

## Complaint Description

### File a Formal Complaint - Glen Morgan

Glen Morgan (Sun, 3 Feb 2019 at 6:51 PM)

To Whom it May Concern --

It has come to my attention, once again, that the Pierce County Democratic Central Committee (hereafter collectively referred to as "respondent") has 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.

Please note, these violations are particularly troubling because the Pierce County Democratic Central Committee recently settled a lawsuit in a civil action brought by the Washington State Attorney General against the Pierce County Democrats last year (see settlement – **Thurston County Court Case # 17-2-04616-34 attached dated October 27, 2017**). The Pierce County Democrats are still in the critical probationary four year period covered by that settlement (see part 2a,b of the attached settlement agreement) and have clearly violated the terms of that settlement, once again, by failing to file timely contribution reports. According to the terms of this settlement, if the PDC confirms these violations to be accurate (and they are), then the Pierce County Democratic Central Committee will have 30 days to pay the suspended portion of the settlement fine which is \$15, 890.

Please also note, I have already detailed other violations of the statute, which have been committed AFTER the AG settlement detailed above in my previous PDC Complaint filed on October 23, 2018 (**PDC Case #42704**), and in my previous PDC complaint filed on January 3, 2019 (**PDC Case #44695**). For these violations, the **PDC issued a warning letter** to this committee (see attached). However, this additional violation is just shockingly sloppy and willful. It almost appears that this committee is just mocking the PDC with these serial violations.

It should also be noted that the PDC must not be providing special treatment to any organization or political group just because they are closely affiliated with previous PDC senior staff. Specifically, the Pierce County Democratic Central Committee has used former Public Disclosure Commission Executive Director Evelyn Lopez for legal counsel (see the final page of the AG settlement dated October 27, 2017). Lopez also provided free advice to this committee for some time after that settlement. Despite (or perhaps In Spite) this expert help and free legal assistance, this organization still fails to comply with the Fair Campaign Practices Act.

#### **1) Failure to timely file C3 or C4 expenditure and contribution reports (Violation of RCW 42.17A.235)**

State law requires that candidates and committees file frequent, accurate, reports of contributions, expenditures, in-kind contributions, debt, pledges, and loans (C3s and C4s). The reports must be compliant with both state law and PDC regulations (**WAC 390**).

Unfortunately, the Pierce County Democratic Central Committee **concealed \$863 of contributions from the public for 99 days** (See **Report # 100879765**). This is not an amended report, it was just a stealth contribution hidden for over three months – including during the critical 30-day window before last year’s general election. There is no excuse for this failure to comply with Washington State campaign finance law, particularly considering the AG settlement, the probationary period under which this committee is operating, and the recent warning letter sent to this committee by the PDC last month.

Since compliance with the law seems to be such a difficult task for this committee, PDC staff should also consider asking this committee to reveal the other, currently hidden violations which this committee is committing right now in order to save the serial investigations that seem to be so frequently necessary for this committee.

The PDC should investigate the possibility that the respondent 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

**What impact does the alleged violation(s) have on the public?**

The Pierce County Democratic Central Committee is a serial violator of Washington State’s campaign finance laws, with a recent lawsuit filed by the Washington State Attorney General’s office to prove this fact, and a generous settlement finalized October 27, 2017. However less than a year after that settlement and generous payment plan was arranged by the former Director of the PDC herself representing the Pierce County Democrats, they still chose to violate not just the state’s campaign finance laws but also the terms of the settlement itself. The public has a right to know what this organization is actually doing with the money they receive and who is funding this organization – a right that is severely harmed by the actions of this committee. Even with a recent warning letter for additional violations by this committee, it seems that the public can have zero confidence they know what this committee is actually doing with the money they have or even how much money they actually have...

**List of attached evidence or contact information where evidence may be found.**

Late PDC report tracking number is referenced in the body of the complaint...

**List of potential witnesses with contact information to reach them.**

Last Year's officers

This year's officers

Evelyn Lopez (what kind of legal advice is she giving them?)

**Complaint Certification:**

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.



**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](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)**

January 20, 2019

Delivered electronically to Rick Offner, Treasurer for Pierce County Democratic Central Committee at “[pcdemsinfo@gmail.com](mailto:pcdemsinfo@gmail.com)”

Subject: Complaint filed by Glen Morgan, PDC Cases 42704 & 44695

Dear Rick Offner:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint 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 conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(b), this letter serves as a warning letter concerning failure to timely and accurately file Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities and failure to timely file an amended Committee Registration (C-1pc report) disclosing material changes. Staff expects you to timely file accurate and complete C-3, C-4 and C-1pc reports in future years in accordance with PDC laws and rules. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by email at [jennifer.hansen@pdc.wa.gov](mailto:jennifer.hansen@pdc.wa.gov).

