



**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

April 23, 2019

Delivered electronically to "leoaperales@gmail.com"

Subject: PDC Case 20995

Dear Leo Perales:

Below is a copy of an electronic letter sent to Roger Lenk concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted below to Roger Lenk, the PDC will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter

PDC staff is reminding you about the importance of the timely and accurate disclosure of all contribution and expenditure activities, including campaign-related websites, and the timely filings of all future PDC reports, including the F-1 report.

If you have questions, you may contact Micaiah Ragins at 1-360-586-4555 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

/s _____
Micaiah Ragins
Compliance Coordinator

Endorsed by,

/s _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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April 23, 2019

Delivered electronically to "lenk.roger@gmail.com"

Subject: Complaint regarding Leo A. Perales, PDC Case 20995

Dear Roger E. Lenk:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on June 19, 2017. Your complaint alleged that Leo Perales, a first-time candidate seeking the office of Council Member for the City of Kennewick, may have violated RCW 42.17A.240 for failure to disclose a website expenditure on the Summary Full Campaign Contribution and Expenditure report (C-4 report), and violated RCW 42.17A.435 for failure to accurately identify the source of a contribution.

PDC staff reviewed your allegations, the applicable statutes, rules, and reporting requirements; the response provided by Leo Perales; and the applicable PDC reports filed by the Campaign, to determine whether the record supports a finding of one or more violations.

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

- On April 8, 2017, Leo Perales filed a Candidate Registration (C-1 report) declaring his candidacy for Council Member of the City of Kennewick, and selecting the Full Reporting option. Leo Perales lost the 2017 Primary Election with 885 votes (9.86%).
- On April 13, 2017, a website was registered with the domain name, "Leo4KennewickCouncil.com." The website was primarily blank, with the exception of a building picture and the words "Leo Perales for Kennewick City Council." The expenditure for the website was not reported on the C-4 report covering the period from April 8, 2017 to April 30, 2017 (Report #100758783).

- On May 1, 2017, the Campaign filed an amended Monetary Contribution report (C-3 report) disclosing \$500 received from Brian Moreno on April 27, 2017 (Report #100757870). The C-3 report listed Brian Moreno's occupation as being the owner of a McDonalds restaurant in Othello, Washington. The complaint alleges that source of the contribution is concealed since the owner of the restaurant is not Brian Moreno, but that the owner is his father, Fernando Moreno.
- Leo Perales provided a response which stated that he never used the website and that the complaint reminded him to take the website down. Mr. Perales also acknowledged that the website should have been reported as an in-kind contribution. The expenditure of \$11.99 for the website was later disclosed by the Campaign on a C-4 report filed on July 10, 2017 (Report #100773878). Leo Perales also explained that when electronically filing the C-3 report for the \$500 contribution, the contributors employer information did not save correctly and should have included Moreno & Moreno LLC as Brian Moreno's employer.
- PDC staff verified that Brian Moreno is a managing partner with his father, Fernando Moreno. The McDonalds restaurant is included in their joint ownership.

Based on these findings and the following facts, staff has determined that in this instance, the failure to timely and accurately file the contribution and expenditure reports does not amount to a material violation warranting further investigation since: (1) Leo Perales was a first-time candidate for public office who lost the Primary Election in 2017; (2) The Campaign was inexperienced with the campaign finance reporting requirements; (3) The Campaign made minor or ministerial errors on required reports, which did not materially impact the public interest; (4) The C-3 report listing Brian Moreno as restaurant owner did not violate RCW 42.17A.435 as concealing the source of the contribution; and (5) The \$11 expenditure for the website represented less than one percent of the \$2,553 in total expenditures made by the Campaign.

PDC staff is reminding Leo Perales about the importance of the timely and accurate disclosure of all contribution and expenditure activities, including campaign-related websites, and the timely filings of all future PDC reports, including the F-1 report.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1), 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 Micaiah Ragins at 1-360-586-4555 toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

/s _____
Micaiah Ragins
Compliance Coordinator

Endorsed by,

/s _____

Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director

cc: Leo A. Perales