



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 • Website: www.pdc.wa.gov

January 30, 2018

Delivered electronically to "aw@rjp.com"

Subject: PDC Case 28810

Dear Sister District Project:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted below to Glen Morgan, the PDC will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

If you have questions, you may contact Kurt Young (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

/s _____
Fox Blackhorn
Compliance Coordinator

Endorsed by,

/s _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

January 30, 2018

Sent electronically to Glen Morgan

Subject: Complaint filed against Sister District Project, PDC Case 28810

Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on June 28, 2017. Your complaint alleged that The Sister District Project, a national grassroots volunteer organization, violated RCW 42.17A.250 by failing to register and file reports with the PDC as an out of state political committee disclosing its activities undertaken on behalf of Manka Dhingra, a candidate for State Senator from the 45th Legislative District in 2017.

PDC staff reviewed your complaint, searched the PDC contributions database, and reviewed the July 28, 2017 response from Andrew Harris Werbrock, an attorney with Remcho, Johansen & Purcell, LLP, on behalf of the Sister District Project (SDP). Based on that review, staff found the following:

- SDP is a national “grassroots” organization that is registered in California as a mutual benefit corporation. SDP is also registered with the Internal Revenue Service as a Section 527 organization.
- SDP was established to “engage and empower” volunteers around the country to support candidate campaigns in their area by providing those volunteers opportunities to work with candidates “in more competitive electoral areas.” SDP does not raise funds or receive contributions that are designated or otherwise earmarked for any election or candidate. SDP does not have a headquarters physical office location or so there are no expenses for rent or utilities, and did not have any paid staff members until July of 2017.
- SDP engages volunteers through email and its social media pages, and does not sponsor political advertisements or any paid advertising in support of or opposition to any candidates. During calendar year 2017, SDP volunteers has been active in at elections in

four states, and its only activity in Washington state has been to support the candidacy of Manka Dhingra in the special election in Washington's 45th Senate District.

- Mr. Werbrock stated that on July 19, 2017, SDP, out of an abundance of caution, SDP filed a Committee Registration (C-1pc report) with the PDC as an “Other” political committee. The C-1pc disclosed that SDP selected the Mini Reporting option as a single year election committee in support of Manka Dhingra
- Mr. Werbrock stated that in July of 2017, SDP began paying compensation to three of its founders, “so that they could begin to dedicate their efforts to the project on a full-time basis. He stated SDP began tracking the “compensated time” that its personnel spent assisting the various candidates being supported, and that from July 1 to July 28, 2017, two compensated SDP employees and one contractor “spent a total of 6.25 hours notifying volunteers of opportunities to volunteer with the Dhingra campaign and coordinating those efforts with the campaign.”
- SDP instituted a process to report that information to the various candidates being assisted, which included the Manka Dhingra campaign. The Manka Dhingra Campaign disclosed receiving four in-kind contributions totaling \$740.40 from the SDP during the 2017 election. The four in-kind contributions for SDP staff time were all attributed to the 2017 general election and were received between August 4 through November 3, 2017.

PDC staff found no evidence of a material violation. The PDC has closed the matter, and will not be conducting a more formal investigation into your complaint or pursuing further enforcement action in this case.

If you have questions, you may contact PDC staff member Kurt Young me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Kurt Young, PDC Compliance Officer

Endorsed by:

Barbara Sandahl, Assistant Director for Peter Lavalley, Executive Director

cc: Andrew Harris Werbrock, with Remcho, Johansen & Purcell, LLP, on behalf of the Sister District Project