

**Executive Summary and Staff Analysis**  
**Washington State Labor Council, AFL-CIO,**  
**and WSLC Officers Jeff Johnson and Lynne Dodson**  
**(45-Day Citizen Action Complaint)**  
**PDC Case No. 1543**

This summary highlights staff's findings, conclusions, and recommendations regarding the allegations contained in PDC Case No. 1543, a 45-Day Citizen Action Complaint (Complaint) filed on November 4, 2015 by James Abernathy and David Dewhirst of the Freedom Foundation against Washington State Labor Council, AFL-CIO (hereafter, WSLC), and Jeff Johnson and Lynne Dodson, in their respective capacities as WSLC President and Secretary Treasurer.

**Background**

The Citizen Action Complaint was filed with the Washington Attorney General's Office on November 4, 2015 and referred to the PDC for investigation and possible action on November 19, 2015. On November 23, 2015, PDC staff sent a letter to WSLC through its counsel, Dmitri Iglitzin, informing him that staff had opened a formal investigation, and requesting a written response to the allegations and to several staff questions by December 4, 2015. Mr. Iglitzin responded on behalf of WSLC on December 14, 2015.

Previously, in 2004 the Commission considered allegations against WSLC made in a Citizen Action Notice filed by Jami Lund of the Evergreen Freedom Foundation. In part, the allegations were similar to the present case, in that Mr. Lund alleged that WSLC had as one of its primary purposes the making of expenditures to support or oppose candidates or ballot propositions, and so met the definition of a political committee in the law as interpreted by courts.

PDC staff investigated Mr. Lund's 2004 allegations under PDC Case 05-067. On October 26, 2004, PDC staff presented its findings in Case 05-067 to the Commission. Staff recommended no further action on the allegations, including the allegation that WSLC met the definition of a political committee, because WSLC did not satisfy the analysis used by courts in interpreting the "maker of expenditures" prong of the statutory definition of a political committee. The Commission voted to accept staff's recommendation, and on October 27, 2004, staff mailed a letter to Attorney General Christine Gregoire communicating the Commission's belief that no further action was warranted on Mr. Lund's complaint.

**Allegations**

The November 4, 2015 Complaint by Mr. Abernathy and Mr. Dewhirst alleged that WSLC is a political committee under the "maker of expenditures" prong of the statutory definition of that term. The Complaint further alleged that WSLC was also a political committee under the "receiver of contributions" prong of the definition. The Complaint alleged that WSLC and its officers Jeff Johnson and Lynne Dodson failed to register and report contribution and expenditure activity as a political committee, alleged

violations of RCW 42.17A.205 and RCW 42.17A.235<sup>1</sup>. Finally, the Complaint alleged that as the employer of registered Washington State lobbyists, WSLC failed to file special reports disclosing its monetary and in-kind contributions to candidates, elected officials, officers of public agencies, or political committees, alleged violations of RCW 42.17A.630<sup>2</sup>.

### **Investigative Findings and Conclusion**

Based on the factors identified in staff's investigation, staff has concluded that:

**First Allegation:** WSLC is not a political committee with a requirement to register and report with the PDC, and did not violate RCW 42.17A.205, RCW 42.17A.235, and RCW 42.17A.240 in the current and prior codification of those sections, because WSLC is not a "receiver of contributions" in support of or in opposition to candidates or ballot propositions, and because making expenditures to support candidates or ballot propositions is not one of WSLC's primary purposes. WSLC's mission is "[t]o protect and strengthen the rights and conditions of working people and their families." WSLC's electoral political activity may have furthered its stated goals and mission, but its non-electoral programs are those most clearly designed to further the organization's stated goals and mission. No evidence was found that WSLC has, or could, substantially achieve its stated goals and mission through a favorable outcome in an election. WSLC clearly uses means other than electoral political activity to achieve its stated goals. Expenditures for electoral political activity fell far short of a majority of WSLC's efforts, and were truly miniscule in relation to other WSLC activities.

**Second Allegation:** It appears that WSLC, as a lobbyist employer, has violated RCW 42.17A.630(2) by failing to report monetary and in-kind contributions to political committees totaling \$135,775 on form L-3c. The reports were due on 32 occasions during the five-year period of December 2010 – December 2015, and were not filed.

### **Recommendation**

For the reasons described above, staff recommends that the Commission recommend to the Attorney General that no further action be taken on the Citizen Action Complaint concerning allegation 1, the alleged failure by WSLC and its officers Jeff Johnson and Lynne Dodson to register and report as a political committee.

For allegation 2, staff recommends that the Commission find multiple apparent violations of RCW 42.17.180 and RCW 42.17A.630 and recommend to the Attorney General to take appropriate action concerning WSLC's apparent failure to disclose all of its reportable contributions on L-3c reports during the five-year period of December 2010 – December 2015.

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<sup>1</sup> Although not cited in the complaint, PDC staff reviewed the allegations in the November 4, 2015 Notice under RCW 42.17A.240, which specifies the contents of reports required under RCW 42.17A.235.

<sup>2</sup> For periods prior to January 1, 2012, RCW 42.17A.005, RCW 42.17A.205, RCW 42.17A.235, RCW 42.17A.240, and RCW 42.17A.630 were codified as RCW 42.17.050, RCW 42.17.040, RCW 42.17.080, RCW 42.17.090, and RCW 42.17.180, respectively.