



**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 8, 2021

Sent electronically to Dmitri Iglitzin, legal counsel for Unite Here Local 8 PAC

Subject: Complaint filed against Unite Here Local 8, PDC Case 55345

Mr. Iglitzin:

The Public Disclosure Commission (PDC) has completed its investigation of the complaint filed by Tallman Trask against your client, Unite Here Local 8 PAC, a continuing political committee registered with the PDC in 2019.

As noted in electronic letter below, the PDC will not be taking any additional enforcement action in this matter, since receiving a completed Statement of Understanding (SOU) and \$300 penalty payment from Unite Here Local 8 PAC on April 6, 2021. The SOU resolves this matter with Unite Here Local 8 PAC acknowledging one violation of RCW 42.17A.205 and one violation of RCW 42.17A.240, and paying a \$300 civil penalty that was assessed in accordance with WAC 390-37-143, the Penalty Schedule adopted by the Commission.

Thank you for your cooperation in resolving this matter. Based on this information, the PDC has dismissed the allegations listed in the complaint filed against Unite Here Local 8 PAC in accordance with RCW 42.17A.755(1) and WAC 390-37-070.

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Electronically Signed Kurt Young,
PDC Compliance Officer

s/ _____
Electronically Signed BG Sandahl, Deputy Director
for Peter Lavallee, PDC Executive Director



Public Disclosure Commission
Shining Light on Washington Politics Since 1972



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April 8, 2021

Sent electronically to Tallman Trask

Subject: Complaint filed against Unite Here Local 8 PAC, PDC Case 55345

Mr. Trask:

The Public Disclosure Commission (PDC) has completed its investigation of the complaint you filed on July 23, 2019, against Unite Here Local 8 PAC, a continuing political committee registered with the PDC. The complaint alleged that Unite Here Local 8 may have violated: (1) RCW 42.17A.320 by failing to include the required sponsor identification on “the video portion” of a political advertisement that appeared on Facebook; (2) RCW 42.17A.235 by failing to properly disclose expenditure information or receiving an in-kind contribution on the Summary Full Campaign Contributions and Expenditures Report (C-4 report) from the national Unite Here TIP Local and State Fund for Facebook advertisements; and (3) RCW 42.17A.250 by Unite Here TIP Local and State Fund for failing to file an Out-of-state political committee report (C-5 report) making independent expenditures.

PDC staff reviewed the allegations listed in the complaint; the statutes, rules and reporting requirements for a continuing and out-of-state political committee; the Monetary Contributions reports (C-3 reports), C-4 reports and C-6 reports filed by Unite Here Local 8 PAC; the C-5 and C-6 reports filed by Unite Here Tip Local and State Fund; and the email responses from Dmitri Iglitzin and Laura Ewan, legal counsel for Unite Here Local 8 PAC. Based on staff’s review and the information included in the Report of Investigation, we found the following:

- On September 10, 2015, Unite Here Local 8 PAC (Committee) filed a Registration as a continuing political committee selecting the Full Reporting Option and listing Stefan Moritz as Committee Manager and Deputy Treasurer, and Cindy Richardson as Treasurer.
- On October 4, 2019, Unite Here TIP State and Local Fund from New York City, NY filed a Registration as a continuing political committee selecting the Full Reporting Option and listing Timothy Barnes as Treasurer, and Zaina Tannu as Deputy Treasurer. The Registration indicated that Unite Here TIP State and Local Fund was “Sponsored by Unite Here International Union” for the 2019 general election.
- On July 16, 2019, the Committee timely filed the 21-Day Pre-Primary Election C-4 report disclosing \$150,588.55 in monetary contributions received, and \$150,000 in expenditures made. The C-4 report disclosed one expenditure totaling \$150,000 made to Print Logistics from Sacramento, CA. to design, produce and broadcast independent expenditures in support of Andrew Lewis, a 2019 candidate for Seattle City Council, Position 7, without providing any additional expenditure details or a breakdown of the sub-vendor information.

