

# File a Formal Complaint - Glen Morgan

[Glenmorgan89](#) (Fri, 8 Dec at 5:54 PM) via Portal [Meta](#)  
To Whom it May Concern --

It has come to my attention that Bob Ferguson, his candidate authorized committee, his officers, and his treasurer have habitually and willfully committed frequent and multiple violations of **RCW 42.17A**. Additionally, I have reason to believe that other violations of this chapter have occurred beyond what I have identified below.

Please note, Bob Ferguson is a serial violator of Washington State's campaign finance laws and has been found guilty of violating these laws before when he was on the King County Council. (Please see attached documents **PDC Case #08-060** from 2007 detailing the fines and penalties imposed at the time) Unfortunately, this pattern of behavior has continued into his current political campaigns.

## 1) Illegal use of candidate surplus campaign funds (Violation of RCW 42.17A.430)

State law limits how surplus funds may be expended. There is one option that allows you to donate to another political committee, but it is specifically limited to the state party central committees, county party central committees, legislative district party committees, or caucus political committees. Surplus funds may not be given to a political committee that does not meet this criteria.

Ferguson violated state law by donating surplus funds to the following committee (which is also known as the Eastside Democratic Dinner Committee, sharing the same address and the same officers):

EASTSIDE DEMOCRATS	8/31/2017	\$1,000.00	CONTRIBUTION
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Please note that the Eastside Democrats selected the "other political committee" box on their C1-pc, and not the "Bona Fide Political Party Committee" option: <https://web.pdc.wa.gov/rptimg/default.aspx?docid=4671051>

Simply having "Democrat" in the name, does not make this organization a state party central committees, county party central committees, legislative district party committees, or caucus political committees. The Eastside Democrats also fail to meet the definition of a bona-fide political party per **RCW 42.17A.005(6)**.

Please also note that Bob Ferguson's office recently sued this organization: <http://www.atg.wa.gov/news/news-releases/ag-files-campaign-finance-complaint-against-eastside-democratic-dinner-committee>.

It isn't clear which and how many ethics violations have been committed by Ferguson while contributing funds to an organization at the same time he is suing them for violating the law, but it is odd and very unusual behavior. Ethical violations by Ferguson are outside the scope of this complaint regardless, but this is not typical behavior for political candidates or people who hold the office of Washington State Attorney General.

Additionally, the following expenditure was made in violation of state law:

KING COUNTY BAR ASSOCIATION	2016-07-12	95	MEMBERSHIP DUES
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This expenditure is not an unreimbursed public office expense and is not permitted to be made from surplus funds.

**2) Failure to file accurate, timely C3 and C4 reports. (Violation of RCW 42.17A.235)**

State law requires that candidates and committees file frequent, accurate reports of contributions, expenditures, in-kind contributions, and debt. Unfortunately, Bob Ferguson has failed on numerous occasions to do this. (See **Exhibits A - "Illegally late reported C3 and C4 reports"**)

**3) Failure to accurately, timely report debt. (Violation of RCW 42.17A.240 (8), see WAC 390-05-295)**

State law requires that the name and address of any person and the amount owed for any debt, obligation, note, unpaid loan, or other liability in the amount of more than two hundred fifty dollars or in the amount of more than fifty dollars that has been outstanding for over thirty days be reported on form C4. Per **WAC 390-05-295**, this includes any oral or written order placed, debt or obligation to purchase goods or services or anything of value, or any offer to purchase advertising space, broadcast time or other advertising related product or service.

Bob Ferguson illegally failed to report the following debts: (See **Exhibit B - "Illegal failure to timely report debts"**).