Sincerely,

/s \_\_\_\_\_  
Jennifer Hansen  
Compliance Officer

Endorsed by,

/s \_\_\_\_\_  
Peter Lavalley  
Executive Director



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January 20, 2019

Delivered electronically to Glen Morgan at “[glen@wethegoverned.com](mailto:glen@wethegoverned.com)”

Subject: Complaint regarding Pierce County Democratic Central Committee, PDC Cases 42704 & 44695

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaints you filed on October 23, 2018 and January 3, 2019. Your complaints alleged that the Pierce County Democratic Central Committee (PCDCC), a bona fide political party committee may have violated: (1) RCW 42.17A.235 and .240 by failing to timely and accurately file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), disclosing contributions and expenditures undertaken by the Campaign; and (2) RCW 42.17A.205 by failing to timely file an amended Committee Registration (C-1pc report) within ten days disclosing any material change in the committee information.

PDC staff reviewed the allegations listed in the two complaints you filed; the applicable statutes, rules, and reporting requirements; the response provided by Dominick Bergeron, former Treasurer for Pierce County Democratic Central Committee; the applicable PDC reports filed by Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

Based on staff’s review, we found the following:

- On September 10, 2018, Pierce County Democratic Central Committee (Committee) filed an amended C-1pc report as a Continuing Bona Fide Political Party Committee selecting the “Full Reporting” option and listing Tim Farrell as Chair and Committee Manager, Dominick Bergeron as Committee Treasurer, Angel Swanson as Vice-Chair, and Patricia Dailey as Secretary.
- On January 7, 2019, PCDCC filed an amended C-1pc report listing Kathy Orlando as Chair and Committee Manager, Rick Offner as Committee Treasurer, Eric Herde as Vice-Chair, and Diane Sandowski as Secretary.

**Summary of PDC Case 42704**

- Staff’s review of the spreadsheet attached to the complaint alleging late filed C-3 and C-4 reports, is broken down as follows:

1. The Committee submitted 22 initially filed C-3 reports, and seven amended C-3 reports; and six initially filed C-4 reports, and 16 amended C-4 reports.
  2. The majority of the alleged late filed C-3 and C-4 reports filed by the Committee included both initially and amended C-3 and C-4 reports covered the period of December 8, 2016 through October 23, 2018.
  3. Staff believes that the allegations concerning those late filed reports are covered by the Settlement agreement that was entered into between the PCDCC and the Attorney General's Office (AGO) and are not subject to additional state action by the PDC for both Pre and Post passage of 2938.
  4. Staff's review of the remaining C-3 and C-4 reports, and the response from PCDCC, found that eight of the alleged late filed C-3 and C-4 reports were submitted as amendments to correct previously disclosed information that had been discovered during an internal audit conducted by PCDCC.
  5. Some of the amended filings only reflected changes in the aggregate totals due to corrections and amendments made to previous reports.
  6. Ten of the alleged late filed C-3 and C-4 reports involved technical issues requiring assistance from PDC Staff in order to complete the filing, and the late filed reports disclosed mostly small contributors and proceeds from low-cost fundraisers and committee expenditures for rent.
- In his response, Treasurer Dominick Bergeron, stated that errors occurring after the date of the settlement referenced above, were "minor technical errors, which were communicated to the PDC at the time, insignificant in amount or impact on any campaign outcome, or just minor human error." In addition, he described the high turnover rate with committee treasurers which he stated is partially due to "the anxiety associated with the zero-tolerance provision of the settlement."
  - Staff's review found three of the alleged filed C-3 and C-4 reports were filed without having any relevant mitigating factors or circumstances and included one C-4 reports that disclosed \$193.65 in expenditures for insurance and internet and two C-3 reports that disclosed \$666.97 in proceeds from a low-cost fundraising event and two individual donations totaling \$140. The C-3 and C-4 reports were filed between five and twelve days late.

### **Summary of PDC Case 44695**

- The complaint included a December 9, 2018 announcement posted by the newly elected Chair, Kathy Orlando, on the Pierce County Democrats Facebook page entitled "your new PCDCC officers" as evidence of the allegation regarding failure to file an amendment to the C-1pc within ten days as required by law.
- On January 7, 2019, the Committee filed an amended C-1pc report disclosing the newly elected Committee officers for 2019 including the Chair, Vice-Chair, Treasurer and Secretary. The amended C-1pc report was filed 15 days late.

