



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 • Website: www.pdc.wa.gov

September 14, 2018

Delivered electronically to Laura Ewan at "ewan@workerlaw.com" and Dmitri Iglitzin at "iglitzin@workerlaw.com"

Subject: WA State Association for Justice Complaint Return Letter, PDC Case 37220

Ms. Ewan & Mr. Iglitzin:

Below is a copy of an electronic letter sent to Glen Morgan concerning the complaint he filed with the Public Disclosure Commission (PDC) against your client the WA State Association for Justice. As noted below in the electronic letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into these allegations or taking enforcement action in this matter.

PDC staff has determined in this instance, there is no evidence that the Washington State Association for Justice's failure to timely file C-3 and C-4 reports as alleged in the complaint, amounts to a finding of a material violation warranting further investigation. PDC staff is reminding the Washington State Association for Justice about the importance of the timely disclosure of all contribution and expenditure activities, and to timely file all future PDC reports. Thus, the PDC has closed this matter.

If you have questions, please contact PDC staff member Kurt Young by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by,

/s _____
Kurt Young, Compliance Officer

/s _____
Barbara Sandahl, Deputy Director
For Peter Lavalley, Executive Director



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 • Website: www.pdc.wa.gov

September 14, 2018

Sent electronically to Glen Morgan at "glen@wethegoverned.com"

Subject: Complaint filed against WA State Association for Justice, PDC Case 37220

Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on June 21, 2018. Your complaint alleged that the WA State Association for Justice, a political committee registered with the PDC, may have violated RCW 42.17A.235 and .240 by failing to accurately and timely file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), dating back to calendar year 2015.

PDC staff reviewed the allegations listed in your complaint, the C-3 and C-4 reports filed by the WA State Association for Justice, and the July 13, 2018, response letter from Dmitri Iglitzin and Laura Ewan, two attorneys with Schwerin, Campbell, Barnard, Iglitzin & Lavitt, LLP on behalf of WSAJ. As a result, we found the following:

- The WA State Association for Justice has been registered with the PDC as a Lobbyist Employer filing the Annual Employer's Report of Lobbying Expenses (L-3 reports) disclosing lobbying activities since 2009.
- On February 1, 2012, WA State Association for Justice/Justice for All PAC (Committee) filed an amended Committee Registration (C-1pc report) as a continuing political committee, selecting the Full Reporting Option.
- Staff reviewed the C-3 and C-4 reports filed by the Committee from January 1, 2015 through July 30, 2018, and found the Committee substantially complied concerning the timelines in filing its initial C-3 and C-4 reports. As part of your complaint, you attached a spreadsheet alleging that 48 C-3 or C-4 reports filed between 2015 through 2018 were late filed by the Committee.
- PDC staff's review of the allegations found that 20 of the alleged 48 late filed C-3 or C-4 reports, were filed by the Committee as amended reports. In the response letter, the attorneys stated the alleged Committee's late filed amended C-3 and C-4 reports resulted from "minor or ministerial errors" that did not materially impact the public interest. The letter stated the Committee filed amended reports to make the required corrections in order for the reports to be in full compliance with the reporting requirements of RCW 42.17A.

- The letter stated that if the Committee had not complied and filed the amended reports, the late filed C-3 or C-4 reports would likely be categorized by PDC staff as a “technical correction” in accordance with RCW 42.17A.005(51), since they disclosed “a minor correction of a previously timely-filed report.”
- For the 2018 allegations, the response stated there were two C-3 reports that the Committee failed to timely file for member contributions received and deposited in January and February of 2018. The response indicated those two reports “involved a special set of circumstances that call for their separate examination—and exclusion—from this claim” that they were late filed.” The two C-3 reports (Report #100821490, filed 33 days late; and Report #100821491, filed three days late) involved a software glitch with the Online Reporting of Campaign Activities (ORCA), the PDC campaign finance reporting software.
- For those two C-3 reports, when the Committee treasurer electronically filed the C-3 reports using the ORCA software, a “green check mark” was indicated in the ORCA program for each of the two C-3 reports, highlighting that the C-3 reports had been successfully filed. However, when the Committee timely filed the February C-3 report on March 12, 2018, the ORCA program again highlighted a green check mark next to the report, “but this time, it also generated an error message” stating that the report was not successfully filed. After contacting PDC staff on March 15, 2018, both of the C-3 reports were released and considered filed later that day.
- For the 2017 allegations, the letter stated the following concerning the late filed reports: (1) the C-3 report listed in Item #3 (Report #100790287) was timely filed by the Committee within five business days after the contributions were deposited in accordance with RCW 42.17A.215; (2) the C-3 report listed in Item #4 (Report #100786260), was actually an amended C-3 report filed by the Committee (Report #100786248), “with both reports reflecting a grand total of \$2.19 in interest received.”; (3) Item #5 (Report #100772947) is similar to Item #4 ,and was a timely filed C-3 report disclosing \$2.57 in interest received and deposited within five business days after receipt, excluding 4th of July holiday weekend; and the Fourth of July; and (4) For this C-3 report (Report #100786248), the Committee disclosed the wrong deposit date for the bank interest amount, and filed an amended C-3 report correcting the information within days of the initial filing.
- For the 2015-2016 allegations, the response stated that your allegations concerning the late filed Committee reports for 2015 and 2016 were overstated. The amended C-3 and C-4 reports filed by the Committee followed the same approach as cited above, whereby the amendments on the reports were minor and did not actually impact transparency in any election. While it was acknowledged that some of the Committee’s filings were submitted late for prior calendar years, the amounts that were involved were “trivial as to hardly qualify as a technical correction.”

PDC staff has determined that in this instance, the WA State Association for Justice failure to timely file the C-3 and C-4 reports does not amount to a finding of a material violation warranting further investigation. PDC staff is reminding the WA State Association for Justice about the importance of the timely disclosure of all contribution and expenditure activities, and the timely filings of all future PDC reports.

The PDC has closed the matter and will not be conducting a more formal investigation into your complaint or pursuing further enforcement action in this case. If you have questions, you may contact Kurt Young by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by:

/s _____

Kurt Young
PDC Compliance Officer

/s _____

Barbara Sandahl, Deputy Director
For Peter Lavalley, Executive Director

cc: Dmitri Iglitzin and Laura Ewan, with Schwerin, Campbell, Barnard, Iglitzin & Lavitt, LLP

