



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

September 1, 2020

Delivered electronically to Michele Radosevich, legal counsel with Davis Wright Tremaine LLP

Subject: Complaint filed against Washingtonians Win in the 19th, PDC Case 73018

Ms. Radosevich:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC). The complaint alleged that your client, Washingtonians Win in the 19th, a political committee registered and reporting with the PDC, violated RCW 42.17A by failing to accurately disclose expenditure details, and provide the sponsor identification information including independent expenditure language, top 5 and top 3 contributor information, and the party preference of the candidates featured.

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

Pursuant to WAC 390-37-060(1)(d), however, the PDC is issuing this formal written warning to your client, Washingtonians Win in the 19th, and Maverick Gaming, the committee sponsor, concerning the requirement to provide the party preference for any partisan candidates, along with the Notice to Voter and top contributor language, on all independent expenditures and electioneering communications undertaken for the remainder of the 2020 election and in the future. Washingtonians Win in the 19th and Maverick Gaming are hereby advised that the Commission will consider this formal written warning in deciding on further Commission action, should there be 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 Kurt Young by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

Endorsed by,

/s

Electronically Signed Kurt Young
Compliance Officer

/s

Electronically Signed, Peter Lavallee
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

September 1, 2020

Delivered electronically to Glen Morgan

Subject: Complaint filed against Washingtonians Win in the 19th, PDC Case 73018

Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on July 1, 2020. The complaint alleged that Washingtonians Win in the 19th, a political committee registered and reporting with the PDC, violated RCW 42.17A by failing to accurately disclose expenditure details on Summary Full Campaign Contribution and Expenditure reports (C-4 reports), and provide the required sponsor identification information including independent expenditure language, top contributor information, and the party preference of the candidates featured in the advertisements.

PDC staff reviewed the complaint and allegations; the applicable statutes, rules, and reporting requirements for a political committee; the C-4 reports filed by Washingtonians Win – sponsored by Maverick Gaming, and Washingtonians Win in the 19th, and the July 27, 2020 response from Michele Radosevich, an attorney with Davis Wright Tremaine LLP on behalf of the political committees. Based on staff's review we found the following:

- On September 23, 2019, Washingtonians Win – sponsored by Maverick Gaming filed a Registration with the PDC disclosing that it was a Continuing Political Committee sponsored by Maverick Gaming and selecting the Full Reporting Option. The Registration listed Brandon Best as Committee Manager, Aaron Pickus as Media Contact, Heather Clarke as the Ministerial Treasurer, and Eric Persson and Tim Merrill as Committee Officers.
- For calendar year 2019, Washingtonians Win – sponsored by Maverick Gaming disclosed receiving \$504,089 in total contributions, with \$503,864 in monetary and in-kind contributions received from Maverick Gaming, and \$148,049 in expenditures made that included a number of \$1,000 monetary contributions to incumbent Legislative candidates and the four caucus political committees, and four \$25,000 monetary contributions made to the four caucus-related political committees.
- Washingtonians Win – sponsored by Maverick Gaming is a continuing political committee in 2020, and as of July 27, 2020, the 7-Day Pre-Primary C-4 report disclosed receiving \$1,879,216 in total contributions received, and \$503,914 in total expenditures made.

