



State of Washington

PUBLIC DISCLOSURE COMMISSION

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Public Disclosure Commission Statement of Understanding

Matt Shea, Washington State Representative from the 4th Legislative District

PDC Cases 43573 and 43628

MATTHEW SHEA as an incumbent Washington Representative from the 4th,

(Printed Name of Official) Legislative District hereby acknowledge that I:

Used funds from the Matt Shea Surplus Funds account to make expenditures related to my 2016 and 2018 re-election campaigns, in violation of RCW 42.17A.430.

Between 2015 through 2018, the Matt Shea Surplus Funds Account make expenditures using surplus funds that should have been made out of the 2016 and 2018 Committees to Elect Matt Shea.

RCW 42.17A.430 (7) concerns the disposal of surplus funds and states "Hold the surplus campaign funds in a separate account for nonreimbursed public office-related expenses or as provided in this section, and report any such disposition in accordance with RCW 42.17A.240." The expenditures made from the Matt Shea Surplus Funds Account for re-election campaign activities, included the following:

- A total of 11 expenditures were made to the American Christian Network totaling \$12,000 for Representative Shea's monthly Patriot Radio broadcast.
- A \$2,248.23 surplus funds expenditure was made to Broadcast Supply on June 10, 2015, to purchase recording equipment for broadcasts.
- A \$1,000 surplus funds expenditure was made to Power Player Productions on August 17, 2016, for opposition research.
- A \$1,000 surplus funds expenditure was made to Redoubt Broadcasting on September 11, 2016, for radio spots broadcast that covered the period September 1, 2017 through August 31, 2018;
- A \$775 surplus funds expenditure was made to Jay Pounder on December 27, 2016, for database maintenance.

- A total of four surplus funds expenditures were made totaling \$1,110.30 between July of 2015 through October 9, 2017 for campaign related travel that included: (1) a \$184.16 expenditure made on June 12, 2017 to Scott Heather to attend a Drain the Swamp rally; (2) a \$183.90 expenditure made on June 12, 2017 reimbursing Matt Shea for airfare to the Patriot Academy in Boise, Idaho; and (3) a \$593.40 expenditure made on June 13, 2015 reimbursing Matt Shea for mileage to attend speaking events.

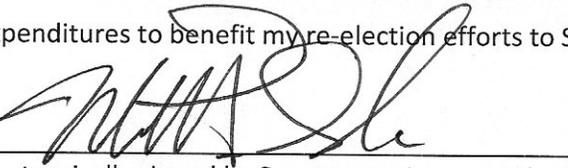
I would like to avoid the time and expense resulting from a Brief Adjudicative Proceeding (Brief Enforcement Hearing) being scheduled by Public Disclosure Commission (PDC) staff. Therefore, in lieu of PDC staff scheduling a Brief Enforcement Hearing, I am completing this Statement of Understanding, and enclosing a check or money order in the amount of \$750 as a penalty payment to resolve this matter.

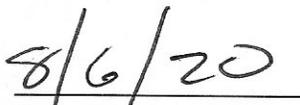
The \$750 penalty being assessed is for the above acknowledged violations of RCW 42.17A.430, for using my surplus funds account to make campaign related expenditures to benefit my re-election efforts seeking the office of State Representative in 2016 and 2018.

The \$750 penalty is being assessed in accordance with the Penalty Schedule and the mitigating and aggravating factors adopted by the Commission for Brief Enforcement Hearings set forth in WAC 390-37-143.

I understand that by completing this Statement of Understanding, I am acknowledging violations of Chapter 42.17A RCW and Title 390 WAC as set forth above, and I am waiving my right to a hearing in this matter.

I further understand that this will resolve the issue of using surplus funds account to make campaign related expenditures to benefit my re-election efforts to State Representative in 2016 and 2018.

s/ 
Electronically signed by Representative Matt Shea


Date Signed

Please make your check or money order payable to the **"Washington State Treasurer"** and be sure to include the PDC Case number in the memorandum field, and mail or deliver this Statement of Understanding along with your payment to:

Public Disclosure Commission
P.O. Box 40908
Olympia, WA 98504-0908