



STATE OF WASHINGTON  
PUBLIC DISCLOSURE COMMISSION

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Toll Free 1-877-601-2828 • E-mail: [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov) • Website: [www.pdcc.wa.gov](http://www.pdcc.wa.gov)

November 15, 2018

Delivered electronically to Aaron Ostrom, Executive Director Fuse Washington

Subject: Fuse Votes Complaint Return Letter, PDC Case 28829

Dear Mr. Ostrom:

Below is a copy of an electronic letter sent to Glen Morgan concerning the complaint he filed with the Public Disclosure Commission (PDC) against Fuse Votes and Fuse Washington. As noted below in the letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into these allegations or taking further enforcement action in the eight complaints.

Based on PDC staff's review, the PDC has dismissed the allegations listed in the complaint filed against Fuse Votes, Fuse Voters and Fuse Washington in accordance with RCW 42.17A.755(1). Staff will be contacting Fuse staff members to work on a better method to facilitate disclosure of the Progressive Voter's Guide activities in the future, and reminding you work with staff on how those activities should be properly disclosed.

If you have questions, please contact Kurt Young at (360) 664-8854, toll-free at 1-877-601-2828, or by email at [kurt.young@pdcc.wa.gov](mailto:kurt.young@pdcc.wa.gov).

Sincerely,

Endorsed by:

s/ \_\_\_\_\_  
Kurt Young  
PDC Compliance Officer

s/ \_\_\_\_\_  
BG Sandahl, Deputy Director  
For Peter Lavalley, Executive Director



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November 15, 2018

Sent electronically to Glen Morgan “[glenmorgan89@gmail.com](mailto:glenmorgan89@gmail.com)”

Subject: Fuse Votes, Fuse Voters and Fuse Washington Complaints, PDC Case 28829

Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on December 17, 2017 against Fuse Votes and Fuse Washington. PDC staff reviewed the allegations listed in the complaint you filed, the statutes, rules and reporting requirements, queried the PDC contribution and expenditure database for Fuse Votes and Fuse Washington, reviewed the Committee Registrations (C-1pc reports), Monetary Contributions reports (C-3 reports), Summary Full Campaign Contribution and Expenditure reports (C-4 reports), and Independent Expenditures report (C-6 reports) filed by Fuse Votes and Fuse Washington (Committee), and the responses to the complaint provided by the Aaron Ostrom, Executive Director for the Committee.

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

- There are two political committees registered with the PDC: (1) Fuse Votes which supports candidates and makes direct candidate contributions; and (2) Fuse Voters which supports ballot measures.
- On June 15, 2015, Fuse Votes filed an amended C-1pc report as a Continuing Other Political Committee, selecting the Full Reporting Option, listing Erin Louis as Treasurer and Aaron Ostrom as Committee Manager. Fuse Votes has been registered and reporting with the PDC since 2008.
- On September 12, 2016, Fuse Voters filed an amended C-1pc report as a 2016 Ballot Measure Political Committee in support of I-1433 and I-1491, selecting the Full Reporting Option, listing Erin Louis as Treasurer and Aaron Ostrom as Committee Manager. Fuse Voters has been registered and reporting with the PDC since 2010.
- On October 2, 2017, Fuse Voters filed an amended C-1pc report as a 2017 Ballot Measure Political Committee in support of I-940 sponsored by De-Escalate Washington, selecting the Full Reporting Option, listing Erin Louis as Treasurer and Aaron Ostrom as Committee Manager.
- The complaint alleged the Committee failed to timely and accurately file C-3 reports disclosing monetary contributions received and C-4 reports disclosing in-kind contributions, expenditures and debt activities undertaken, and you provided 48 examples of alleged late filed reports.

