
- Regarding the billboard, the PDC contacted Lamar Billboards, who stated the billboard was purchased by Patrick Keegan, owner of a business on Monroe Street.
- Keegan stated he purchased the billboard on behalf the Monroe Street Business Association, which is why he listed the organization as the sponsor. Keegan also stated he was unaware of the requirements of political advertising, and had relied on legal counsel from Dunn & Black, P.S.
- Once he was educated on the definition of political advertising and independent expenditures, on November 13, 2019, Keegan sent a C-6 Independent Spending and Electioneering Communications form to the PDC, reporting a \$5,100 independent expenditure against three Spokane City Council members (Breean Beggs, Candace Mumm, and Karen Stratton) for a billboard from November 2016 to June 2017.
- Based on information provided in the complaint and responses, the Monroe Street Business Association did not meet the definition of a political committee as defined in RCW 42.17A.005(37).

Based on these findings, staff has determined in this instance the alleged failure to register as a political committee, report an independent expenditure, and list sponsor identification on political advertising does not amount to a violation warranting further investigation.

Pursuant to WAC 390-37-060(1)(d) Patrick Keegan will receive a formal written warning concerning the requirement to report independent expenditures that support or oppose candidates. The formal written warning will include staff's expectation Patrick Keegan will report all political advertising in the future in accordance with PDC laws and rules.

The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, contact Alice Fiman toll-free at 1-877-601-2828 or by e-mail at pdc@pdc.wa.gov.

Sincerely,
/s
Alice Fiman
Compliance Officer
Endorsed by, /s
Peter Lavallee
Executive Director