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July 31, 2019

Fox Blackhorn
Compliance Coordinator 2
Public Disclosure Commission
700 Fifth Ave., Suite 5400
Seattle, WA, 98124-4028

Re: **Washington State Democratic Committee (5)**
Our File No. 6800-011

Dear Mx. Blackhorn:

I write to you today on behalf of the Washington State Democratic Committee (the Committee), in response to the complaint from Glen Morgan dated July 17, 2019. In it, he alleges that the Committee violated RCW 42.17A.220 for “accepting more than \$300 in anonymous contributions from donors.” He goes on to include his “calculation” of the overage, according to his reading of the statute:

Specifically, it appears that they accepted \$2,617 in anonymous contributions (apparently from one source), which is \$2,317 more than the allowable anonymous contribution limit defined in RCW 42.17A.220 (4).

Of course, Mr. Morgan neglects to include the rest of RCW 42.17A.220(4), which reads, in its entirety:

(4) Accumulated unidentified contributions, other than those made by persons whose names must be maintained on a separate and private list by a political committee's treasurer pursuant to RCW 42.17A.240(2), **in excess of one percent of the total accumulated contributions received in the current calendar year, or three hundred dollars, whichever is more**, may not be deposited, used, or expended, but shall be returned to the donor if his or her identity can be ascertained. If the donor cannot be ascertained, the contribution shall escheat to the state and shall be paid to the state treasurer for deposit in the state general fund.

(emphasis added). As the PDC itself notes on its website¹:

Occasionally, committees receive funds from truly anonymous sources; that is, no one involved with the committee knows who donated the money. Up to a point, the law allows committees to keep these anonymous contributions. Specifically, ballot measure committees may receive **as much as \$300 or one percent** of the total contributions received to date for this campaign, **whichever is greater. (The one percent won't come into play until the campaign receives over \$30,000 in contributions.)** Continuing political committees may receive \$300 or 1% of total contributions received to date for the calendar year, whichever is greater.

(emphasis added).

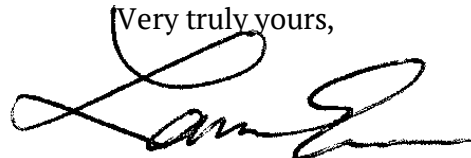
Here, Mr. Morgan's calculation is simply inappropriate, and neglects the totality of the Committee's contributions for the calendar year. As the reports he submitted show:

Date	Anonymous Amount	Aggregate Total	Report No.
2/04/2016	\$20.00	\$20.00	100685840
4/04/2016	\$2,531.00	\$2,551.00	100694612
5/27/2016	\$66.00	\$2,617.00	100700815

The Committee did not surpass the \$300 threshold for anonymous contributions until April 4, 2016, by which time the Committee's contributions totaled \$464,893.92—see Report 100728228—one percent of which would have been \$4,648.94. By the end of calendar year 2016, the Committee reported \$3,420,207.21 in contributions. \$2,617.00 is well short of one percent of \$3,420,207.21.

Furthermore, while the anonymous contribution of \$20.00 on February 4 came from one anonymous individual, the contributions on April 4 and May 27 came from multiple individuals making small anonymous contributions during the caucuses—thus still clearly within the parameters of RCW 42.17A.220(4).

In short, Mr. Morgan's complaint is unsubstantiated, and it should be dismissed outright.

Very truly yours,

Laura Ewan
Attorneys for the Washington State Democratic Committee

¹ See "Contributions – Anonymous Contributors," <https://www.pdc.wa.gov/learn/publications/political-committee-instructions/prohibitions-and-restrictions/contributions-5>.