- Staff’s review revealed that many of the alleged late filed C-3 and C-4 reports, were actually amendments to the original C-4 reports which had been initially timely filed when first submitted. The complaint failed to identify whether the alleged late filed reports were the initial or amended C-3 and C-4 reports, and which political committee filed the alleged late filed reports. Staff’s review discovered that the allegations included reports filed by both Fuse Votes and Fuse Voters as noted above.
- The alleged late filed C-4 reports included numerous amended filings such as: (1) nine amended C-4 reports were filed on October 10, 2017, covering the period of December 2016 through August 31, 2017, disclosing no contributions were received and only \$37.50 in expenditures made. These nine C-4 reports were alleged to have been filed between 69 and 265 days late; and (2) two amended were filed on February 3, 2017, both for the period December of 2016 disclosing no contributions were received and only \$37.50 in expenditures made.
- In addition, staff’s review found that Fuse Votes and Fuse Voters filed a number of amended C-4 reports throughout the 2016 election, updating information as required and included 19 of alleged late filed C-4 reports. Those late filed C-4 reports included: (1) four amended and initial C-4 reports filed on April 15, 2016; (2) five amended and initial C-4 reports filed on September 9, 2016; (3) six amended and initial C-4 reports filed on September 12, 2016; and (4) four amended and initial C-4 reports filed on December 12, 2016 April 15, 2016.
- The complaint alleged the Committee failed to timely and accurately file 15 Independent Expenditure reports (C-6 reports) dating back to 2012. Staff’s review determined the following:
  1. Seven of the C-6 reports filed by Fuse Votes checked Box 1 on the form, indicating it was an independent expenditure (IE) of \$100 or more for each candidate supported or opposed. Staff would note that C-6 report is not required to be filed by a registered political committee in accordance with RCW 42.17A.255(1), but instead the IE is disclosed on the C-4 report as an expenditure.
  2. Three of the C-6 reports filed by Fuse Votes checked Box 2 on the form, indicating it was an independent expenditure of \$1,000 or more for each of the candidates supported or opposed, and made within 21 days of an election.
  3. Five of the C-6 reports filed by Fuse Votes checked Box 3 on the form, indicating it was an electioneering communication (EC) of \$1,000 or more for each of the candidates mentioned or featured, and made within 60 days of an election.
- The complaint included four C-6 reports that were alleged to have been filed between 33 to 41 days late and concerned the candidates and ballot propositions featured in the Progressive Voter Guide (PVG), which is produced and featured on Fuse’s website. Aaron Ostrom, Executive Director of Fuse stated in a supplemental response to the PDC that the expenditures for the PVG activities prior to 2016, would be submitted by Fuse staff in a pre-election memorandum, and then reported on a C-6 report breaking down the costs “after the election when we had a full picture of our ad spending.”

- Mr. Ostrom stated that on July 1, 2016, Fuse Votes staff had a conference call with PDC staff “to clarify our PVG reporting ahead of what we expected to be an expensive and complicated election.” He stated during the call, Fuse was advised there was no need to submit a pre-election memorandum disclosing information since the memo was not searchable through the PDC contribution and expenditure database and “therefore not easily accessible or beneficial to the general public.”
- Mr. Ostrom stated that while Fuse’s staff time for work on “the PVG is largely front-loaded, in the form of researching and writing our recommendations over the course of several months, our advertising spending is significantly back-loaded. During the 2017 election, we spent approximately 50 percent of our entire advertising budget during the last 4 days of the election.” Since Fuse relied on search advertising to promote the PVG and “these searches are driven by when people actually vote, which increases dramatically shortly before Election Day.” He added that since much of Fuses advertisements is “based on users clicking on digital ads”, Fuse does not know the exact costs until after the election has been held for that year.
- Finally, Mr. Ostrom stated that an additional “complicating factor” is that Fuse lists close to 200 candidates for state and local offices, and state and local ballot measures each year in the PVG. He stated this makes the “reporting extraordinarily complex and time consuming” for Fuse staff and added that “very few candidates and ballot measures will hit the IE reporting threshold until very late in the campaign, if at all”. For example, he stated:

“In the 2017 general election, we endorsed 190 candidates and ballot measures. We allocated more than \$1,000 to 18 of these candidates and measures and we allocated \$100 or more to an additional 53. Yet another complicating factor is the different reporting thresholds on the C4 and C6 reporting forms. As a result, we are required to report the same spending at different times on different forms.”

PDC staff dismissed the allegations listed in your complaints that were based “on information and belief” in accordance with RCW 42.17A.755(1), since you failed to provide any evidence to support or substantiate those allegations.

Staff found the allegations listed in your complaint about the late filed campaign finance reports, largely involved amended C-3 and C-4 reports filed by Fuse Votes and Fuse Voters, disclosing minor contribution and expenditure activities. Finally, staff found that the allegations related to the late filed C-6 reports for the Progressive Voters Guide, included a number of mitigating factors, which included following staff’s advice on how to disclose the activities, not filing C-6 reports for IE’s of more than \$100, and the number of candidates and ballot measures involved.

PDC staff found no evidence of a material violation that would require conducting a more formal investigation into your complaints or pursuing enforcement action in this instance.

Based on this information, PDC staff is dismissing this matter in accordance with RCW 42.17A.755(1). Staff will be contacting Fuse staff members to work on a better method to facilitate disclosure of the Progressive Voter’s Guide activities in the future and reminding Fuse to work with staff on how those activities should be properly disclosed.

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at [kurt.young@pdc.wa.gov](mailto:kurt.young@pdc.wa.gov).

Sincerely,

Endorsed by:

s/ \_\_\_\_\_  
Kurt Young  
PDC Compliance Officer

s/ \_\_\_\_\_  
BG Sandahl, Deputy Director  
For Peter Lavalley, Executive Director

cc: Aaron Ostrom, with Fuse

