

## File a Formal Complaint - Glen Morgan

[Glenmorgan89](#) reported (Wed, 13 Dec, 2017 at 9:37 PM) via Portal [Meta To Whom it May Concern --](#)

It has come to my attention that Patty Kuderer, her campaign committees, her committees' officers, and her 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.

### **1. 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, Patty Kuderer has failed on numerous occasions to do this. (See **Exhibits A - "Illegally late reported C3 and C4 reports"**)

Additionally, the respondent failed to report the following in-kind contributions:

a) Mailing List – Kuderer sent out multiple mailers in both her 2016 and 2017 campaigns, but failed to disclose the in-kind contribution of mailing lists in both instances.

### **2. 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.

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

### **3. 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.

Patty Kuderer Committee illegally failed to break down the following expenses. (See **Exhibit C - "Illegal failure to break down expenditures"**)

### **4. Failure to timely file C1. (Violation of RCW 42.17A.205)**

State law requires that candidates/committees file their C1 statement of organization within 2 weeks of accepting contributions or making expenditures, whichever is sooner.

On information and belief, Kuderer failed to do this for 2017.

### **5. Failure to file reports of contributions received and expenditures made prior to filing of C1 on the same day that C1 is filed. (Violation of RCW 42.17A.205)**

State law requires that – on the day the C1 is filed – that the candidate file reports containing contributions received or expenditures made prior to registration.

On information and belief, Kuderer failed to do this.

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

Respondent failed to report last minute contributions (@ aggregate of \$1000 or higher) from the following groups within the 48 hour time limit on an LMC or C3 form, as required by law:

a) General Election (21 Days -- 10/17/2017 or later)

Contribution from Firefighters Local 1747 PAC received on 11/3/2017 not reported until 11/6/2017, one day late.

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

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

I believe unlisted committee officers include, but are not limited to, Katherine Bobman, WinPower Strategies, Jon Wyble, Louise O'Rourke, and Abbott Taylor.

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."

### **8. 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.

Despite performing consulting services (which often includes making expenditures), I believe the officers listed in the allegation above were not listed as officers on form C1 in violation of state law.

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

On information and belief, Kuderer failed to timely update her C1 to include appropriate officers and other information as required by state law.

**10. 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, Kuderer has failed to preserve books of account, bills, receipts, and all other financial records of her campaign for not less than five calendar years following the year during which the transaction occurred.

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

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

**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, Kuderer has allowed individuals other than her treasurer or deputy treasurer to deposit checks into her campaign bank account.

**13. Failure to record loan by written instrument, failure to identify lender's occupation, name, city, and state of employer. (Violation of RCW 42.17A.465(2), RCW 42.17A.240)**

On information and belief, Kuderer has failed to record her loans by written instrument.

**14. 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**.

On information and belief, Kuderer failed to include sponsor ID on her Facebook page as well as other pieces of political advertising.

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

On information and belief, Kuderer's F1 for the time periods of 2015 and 2016 do not contain all the information required by state law. This includes, but is not limited to, business payments paid to entities she serves on the board of or owns entirely, as well as real estate owned by those same entities.

**16. Failure to accurately disclose ownership of a PERS retirement account as an asset. (Violation of RCW 42.17A.700, see WAC 390-24-010)**

State law requires that elected officials disclose the assets that they own on their F1 statement, if they are over a certain value. On information and belief, Kuderer failed to report the **value** of her PERS retirement account (on her F1s covering 2015 and 2016), which is an asset per the relevant

WACs and RCWs. The value of Kuderer's PERS retirement account is almost certainly over \$2400.

**17. Improper use of surplus funds. (Violation of of RCW 42.17A.430)**

State law limits the legal uses of campaign surplus fund accounts.

The following expenditures are not acceptable uses of surplus campaign funds:

ABBOT TAYLOR	4/6/2017	\$124.15	ABBOT
TAYLOR, TREASURY SERVICES			
ABBOT TAYLOR	2/7/2017	\$118.95	TREASURY
SERVICES			
ABBOT TAYLOR	9/6/2017	\$118.95	ABBOT
TAYLOR, APR-AUG TREASURY SERVICES			
ABBOT TAYLOR	10/31/2016	\$102.70	TREASURY
SERVICES			
ABBOT TAYLOR	2/7/2017	\$80.00	USPS - PO BOX
RENTAL			

The PDC should investigate the possibility that Patty Kuderer 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  
**6 Attachments**