**4) Failure to properly break down, describe expenses. (Violation of RCW 42.17A.235, see WAC 390-16-205, WAC 390-16-037)**

State law requires that expenditures made on behalf of a candidate or political committee by any person, agency, firm, organization, etc. employed or retained for the purpose of organizing, directing, managing or assisting the candidate's or committee's efforts shall be deemed expenditures by the candidate or committee. In accordance with **WAC 390-16-037** and **WAC 390-16-205**, such expenditures shall be reported by the candidate or committee as if made or incurred by the candidate or committee directly. Additionally, in accordance with **WAC 390-16-037**, the exact purpose of the expenditure, the quantity of items printed, and the individual value of broadcast ads distributed on various media outlets must be disclosed on form C4.

Bob Ferguson's campaign committee illegally failed to break down the following expenses. (See **Exhibit C - "Illegal failure to break down expenditures"**) (See **Exhibit D - "Illegal failure to break down surplus expenditures"**).

**5) State law prevents candidate committees from accepting contributions from businesses that do not do business in the state of Washington. State law establishes that candidates must return contributions that exceed the contribution limits contained in RCW 42.17A.405 within 10 days of receipt. RCW 42.17A.405, RCW 42.17A.110, WAC 390-16-312.**

Based on the criteria contained in **WAC 390-17-310**, I believe the following corporate donors to Bob Ferguson's campaign are not "doing business in the state of Washington" per **RCW 42.17A.405**.

Donor	Amount
Apollo Education Group Inc.	\$1,000.00
Bruning Law Group	\$500.00
Dentons US LLP	\$1,000.00
Heartland Solutions Group Inc	\$1,000.00

Reed Smith LLP	\$2,000.00

Ferguson did not refund these contributions within 10 days of receipt as required by law, which is an additional violation of this statute.

**6) Failure to list committee officers. (Violation of RCW 42.17A.205 (2)(c), see WAC 390-05-245)**

Ferguson failed to list all committee officers on form C-1/C1-pc, which is required by **RCW 42.17A.205(2)(c)**.

On information and belief, unlisted committee officers include (but are not limited to): Newman Partners, Cameron Caldwell, Michael Webb, Mandate Media, and Sydney Myahara.

The committee is required to list all individuals who, in conjunction with others, likely 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."

**7) Illegal unauthorized expenditure of funds by an individual not listed as an officer on form C-1/C1-pc. (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.

On information and belief, unlisted committee officers illegally made or incurred expenses without authorization.

**8) Failure to timely update C1-pc. (Violation of RCW 42.17A.205(4))**

On information and belief, Ferguson has failed to update his C1-pc to include updated information in a timely manner, in violation of **RCW 42.17A.205(4)**.

**9) State law requires that the committee treasurer preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred. (Violation of RCW 42.17A.235 (6)).**

On information and belief, Ferguson has failed to maintain records for 5 calendar years. This includes information relating to his 2012, 2016, and 2020 campaigns for Attorney General.

**10) Illegal personal use of campaign funds. (Violation of RCW 42.17A.445, see WAC 390-16-238)**

a) On information and belief, I believe that the Ferguson illegally reimbursed certain individuals (and himself) for mileage without keeping a corresponding documented log of gasoline used by a vehicle in relation to campaign purposes, as required per **WAC 390-16-238 (3)(a)**.

These instances include, but are not limited to, the following expenditures:

Vendor	Date	Amount	Description
Caldwell Cameron	3/21/2016	\$264.40	Mileage Reimbursement
Ferguson Robert W	6/13/2016	\$180.40	Mileage Reimbursement
Miyahara Sydney A	9/27/2016	\$170.21	Mileage Reimbursement
McClellan Tessa	8/16/2016	\$145.42	Mileage Reimbursement
Ferguson Robert W	9/26/2016	\$105.84	Mileage Reimbursement
McClellan Tessa	11/2/2016	\$93.60	Mileage Reimbursement
Miyahara Sydney A	10/11/2016	\$72.36	Mileage Reimbursement
Holbrook Garrett	1/25/2013	\$71.34	Mileage Reimbursement
McClellan Tessa	8/27/2014	\$52.07	Mileage Reimbursement

b) On information and belief, I believe that Ferguson illegally used campaign funds to pay for a private cellphone that was not used exclusively for campaign purposes.

