



**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

November 7, 2019

Delivered electronically to "citizensforlibertyandlabor@gmail.com"

Subject: PDC Case 59225

Dear Geoff Bracken, Treasurer, Citizens for Liberty and Labor:

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 Glen 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, PDC staff reminds you to list the Top Three donors to PAC contributors when the sponsor identification for political advertising includes the Top Five contributors and one or more of those contributors are PACs, in accordance with PDC laws and rules.

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 _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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November 7, 2019

Delivered electronically to glen@wethegoverned.com

Subject: Complaint regarding Citizens for Liberty and Labor, PDC Case 59225

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaints you filed October 22 and 28, 2019. Your complaints alleged Citizens for Liberty and Labor PAC, a Continuing Political Committee, may have violated RCW 42.17A.320 by failing to disclose the “Top Three Donors to PAC Contributors” in political advertising.

To determine whether the record supports a finding of one or more violations, PDC staff reviewed: the allegations; the applicable statutes, rules, and reporting requirements; the attachments you provided; and the response from Geoff Bracken, Treasurer, Citizens for Liberty and Labor. Based on staff’s review, we found the following:

- Citizens for Liberty and Labor (Committee) filed a Committee Registration with the PDC as a Continuing Committee on March 10, 2019. The registration was amended March 26, 2019, changing its e-mail address. The Committee listed Randy Marler as Campaign Manager, Geoffrey Bracken as Treasurer, and Marler, Bracken and Paul Dillon as Committee Officers.
- RCW 42.17A.320 requires that, unless otherwise exempt, all written political advertisement shall include the sponsor’s name and address, and if the political advertisement is undertaken as an independent expenditure, the advertisement must also include the statement “No candidate authorized this ad. It is paid for by (name, address, city, state).” In addition, if the sponsor is a political committee, the ad must also include the statement “Top Five Contributors,” followed by the names of the largest contributors to the committee.
- As of July 28, 2019, a new law (HB 1379) requires additional sponsor identification if the Top 5 list includes political committees. In those cases, the sponsor must determine the Top 3 donors to the political committees listed among the initial Top 5, and include the statement “Top Three Donors to PAC Contributors” followed by the names of the Top 3 non-PAC donors to the PACs listed as Top 5 Contributors.

- In response to the October 22 complaint, Bracken stated, “Mr. Morgan’s allegation that we failed to properly identify top contributors is technically accurate, the Committee holds that it is insufficient to support the further claim that this error constitutes intent to deprive the public from meaningful information. Indeed, since the Committee was made aware of this error, we have worked to research and update our disclosure as follows:
 - No candidate authorized this ad. It is paid for by Citizens for Liberty and Labor PAC, P.O. BOX 18845, Spokane, WA 99228. Top 5 Contributors: Spokane Firefighters Union PAC, SEIU Union, WA State Council PAC, UFCW 21 PAC, Fuse Votes, Washington Conservation Voters Action Fund. Top 3 Donors to PAC Contributors: SEIU, UFCW 21, Craig Mckibben”
- Bracken also stated, “The Committee has also worked to update, where possible, all existing advertisements and independent expenditures which necessitate disclosure wording.”
- In response to the additional allegation made in the October 28 complaint, Bracken noted the following:

Mr. Morgan’s allegation that our committee continues to be non-compliant appears to be based on a fundamental misunderstanding of the basic facts regarding reporting requirements. Per guidance found on the PDC website, the Committee should create a list of the aggregate top three donors from each of the non-PAC donors in its top 5 until “...the list contains only individuals *or entities* other than political committees” (my emphasis). From here the Committee is instructed that “The Top 3 contributors from that list will be included in the Top 3 donors to PACs list, *even if all three gave to a single PAC*” (my emphasis). The guidance clearly indicates that the Top 3 non-PAC donors are collectively selected from this aggregated list. Contrary to Mr. Morgan’s assertion, the Committee is not required to “drill down” and disclose each of its PAC donors Top 3 contributors. Furthermore, Mr. Morgan’s claim that our Top 3 still includes PACs seems to be based on a fundamental misunderstanding of the legal structure of entities and campaign finance law writ large. The Committee’s Top 3 includes the following: SEIU, UFCW 21, Craig Mckibben. The first two entities, SEIU and UFCW 21, respectively, are the Union organizations which are the largest single donors to their respective federal and state PACs. Per PDC guidance already quoted above, the list must include “individuals *or entities*” (my emphasis).

- Bracken also stated: “The Committee continues to work, where possible, to update its disclosure to be compliant with the relatively new updates to the disclosure requirements. If our top contributors change, as Mr. Morgan suggests they might, the Committee will adjust its reporting accordingly.”

Based on these findings, staff has determined that, in this instance, the alleged failure to disclose the Top Three donors to a PAC’s contributors when the sponsor identification for political advertising includes the Top Five contributors and one or more of those contributors are PACs, does not amount to a violation warranting further investigation.

PDC staff is reminding Citizens for Liberty and Labor about the importance of listing the Top Three donors to PAC contributors in accordance with PDC laws and 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,
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Barbara Sandahl
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