

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

June 26, 2019

Delivered electronically to "oostermanlinda@gmail.com"

Subject: Complaint filed by Andrew Saturn, PDC Case 51330

Dear Linda Oosterman:

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

As noted in the letter to Linda Oosterman, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

If you have questions, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by email at pdc@pdc.wa.gov.

Sincerely,
's
Fox Blackhorn
Compliance Coordinator
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Endorsed by,
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's
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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June 26, 2019

Delivered electronically to "saturn@gmail.com"

Subject: Complaint regarding Linda Oosterman (5), PDC Case 51330

Dear Andrew Saturn:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on April 23, 2019. The complaint alleged that Linda Oosterman, a 2018 candidate for Public Utility Commissioner for Thurston County, may have violated RCW 42.17A.205 for failure to report Paul Berendt as a committee officer; RCW 42.17A.235, .240, .310, and WAC 390-05-210 for failure to accurately and timely report in-kind contributions from expenditures coordinated with Up for Thurston County (Sponsored by Puget Sound Energy); RCW 42.17A.265 for failure to timely report last minute in-kind contributions from coordinated expenditures with Up for Thurston County (Sponsored by Puget Sound Energy) within 48 hours of receipt; and RCW 42.17A.270 for failure to timely and accurately report contributions made by Puget Sound Energy to Up for Thurston County (Sponsored by Puget Sound Energy), allegedly earmarked for coordinated expenditures with Linda Oosterman; and RCW 42.17A.420 for accepting contributions from coordinated expenditures made by Up for Thurston County exceeding \$5,000 within 21 days of the general election.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the responses provided by the Re-Elect Linda Oosterman Campaign (Campaign); the minutes from the Thurston County Democratic Party Endorsement Meeting; the applicable PDC reports filed by the Campaign and Up for Thurston County (Sponsored by Puget Sound Energy); and queried the Campaign and Up for Thurston County (Sponsored by Puget Sound Energy)'s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

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

- The complaint included several allegations that were beyond the five-year statute of limitations and were not reviewed in this matter. (RCW 42.17A.770)
- Linda Oosterman filed an initial Candidate Registration (C-1 report) for the Campaign on March 11, 2018, disclosing Shawn Myers as a non-ministerial treasurer, with no other officers of the campaign, in accordance with RCW 42.17A.205. Linda Oosterman filed an amended C-1 report on November 5, 2018, again disclosing Shawn Myers as a non-ministerial treasurer, with no other officers.

On October 15, 2018, Up for Thurston County (Sponsored by Puget Sound Energy) (Committee) filed a Committee Registration (C-1pc report) registering as a single-year political committee in support of Linda Oosterman, disclosing Jason Bennett as a ministerial treasurer, and listing no other committee officers. The Committee filed the following amended C-1pc reports after the November 2018 general election:

- On December 5, 2018, the Committee filed an amended C-1pc report disclosing Jason Bennett as the sole committee officer, serving in a non-ministerial capacity.
- On January 11, 2019, the Committee filed an amended C-1pc report changing the name to include "Sponsored by Puget Sound Energy" and changed Jason Bennett back to a ministerial treasurer.
- On March 29, 2019, the Committee an amended C-1pc report disclosing Jason Bennett as a ministerial treasurer who was acting at the direction of Paul Berendt.
- Staff's review found that at no time were Jason Bennett or Paul Berendt reported as Campaign Officers for the Oosterman Campaign, and Linda Oosterman or Shawn Myers were not reported as Officers for Up for Thurston County (Sponsored by Puget Sound Energy). In addition, there were no expenditures or reimbursements from the Oosterman campaign to either Jason Bennett or Paul Berendt, and no payments were made by Committee to Linda Oosterman or Shawn Myers in the previous twelve calendar months as required in accordance with WAC 390-05-210.

Your complaint alleged the Committee failed to disclose Paul Berendt as a Committee officer based on: (1) a letter Paul Berendt allegedly distributed at a meeting of the Thurston County Democratic Party in coordination with the Oosterman Campaign; and (2) a \$16.39 in-kind contribution made from Paul Berendt to the Committee for a high-resolution copy of a photograph of Linda Oosterman was taken from a photo-sharing website and used to facilitate the electioneering communication mailer.