Based on staff's review, the alleged late and incomplete filed C-3 and C-4 reports cited in the two complaints were primarily caused by a Committee reorganization and changes in officers, but we noted that the Committee implemented additional internal controls to ensure compliance by creating an oversight committee, by conducting an internal audit, and additional training.

These steps were taken, in part, by the Pierce County Democratic Central Committee to comply with the provisions of the settlement agreement.

Based on these findings staff has determined that, in this instance, failure to timely and accurately file 19 filed C-3 and C-4 reports, including amendments, mostly disclosed little monetary activity, or were filed as a result of an internal audit process conducted by PCDCC, and therefore does not warrant further investigation or enforcement action.

Pursuant to WAC 390-37-060(1)(b), the PCDCC will receive a formal written warning concerning failure to timely and accurately file Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities and failure to timely file an amended Committee Registration (C-1pc report) disclosing material changes. The formal written warning will include staff's expectation that PCDCC timely file accurate and complete C-3, C-4 and C-1pc reports in future years in accordance with PDC laws and rules. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at [jennifer.hansen@pdc.wa.gov](mailto:jennifer.hansen@pdc.wa.gov).

Sincerely,

/s \_\_\_\_\_  
Jennifer Hansen  
Compliance Officer

Endorsed by,

/s \_\_\_\_\_  
Peter Lavalley  
Executive Director

cc: Pierce County Democratic Central Committee

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 Hearing is Set  
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Superior Court  
Linda Myers Enlow  
Thurston County Clerk

EX PARTE

STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT

STATE OF WASHINGTON,  
  
Plaintiff,  
  
v.  
  
PIERCE COUNTY DEMOCRATIC  
CENTRAL COMMITTEE, a Washington  
registered political committee,  
  
Defendant.

NO. 17-2-04616-34  
  
STIPULATION AND AGREED  
JUDGMENT

JUDGMENT SUMMARY (RCW 4.64.030)

- A. JUDGMENT CREDITOR: Plaintiff, STATE OF WASHINGTON
- B. JUDGMENT DEBTOR: PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE, a Washington registered political committee
- C. PRINCIPAL JUDGMENT: \$31,780 with \$15,890 suspended for a period of 4 years contingent on no findings of violations of RCW 42.17A committed during the period of suspension
- D. INTEREST: No prejudgment interest is owed. Principal judgment amount(s) due and owing shall not bear interest unless the principal judgment is unpaid by the due date specified herein
- E. COSTS AND FEES: \$5,000 in attorney fees; \$1,500 in investigation costs, and \$240 in court costs
- F. ATTORNEYS FOR JUDGMENT CREDITOR: ROBERT W. FERGUSON, Attorney General  
LINDA A. DALTON, WSBA No. 15467  
Senior Assistant Attorney General

STIPULATION AND AGREED  
JUDGMENT

ATTORNEY GENERAL OF WASHINGTON  
Campaign Finance Unit  
PO Box 40100  
Olympia, WA 98504-0100  
(360) 753-6200

COPY

1 G. ATTORNEY FOR EVELYN FIELDING LOPEZ, WSBA No. 18900  
2 JUDGMENT DEBTOR LOPEZ LAW PLLC

3 STIPULATION

4 The parties to this stipulation, Plaintiff, STATE OF WASHINGTON (STATE), and the  
5 Defendant, PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE, a Washington  
6 registered political committee, desiring to resolve all claims arising out of the State's  
7 complaint, hereby enter into the following stipulation:

8 1. Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE agrees to pay  
9 the State within 30 days of the date of entry of this Judgment an assessed civil penalty in  
10 the amount of \$31,780 with one-half suspended for four years, for its violations of RCW  
11 42.17A for failing to timely disclose contribution and expenditure reports for election years  
12 2015, 2016, and through the date of this agreement for 2017.

13 2. The parties agree that \$15,890 of the assessed civil penalty will be suspended based on the  
14 following terms and conditions:

15 a. The suspension will be in effect for four years from the date of execution of the  
16 Judgment. During the period of suspension, Defendant PIERCE COUNTY  
17 DEMOCRATIC CENTRAL COMMITTEE agrees that it will not violate any  
18 provision of RCW 42.17A.