- In 2020, Washingtonians Win – sponsored by Maverick Gaming carried forward \$356,040 in funds from CY 2019, received \$1,500,000 in new monetary contributions from Maverick Washington, a total of \$2,000 in Miscellaneous contributions received and \$21,176 for in-kind contributions from Maverick Gaming and Maverick WA LLC. Washingtonians Win – sponsored by Maverick Gaming timely filed the monthly C-4 reports covering the period January 1 through May 31, 2020, as well as the 2020 21-Day and 7-Day Pre-Primary C-4 reports.
- On March 1, 2020, Washingtonians Win in the 19th– sponsored by Maverick Gaming (WW19) filed a Registration disclosing that it was a Continuing Political Committee sponsored by Maverick Gaming and selecting the Full Reporting Option. The Registration listed Brandon Best as the Committee Manager, Aaron Pickus as Media Contact, Heather Clarke as the Ministerial Treasurer, and Eric Persson and Tim Merrill as Officers.
- Since registering as a political committee, WW19 has received \$190,000 in monetary contributions, plus an additional \$1,500 for in-kind contributions received from Washingtonians Win – sponsored by Maverick Gaming. In addition, WW19 disclosed receiving a total of \$5,000 for in-kind contributions from Maverick Gaming for the costs associated with operating the political committee.
- In addition, WW 19 timely filed the monthly C-4 reports covering the period March 1 through May 31, 2020, as well as the 21-Day and 7-Day Pre-Primary C-4 reports disclosing \$155,449 in itemized expenditures that included 24 expenditures to Levy Online totaling \$107,219 for billboard production and independent advertising, creative design and management fees, and a \$37,100 expenditure made to EMC Research for survey work.
- On June 22, 2020, WW19 filed an Independent Expenditure Report (C-6 report) checking box 2 as an Independent Expenditure of more than \$1,000 and disclosing \$23,528 for independent expenditures made in opposition to Representative Jim Walsh in the 19th Legislative District. The independent expenditures included six expenditures that were all made on March 10, 2020 to Levy Online for Billboard Media for \$8,568, \$8,175, and \$2,385, and Billboard Production and Installation for \$1,450 listed three times. The C-6 report disclosed that the billboards were presented to the public on May 25, June 1, and June 22, 2020 respectively.
- Staff’s review also confirmed Ms. Radosevich’s statement that WW19 filed three C-6 reports on July 14, 2020. Two of the C-6 reports filed by WW19 on that day were filed as amendments to previously filed reports, and all three checked box 2 as an Independent Expenditure of more than \$1,000 and being made within 21 days of the election.
- The one C-6 report filed by WW19 that was not an amended report disclosed two expenditures totaling \$9,550 were made on June 29, 2020 to Levy Online for Billboard Media (\$8,100) and Billboard Production and Installation (\$1,450). The C-6 report disclosed the billboards were presented to the public on July 6, 2020 and were in opposition to Representative Jim Walsh.
- Ms. Radosevich stated the first billboards for WW19 did not go up until April 27, 2020 but did not support or oppose any candidate or even contain a message about any candidates. She stated that the billboards content only included information about coronavirus safety reminders. She stated the “first billboards to present a message regarding Rep. Walsh did not go up until June 1, 2020” and provided an e-mail confirming that information.

- Ms. Radosevich stated WW19 filed Independent Expenditure reports (C-6 reports) in June and that those reports “properly identified Rep. Walsh and the amounts spent, as well as amended its March C-4 to identify Rep. Walsh.” She reiterated that no billboards contained political advertising or featured any candidates prior to June 1, 2020, and that the first report detailing this expenditure was due on July 14. She stated that it was not “clear that WAC 390-16-037 requires reporting the number of billboards, we do not face that question since the number of billboards was reported by July 14. If anything, WW19 over-reported by amending its March C-4s rather than simply labeling it[s] March expenditure as a deposit and reporting the detail on July 14 on its June C-4.”
- Ms. Radosevich stated that the second allegation listed in the complaint was that WW19 failed to include the proper sponsor identification information on the billboards, when the billboards stated: “Paid for by Washingtonians Win in the 19th, Sponsored by Maverick Gaming, P.O. Box 306, Olympia, WA 98507.” She acknowledged that the sponsor identification on the billboards failed to include the phrase “No candidate paid for this ad,” in addition to the top 5 and top 3 contributor information, and that the billboards have been corrected, and noted that Maverick Gaming was properly identified as the committee sponsor. She stated that Maverick Gaming was the only contributor required to have been listed in the disclaimer, and added WW19 “was not hiding the identity of its contributors, and there could be no confusion on the part of the public about who paid for the ad.”
- Ms. Radosevich acknowledged that the third related allegation listed in the complaint was correct, and that the billboards failed to identify Representative Walsh’s party preference, “Republican,” as he listed on the Declaration of Candidacy he filed. She stated that the billboards have been corrected to properly identify Representative Walsh’s party preference as “Republican.”

Based on this information, PDC staff found no evidence that would constitute a material violation that would require conducting a more formal investigation into the complaint or pursuing any enforcement action in this instance.

Pursuant to WAC 390-37-060(1)(d), the PDC is issuing a formal written warning to Washingtonians Win in the 19th, and Maverick Gaming, the committee sponsor concerning the requirement to provide the party preference for any partisan candidates, along with the Notice to Voter and Top contributor language, on all independent expenditures, and electioneering communications undertaken for the remainder of the 2020 election. Washingtonians Win in the 19th, and Maverick Gaming will be advised that the Commission will consider this formal written warning in deciding on further Commission action, should there be 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 Kurt Young by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

Endorsed by,

/s _____
Electronically Signed Kurt Young
Compliance Officer

/s _____
Electronically Signed, Peter Lavallee
PDC Executive Director

cc: Michelle Radosevich, legal counsel for the committees