- Staff reviewed the meeting minutes of the Thurston County Democratic Party, and found they provided no additional evidence to support the allegation that Mr. Berendt had distributed the 'Dear Friends' letter or was acting in coordination with the Campaign. The Oosterman Campaign indicated that, "As previously reported, the "Dear Friends" letter was sent to some supporters of her 2012 campaign to solicit 2018 campaign funds. Paul Berendt was not one of them," and that the, "candidate or campaign committee or agent did not ask Paul Berendt to solicit endorsements or contributions for the 2012 or 2018 Oosterman campaigns at any meeting."
- The Oosterman Campaign indicated that, "Linda Oosterman nor [sic] her campaign committee or any agent knows where, when or how Mr Berendt [sic] obtained any photos or correspondence regarding her 2018 campaign."
- You filed another complaint, PDC Case 48963, which concerned this same photograph and staff found it was available to the public on Facebook and in the Olympian Newspaper. That complaint was dismissed with no evidence of a violation.

The evidence you provided, and staff reviewed does not support a finding that Paul Berendt served as an officer for the Oosterman Campaign in the capacity to "make, direct, or authorize contributions, expenditure, strategic or policy decisions on behalf of the committee."

Your complaint alleged that the electioneering communication sponsored and mailed by the Committee totaling \$9,952 in support of Linda Oosterman, was made in cooperation and coordination with the Campaign, and should have been reported as an in-kind contribution in accordance with RCW 42.17A.240 and WAC 390-05-210, based on the same facts concerning officer status as noted above. In addition, your complaint alleged that the factors listed in WAC 390-05-210 of presumptive coordination were met by the 'Dear Friends' letter, and the quality of a photograph used on a mailer printed by Capitol City Press, stating "[g]eneral members of the public would have no way to know about this letter or receive a copy unless they were working in close coordination with the Linda Oosterman campaign as a member of the executive committee" citing an email from the Campaign's consultant Joe Hyer, which states "I don't remember any significant quantity of that letter being produced-I was given a copy to review, but the candidate didn't have much of a mailing list that would work with this letter."

- The Oosterman Campaign stated, "As previously reported, the "Dear Friends" letter was sent to some supporters of her 2012 campaign to solicit 2018 campaign funds. Paul Berendt was not one of them... Linda Oosterman nor [sic] her campaign committee or any agent knows where, when or how Mr Berendt [sic] obtained any photos or correspondence regarding her 2018 campaign."
- The Campaign stated that, "[c]ampaign materials distributed by any PAC during the 2012 or 2018 campaigns was done without the knowledge of the candidate or campaign committee. These were independent expenditures made outside the campaign."
- Staff did not find the comparative quality of a photograph printed by Capitol City Press, a professional print shop, and that used by the Olympian, a newspaper, is sufficient evidence to support a finding that the mailer was reportable as an in-kind contribution based on the cooperation or coordination between the committees.
- As noted above: (1) at no time were Jason Bennett or Paul Berendt reported as committee officers for the Campaign, and at no time were Linda Oosterman or Shawn Myers reported as Committee officers; (2) the Thurston County Democratic Party meeting minutes provided no corroborating evidence concerning the 'Dear Friends' letter, nor that Paul Berendt was acting in coordination, collaboration or at the direction of the Campaign; and (3) no expenditures or reimbursements were made by the Linda Oosterman campaign to Jason Bennett or Paul Berendt, and no payments were made by Committee to Linda Oosterman or Shawn Myers in the previous twelve calendar months preceding the mailer distributed by the Committee.

No evidence was provided that the Committee expenditures were made in "cooperation, concert or collaboration with, or at the request or suggestion" of a Linda Oosterman, her authorized campaign or an agent of her campaign.

The remaining alleged violations of failure to timely report last minute in-kind contributions, failure to timely and accurately report earmarked in-kind contributions, and accepting contributions exceeding \$5,000 within 21 days of the general election rely upon a finding that the expenditures undertaken by Up for Thurston County (Sponsored by Puget Sound Energy) constituted in-kind contributions to the Campaign, which the evidence does not support.

Based on our findings staff has determined that, in this instance, the evidence does not support a finding of a violation warranting further investigation.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,
/s
Fox Blackhorn
Compliance Coordinator 2
Endorsed by,
<u>/s</u>
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director

cc: Linda Oosterman Campaign