

## File a Formal Complaint - Glen Morgan

[Glenmorgan89](#) reported 9 days ago (Mon, 28 Aug at 8:41 AM) via Portal [Meta](#)  
To Whom it May Concern –

It has come to my attention that Zach Hudgins has violated multiple provisions of **RCW 42.17A**.

### **1) Failure to timely file accurate, timely C3 and C4 reports. (Violation of RCW 42.17A.235, WAC 390-16-205)**

State law requires that candidates and committees file frequent, accurate reports of contributions, expenditures, in-kind contributions, and debt. Unfortunately, Zach Hudgins failed on numerous occasions to do this. **(See Exhibit A – Illegally Late Deposited/Reported Contributions, Exhibit B – Illegally Late Reported Expenditures/In-kind contributions, Exhibit C - Illegal failure to report debt, and Exhibit D - Illegal failure to breakdown expenditures for a detailed list of specific violations)**

**Please note, that Exhibit A details \$10,815 in illegally late reported contributions and deposits. Exhibit B details over \$5,535 in illegally late reported expenditures. Exhibit C details over \$5,077 in illegally unreported debt.**

### **2) Failure to report expenditures, in-kind contributions in accurate, timely manner. (Violation of RCW 42.17A.235)**

a) Hudgins failed to timely/accurately report his filing fee. The filing fee was reported as having been paid in late June, which is impossible due to the fact that this expenditure could only have been incurred during filing week which is in May.

b) In 2015, Zach Hudgins sent out mailers to registered voters within King County.

Zach Hudgins used mailing lists to target specific voters in an effort to win the maximum number of voters per dollar spent.

Mailing lists have real market value, and many candidates actually pay hundreds of dollars for mailing lists from vendors such as L2.

Unfortunately, because Zach Hudgins failed to report the expenditure for said mailing lists, or the in-kind contribution of mailing lists from some outside entity, he is in violation of **RCW 42.17A.235**. Zach Hudgins must amend campaign finance reports to include the source of his mailing lists, either as an in-kind contribution to his campaign or as an expenditure.

### **3) Failure to report last minute contributions. (Violation of RCW 42.17A.265)**

Zach Hudgins failed to report last minute contributions (@ aggregate of \$1000 or higher) from the following groups within the 48 hour time limit on an LMC form, as required by law:

General Election (21 Days -- 10/18/2016 or later)

VERIZON	11/1/2016	\$1,000.00	G – Not reported until 11/7/2016
AVISTA CORP	10/19/2016	\$1,000.00	G -- Not reported until 10/24/2016

**4) Failure to list WinPower Strategies and Argo Strategies as committee officers. (Violation of RCW 42.17A.205 (2)(c), see WAC 390-05-245.**

Zach Hudgins failed to list **WinPower Strategies and Argo Strategies** as an officer, which is required by **RCW 42.17A.205(2)(c)**.

I believe that **WinPower Strategies and Argo Strategies** should have been listed as a committee officer, because **WinPower Strategies and Argo Strategies**, in conjunction with others, made, directed, or authorized expenditures, strategic or policy decisions on behalf of the committee.

**WAC 390-05-245** defines committee officer as: "...any person designated by the committee as an officer on the C-1 or C-1pc registration statement and any **person** who alone or in conjunction with other persons makes, directs, or authorizes contribution, expenditure, strategic or policy decisions on behalf of the committee" .

Please note that **RCW 42.17A.005 (35)** defines "person" as: "...an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized."

**5) Illegal unauthorized expenditure of funds by an individual not listed as an officer on C-1 form. (Violation of RCW 42.17A.425)**

State law requires that: "No expenditures may be made or incurred by any candidate or political committee unless authorized by the candidate or the person or persons named on the candidate's or committee's registration form..."

I believe that **WinPower Strategies and Argo Strategies** illegally made expenditures for the Hudgins campaign, in violation of state law.

**6) Failure to file campaign finance reports electronically. (Violation of RCW 42.17A.245, see WAC 390-19-050(2))**

State law requires that candidates who have raised or spent more than \$5000 file their C3 contribution and C4 expenditure reports electronically, using either ORCA, or an alternative reporting software – unless they receive written permission from the PDC due to lack of technological ability. Hudgin’s committee did not lack the technological ability to file reports using the electronic means provided by the PDC. Additionally, the Public Disclosure Commission made no exception for Hudgins (per **WAC 390-19-050(2)**), which would have exempted him from the requirements of **RCW 42.17A.245**.

Per **RCW 42.17A.245(2)**, it clearly states: “failure by a candidate or political committee to comply with this section is a violation of this chapter.” It should be clear why the state legislature voted to make this a violation. The Public Disclosure Commission is an agency of limited staff and resources. Allowing candidates to file using non-electronic means (even though they possess the capability to use electronic alternatives), creates an even larger burden on PDC staff -- who must scan and proof the documents that are sent to them.

To rectify this specific violation of the statute, Hudgins must at a minimum immediately digitally refile all of the surplus C3s and C4s he has filed in a non-digital manner. If the campaign finance laws are to mean anything, then they must apply equally, even to incumbent legislators who fail to follow the law.

The PDC should investigate the possibility that Zach Hudgins committed the above violations maliciously, which would be a class C felony per **RCW 42.17A.750 (2)(c)**. If the PDC determines that is the case, they should refer the case to the Attorney General's office for criminal prosecution immediately.  
Please don't hesitate to contact me if you need any additional information.

