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State of Washington

PUBLIC DISCLOSURE COMMISSION

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**Public Disclosure Commission Statement of Understanding
JH Kelly, LLC (3): PDC Case 54324**

I, Craig Yabui, EVP, hereby acknowledge that:
(Printed or Typed Name and Title of JH Kelly Official)

During the period March-May 2019, JH Kelly, LLC (JH Kelly) violated RCW 42.17A.495 and WAC 390-17-100 by deducting employees' wages for political contributions to Plumbers & Steamfitters Local 598 PAC (Local 598 PAC), the political committee operated by United Association of Plumbers and Pipefitters Local 598 (Local 598), without first obtaining authorizations that comply with RCW 42.17A.495 and WAC 390-17-100.

On June 6, 2019, the Freedom Foundation requested to inspect the PAC deduction authorization forms for JH Kelly employees listed as contributors to Local 598's PAC in March, April, and/or May 2019. During this period, JH Kelly withheld at least \$40,288.08 from hundreds of its employees' wages, resulting in 584 contributions to Local 598 PAC. In response to the Freedom Foundation's request, JH Kelly produced 19 valid dispatch/authorization forms. Forms for 565 contributions were identified as non-complaint for various reasons.

JH Kelly has now obtained compliant authorization forms for all employees continuing to make political contributions through payroll deduction.

JH Kelly 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, JH Kelly is completing this Statement of Understanding and enclosing a check or money order in the amount of \$500 as a penalty payment to resolve this matter.

JH Kelly understands that by completing this Statement of Understanding, JH Kelly is acknowledging the violation of RCW 42.17A set forth above, and is waiving its right to a hearing in this matter.

JH Kelly further understands that this will resolve the issue of JH Kelly failing to obtain compliant authorizations before deducting wages or salaries for political contributions from March 2019 to the present date.



(Signature of JH Kelly Official)

1/28/21

(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/check to the PDC at the following address:

Public Disclosure Commission
PO Box 40908
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