



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

November 9, 2018

Sent electronically to Jeff Upthegrove at jeffuppy@yahoo.com

Subject: Washington Bike PAC Warning Letter, PDC Case 29499

Dear Mr. Upthegrove:

Enclosed is a copy of a letter sent to Glen Morgan concerning a complaint he filed with the Public Disclosure Commission (PDC). As noted in the letter to Glen Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not be conducting a more formal investigation into these allegations or taking enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(b), this letter is a formal written warning to Washington Bike PAC concerning its failure to: (1) file timely and accurate reports disclosing campaign contribution and expenditures; and (2) properly describe expenditures. The PDC expects Washington Bike PAC to file timely and accurate reports and properly describe expenditures in all future election campaigns. The PDC will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules. In addition, this letter serves as a reminder to manage your campaign activities in such a way that you are aware of and timely report debts incurred on behalf of the committee.

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdcc.wa.gov.

Sincerely,

Endorsed by:

Erick Agina
PDC Compliance Officer

BG Sandahl, Deputy Director for
Peter Lavellee, Executive Director



Public Disclosure Commission
Shining Light on Washington Politics Since 1972



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.pdca.wa.gov

November 9, 2018

Sent electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint regarding Washington Bike PAC, PDC Case 29499

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on December 21, 2017. Your complaint alleged that Washington Bike PAC may have violated RCW 42.17A.235 and .240 by failing to: (1) file timely and accurate reports disclosing contribution and expenditure activities; (2) file timely and accurate reports of debt; and (3) disclose required details for expenditures.

PDC staff reviewed your allegations, and as a result of staff's review, we found the following:

- On March 3, 2017, Washington Bike PAC filed a C-1pc report for 2017, selecting the Full Reporting Option, and listing Blake Trask as the Campaign Manager and Jeff Uptegrove as the treasurer. Washington Bike PAC has been registered with the PDC as a continuing political committee since March 2016.

Allegation 1: Failure to timely file C-3 and C-4 reports

C-3 Reports

- Report # 100736413: On December 4, 2016, Washington Bike PAC filed a C-3 report disclosing a \$5,010 monetary contribution received on January 25, 2016 and deposited on the same day. The C-3 report was due by February 10, 2016, making it 298 days late.
- Report # 100736415: On December 4, 2016, the Washington Bike PAC filed a C-3 report disclosing a \$20,000 monetary contribution received on August 29, 2016 from Washington Bikes and deposited on the same day. The C-3 report was due September 10, 2016 and was filed 84 day late.
- Report # 100736414: On December 4, 2016, the Washington Bike PAC filed a C-3 report disclosing an \$80 monetary contribution received on April 22, 2016 and deposited on the same day. The C-3 report was due May 10, 2016 and was filed 208 days late.
- Report # 100801692: On November 28, 2017, the Washington Bike PAC filed a C-3 report disclosing a \$925 monetary contribution received on September 12, 2017 and deposited on the next day. The C-3 report was due September 18, 2017 and was filed 71 days late.

- Report # 100801691: On November 28, 2017, the Washington Bike PAC filed a C-3 report disclosing a \$150 monetary contribution received on April 21, 2016 and deposited on the same day. The C-3 report was due May 10, 2017 and was filed 202 days.
- Washington Bike PAC did not participate in the 2016 elections, and in 2017, it received a \$925 contribution that was reported 71 days late, and a \$150 contribution that was reported 202 days late.

The following is a chart showing the five late-filed C-3 Reports:

Amount on C-3	C-3 Due Date	Date C-3 Filed (Did not participate in 2016 election)	Days Late
\$5,010	2/10/16	12/4/16	298
\$20,000	9/10/16	12/4/16	84
\$80	5/10/16	12/4/16	208
\$925	9/18/17	11/28/17	71
\$150	5/10/17	11/28/17	202
\$26,105			71-298

C-4 Reports

- Washington Bike PAC had no expenditure activity in state or local elections in 2016. In 2017, late expenditures totaled \$7,107, and included:
 - \$70 reported 232 days late on 11/28/17
 - \$391 reported 126 days late on 11/28/17
 - \$1,055 reported 78 days late on 11/28/17
 - \$500 reported 42 days late on 11/28/17 (one contribution)
 - \$1,700 reported 28 days late on 11/28/17 (four contributions)
 - \$3,391 reported 23 days late on 1/3/18

Allegation 2: Failure to accurately and timely report debt

- Report # 100801697: On July 24, 2017, Washington Bike PAC paid \$390.40 to an individual for event expense reimbursement. This reimbursement should have been reported as a debt on the 21-day pre-primary C-4.
- In its response, Washington Bike PAC acknowledged that they failed to report this debt in a timely fashion, but said the failure occurred because they were unaware that the debt existed until the time of payment. The individual who was owed the debt did not invoice the PAC at the time the debt was incurred.

Allegation 3: Failure to properly breakdown expenses

- Report # 100801699: On August 14, 2017, Washington Bike PAC paid \$55.05 to an individual for event expense reimbursement. Washington Bike PAC stated that the sub-vendor in this instance was a grocery store where the reimbursed individual purchased food consumed at a PAC event.
- Report # 100801697: On July 24, 2017, Washington Bike PAC paid an individual \$390.40 for an event expense reimbursement. Washington Bike PAC stated that the sub-vendor in this instance was a grocery store where the reimbursed individual purchased food consumed at a PAC event.

During 2016 and 2017 combined, Washington Bike PAC received \$26,165 in contributions and made expenditures totaling \$7,378. Washington Bike PAC did not participate in the 2016 elections, and in 2017, it received contributions totaling \$1,075 and made expenditures totaling \$7,107. While the committee failed to timely and accurately report one debt to an individual, and failed to describe the sub-vendors for two payments to individuals, they were for low dollar amounts.

Based on these findings, staff has determined that in this instance, the failure to timely and accurately report contributions, expenditures, and debt, and the failure to provide a proper description for all the sub-vendors, does not appear to be an actual material violation warranting further investigation.

Pursuant to WAC 390-37-060(1)(b), Washington Bike PAC will receive a formal written warning concerning the importance of: (1) filing timely and accurate reports disclosing campaign contribution and expenditures; and (2) providing a proper description of expenditures. The formal written warning conveys our expectation that the Washington Bike PAC will in future years file timely and accurate reports, and properly describe its expenditures when individuals who are reimbursed for campaign expenses pay sub-vendors. The Commission will consider this formal written warning if there are future PDC law or rule violations by the committee. In addition, Washington Bike PAC will be reminded of the importance of managing its campaign activities in such a way that it is aware of, and timely reports, debts incurred on behalf of the committee.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1), and will not be conducting a more formal investigation into your complaint or pursuing enforcement action in this case.

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov.

Sincerely,

Erick Agina
PDC Compliance Officer

Endorsed by:

BG Sandahl, Deputy Director for
Peter Lavallee, Executive Director

cc: Washington Bike PAC