



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 4, 2011

David Olson
14226 442nd Ave SE
North Bend, WA 98045

RE: Complaint against Dean Willard – PDC Case #11-037

Dear Mr. Olson:

The Public Disclosure Commission (PDC) has completed its investigation of your complaint received on December 17, 2010, concerning the 2010 campaign of Dean Willard, a candidate for State Representative in the 5th Legislative District. You alleged that Mr. Willard's campaign: (1) deliberately filed late campaign finance reports; (2) failed to timely report \$5,384.32 in Primary election expenditures; (3) failed to timely report a \$20,000 contribution Mr. Willard made to his campaign after the Primary election; and (4) accepted \$7,500 in monetary contributions for the General election but spent the funds on Primary election expenses and failed to refund the General election contributions.

PDC staff reviewed your allegations in light of the following statutes and rule:

RCW 42.17.080 and .090 require candidates to file timely, accurate reports of contributions and expenditures.

RCW 42.17.020(22) defines "expenditure" to include agreements and/or promises to pay for an expenditure which must be reported as estimated obligations until actual payment is made.

RCW 42.17.640(2) allows candidates who lose in the primary to continue receiving primary contributions up to 30 days after the primary in order to retire outstanding debt.

WAC 390-17-300 requires (in part) that general election contributions shall not be spent for primary election expenses. The rule also requires that if a candidate loses in the primary, all contributions attributed to the general election must be returned to contributors.

WAC 390-17-302 further addresses contributions received after the primary election concerning candidates who lost in the primary election.

PDC staff reviewed your complaint, supporting documentation, and correspondence. PDC staff also reviewed a response letter, documentation, and correspondence from Dean Willard,

and campaign finance reports filed by the 2010 Dean Willard campaign. As a result of our review, we found:

- Mr. Willard's campaign filed three Campaign Summary Receipts & Expenditure (C-4) reports late (1 day, 33 days, and 62 days late). The three late-filed C-4 reports were due after the Primary election was held. Mr. Willard's late reporting was due to inexperience and confusion on the part of the campaign. No evidence was found that Mr. Willard deliberately filed the C-4 reports late.
- Mr. Willard's campaign timely reported postage expenditures for its three mailers prior to the Primary election, on the 7-day pre-primary C-4 report filed August 10, 2010. Mr. Willard also reported obligations for two of the three mailers on this C-4 report. Mr. Willard acknowledged that he failed to include the obligation for the third mailer, known as Mailer #4 on this report. Mailer #4 was ordered on August 9, 2010, the last day of the 7-day pre-primary C-4 reporting period, and Mr. Willard stated that he forgot to include the estimated obligation of approximately \$5,000 on the 7-day pre-primary C-4 report.
- The public was informed, before the Primary election, that Mr. Willard had spent \$20,231.54 for postage and production of mailers sent during the 7-day pre-primary C-4 reporting period. Prior to the Primary, the public was informed of the postage cost for Mailer #4 but not of its \$5,384.32 production cost until it was reported as a monetary expenditure on December 13, 2010, 62 days after the monetary expenditure was required to be reported on October 10, 2010.
- Mr. Willard contributed \$20,000 to his campaign on September 10, 2010 to retire remaining debt from the Primary election. Mr. Willard made the contribution within the 30-day period following the Primary during which candidates who lost in the Primary could continue to receive contributions to retire debt. On September 20, 2010, Mr. Willard filed a Cash Receipts Monetary Contributions report (PDC Form C-3) disclosing his contribution of personal funds. The C-3 report was due on October 12, 2010 and was filed 22 days early.
- As of the August 17, 2010 Primary, Mr. Willard's campaign had received \$7,790 in monetary contributions allocated for the General election. On August 17, 2010, Mr. Willard's campaign bank balance was \$9,367.34. This balance indicates that, as of August 17, 2010, Mr. Willard had \$1,577.34 cash-on-hand and \$7,790 in General election contributions in his campaign bank account. In December, 2010, Mr. Willard's campaign issued refunds for the General election contributions received before the Primary. A total of \$7,790 was refunded to General election contributors.

No evidence was found that Mr. Willard's 2010 campaign deliberately filed its campaign finance reports late. The campaign failed to timely report a monetary obligation for the production cost of Mailer #4. However, the campaign timely reported the postage cost, making the public partially aware of the cost and existence of Mailer #4. The campaign timely reported Mr. Willard's \$20,000 contribution of personal funds, and no evidence was found that the campaign spent general election contributions on the Primary election. In this instance, the three late filed C-4 reports and the failure to timely report the obligation and monetary

expenditure for the production of Mailer #4 do not warrant formal enforcement action. However, Mr. Willard will be cautioned that late reporting in future election campaigns may result in formal enforcement action.

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against the 2010 Dean Willard campaign.

Thank you for bringing this matter to our attention. The process relies on citizens monitoring campaign activity to promote full compliance with the law. Your actions will contribute to better awareness of the Public Disclosure Law and better public disclosure of important campaign information.

If you have questions, you may contact Phil Stutzman at (360) 664-8853, toll-free at 1-877-601-2828, or by e-mail at phil.stutzman@pdc.wa.gov.

Sincerely,



Andrea McNamara Doyle
Executive Director

c: Dean Willard