



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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Toll Free 1-877-601-2828 • E-mail: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

January 21, 2020

Delivered electronically to James E. Barton II, on behalf of Citizens for Community Driven Prosperity at "james@thetorresfirm.com"

Subject: Complaint filed by Glen Morgan, PDC Case 59162

Dear Mr. Barton:

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 conduct a more formal investigation into these allegations or take 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 accurately disclose the name of the entity sponsoring the committee in the name of the committee on the C-1pc report. Staff expects Citizens for Community Driven Prosperity to accurately file all future required reports including the C-1pc and any C-3 and C-4 reports with the sponsor clearly identified in a manner easily recognizable to the general public. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Jennifer Hansen at 1-360-586-4560, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

/s

Jennifer Hansen
Compliance Officer

Endorsed by,

/s

Peter Lavallee
Executive Director



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January 21, 2020

Delivered electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Complaint regarding Citizens for Community Driven Prosperity, PDC Case 59162

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 23, 2019. The complaint alleged that Citizens for Community Driven Prosperity (C4CDPPAC), a political committee registered with the PDC since 2017, may have violated: (1) RCW 42.17A.205(5) & WAC 390-16-011A for failure to include the name of the committee’s sponsor on the Committee Registration (C-1pc report) for election year 2017 and 2019; and (2) RCW 42.17A.240(11) for failure to include the same sponsor on Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), filed by C4CDPPAC.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the response provided by James E. Barton II, on behalf of his client C4CDPPAC; the applicable PDC reports filed by Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

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

- C4CDPPAC, was registered with the PDC under the “Full Reporting” option, for calendar years 2017, 2018 and 2019.
- RCW 42.17A.205(5) requires that the name of a sponsored committee must include the name of the person who is the sponsor of that committee.
- RCW 42.17A.005(46)(b)(i) defines the term “sponsor” for purposes of a political committee, in part, as any person from whom the committee receives eighty percent or more of its contributions and WAC 390-16-011A describes the methods a committee should use to determine the person or persons sponsoring the committee and includes a timeframe for disclosing a sponsor.
- On May 11, 2017, C4CDPPAC submitted a C-1pc report disclosing the committee name as *Citizens for Community Driven Prosperity PAC* and identifying an affiliated committee *Community Driven Prosperity PAC*. At the time of registration, this entity was the only contributor to C4CDPPAC and was the sponsor as defined in RCW 42.17A.005(46)(b)(i).
- The complaint alleged that when C4CDPPAC registered with the PDC it was a sponsored committee and that by failing to include the name of the sponsor on the C-1pc report, the identity of its donors was unknown to the public.

- During communications with C4CDPPAC, staff directed the committee to specific laws, rules and guidance regarding the requirement to include the name of the sponsor as part of the name of the sponsored committee on the C-1pc. Staff also suggested that an amendment to the C-1pc to clearly identify the sponsor was appropriate.
- In his response, Mr. Barton confirmed that C4CDPPAC was sponsored by Committee Driven Prosperity and stated that the sponsor was already included in the name on the C-1pc, disclosed as Citizens for Community Driven Prosperity PAC. Mr. Barton stated that his client did not believe an amended C-1pc was necessary and an amendment was not filed.

RCW 42.17A.205(5), RCW 42.17A.005(b)(i) and WAC 390-16-011A include filing requirements, definitions and methods for determining a sponsor or sponsored committee name. The laws and rules do not identify or suggest a specific naming convention for a sponsored committee. According to Mr. Barton's response, it appears that C4CDPPAC believed that it had complied with PDC laws and rules.

Although C4CDPPAC has no previous violations of RCW 42.17A and a closer examination of the C-1pc filed by the committee identified Community Driven Prosperity PAC as an affiliated committee, staff believes that the sponsor would have been more evident to the general public through an amendment of the registration and that this is the intent of the law.

Staff did not request C4CDPPAC to amend previously submitted C-3 and C-4 reports to include the sponsor in the committee name.

Based on our findings staff has determined that, in this instance, failure to include the sponsor of the committee in the name of the committee on the C-1pc does not amount to a finding of a violation that warrants further investigation.

Pursuant to WAC 390-37-060(1)(d), however, C4CDPPAC will receive a formal written warning concerning failure to accurately disclose the name of the entity sponsoring the committee in the name of the committee on the C-1pc report. The formal written warning will include staff's expectation that C4CDPPAC accurately files all future required reports including the C-1pc and any C-3 and C-4 reports with the sponsor clearly identified in a manner easily recognizable to the general public. 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, you may contact Jennifer Hansen at 1-360-586-4560, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

/s

Jennifer Hansen
Compliance Officer

Endorsed by,

/s

Peter Lavalley
Executive Director

cc: James E. Barton II, Attorney for C4CDPPAC

