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VIA EMAIL ONLY

Phil Stutzman, Compliance Officer
Washington State Public Disclosure Commission
P.O. Box 40908
Olympia, WA 98504-0908

RE: Case No. 24989

Dear Mr. Stutzman:

I am replying on behalf of State Representative Drew MacEwen to a September 14, 2017 email request from Fox Blackhorn for a response to PDC Case No. 24989.

Contribution to the Republican House Organizational Committee

Much of the complaint relates to a contribution reported received by the House Republican Organizational Committee (HROC) on October 14, 2016 from Drew MacEwen's surplus funds. I can confirm that on September 29, 2016 Rep. MacEwen's surplus account did issue a check to HROC.

Unfortunately, a bookkeeping error meant that transaction was not reported properly for the surplus account. However, a C-4 for the surplus account has since been filed reporting the contribution. As noted in the complaint, the transaction was report by HROC and therefore was visible to the public. Regarding other aspects of this transaction, clearly the contribution was permissible under 42.17A and WAC 390-16-236.

Miscellaneous Transactions

The complaint questions a number of transactions which are itemized here:

1. Thurston County Lincoln Day Dinner: \$100 paid on February 2, 2016. The Thurston County GOP has indicated the value of the meal at this event is \$28 per person. Rep. MacEwen attended this event with his wife in order to raise the profile of his candidacy among local party members, and there was no intent to make a contribution from his campaign.
2. Cystic Fibrosis Foundation: \$250 paid on March 21, 2016. While a supporter of the Foundation, the sole purpose of this payment was to market Rep. MacEwen's candidacy at an event attended by a large number of influential members of his district. In exchange for payment, Rep. MacEwen was provided access to the event, food, recognition from the emcee, and his name on a sign – none of which was available without payment. In sum, Rep. MacEwen received no personal benefit from this transaction but did receive substantial benefit to his campaign.
3. Kitsap Lincoln Day Dinner: \$120 paid on May 18, 2016. Rep. MacEwen attended this event with two campaign staff members. The Kitsap County Republican Party has not responded to requests for information regarding the costs to attend their event, but it is likely the cost of meals was near

\$20 per person. As with the Thurston County Lincoln Day, Rep. MacEwen attended this event in order to raise the profile of his candidacy among local party members, and there was no intent to make a contribution from his campaign to the party.

4. Washington State Republican Party Annual Dinner (WSRP): \$200 on October 29, 2016. The WSRP has indicated that the cost to the WSRP per seat for this event at the Bellevue Hyatt Regency was \$150. As with other events described here, the intent of Rep. MacEwen was not to make a contribution to the WSRP but simply to gain access to an important party event for campaign purposes.

Under the circumstances outlined here, and between all four of these transactions, the potential personal benefit to Rep. MacEwen is small if any exists at all.

Miscellaneous Late Reports

The complaint lists six C-3 reports as being filed late. In the case of the first four reports, numbers 100675170, 100667436, 100667437, and 100667439, all were initially filed on time. However, when the campaign treasurer was preparing to file the C4 report in October of 2015, she discovered an error in the way the 2016 campaign was initially set up in ORCA. After diligently working with Jennifer Hansen in your office to solve the problem, it became clear that prior C3 reports had to be deleted from ORCA by both the campaign and on the PDC's imaging system. They were subsequently re-entered and submitted in the November 2015 timeframe and another one in January 2016. See attachment.

The final two C-3 reports cited, numbers 100727691 and 100727692, were credit card contributions (only one contribution each) that were reported when funds actually went into the bank account rather than when the campaign first had notice of them.

Summary

After review of the facts behind this case, it seems fairly clear that many of the alleged violations are not in fact violations at all or are very minor and/or explainable if they are. It appears the campaign is largely or substantively in compliance with disclosure requirements, with any violations being technical in nature, again, to the extent there are any.

I hope this information is useful in resolving this issue. Please contact me with any questions.

Sincerely,



Dan Brady
WSBA #33731