

Hi Kurt,

Thanks for the opportunity to provide additional information and context related to this matter. First, I want to address the specific questions from your previous email.

1. Yes, we have two PACs, one for candidates and one for ballot measures.
2. Yes, his complaints concern both committees.
3. Yes, there are separate bank accounts.

Progressive Voters Guide Background

More generally about our Progressive Voters Guide (PVG), your recollection is correct that in past years we would submit a pre-election memo and then report the full independent expenditure breakdown after the election when we had a full picture of our ad spending. On July 1, 2016, we had a conference call with your colleague Lori Anderson to clarify our PVG reporting ahead of what we expected to be an expensive and complicated election. During that call, Lori said that we did not need to submit a pre-election memo because it was not searchable and therefore not easily accessible or beneficial to the general public. In addition, she said that we could report our staff time in real time and then add the advertising costs for the full cycle in the first report after the election.

There are several important reasons for this reporting schedule. While our staff time 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. We rely heavily on search advertising for promotion and these searches are driven by when people actually vote, which increases dramatically shortly before Election Day. In addition, because our ad spending is overwhelmingly based on users clicking on digital ads, we don't know exactly how much we've spent and in which races until after the fact.

Another important complicating factor is that we endorse upwards of 200 state and local candidates and ballot measures in the PVG each year. Not only does this make reporting extraordinarily complex and time consuming, but few candidates and ballot measures will hit the IE reporting threshold until very late in the campaign, if at all. 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.

You also inquired about timing and the 21-day reporting rules. We usually make our general election PVG website endorsements public at the end of September. However, we rarely begin advertising until 20 days before the election when the first ballots are mailed out.

We spend an enormous amount of staff time and resources each year seeking to comply with the letter and spirit of campaign finance laws. We look forward to working with PDC staff to establish new guidelines for reporting our work as you see fit.

Thanks,

Aaron Ostrom
Executive Director
Cell: 206 498 2620