



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: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

October 30, 2019

Sent electronically to randy@pepplecom.com

Subject: Complaints filed by Glen Morgan, PDC Case 56380

Dear Randy Pepple:

Enclosed is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC) alleging Approve Prop 1 – Our Public Hospital, a local 2019 Ballot Committee (Committee) formed to support Proposition 1, a Snohomish County Hospital District levy lid lift on the April 23, 2019 special election ballot, violated RCW 42.17A.240 by failing to accurately report and describe expenditures and contributions.

As noted in the letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(d), this letter serves as a formal written warning concerning the failure of the Committee and its Officers to comply with the reporting requirements as noted in the enclosed letter. This formal written warning comes with PDC staff's expectation that the Committee and its Officers will timely and accurately register and report all future contribution and expenditure activities and describe expenditures and contributions in future campaigns.

The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules by the Committee and its Officers.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, contact Alice Fiman at (360) 586-4746, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov

Sincerely,

/s_____

Alice Fiman
Compliance Officer

Endorsed by,

/s_____

Peter Lavalley
Executive Director



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October 30, 2019

Sent Electronically to Glen Morgan at glen@wethegoverned.com

Subject: Approve Prop 1 - Our Public Hospital, PDC Case 56380

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed August 19, 2019.

Your complaint alleged, Approve Prop 1 – Our Public Hospital, a local 2019 Ballot Committee (Committee) formed to support Proposition 1, a Snohomish County Hospital District levy lid lift on the April 23, 2019 special election ballot, violated RCW 42.17A.240 by failing to accurately report and describe Committee expenditures made and contributions received.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the applicable PDC reports, and the response from Randy Pepple, Campaign Manager, to determine whether the record supports a finding of one or more violations. Based on staff's review, we found the following:

- On January 9, 2019, the Committee filed a Committee Registration (C-1pc report) (100879992) with the Public Disclosure Commission listings its name as Monroe Yes. Two Monetary Contribution (C-3) reports and one Summary Full Campaign Contribution and Expenditure (C-4) report were filed by Monroe Yes.
- On March 10, 2019 the Committee amended its C-1pc report (100893130), listing its name as Approve Prop 1 – Our Public Hospital.
- Between March 10 and June 10, the Committee filed one C-3 report and five C-4 reports under the name Approve Prop 1 – Our Public Hospital.
- The Committee received more than 80 percent of its total contributions from one source, Evergreen Health Foundation, which required the Committee to include Evergreen Health Foundation in its name. RCW 42.17A.205(5); RCW 42.17A.205(46)(b)(i).
- On September 24 and 26, 2019, the Committee amended six C-4 reports, disclosed additional details to its previously reported expenditures, with Mr. Pepple stating the Committee “didn’t know the high level of additional detail required beyond the vendor name and purpose of expenditure on PDC reports.” He noted that the Committee “accurately provided the name of the vendor hired to produce mail and signs, and the

service provided for the expenditures” when disclosing those expenditures on the initial reports.

- On June 10, 2019, the Committee filed its final C-4 report (100909056) disclosing a \$11,912.63 expenditure made to “Evergreen Yes” on May 31, 2019 and listing the expenditure description or purpose as “transfer to close account.”
- On September 24, 2019, the Committee filed an amended C-4 report (100933021), disclosing the recipient of the \$11,912.63 expenditure to close the account as “Approve Prop 1 – Evergreen Health.”
- Mr. Pepple stated in the response that the Committee “In reporting that final distribution, we accidentally used the original name (Evergreen Yes) of the Approve Prop 1 – Evergreen Health committee, which received that distribution. Evergreen Yes changed its name in February 2019, but that name was in the auto-fill memory of the ORCA account being used by our Approve Prop 1 – Our Public Hospital campaign, and I assume that’s why that was the name entered for that distribution. The complainant admits that the expenditure was reported correctly by the recipient PAC, so it seems that the public was not being intentionally misled on this expenditure.”

Based on these findings, staff has determined that in this instance, failing to include complete expenditure detail and the sponsor name in the Committee name does not amount to a material violation warranting further investigation.

Pursuant to WAC 390-37-060(1)(d), the Committee and its Officers will receive a formal written warning concerning its failure to accurately report and describe expenditures and contributions and include the sponsor name in the Committee name.

The formal written warning will include staff’s expectation that the Committee will timely and accurately register and file all future required PDC reports, if the Committee should register again as a ballot or political committee. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

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, contact Alice Fiman at 1-360-586-4746 or toll-free at 1-877-601-2828, or by e-mail pdcc@pdcc.wa.gov.

Sincerely,

/s _____
Alice Fiman
Compliance Officer

Endorsed by,

/s _____
Peter Lavalley
Executive Director