



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

Yes on I-522 Committee

Respondent.

PDC Case No. 14-011

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's campaign disclosure and contribution law; 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 Yes on I-522 Committee violated RCW 42.17A.235 and 42.17A.240 by failing to timely disclose the receipt of in-kind contributions totaling \$127,067 on its 21-day and 7-day pre-general election Campaign Summary Receipts & Expenditures reports (C-4 reports).

III. Facts

Failure to timely disclose in-kind contributions on C-4 Reports during 2013 Election (RCW 42.17A.235 and 42.17A.240)

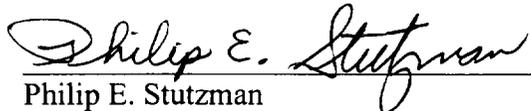
3. Yes on I-522 failed to report in-kind contributions totaling \$127,067 in in-kind contributions received during the 21-day and 7-day pre-general election C-4 reporting periods.
4. The most significant unreported in-kind contributions were newsletter advertising and other expenses totaling \$29,279 incurred by PCC Natural Markets and \$97,000 in Facebook and radio advertising incurred by Ben and Jerry's Ice Cream. These expenditures were reported on amended C-4 reports after the election.

5. On November 7, 2013, Yes on I-522 Committee amended its 21-day pre-general election C-4 report to include \$14,494 in previously undisclosed in-kind contributions from PCC Natural markets for political advertising and staff services (\$12,433); Northern Ales Brewery for event space (\$1,200); and Rincon-Vitova Insectaries for telephone work (\$862). The in-kind contributions were disclosed 23 days late and two days after the November 5, 2013 general election.
6. Also on November 7, 2013, Yes on I-522 Committee amended its 7-day pre-general election C-4 report to include \$100,327 in previously unreported in-kind contributions from Ben and Jerry's Ice Cream for political advertising (\$95,000) and ice cream (\$2,000); and PCC Natural Markets for staff services (\$3,327). These in-kind contributions were reported nine days late and two days after the general election.
7. On November 12, 2013, Yes on I-522 Committee amended its 7-day pre-general election C-4 report a second time to include \$12,246 in previously unreported in-kind contributions from Dr. Bronner's Magic Soaps made on October 15, 2013 for political advertisements in magazines. These contributions were reported 14 days late and seven days after the general election.

IV. Law

RCW 42.17A.235 and **RCW 42.17A.240** require political committees to file timely, accurate reports of contributions and expenditures. Under the full reporting option, until five months before the general election, C-3 and 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, and in the month following the election, regardless of the level of activity. Beginning five months before the election, weekly C-3 reports are required to be filed every Monday disclosing contributions received and deposited during the previous week.

RESPECTFULLY SUBMITTED this 17th day of March, 2014.


Philip E. Stutzman
Director of Compliance