

**BEFORE THE PUBLIC DISCLOSURE COMMISSION OF THE STATE OF
WASHINGTON**

In the Matter of Enforcement Action Against:
Kitsap County Republican Party

Case No. 82077
STIPULATION AS TO FACTS,
VIOLATIONS AND PENALTY

The parties to this Stipulation, namely, the Public Disclosure Commission Staff, through its Executive Director, Peter Lavalley, and Respondent Kitsap County Republican Party, submit this Stipulation as to Facts, Violations and Penalty in this matter. The parties agree the Commission has the authority to accept, reject or modify the terms of this Stipulation. The parties further agree that in the event the Commission suggests modification to any term of this agreement, each party reserves the right to accept or reject that modification. In the event either party rejects a modification, this matter will proceed to hearing before the Commission.

JURISDICTION

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to RCW 42.17A, the state campaign finance and disclosure laws; RCW 34.05, the Administrative Procedure Act; and WAC 390.

FACTS

1. The Kitsap County Republican Party (KCRP) has been registered and filing campaign finance reports under the Full Reporting Option as a bona-fide political party committee with the Public Disclosure Commission (PDC) since the 1990's, and such reports are on file with the PDC dating back to 2007.
2. For calendar years 2016 to 2020, the KCRP was registered and filing reports with the PDC for one account, which is statutorily defined as a non-exempt account for a bona-fide political party committee.
3. The KCRP disclosed the following total contributions and expenditures for the following calendar years: (1) Calendar Year (CY) 2016 - \$51,615.31 in total contributions received, and \$ 48,296.22 in expenditures made; (2) CY 2017 - \$58,811.14 in total contributions received, and \$55,090.25 in expenditures made; (3) CY 2018 - \$62,849.90 in total contributions received, and \$70,317.49 in expenditures made; (4) CY 2019 - \$75,585.89 in total contributions received, and \$69,346.74 in expenditures made; and (5) CY 2020 - \$178,704.98 in total contributions received, and \$186,785.64 in expenditures made.

4. The KCRP disclosed receiving over-limit contributions to its non-exempt funds account on six occasions, as follows:
- On October 4, 2016, the KCRP filed a Monetary Contributions (C-3) report disclosing a \$10,000 contribution received from the Affordable Housing Council of the HBA of Kitsap County. The \$10,000 contribution from the Affordable Housing Council of the HBA of Kitsap County exceeded contribution limits by \$4,500. As of January 18, 2021, the Affordable Housing Council of the HBA of Kitsap County is registered as a political committee with the PDC under the name Affordable Housing Council of the Kitsap Building Association (KBAAHC).
 - On April 2, 2017, the KCRP filed a Full Campaign Summary Contributions and Expenditures report (C-4 report) for March of 2017, disclosing the receipt of a \$30,000 in-kind contribution from the Mentor Company on March 26, 2017, for office space.
 - On April 10, 2019, the KCRP filed a C-4 report for March of 2019 disclosing the receipt of a \$30,000 in-kind contribution from the Mentor Company on March 1, 2019, for “Market rate, utilities, property tax for office.”
 - On March 2, 2020, the KCRP filed a C-4 report for February of 2020, disclosing the receipt of a \$30,000 in-kind contribution from the Mentor Company on February 2, 2020, for “rent and utilities.”
 - On December 10, 2020, the KCRP filed a C-3 report listing two contributions received on December 9, 2020, that included: (1) a \$10,000 contribution from Burke Mechanical of Port Orchard; and (2) a \$10,000 contribution from Emerald Fire, LLC, of Gig Harbor. Both contributors are businesses, and both contributions exceeded contribution limits.

STATUTORY AND RULE AUTHORITY

RCW 42.17A.405 and WAC 390-05-400 prohibit non-exempt bona-fide political party committees from accepting contributions of more than \$5,500 in a calendar year from any person, except an individual, bona fide political party, or caucus political committee, unless an exempt funds account is established. Contributions to an exempt funds account of a bona fide political party committee are not subject to contribution limits in accordance with **RCW 42.17A.405(15)**.

VIOLATIONS

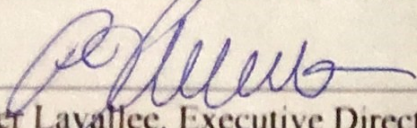
Based on the Stipulation of Facts set forth above, the Respondent stipulates to having violated RCW 42.17A.405 and WAC 390-05-400 by accepting contributions from corporations and a political committee that exceeded contribution limits for a bona fide political party committee for calendar years 2016, 2017, 2019 and 2020.

PENALTY

1. Based upon the Stipulation of Facts and Violations set forth above, the Respondent agrees to pay a total civil penalty of \$4,000 with \$2,000 suspended, on the following conditions:
 - a. The Respondent is not found to have committed any further violations of RCW 42.17A or WAC 390 within four years of the date of the final order in this matter.

The suspended penalty shall not be assessed based solely upon any remediable violation, minor violation, or error classified by the Commission as appropriate to address by a technical correction.
 - b. The Respondent is in compliance with all reporting requirements.
 - c. The non-suspended portion of the penalty (\$2,000) is paid by the Respondent within 30 days of the date of the final order in this matter. If the Respondent fails to make timely payment of the non-suspended portion of the penalty, the \$2,000 suspended portion of the penalty shall immediately become due without further action by the Commission.

The Respondent affirms his intention to comply in good faith with the provisions of RCW 42.17A and WAC 390 in the future.


Peter Lavallee, Executive Director
Public Disclosure Commission

5/21/2021
Date Signed

Juliana McMahon, Chair
Respondent, Chair/Officer of Kitsap County
Republican Party

5/21/2021
Date Signed