



State of Washington
PUBLIC DISCLOSURE COMMISSION

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January 8, 2020

Sent electronically to Orla Poole at opuddles@comcast.net

Subject: Complaint regarding the No Federal Way Pot Retailers, PDC Case 59068

Dear Ms. Poole:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on November 10, 2019. The complaint alleged that the No Federal Way Pot Retailers, a Political Action Committee opposing the City of Federal Way Initiative to Allow Retail Marijuana Sales in 2019, may have violated RCW 42.17A.205, .235, .240 and .320 for failure to timely and accurately register political committee, report contribution and expenditures, and identify sponsor on political advertising.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements for a political party committee; the applicable C-3 and C-4 reports; and the response to the allegations by James Stiles, Treasurer on behalf of the No Federal Way Pot Retailers (Committee).

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

- On October 22, 2019, the Committee filed a Committee Registration (C-1 report) as a Political Action Committee, selecting the "Full Reporting" Option, and listing Jack Walsh and James Stiles as the Committee campaign manager and treasurer, respectively.
- The Committee failed to timely file C-3 and C-4 reports covering the period August 30 through October 30, 2019, including the 21-Day Pre-General Election and the 7-Day Pre-General C-4 reports. The 21-Day Pre-General Election C-4 report and the 7-Day Pre-General Election C-4 report were due no later than October 15, covering the period September 1 through October 14 and October 29, 2019, covering the period October 15 through October 28, 2019, respectively.
- On November 10, 2019, the Committee amended its Campaign Registration and filed three separate C-4 reports for the months of August through October 2019 as follows:
 - The August 2019 C-4 report disclosed \$100 in contributions received and \$0.00 in expenditures.
 - The September 2019 C-4 report disclosed \$2,060 in contributions received and \$2,195 in five separate expenditures made on September 23, 2019, that included: (1) \$575 to Sound Publishing for

a political ad on the Federal Way Mirror (FW Mirror); (2) \$100 to Sound Publishing for balance of payment for FW Mirror Ad; (3) a \$475 to Sound Publishing for partial payment for Ad in FW Mirror; (4) \$470 to Dave's Campaign and Business for yard signs and stands; and (5) \$575 to Sound Publishing for Ad in FW Mirror.

- The October 2019 C-4 report disclosed \$550 in contributions received and \$0.00 in expenditures.
- The three C-4 reports were filed over 30 days late by the Committee, and 12 days after the November 5, 2019 general election was held.
- On October 18th, 25th and November 1, 2019, the Committee published political advertisement in the FW Mirror. The political advertisement published on October 18 and 25, 2019 lacked the sponsor's name and address, while the November 1, 2019 advertisement contained the sponsor's address but not the name of the sponsor.

While staff found the Committee's reporting deficient, the Committee has no prior PDC violations, and worked diligently to file all the missing reports, including the Committee Registration and to come into compliance. The Committee also acknowledged violations of RCW 42.17A.205, .235, .240 and .320, and fully cooperated with PDC staff during the entirety of this review.

Based on the above PDC staff determined in this instance, the failure to timely file C-3 and C-4 reports for 2019, including the Campaign Registration and lack of sponsor identification on political advertising, do not warrant further investigation.

However, pursuant to WAC 390-37-060(1)(d), the Committee will receive a formal written warning concerning the failure to (1) include sponsor identification on a political advertisement; (2) file a Committee Registration; and (3) file C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by the Committee in the 2019 election year. The formal written warning will include staff's expectation that the Committee will timely and accurately file Committee Registration and required statutory reports (C3 and C4 reports) in the future. The Commission will consider the formal written warning in deciding on further action if there are future violations of PDC laws or rules.

The PDC has dismissed the complaint in accordance with RCW 42.17A.755(1). If you have questions, you may contact Erick Agina at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Erick Agina, Compliance Officer

s/ _____
Peter Lavalley, Executive Director

cc: James Stiles, Committee Treasurer