By law, Ferguson could only use campaign funds to pay for the pro-rated campaign-related share of this cellphone expense.

These illegal uses of Committee funds include, but are not limited to, the following expenditures:

Vendor	Date	Amount	Description
Verizon Wireless	10/7/2015	\$ 333.70	Telephone
Verizon Wireless	8/4/2015	\$ 333.60	Telephone
Verizon Wireless	7/12/2016	\$ 173.18	Telephone
Verizon Wireless	3/11/2016	\$ 165.14	Telephone
Verizon Wireless	4/8/2016	\$ 165.14	Telephone
Verizon Wireless	6/9/2016	\$ 165.14	Telephone
Verizon Wireless	5/9/2016	\$ 165.14	Telephone

Verizon Wireless	12/16/2015	\$ 165.00	Telephone
Verizon Wireless	11/16/2015	\$ 164.32	Telephone
Verizon Wireless	8/8/2016	\$ 158.18	Telephone
Verizon Wireless	9/12/2016	\$ 158.18	Telephone
Verizon Wireless	11/8/2016	\$ 158.14	Telephone
Verizon Wireless	12/8/2016	\$ 158.14	Telephone
Verizon Wireless	10/11/2016	\$ 158.14	Telephone

**11) Failure to include sponsor ID. (Violation of RCW 42.17A.320)**

State law requires that all political advertisement/independent expenditures contain sponsor identification, which includes the sponsor's name and address. Mediums defined as political advertisement that are required to contain sponsor ID include Facebook pages and advertisements per **WAC 390-05-290**.

Bob Ferguson illegally failed to include sponsor ID on numerous pieces of political advertisement, including, but not limited to, his Facebook page.

**12) Illegal depositing of campaign funds into bank account by person other than the treasurer or deputy treasurer. (Violation of RCW 42.17A.220 (1))**

On information and belief, someone other than Philip Lloyd has deposited checks for Bob Ferguson's campaign into the campaign bank account.

**13) Failure to timely submit accurate F1. (Violation of RCW 42.17A.700, .710)**

On information and belief, Bob Ferguson failed to submit an accurate F1 within the time period specified by law.

**14) State law requires that both the treasurer and the candidate must certify all contribution and expenditure reports as correct and accurate. (Violation of RCW 42.17A.235 (7)).**

On information and belief, Bob Ferguson has failed to certify these reports. Instead, Ferguson's electronic signature is being auto-generated on these contribution and expenditure reports by his treasurer, in violation of state law. This practice must cease immediately.

The PDC should investigate the possibility that Bob Ferguson 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.

Please note, as requested by PDC staff, I have provided all spreadsheet attachments in both Excel and PDF formats for staff convenience.

Best Regards,

Glen Morgan



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

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Toll Free 1-877-601-2828 \* E-mail: [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov) \* Website: [www.pdcc.wa.gov](http://www.pdcc.wa.gov)

December 10, 2007

2005 & 2009 ROBERT FERGUSON CAMPAIGNS  
8255 2<sup>ND</sup> AVENUE NE  
SEATTLE, WA 98115

Subject: PDC Case No. 08-060

Dear Mr. Ferguson:

Enclosed is the Public Disclosure Commission's Order Imposing Fine that was entered in the above-referenced case. The Order assessed a penalty of \$500 against your 2005 and 2009 campaigns, of which \$300 was suspended on the condition that no further violations of RCW 42.17 are committed through the end of calendar year 2009.

The \$200 non-suspended portion of the penalty is due at this time.

If you have questions, please contact me at (360) 664-8854; toll free at (877) 601-2828 or by email at [kyoung@pdcc.wa.gov](mailto:kyoung@pdcc.wa.gov).

