



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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December 30, 2020

Delivered electronically to Glen Morgan, at glen@wethegoverned.com

Subject: Complaint regarding Carrie Hesch, PDC Case 78878

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 19, 2020. Your complaint alleged that Carrie Hesch, a 2020 first-time candidate for the State House of Representative in the 26th Legislative District (Position 1), may have violated RCW 42.17A.235 and .240 for failure to report an accurate report of Summary Campaign Contribution and Expenditure (C-4) report that is required 21 days before the general election.

PDC staff reviewed your allegation; the applicable statute, rules, and reporting requirements; the 2020 C-3 and C-4 reports filed by the People for Carrie Hesch (Committee); and the November 28, 2020 response to the complaint provided by Jason Bennett, Treasurer, on behalf of the Committee.

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

- On January 3, 2020, Carrie Hesch timely filed a Candidate Registration (C-1) report and selected the Full Reporting Option.

Alleged failure to file an accurate C-4 report (RCW 42.17A.235 and .240).

- The complaint alleged that the Committee failed to report significant expenditures 21 days before the 2020 general election that was held on November 3, 2020. You attached the 21-Day Pre-General C-4 report filed by the Committee on October 13, 2020, including a Contract Data (Traffic) Report from Comcast showing the Committee's cable buy summary as evidence of the alleged violation(s).
- In its response to the allegation, the Committee, by way of Jason Bennett stated: "Argo strategies, the treasurers for the People for Carrie Hesch Campaign received an invoice for \$50,000 from Cerillion N4 Partners (Invoice #1568) for the Comcast cable buy on 9/30/2020 and properly reported it on our Oct 12 C4 report. Then on October 15th we received another invoice (Invoice #1597) for \$65,000 for a Comcast cable buy. It was our understanding at the time that the 2nd invoice was accrued as a debt/promise to pay by the campaign on October 15th, not earlier, which is why it wasn't reported with the other debts and obligations for that reporting period. It appears that Cerillion did reserve space in the amount Mr. Morgan details for

Carrie Hesch’s campaign but did not greenlight the extra buy/purchase until it was clear that fundraising would cover the amount they reserved, which was after the reporting period ended on Oct 12th. We would be happy to amend the previous reports to include the total reservation, even though it was not a promise to pay by the People for Carrie Hesch campaign. We take special care to ensure accurate and timely reporting of each of our clients’ debts/obligations as you can see from our reporting for this client. There would never be a purposeful or willful concealment of expenditures, as Mr. Morgan accuses in his complaint.”

- Staff noted that the Committee reported the \$65,000 expenditure for Comcast cable buy on the 7-Day Pre-General C-4 report that was reported on October 27, 2020. The Committee also amended its 21-Day Pre-General C-4 on December 3, 2020 to include the \$65,000 Comcast cable buy reservation.

While staff found that the Committee should have reported the \$65,000 Comcast cable buy as an order/reservation, it did report the \$65,000 expenditure on the 7-Day Pre-General C-4 report, so the public was aware that the Committee spent \$65,000 in Comcast cable buy before the 2020 general election. The Committee was also prompt in taking corrective action as soon as this complaint was brought to its attention and amended the 21-Day Pre-General C-4 report to include the \$65,000 Comcast cable buy order/reservation.

Pursuant to WAC 390-37-060(1)(d), Carrie Hesch will receive a formal written warning concerning the failure to file timely, accurate 21-Day Pre-General C-4 report in the 2020 election year, as required by law. Carrie Hesch will be informed the Commission will consider the formal 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 Erick Agina, Compliance Officer at 360-586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov

Sincerely,

Endorsed by,

s/ _____
Erick Agina, Compliance Officer

s/ _____
Peter Lavalley, Executive Director

cc: Carrie Hesch
Jason Bennett, Treasurer – People for Carrie Hesch Campaign

