



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.pdcc.wa.gov

January 8, 2020

Delivered electronically to “krystal4burien@gmail.com”

Subject: Complaint filed by Glen Morgan, PDC Case 58190

Dear Krystal Marx

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC). As noted in the letter to Mr. Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and 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 serves as a formal written warning concerning failure to comply with RCW 42.17A.710 by failing to accurately disclose financial information on your Personal Financial Affairs Statement (F-1) filed in 2019 covering 2018 activity. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

In addition, PDC staff expects you to submit an F-1 Supplement Section C, or email a memorandum to attach to your 2019 F-1 filing, listing each donor to your GoFundMe account whose donations were used to pay for you to attend the Institute for a Democratic Future Class of 2018. The form or memorandum, due February 1, 2020, can be printed and mailed or e-mailed to the PDC. For your information, there is no dollar threshold for travel or trainings, so each donation must be listed.

Your City of Burien stipend must also be disclosed on the 2019 F-1 you file in 2020, and, in the future, you must comply with all applicable PDC statutes, rules and reporting requirements.

The alleged violations of RCW 42.17A.235 and .240 for failing to accurately and timely report contributions and expenditures are dismissed as noted in the letter below. If you have questions, contact Alice Fiman 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



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

January 8, 2020

Delivered electronically to glen@wethegoverned.com

Subject: Complaint regarding Krystal Marx, PDC Complaint 58190

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed October 4, 2019. Your complaint alleged that Krystal Marx, a City of Burien council member, may have violated: (1) RCW 42.17A.710 by failing to accurately disclose personal financial information on a Personal Financial Affairs Statement (F-1) filed in 2019 for calendar year 2018 activities; and (2) RCW 42.17A.235 and .240 for failing to timely and accurately file reports of contribution and expenditure activities on Monetary Contributions (C-3) reports and Summary Full Campaign Contributions and Expenditures (C-4) reports concerning the establishment of a GoFundMe account.

To determine whether the record supports a finding of one or more violations, PDC staff reviewed: the allegations; the applicable statutes, rules, the F-1 reporting requirements; the C-1, C-3 and C-4 reports filed by Krystal Marx; and the response from Krystal Marx.

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

- Krystal Marx was elected to the Burien City Council in 2017 as a first-time candidate. She filed a Candidate Registration (C-1) for re-election to the same office on January 9, 2018 for the 2021 election year.
- As an elected official, Marx is required to file an F-1 and if needed, an F-1 Supplement report, by April 15 of each year. The report covers the prior year.
- As noted in the complaint, Marx failed to disclose Code B in the income section of the F-1 report for the \$7,200 stipend she was paid as a Burien City Councilmember on the report. In her response, Marx stated she was not aware that her city council salary was classified as income and reportable on the F-1 report.
- The F-1 report requires filers to list of income of \$2,400 or more, and based on staff's review, there were no GoFundMe with donors of \$2,400 or more.
- Based on staff's review, the GoFundMe proceeds received by Marx that were used to pay for her participation in IDF were required to have been disclosed on an F-1 Supplement Section C. Section C requires the filer to disclosed funds for official office related activities concerning: 1) Food and beverages costing over \$50 per occasion, excluding certain receptions as defined in WAC 390-20-020A; 2) Travel occasions; or 3) Seminars, educational programs or other training, "if a source other than your own governmental agency paid for or otherwise provided all or a portion" of the costs.

- Concerning the GoFundMe account, Marx stated that she requested donations to the account to pay for her to participate in the Institute for a Democratic Future Class of 2018 as a leadership fellowship. The Institute for a Democratic Future (IDF) was formed in 1997 by co-founders Dean Nielsen and Lisa Witter, “to develop and promote emerging generations of Democratic and civic leaders in Washington State,” and involves a six-month fellowship plus a week in Washington, D.C.

Staff requires Marx, by February 1, 2020, file an F-1 Supplement and complete Section C, or email a memorandum to attach to her 2018 F-1 report, listing each donor to her GoFundMe account whose donations were used to pay for her to attend the Institute for a Democratic Future.

Based on these findings staff has determined that, in this instance, failure to accurately disclose personal financial information on the F-1 report filed in 2019 covering 2018 activity does not amount to a finding of a violation that warrants further investigation.

Pursuant to WAC 390-37-060(1)(d), however, Krystal Marx will receive a formal written warning concerning her failure to accurately disclose personal financial information on the F-1 report filed for calendar year 2018. The formal written warning will include staff’s expectation Marx will disclose her City of Burien stipend earned in calendar year 2019 on the F-1 filed in 2020, and, in the future, she must comply with all applicable PDC statutes, rules and reporting requirements.

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 toll-free at 1-877-601-2828 or by e-mail at fdc@fdc.wa.gov.

Sincerely,

/s _____
Alice Fiman
Compliance Officer

Endorsed by,
/s _____
Peter Lavalley
Executive Director