



To Whom It May Concern:

On Friday, December 22, 2017, a formal complaint was filed by Mr. Glen Morgan with the Public Disclosure Commission (PDC). Mr. Morgan alleges that the 18th LD Democratic Central Committee (18th LD DCC) “habitually and willfully committed frequent and multiple violations of RCW 42.17 A.”

Our opinion is that Mr. Morgan’s complaints are in many cases specious and, in others, identify de minimis violations at best. We believe that the degree of any errors made by the committee do not justify imposing any penalty beyond referral to the PDC. If any further action is deemed necessary, we believe that referral to the PDC would be the only way for your office to ensure that the intent of the Fair Campaign Practices Act is carried out. In this way, the 18th LD DCC may formally resolve these issues with the PDC and the State of Washington in a constructive and meaningful way. Furthermore, we do not believe this will occur if Mr. Morgan takes action on behalf of the State.

We address the specific claims that were made against the 18th LD DCC by Mr. Morgan as follows:

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

Exhibit A submitted by Mr. Morgan lists every report submitted before August 31, 2017 as having been filed late. This is inaccurate. Attached you will find a copy of the letter dated August 31, 2017 from Chip Beatty of the Public Disclosure Commission notifying us that our request to convert from mini to full reporting had been completed pursuant to WAC 390-16-125(1). No report from before August 31, 2017, therefore, was late.

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

Without conceding to Mr. Morgan’s allegations that we illegally failed to properly break down expenditures in Exhibit B, we contend that Exhibit B includes several errors made by Mr. Morgan and de minimis violations at best. Though Mr. Morgan cites some instances where the 18th LD DCC did not break down expenses to the degree that Mr. Morgan would have found adequate, all items on this list were timely

reported with no intent to prevent public discovery of the expenses. They have since been amended with the requested detail.

- a) Lines 1-5: While not conceding to the allegation, we have amended the pertinent report to include the requested information. We would note, however, that no law or regulation, including RCW 42.17A.235, cited by Mr. Morgan, explicitly requires this information be reported. Instead, there is one example in WAC 390-16-037 where the number of pieces in a print job is provided in the purpose field. An example is not an imperative.

The Attorney General and the PDC have previously rejected Mr. Morgan's contentions regarding his failure to break down expenditures claims. For instance, in March 2017, Mr. Morgan filed a complaint with the PDC and a corresponding 45-day notice with the Attorney General alleging that John Wilson, a 2015 candidate for King County assessor, committed various violations of the Act. See PDC Ticket No. 14854. Relying on WAC-390-16-37, Morgan claimed that Wilson failed to properly break down twenty-two expenditures. *Id.* Among these allegedly problematic expenditures were various payments Wilson made to Overnight Printing & Graphics and Fedex Office for printing services. See *id.* While Wilson identified on the C-4s the amount and the purpose of the expenditures, he did not list the quantity of the copies he paid for. Despite this, the PDC and the Attorney General declined to take formal action. In so doing the PDC noted that, with the exception of one expenditure that fell outside of the limitations period, all of the expenditures Mr. Morgan flagged as unlawful were "sufficiently identified and accounted for." *Id.* The same conclusion pertains here.

- b) Line 6: While not conceding to the allegation, we have amended the pertinent report to include the requested information. Even assuming that WAC 390-16-205 actually requires this information, which we do not concede, the omission of a subvendor in this case was at most a de minimis violation not warranting any legal action beyond, at most, referral to the PDC.
- c) Line 7: We maintain that "supplies for August picnic" is sufficiently descriptive. Nevertheless, in amending the report we defined picnic supplies to be plastic utensils, paper plates, and napkins. We consider the additional description superfluous.
- d) Lines 8-15: All were previously owned or handmade items donated by the listed members. As such, there was no identifiable subvendor. The allegation is particularly spurious in the case of Line 13 where the items donated were

described as Planned Parenthood merchandise and the vendor is given as Planned Parenthood.

- e) Line 16: In amending the report, we moved the memo line which described “printing and office supplies” to the description. Moreover, we have added additional descriptions to further clarify the details and purpose of the donation.
- f) Line 17: On reporting that Mr. Sagar made an in-kind donation of pizza to our October meeting, we did not include that he purchased it from Little Caesars. We have amended the report to include it, although we do not concede that the omission constitutes a violation and we contend that the public was not deprived of any meaningful information by our actions in this case.
- g) Line 18: Mr. Morgan’s described “violation” doesn’t seem to apply. Mr Sanford hand-knitted hats which he then donated to the organization for a low-cost fundraiser.
- h) Line 19: NationBuilder is the subvendor already listed in the description.

The 18th LD Democratic Central Committee appreciates the opportunity to respond to Mr. Morgan’s allegations. The stated purpose of the RCW 42.17A is to ensure that the public has access to information to determine how money is being used for electoral purposes and that such transparency contributes to healthy democracy. We strongly agree with this purpose. We take our duty to report accurately and timely seriously and strive to be transparent in our reporting. However, we would also point out that the statute establishes that public disclosures are not to be misused for “arbitrary and capricious purposes and to insure that all persons reporting under this chapter be protected from harassment and unfounded allegations based on information they have freely disclosed.”

We believe that our procedures for accurate reporting can be improved, and are happy to do so under the guidance of the PDC. The allegations at issue herein are more appropriate for resolution by the Public Disclosure Commission than the Superior Court. The Commission has jurisdiction over the allegations; as such, any decision on how to respond to these allegations should be left with the Commission.

We believe this will most appropriately uphold the spirit of the FCPA, and we are happy to make amendments to provide any additional information that the Public Disclosure Commission deems necessary.

Please do not hesitate to contact us if we can provide any further clarification to this response; we are eager to offer whatever assistance is appropriate to resolve this matter.

Thank you,

A handwritten signature in black ink, appearing to be 'H. Reynolds', written in a cursive style.

H. Xavier Reynolds  
Treasurer, 18th LD Democrats

A handwritten signature in black ink, appearing to be 'I. Coker', written in a cursive style.

Ian Coker  
Chair, 18th LD Democrats