



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

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BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

In the Matter of Enforcement
Action Against

Preserve Marriage Washington

Respondent.

PDC Case No. 13-026

Notice of Administrative Charges

I. Jurisdiction

1. The Public Disclosure Commission (PDC) 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. These charges incorporate the Report of Investigation and all related exhibits by reference.

II. Allegations

2. Staff alleges that Preserve Marriage Washington violated RCW 42.17A.235 and .240 by failing to timely report expenditures, debts, and orders placed totaling \$328,737 during its 2012 campaign opposing Referendum 74, a statewide ballot proposition on the November 6, 2012 general election ballot.

III. Facts

3. Preserve Marriage Washington was a political committee formed to call a referendum election on SB 6239, legislation approved in the 2011-12 legislative session concerning civil marriage and Washington's domestic partnership laws. The referendum proposition qualified for the November 6, 2012 general election ballot and was assigned number R-74. Preserve Marriage Washington opposed R-74. R-74 was approved by voters.
4. Chris Plante served as Preserve Marriage Washington's Deputy Campaign Director. On its first Campaign Summary Receipts and Expenditures Report (C-4 report), filed March

12, 2012, Preserve Marriage Washington timely disclosed in-kind contributions from the National Organization for Marriage, Mr. Plante's employer, for his services in establishing the committee. The committee also previously disclosed an estimated debt to the National Organization for Marriage for Mr. Plante's services. On September 6, 2012, Preserve Marriage Washington filed amended reports to correct this estimate of debt, and to make it clear that the debt was for campaign management.

5. Frank Schubert began serving as Campaign Manager for Preserve Marriage Washington in April 2012, and was compensated according to a monthly retainer agreement. Although Preserve Marriage Washington received contemporaneous invoices from Mr. Schubert's company, Mission Public Affairs, due to an administrative error, these invoices were not listed as debts on Preserve Marriage Washington's C-4 reports.
6. On September 6, 2012, Preserve Marriage Washington filed amended C-4 reports showing that the committee had initially over-reported by approximately \$10,000 an estimated debt owed to the National Organization for Marriage incurred in the month of April 2012 for the services of Chris Plante, and under-reported the committee's debts for May, June, and July 2012 services totaling \$59,627. This debt was reported between 28 and 88 days late, and 61 days before the general election.
7. On September 6, 2012, Preserve Marriage Washington filed amended C-4 reports showing that the committee had failed to report debt incurred during April, May, and July, 2012 totaling \$50,110 owed to Mission Public Affairs. The debts were reported between 28 and 120 days late, and 61 days before the general election.
8. On October 30, 2012, Preserve Marriage Washington filed a C-4 report for the period September 1 - October 15, 2012, disclosing \$20,000 in expenditures and approximately \$90,000 in debts, orders placed, and obligations, that were in addition to what was initially reported on a C-4 report for the same period, filed October 16, 2012. The expenditure activity (including debts and obligations), included over \$70,000 in previously undisclosed obligations and payments to Mission Public Affairs for campaign management, and numerous smaller obligations for legal services, video production, and

other services. This expenditure activity was due to be disclosed on October 16, 2012, and was reported 14 days late, and seven days before the election.

9. On January 10, 2013, Preserve Marriage Washington filed a C-4 report for the period October 30 - November 30, 2012 disclosing approximately \$43,000 more in debts, orders placed, and obligations than the original C-4 report for the same period, filed on December 10, 2012. A subsequent amendment for same reporting period, filed on June 6, 2013, disclosed approximately \$66,000 in additional previously undisclosed debts. These obligations, for campaign management, consulting, legal, and compliance services, were due to be disclosed on December 10, 2012, and were reported between 31 – 178 days late.
10. Preserve Marriage Washington had an agreement with National Organization for Marriage and ActRight Compliance Services and Engagement to combine invoices for the services of the entities' representatives during October and November, so that the pre-election work would appear on one invoice. Although Preserve Marriage Washington monitored and tracked the work that consultants and vendors performed on Preserve Marriage Washington's behalf, because the committee only reported these debts when invoiced, Preserve Marriage Washington did not disclose debts and obligations incurred in October and November 2012 until after its post-election C-4 report was due on December 10, 2012.

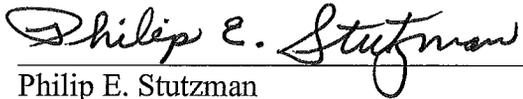
IV. Law

RCW 42.17A.005(20) defines "expenditure" to include a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. For the purposes of RCW 42.17A, agreements to make expenditures, contracts, and promises to pay may be reported as estimated obligations until actual payment is made.

RCW 42.17A.235 and .240 require political committees to file timely, accurate reports of monetary and in-kind contributions, including contributions pledged but not received, and monetary and in-kind expenditures, including debts, orders placed and obligations. The reports are filed monthly following an excess of \$200 in contribution or expenditure activity, except during the five months before the election, during which time summary reports of receipts and expenditures are required to be filed 21 days and again 7 days before each election in which the committee is participating. The reports must disclose any debt, obligation, note, unpaid loan, or other liability valued at more than \$250, or valued at more than \$50 that has been outstanding for

over thirty days. Any contributions received and expenditures made prior to the date of registration must be disclosed on the day the registration is filed. Reports of contributions must include the name and address of any contributor who has given more than \$25 in the aggregate.

RESPECTFULLY SUBMITTED this 15th day of May, 2015.

A handwritten signature in black ink that reads "Philip E. Stutzman". The signature is written in a cursive style with a horizontal line underneath the name.

Philip E. Stutzman
Director of Compliance