



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](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)

BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

Ken Mann & 2009 Ken Mann Campaign  
710 East Maryland Street  
Bellingham, WA 98225

In Re Compliance with RCW 42.17A

Ken Mann & 2009 Ken Mann Campaign

Respondent.

PDC Case No. 14-001

Findings of Fact,  
Conclusions of Law, and  
**Order Imposing Fine**

A brief enforcement hearing (brief adjudicative proceeding) was held December 12, 2013, in Room 206, Evergreen Plaza Building, 711 Capitol Way, Olympia, Washington to consider whether the Respondent violated RCW 42.17.080 and .090<sup>1</sup> by failing to timely file Cash Receipts Monetary Contributions reports (C-3 reports), and Campaign Summary Receipts & Expenditures reports (C-4 reports) disclosing contributions and expenditure undertaken during the 2009 election.

The hearing was held in accordance with Chapters 34.05 and 42.17A RCW and Chapter 390-37 WAC. A brief enforcement hearing notice was sent to Ken Mann and the 2009 Ken Mann Campaign on December 2, 2013. Commission Chair Amit Ranade was the Presiding Officer. The Commission staff was represented by Kurt Young, Compliance Officer. Ken Mann participated by telephone and provided testimony. He also submitted a letter prior to the hearing that was considered by the Presiding Officer.

Having considered the evidence, the Presiding Officer finds as follows:

FINDINGS OF FACT

1. The Respondent filed a Candidate Registration (C-1 report) declaring his candidacy for Whatcom County Council District 2 in 2009.
2. As a candidate under the Full Reporting option, the Respondent was required to timely file weekly C-3 reports beginning June 1, 2009, disclosing monetary contributions received, and monthly C-4 report as necessary, including 21-day and 7-day pre-primary and pre-general election C-4 reports, as well as post-election C-4 reports.

<sup>1</sup> Effective January 1, 2012, RCW 42.17.080 and RCW 42.17.090 were recodified as RCW 42.17A.235 and RCW 42.17A.240.

3. The Respondent was successfully elected to the Whatcom County Council in 2009, and was recently re-elected to the Whatcom County Council in 2013.

**Ken Mann/2009 Ken Mann Campaign failed to timely report 2009 campaign expenditures**

4. The Respondent reconciled the 2009 campaign's bank statements with the 2009 C-4 reports, and found several discrepancies concerning both contributions and expenditures that included:
  - Nine expenditures totaling \$8,324 were listed in the 2009 campaign bank statements that he could not find had been disclosed on the campaign's 2009 C-4 reports; and
  - Six expenditures totaling \$3,263 were listed on his 2009 campaign's C-4 reports, but were not listed in the bank statements.
5. On September 20, 2013, the Respondent filed a number of amended C-4 reports disclosing nine new expenditures totaling \$5,061, which included: (1) A \$3,600 expenditure made to Lithtex NW, a Printing and Mail house on October 14, 2009, for one-half the cost of a campaign mailer; and (2) A \$1,000 expenditure made to the campaign manager in July of 2009. The remaining expenditures were for small campaign printing and postage expenses.
6. The late-reported expenditures were disclosed between 1,380 and 1,502 days late, and more than three and one-half years after the 2009 general election.

**Ken Mann/2009 Ken Mann Campaign failed to timely file C-3 reports**

7. On September 20, 2013, the Respondent filed seven new C-3 reports and one amended C-3 report. The seven new C-3 reports totaled \$4,790 in previously unreported contributions and included a \$3,000 campaign contribution received from the Respondent in the form of a candidate loan made on October 30, 2009.
8. While the C-3 report disclosing the Respondent's loan on the Schedule L was not timely filed, the \$3,000 candidate loan was timely disclosed on the 2009 Post-general election C-4 report on an attached Schedule L to C-4 report. The Schedule L disclosed that the \$3,000 loan had been made on October 30, 2009, that a partial \$1,500 loan repayment had been made to the Respondent, and that the remaining \$1,500 loan balance had been forgiven by the Respondent. The \$4,790 in previously unreported contributions was disclosed between 1,349 and 1,432 days late.
9. The Respondent stated in his letter, and confirmed in his testimony, that he accepted full responsibility for the reporting errors committed by his 2009 campaign. He stated that during the course of an internal audit of his 2009 campaign, he discovered a number of discrepancies that were the result of paperwork errors. He discovered errors by Washington Mutual (campaign depository), his campaign volunteer staff, and by himself personally. He reiterated that none of the errors were intentional, and said there was no attempt to deceive the public or to hide information. He said he took steps to fix the systemic flaws in his 2009 campaign, so that they were not repeated by his 2013 campaign.