Sincerely,

Kurt Young  
Compliance Officer

Enclosure





STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

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BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON

2005 & 2009 ROBERT FERGUSON CAMPAIGNS  
8255 2<sup>ND</sup> AVENUE NE  
SEATTLE, WA 98115

In Re the Matter of	)	PDC Case No. 08-060
2005 & 2009 Robert Ferguson Campaigns	)	Findings of Fact,
	)	Conclusions of Law and
Respondent.	)	<b>Order Imposing Fine</b>
	)	

A brief enforcement hearing (brief adjudicative proceeding) was held November 26, 2007, in Room 206, Evergreen Plaza Building, Olympia, Washington to consider whether the Respondent's 2005 & 2009 campaigns violated RCW 42.17.080 and .090 by failing to timely file Monetary Contribution Reports (PDC Form C-3) and Summary Contribution and Expenditure Reports (PDC Form C-4).

The hearing was held in accordance with Chapters 34.05 and 42.17 RCW and Chapter 390-37 WAC. Commission Chair Bill Brumsickle was the Presiding Officer. The Commission staff was represented by Kurt Young, Compliance Officer. The Respondent appeared in person and presented testimony to the Presiding Officer.

Brief enforcement hearing notice was sent to the Respondent on November 16, 2007. Having considered the evidence, the Presiding Officer finds as follows:

FINDINGS OF FACT

1. The Respondent was first elected to the King County Council at the November 4, 2003 general election. After a King County Charter Amendment was approved on November 2, 2004, reducing the number of King County Council members from thirteen to nine, the Respondent filed a 2005 Candidate Registration Statement (PDC Form C-1), seeking re-election to the newly consolidated King County Council District. He was successfully re-elected in the 2005 general election.
2. On May 9, 2007, the Respondent filed a C-1 seeking re-election to the King County Council in 2009.
3. The Respondent's 2005 and 2009 campaigns filed two Summary Contribution and Expenditure Reports (PDC Form C-4) that were 356 to 475 days late.





4. The Respondent's 2005 campaign filed a C-4 report on June 1, 2007, covering the period January 1 through May 13, 2006, disclosing \$675 in contributions and \$19,650 in expenditures. The C-4 report was due on February 10, 2006 and was filed 475 days late. The C-4 listed \$19,650 in expenditures that were late filed, however \$17,525 of the expenditures were a transfer to the Robert Ferguson Surplus Funds Account.
5. The Respondent's 2009 campaign filed a C-4 report on June 1, 2007, covering the period of May 13, 2006 to April 30, 2007, disclosing \$18,080 in contributions and \$11,316.07 in expenditures. This initial C-4 report for the 2009 campaign due June 10, 2006, was filed 356 days late.
6. The Respondent's 2009 campaign filed a total of eleven Monetary Contributions Reports (PDC Form C-3) on June 1, 2007. The C-3 reports were filed from 22 to 417 days late. The late filed C-3 reports totaled \$18,455 and disclosed contributions that were received during the period of March 3 – November 27, 2006.
7. The Respondent stated that he took responsibility for the late filings of his 2005 and 2009 campaigns. He said that prior to the complaint being filed his campaign was aware of the lack of timeliness in filing the campaign reports and he had hired an experienced campaign treasurer, Phil Lloyd to bring the campaign reports up to date.

#### CONCLUSIONS OF LAW

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

1. This matter was duly and properly convened and all jurisdictional, substantive and procedural requirements have been satisfied.
2. The Respondent's 2005 & 2009 campaigns violated RCW 42.17.080 and .090 on multiple occasions by failing to timely file Monetary Contribution Reports (PDC Form C-3) and Summary Contribution and Expenditure Reports (PDC Form C-4).

#### ORDER

ON the basis of the foregoing Findings of Fact and Conclusions of Law,

**IT IS HEREBY ORDERED that the Respondent is assessed a civil penalty of \$500, of which \$300 is suspended on the condition that no further violations of RCW 42.17 are committed through the end of calendar year 2009.**

This is an **Initial Order** of the Public Disclosure Commission. There are two ways the Respondent may appeal this order to the Commission. Once the order becomes a final order, it may also be appealed to Superior Court.

