



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@pdc.wa.gov • Website: www.pdc.wa.gov

October 22, 2018

Sent electronically to David Chan (VoteForChan) 2018 Campaign

Subject: PDC Case No. 38404 & Case No. 38564

Dear Mr. Chan:

Below is a copy of an electronic letter sent to Peter Chiafalo concerning a complaint (PDC Case #38404) and an electronic letter sent to Michael A. Fertakis concerning a complaint (PDC Case #38564), both filed with the Public Disclosure Commission (PDC). As noted below in the electronic letters to Mr. Chiafalo and Mr. Fertakis, the PDC will not be conducting a more formal investigation into the allegations listed in the complaint he filed against your 2018 Campaign for Snohomish Public Utility District No. 1 Commissioner.

The signed Statement of Understanding (SOU) acknowledging violations of RCW 42.17A.235 and .240 and the \$300 penalty payment for the 2018 Campaign was received by the Department of Enterprise Services on October 22, 2018.

This letter also serves as a reminder to you regarding the importance of timely reporting all contributions and expenditures, including money raised and spent to pay penalties, and a reminder to keep any appointments for inspection of campaign records and books of account within twenty-four hours of the time and day requested for the 2018 general election.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1). If you have questions, you may contact me at (360) 586-4560, toll-free at 1-877-601-2828, or by e-mail at jennifer.hansen@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Jennifer Hansen
Compliance Officer

s/ _____
Peter Lavalley
Executive Director



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October 22, 2018

Sent electronically to Peter Chiafalo at “bchiafalo@yahoo.com”

Subject: Complaint regarding David Chan (VoteforChan) 2018 Campaign, PDC Case No. 38404

Dear Mr. Chiafalo:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on July 24, 2018. The complaint alleged that David Chan (VoteforChan) 2018 Campaign for Snohomish Public Utility District No. 1 Commissioner, may have violated RCW 42.17A.235 and .240 by failing to timely disclose monetary contribution and expenditure activities on C-3 and C-4 reports. The complaint also alleged that the Respondent may have violated RCW 42.17A.235 by failing to allow and keep an appointment for inspection of campaign records and books of account within twenty-four hours of the time and day requested.

PDC staff reviewed the allegations listed in the complaint, the statutes, rules, and reporting requirements, the C-3 and C-4 reports filed by the VoteforChan 2018 Campaign, and the August 14, 2018 response letter from David Chan. Based on staff's review of the pertinent materials, including Mr. Chan's response to the allegations, we found the following:

- On June 18, 2018, David Chan filed a Candidate Registration (C-1 report) declaring his candidacy for Snohomish Public Utility District No. 1 Commissioner in the 2018 primary and general election, selecting the Full Reporting option and listing himself as the Treasurer.
- On August 13, 2018, the VoteforChan 2018 Campaign filed two C-3 reports, one of which was filed 21 days late and after the 2018 primary election being held disclosing \$9,000 in monetary contributions received on July 18 and August 11, 2018. The late-filed C-3 report disclosed a \$6,000 loan from the candidate, David Chan and was resubmitted the same day as an amendment with no changes. The C-3 report was filed timely on August 13 disclosed \$3,000 in monetary contributions from three individual donors.

- On August 13, 2018, the VoteforChan 2018 Campaign filed both the 21-day and 7-day Pre-Primary C-4 reports and filed the Post Primary C-4 report on September 25, 2018, disclosing \$9,000 in total monetary contributions/loans received and \$9,719 in total expenditures made.
- The contribution and expenditure activities undertaken by the Campaign and disclosed on the three C-4 report was filed between 13 and 27 days late and after the 2018 primary election.
- Although, Mr. Chan has prior experience as a candidate and elected official, this was his first time filing under the Full Reporting option and the first time utilizing the PDC's Online Reporting of Campaign Activity (ORCA) program.

Mr. Chan's completed Statement of Understanding (SOU) and \$300 civil penalty payment was received by the Department of Enterprise Services, a Washington State Agency that handles and processes penalty collections for small state agencies. The SOU from David Chan (VoteforChan) 2018 Campaign acknowledged violations of RCW 42.17A.235 and .240 for failing to timely file C-3 and C-4 reports.

PDC staff is reminding Dave Chan (VoteforChan) 2018 Campaign, about the importance of timely reporting all contributions and expenditures, including money raised and spent to pay penalties, and keeping any appointments for inspection of campaign records and books of account within twenty-four hours of the time and day requested for the 2018 general election.

Based on these findings, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1). If you have questions, you may contact me at (360) 586-4560, toll-free at 1-877-601-2828, or by e-mail at jennifer.hansen@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Jennifer Hansen
Compliance Officer

s/ _____
Peter Lavallee
Executive Director

cc: David Chan (VoteforChan) 2018 Campaign