CONCLUSIONS OF LAW

Based on the above facts, as a matter of law, the Presiding Officer concludes as follows:

1. This matter was duly and properly convened and all jurisdictional, substantive and procedural requirements have been satisfied.
2. The Respondent violated RCW 42.17.080 and .090 on multiple occasions by failing to timely file seven C-3 reports disclosing 2009 campaign contributors, and for failing to timely disclose 2009 campaign expenditures on C-4 reports.

ORDER

On the basis of the foregoing Findings of Fact and Conclusions of Law, and in consideration of the penalty factors set forth in WAC 390-37-182,

**IT IS HEREBY ORDERED that the Respondent is assessed a civil penalty of \$300, of which \$200 is suspended on the following conditions:**

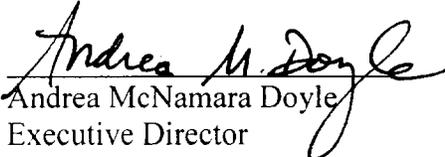
1. **The Respondent is not found to have committed any additional violations of RCW 42.17A through the end of the 2017 election cycle (December 31, 2017); and**
2. **The Respondent pays the non-suspended portion of the penalty (\$100) within 30 days of the date of this order.**

If the Respondent fails to comply with any of these conditions, the suspended portion of the penalty will become immediately due and payable without further action by the Commission.

This is an **Initial Order** of the Public Disclosure Commission.

Entered this 17<sup>th</sup> day of December, 2013.

Public Disclosure Commission

  
Andrea McNamara Doyle  
Executive Director

Enclosure: Information about Appeal Rights

I, Philip E. Stutzman, certify that I mailed a copy of this order to the Respondent(s) at his/her/its respective address, postage pre-paid, on the date stated herein.

  
Signed

12/17/2013  
Date

**INFORMATION ABOUT APPEALS OF INITIAL ORDERS,  
FURTHER APPEAL RIGHTS,  
AND ENFORCEMENT OF FINAL ORDERS**

**APPEALS**

**REVIEW OF INITIAL ORDER - BY THE COMMISSION**

The presiding officer will issue an initial order following a brief enforcement hearing. Any party may request the Commission **review** an initial order. Parties seeking the review must:

- Make the request orally or in writing, stating the reason for review. *WAC 390-37-144.*
- Deliver the request so it is received at the Commission office within **TWENTY-ONE (21) BUSINESS DAYS** after the postmark date of the initial order.

A Respondent does not need to pay a penalty until after the Commission rules on the request. If the Commission is unable to schedule a meeting to consider the request within twenty (20) business days, the initial order becomes a **final order** and the request will automatically be treated as a **request for reconsideration** of a final order (unless the party advises the Commission otherwise, such as by withdrawing the request). See more information on reconsideration below.

If the request for review was an oral request, it must now be confirmed in writing. The matter will be scheduled before the full Commission as soon as practicable. If the Commission does not receive a request for review within twenty-one (21) business days, the initial order will automatically become a **final order**. At that point, the Respondent is legally obligated to pay the penalty unless reconsideration has been sought or the matter has been timely appealed to Superior Court. *RCW 42.17A.755; RCW 34.05.470; RCW 34.05.570.*

**RECONSIDERATION OF FINAL ORDER – BY THE COMMISSION**

Any party may ask the Commission to **reconsider** a final order. Parties seeking reconsideration must:

- Make the request in writing;
- Include the specific grounds or reasons for the request; and
- Deliver the request to the PDC office so it is received within **TWENTY-ONE (21) BUSINESS DAYS** of the date that the Commission serves this order upon the party. *WAC 390-37-150.*