### REVIEW OF INITIAL ORDER - COMMISSION

- a. The Respondent may request a review of this Initial Order by the entire Commission.
- b. The request may be made orally or in writing, and must be received at the Public Disclosure Commission office within **21 business days** after the postmark date of this Initial Order. The Respondent must state the reason for the review, and identify what alleged errors are contained in the initial order.
- c. If the Respondent requests a review, no penalty need be paid until after the Commission rules on the request.
- d. By law, a request for review of the initial order is deemed to have been denied if the Commission does not make a disposition of the matter within 20 business days after the request is submitted.
- e. If the Commission is unable to schedule a meeting to consider the Respondent's request for review within 20 business days, the Initial Order becomes a Final Order and the matter will automatically be treated as a request for reconsideration of a final order unless the Respondent advises the Commission otherwise. The matter will be scheduled before the full Commission as soon as practicable.
- f. A request for reconsideration must be in writing. Therefore, if the request for review of the Initial Order was made orally and deemed to have been denied because it could not be scheduled for consideration within 20 business days, the request must now be put in writing. (See Reconsideration of Final Order below.)
- g. If no request for review is received within 21 business days, this order will automatically become a **Final Order** of the Commission, and the Respondent will be legally obligated to pay the penalty unless reconsideration has been sought or the matter has been timely appealed to Superior Court. (RCW 42.17.395, RCW 34.05.470 and RCW 34.05.570).

### RECONSIDERATION OF FINAL ORDER - COMMISSION

- a. Any party may ask the Commission to reconsider a final order. The request must be in writing and must include the specific grounds or reasons for the request. Grounds for reconsideration shall be limited to:
  - i) A request for review was deemed denied in accordance with WAC 390-37-144(4);
  - ii) New facts or legal authorities that could not have been brought to the commission's attention with reasonable diligence. If errors of fact are alleged, the requester must identify the specific evidence in the prior proceeding on which the requester is relying. If errors of law are alleged, the requester must identify the specific citation; or
  - iii) Significant typographical or ministerial errors in the order.
- b. The request must be delivered to the Public Disclosure Commission office within **21 business days** after the postmark date of this order.
- c. The Public Disclosure Commission is deemed to have denied the request for reconsideration if, within 20 business days from the date the request is filed, the

Commission does not either dispose of the petition or serve the parties with written notice specifying the date by which it will act on the petition. (RCW 34.05.470).

- d. The Respondent is not required to ask the Public Disclosure Commission to reconsider the final order before seeking judicial review by a superior court. (RCW 34.05.470).

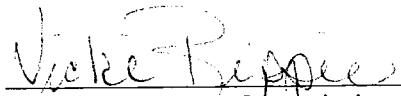
#### **FURTHER APPEAL RIGHTS – SUPERIOR COURT**

- a. A **final order** issued by the Public Disclosure Commission is subject to judicial review under the Administrative Procedure Act, chapter 34.05 RCW. (RCW 42.17.395(5)). The procedures are provided in RCW 34.05.510 - .598.
- b. The petition for judicial review must be filed with the superior court and served on the Public Disclosure Commission and any other parties within **30 days** of the date that the Public Disclosure Commission serves this Final Order on the parties. (RCW 34.05.542(2)).
- c. Service is defined in RCW 34.05.010(19) as the date of mailing or personal service.

#### **ENFORCEMENT OF FINAL ORDERS**

- a. If there is no timely request for review or reconsideration, this Initial Order becomes a Final Order. The Respondent is legally obligated to pay any penalty assessed.
- b. The Commission will seek to enforce a final order in superior court under RCW 42.17.395 - .397, and recover legal costs and attorney's fees, if the penalty remains unpaid and no petition for judicial review has been timely filed under chapter 34.05 RCW. This action will be taken without further order by the Commission.

Entered this 10<sup>th</sup> day of December, 2007.

  
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Public Disclosure Commission *DR*  
Vicki Rippie  
Executive Director