- On September 18, 2019, the Committee filed an amended 21-Day Pre-Primary Election C-4 report listing the previously reported \$150,588.55 in monetary contributions received and \$150,000 in expenditures made. However, the amended information listed a total of seven independent expenditures made by the Committee to Print Logistics (PL), all in support of Andrew Lewis and made on July 11, 2019.
- The independent expenditures disclosed on the amended C-4 report filed by the Committee included: (1) a \$108,610 independent expenditure was made to Comcast Spotlight for a primary election Cable TV ad buy; (2) a \$4,077 independent expenditure was made for Facebook Video Ads that appeared 7/12 through 7/19/2019; and (3) a \$16,000 independent expenditure was made to KIRO TV for a primary election TV ad buy. The amended independent expenditure information filed by the Committee for the independent expenditure advertisements made in support of Andrew Lewis for City Council were disclosed 64 days late, and 43 days after the August 6, 2019 primary election was held.
- On July 16, 2019, Unite Here Local 8 PAC timely filed a C-6 report checking box 2 for an Independent Expenditure of more than a \$1,000 within 21 days of an election and disclosing a total of \$148,299.38 in independent expenditures had been made in support of Andrew Lewis. One of the independent expenditures disclosed on the C-6 report was for a \$9,299.38 expenditure made to Facebook on July 12, 2019, with the description of “Video Ads 7/12 – 8/6/2018”, and the Unite Here Local 8 Facebook ads were presented to the public on 7/12/2019.
- For calendar year 2019, the Committee disclosed receiving \$460,123 in total contributions from Unite Here TIP State & Local Fund out of New York, \$60,000 from Unite Here Local 8, and \$920.05 in Miscellaneous receipts. Information on the PDC website as part of the “Political Committee Instruction Manual” included a link for the “Committee Name”, which stated: “A sponsored committee must include its sponsor’s name in the committee’s name. A committee with multiple sponsors may include all – but must include at least one – sponsor’s name in the committee’s name. A political committee shall include a known sponsor in its name when registering. The committee must amend its registration 60 days before an election in which it participates if the sponsor has changed.”
- Since the Committee received more than 80% of its contributions in 2019 from Unite Here TIP State and Local Fund, the Committee was required to amend its Registration listing Unite Here TIP Local and State fund as the sponsor. The Committee was required to amend the Registration within 60 days of November 5, 2019 primary election or no later than September 7, 2019. Unite Here Local 8 PAC failed to amend the Committee Registration listing Unite Here TIP Local and State Fund as the sponsor.
- On August 9, 2019, Unite Here Tip Local and State Fund timely filed an Out of State Political Committee Campaign Finance Report (C-5 Report) for July of 2019 disclosing that on July 9, 2019, a \$150,000 contribution was made to the Committee. The C-5 report indicated that the aggregate total spent by Unite Here Tip State and Local Fund in Washington State in 2019 to support or oppose candidates was less than 20%, with the purpose listed as “To support candidates and ballot issues at the state and local levels.” As noted above, Unite Here Tip Local and State Fund registered as an in-state political committee on October 4, 2019.
- Concerning the Facebook ads listed in the complaint, Mr. Ewan indicated in her email response that the independent expenditure advertisements had been done by PL on behalf of the Committee. She attached a Facebook billing invoice that was billed under the name Juaquin Ross, President of PL, and the invoice included ten Facebook entries disclosing a total of \$4,077.13 had been spent by the Committee on Facebook advertisements covering the period of July 12 through 28, 2019.

- The Facebook invoice provided by the Committee indicated there were ten entries for ten dates for the independent expenditure advertisements sponsored by the Committee that included one of the following three statements describing the Andrew Lewis independent expenditure advertisements: “Campaign Unite Here: Video Views”; “Campaign Lewis Redux” or “Campaign Seattle 07.”
- Ms. Ewan stated that Mr. Ross, as a vendor and agent of the Committee, designed the Facebook advertisements and placed the orders for the Facebook advertisements on behalf of the Committee. She stated the sponsor identification requirements for video advertisements that are independent expenditure advertisements requires the sponsor to include the Top 5 contributor information for the political committee sponsoring the advertisement. She added RCW 42.17A.320 and WAC 390 requires the sponsor ID information to “either be clearly spoken or identified, or appear on screen for at least four seconds...” and the independent expenditure advertisements sponsored by the Committee complied with that requirement.
- On April 6, 2021, the PDC received a completed Statement of Understanding (SOU) from Mr. Iglitzin transmitted on behalf of his client, Unite Here Local 8, acknowledging violations of RCW 42.17A.205, and .240, and paying a \$300 civil penalty in accordance with WAC 390-37-143, the Penalty Schedule adopted by the Commission to resolve this matter.
- The \$300 penalty included: (1) a \$150 penalty for the acknowledged violation of RCW 42.17A.205, for failing to timely amend the Committee Registration to include Unite Here TIP State & Local Fund as the sponsor for the 2019 election; and (2) a \$150 penalty for the acknowledged violation of RCW 42.17A.240 for failing to accurately disclose the required expenditure details on the 21-Day Pre-Primary Election C-4 report for the independent expenditure or electioneering communication advertisements in support of Andrew Lewis.

Staff’s review found that Unite Here Local 8 PAC completed the SOU and paid the \$300 penalty in lieu of scheduling a Brief Adjudicative Proceeding (Brief Enforcement hearing) to resolve this matter. Based on these findings, staff has determined that in this instance, no further investigation is warranted, or any additional enforcement action shall be taken.

The PDC has dismissed the allegations listed in the complaint filed against Unite Here Local 8 PAC in accordance with RCW 42.17A.755(1) and WAC 390-37-070.

If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by:

s/_____
Electronically Signed Kurt Young,
PDC Compliance Officer

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