19 b. In the event Defendant PIERCE COUNTY DEMOCRATIC CENTRAL  
20 COMMITTEE is found by the Public Disclosure Commission or a court to have  
21 committed a violation of RCW 42.17A during the suspension period, the suspended  
22 penalty of \$15,890 will immediately become due and payable within 30 days of  
23 such finding without further intervention of the Court.

24 c. If Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE is not  
25 found to have committed violations of RCW 42.17A by the Public Disclosure  
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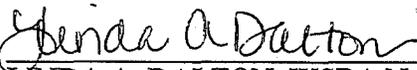
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Commission or a court for conduct during the suspension period, then the suspended portion of the penalty will be set aside.

- 3. Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE agrees to pay the State the total amount of \$5,000.00 as attorney fees, \$240 in court costs, and \$1,500 in investigation costs in this action.
- 4. Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE agrees to pay the State the unsuspended portion of the civil penalty (\$15,890) and fees and costs (\$6,740) in installments of \$3,000 on January 1 and July 1 each year starting in 2018 until paid in full. Failure to timely make any installment will result in the remainder of the unpaid portion to be due within 30 days of the missed installment.

DATED this 25<sup>th</sup> day of October, 2017.

ROBERT W. FERGUSON  
Attorney General

  
LINDA A. DALTON, WSBA No. 15467  
Senior Assistant Attorney General  
Attorneys for Plaintiff

LOPEZ LAW PLLC

  
EVELYN FIELDING LOPEZ, WSBA No. 18900  
Attorney for Defendant

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**JUDGMENT**

THIS MATTER came on regularly before the undersigned judge of the above-entitled Court. Plaintiff, STATE OF WASHINGTON (STATE), appearing through its attorneys of record, ROBERT W. FERGUSON, Attorney General and LINDA A. DALTON, Senior Assistant Attorney General, and Defendant, PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE appearing through its attorney, EVELYN FIELDING LOPEZ, apprised the Court of their agreement to the entry of this judgment for the purpose of settling and compromising this action brought under RCW 42.17A. The Court, having reviewed the records and files herein, and having found the settlement to be a just and proper resolution of this matter, and being otherwise fully advised in the premises, it is hereby **ORDERED** as follows:

1. Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE is hereby assessed a civil penalty, under the provisions of RCW 42.17A, in the amount of \$31,780 payable to the State of Washington.
2. The amount of \$15,890 of the assessed penalty is hereby suspended upon Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE's compliance with the following court-ordered conditions:
  - a. The suspension will be in effect for four years from the date of execution of the Judgment. During the period of suspension, Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE agrees that it will not violate any provision of RCW 42.17A.
  - b. In the event Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE is found by the Public Disclosure Commission or a court to have committed a violation of RCW 42.17A during the suspension period, the suspended penalty of \$15,890 will immediately become due and payable within 30 days of such finding without further intervention of the Court.

1 c. If Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE is not  
2 found to have committed violations of RCW 42.17A by the Public Disclosure  
3 Commission or a court for conduct during the suspension period, then the suspended  
4 portion of the penalty will be set aside.

5 3. Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE shall pay to the  
6 State of Washington the amount of \$5,000.00 as attorney fees, \$240 in court costs, and  
7 \$1,500 in costs of investigation as authorized under RCW 42.17A.765.

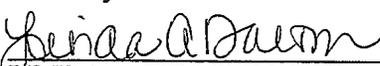
8 4. Defendant PIERCE COUNTY DEMOCRATIC CENTRAL COMMITTEE shall pay the  
9 State the unsuspended portion of the civil penalty (\$15,890) and fees and costs (\$6,740) in  
10 installments of \$3,000 each on January 1 and July 1 each year starting on January 1, 2018  
11 until paid in full. Failure to timely make any installment shall result in the remainder of the  
12 unpaid portion to be due within 30 days of the missed installment.

13 DONE IN OPEN COURT this 27 day of October, 2017  
14 CHRISTOPHER LANESE

15 \_\_\_\_\_  
JUDGE CHRIS LANESE

16 Presented by:

17 ROBERT W. FERGUSON  
18 Attorney General

19   
20 LINDA A. DALTON, WSBA No. 15467  
Senior Assistant Attorney General  
Attorneys for Plaintiff

21 Approved as to Form:

22   
23 EVELYN FIELDING LOPEZ, WSBA No. 18900  
24 Lopez Law PLLC  
Attorney for Defendant

25  
26 STIPULATION AND AGREED  
JUDGMENT