Best Regards,

Glen Morgan

### Exhibit D -- Illegal Failure to breakdown expenditures.

Violation #	Vendor	Date	Amount	Description	Failure to Breakdown Expenditure
1	WINPOWER STRATEGIES	2016-11-01	\$ 950.00	WINPOWER STRATEGIES	Failure to identify purpose of expenditure.
2	ARGO STRATEGIES	2016-11-04	\$ 900.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
3	SOUND PUBLISHING	2016-10-20	\$ 488.20	NEWSPAPER / ONLINE ADS	Failure to identify all outlets ads were run on, failure to identify run date of ad.
4	HUDGINS ZACK L	2016-06-20	\$ 462.58	ZACK L HUDGINS	Failure to identify subvendor, purpose.
5	NW ASIAN WEEKLY	2016-10-20	\$ 380.00	NEWSPAPER ADS	Failure to identify run date of ad.
6	ARGO STRATEGIES	2016-10-10	\$ 300.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
7	ARGO STRATEGIES	2016-10-10	\$ 300.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
8	ARGO STRATEGIES	2016-07-16	\$ 225.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
9	ARGO STRATEGIES	2015-06-20	\$ 225.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
10	ARGO STRATEGIES	2016-06-06	\$ 225.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
11	ARGO STRATEGIES	2016-06-06	\$ 225.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
12	ARGO STRATEGIES	2015-06-20	\$ 150.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
13	ARGO STRATEGIES	2016-06-06	\$ 150.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
14	HUDGINS ZACK L	2016-10-26	\$ 135.77	ZACK L HUDGINS	Failure to identify subvendor, purpose.
15	HUDGINS ZACK L	2016-10-26	\$ 125.84	ZACK L HUDGINS	Failure to identify subvendor, purpose.
16	ARGO STRATEGIES	2015-06-20	\$ 112.50	ARGO STRATEGIES	Failure to identify purpose of expenditure.
17	RENTON REPORTER	2016-10-26	\$ 100.00	NEWSPAPER AD	Failure to identify run date of ad.
18	INTERNATIONAL EXAMINER	2016-10-20	\$ 97.00	NEWSPAPER AD	Failure to identify run date of ad.
19	WESTSIDE WEEKLY	2016-10-26	\$ 85.00	NEWSPAPER ADS	Failure to identify run date of ad.
20	ARGO STRATEGIES	2015-06-20	\$ 75.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
21	ARGO STRATEGIES	2015-06-20	\$ 75.00	ARGO STRATEGIES	Failure to identify purpose of expenditure.
22	ARGO STRATEGIES	2015-06-20	\$ 37.50	ARGO STRATEGIES	Failure to identify purpose of expenditure.

**Total            \$ 5,824.39**

### Exhibit C -- Illegal Failure to Report Debt

Violation #	Vendor	Date	Amount	Description	Debt that was illegally not reported.
1	WINPOWER STRATEGIES	2016-11-01	\$ 950.00	WINPOWER STRATEGIES	This should have been reported as debt on the 7 day pre-general C4.
2	ARGO STRATEGIES	2016-11-04	\$ 900.00	ARGO STRATEGIES	This should have been reported as debt on the 7 day pre-general C4.
3	SPRINT	2016-10-28	\$ 724.99	PHONES	This should have been reported as debt on the 21 day pre-primary C4.
4	CENTURYLINK	2016-10-21	\$ 571.50	PHONES	This should have been reported as debt on the 21 day pre-primary C4.
5	SOUND PUBLISHING	2016-10-20	\$ 488.20	NEWSPAPER / ONLINE ADS	This should have been reported as debt on the 21 day pre-primary C4.
6	HUDGINS ZACK L	2016-06-20	\$ 462.58	ZACK L HUDGINS	This should have been reported on the C4 covering the time period of May.
7	NW ASIAN WEEKLY	2016-10-20	\$ 380.00	NEWSPAPER ADS	This should have been reported as debt on the 21 day pre-primary C4.
8	ARGO STRATEGIES	2016-10-10	\$ 300.00	ARGO STRATEGIES	Debts to Argo Strategies should have been reported on an ongoing basis.
9	ARGO STRATEGIES	2016-10-10	\$ 300.00	ARGO STRATEGIES	Debts to Argo Strategies should have been reported on an ongoing basis.
		<b>Total</b>	<b>\$ 5,077.27</b>		



### Exhibit B -- Illegally Late Reported Expenditures

Violation #	Expenditure Date	Due Date	Date Reported	Days Late	Vendor/Unitemized Expenditures	Amount	Description
1	9/1/2015	10/13/2015	5/8/2016	208	ZACH HUDGINS SURPLUS FUNDS ACCOUNT	\$3,900.00	SURPLUS TRANSFER
2	5/12/2014	6/10/2014	7/15/2014	35	KING CO TREASURER	\$421.06	FILING FEE
3	6/3/2014	7/10/2014	8/11/2014	32	AUTHORIZE.NET	\$278.60	CREDIT CARD PROCESSING FEES
4	6/30/2014	7/10/2014	8/11/2014	32	HUDGINS ZACK L	\$241.97	REIMB PARKING (CITY OF SEA) AND PHOTOS
5	7/1/2014	8/10/2014	8/11/2014	1	CITY OF TUKWILA	\$67.00	LICENSE
6	7/1/2014	8/10/2014	8/11/2014	1	RENTON CHAMBER OF COMMERCE	\$105.00	DUES
7	7/1/2014	8/10/2014	8/11/2014	1	WASHTECH	\$120.00	DUES
8	7/14/2015	7/28/2015	7/29/2015	1	EXPENSES OF \$50 OR LESS	\$79.80	
9	7/15/2015	7/28/2015	7/29/2015	1	NGP VAN INC	\$250.00	NGP VAN INC,DATABASE FEE
10	7/22/2015	7/28/2015	7/29/2015	1	ANEDOT	\$72.10	CREDIT CARD FEES
					<b>Total</b>	<b>\$5,535.53</b>	