



STATE OF WASHINGTON

PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908

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PDC Staff-generated Complaint

Date

March 8, 2021

Respondent name

Robert Apple, a 2020 candidate for State Representative in the 3rd Legislative District, Position #2.

Background

- **On June 17, 2020, Robert W. Apple electronically filed a Registration with the PDC declaring his candidate for State Representative from the 3rd Legislative District, Position #2 for the 2020 election, selecting the Full Reporting Option and listing himself as Ministerial Treasurer.**
- **Mr. Apple had previously been elected and served (one/two terms?) as a Spokane City Councilman from 2003 through 2012.**
- **Mr. Apple stated he experienced some technical challenges in filing his campaign finance reports using the PDC's Online Reporting of Campaign Activity software (ORCA) and he requested a hardship exemption on July 7, 2020.**
- **On July 16, 2020, PDC staff sent an email to Mr. Apple informing him that given the current circumstances related to COVID-19 measures and his explanation of the technical difficulties he was experiencing, he qualified for a hardship exemption from filing electronically based the technological abilities of his 2020 campaign.**
- **On October 15, 2020, Mr. Apple submitted paper filed C-3 and C-4 reports to the PDC in accordance with his hardship exemption. The information listed on the reports disclosed the Campaign received \$6,922.90 in total contributions and \$6,872.95 in expenditures made that included:**

1. Expenditure activities included \$450 for the candidate filing fee; \$118 for three months for a campaign telephone line that is no longer active; and \$200 for a campaign web page.
 2. Two contributions were received from unsolicited contributors totaling \$200, and that he contributed \$568 in personal funds to his campaign.
 3. A \$6,793 in-kind contribution from Mr. Apple for an expenditure he made to Val Pak Advertising. Mr. Apple later claimed that the Val Pak expenditure was refunded to him and thus never initially made by his campaign.
- On January 11, 2021, PDC staff sent a letter to Mr. Apple requesting that he verify the campaign contribution and expenditure information submitted by him manually on paper filed reports, was accurately disclosed, and to ensure the public received accurate campaign finance information for the 2020 election. The letter requested Mr. Apple provide copies of his 2020 books of account for his Campaign for State Representative. Exhibit #1.
 - As of March 1, 2021, Mr. Apple has failed to respond to staffs request or provide copies of this 2020 Campaign books of account.

Alleged violation(s)

Staff is alleging that Robert W. Apple violated the following:

- RCW 42.17A.235 and 240 by failing to timely and accurately provide the required contribution and expenditure details for his campaign in accordance with the electronic filing hardship exemption he was granted in lieu of filing Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contributions and Expenditures reports (C-4 reports) electronically using the ORCA software.
- RCW 42.17A.055 by failing to timely and accurately provide the required contribution and expenditure details for his campaign so PDC staff can enter the information to comply with the hardship exemption.
- RCW 42.17A.225 by failing to maintain and preserve copies of the campaign books of account.

What impact does the alleged violation(s) have on the public?

Low impact: the public was deprived of the timely disclosure of a relatively small amount of campaign finance contribution and expenditure activities prior to the November 3, 2020 general election due to Mr. Apple’s failure to timely and accurately provide PDC staff with the required information granted as part of his hardship exemption.

List of attached evidence or contact information where evidence may be found, or potential witnesses with contact information to reach them

N/A



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January 11, 2021

Sent electronically to Robert Apple

Subject: Request for campaign books of account information for Robert Apple 2020 campaign

Dear Mr. Apple,

This letter is a follow-up to the email exchanges you have had with PDC staff concerning your 2020 candidacy for State Representative in the 3rd Legislative District. You completed an electronic Candidate Registration on June 17, 2020, declaring your candidacy for State Representative, selecting the Full Reporting Option and listing yourself as Ministerial Treasurer.

You stated to PDC staff that you experienced some technical challenges in filing your campaign finance reports using the PDC's Online Reporting of Campaign Activity software (ORCA). In addition, you further requested a hardship exemption on July 7, 2020, seeking relief from filing your campaign finance reports electronically. On July 16, 2020, PDC staff sent you an email informing you that you qualified for a hardship exemption from filing electronically based on the alleged technological limitations of your 2020 campaign.

On October 15, 2020, you submitted paper filed C-3 and C-4 reports to the PDC in accordance with his hardship exemption, however that information was not complete, accurate or timely submitted by you. Below is a description of what appears to be your 2020 Campaign contribution and expenditure activities based on the information you submitted in a format similar to the C-3 and C-4 Reports for the entire campaign.

Contributions:

Monetary Contributions: You listed a total of \$200 in Monetary Contributions received by your Campaign that included: (1) M. Johns, a \$50 monetary contribution received October 3, 2020; and (2) Gun Owners Action League (GOAL), a \$150 monetary contribution with no date received listed.

In-Kind Contributions: You listed \$768 worth of in-kind contributions that you made using your personal funds that included: (1) the \$450 filing fee to run for office; (2) a total of \$118 for a Campaign telephone line; and (3) \$200 for your Campaign website, domain name and web hosting fees.

Expenditures: You listed \$200 in total Campaign expenditures that included: (1) a \$50 expenditure to reimburse you for out-of-pocket Campaign expenses you incurred (no details of the original vendors); and (2) a \$150 monetary contribution that your campaign received from GOAL was incorrectly endorsed over to Fagan, LLC, with no description of the services.

Of all the campaign information you provided PDC staff, the activity with the highest monetary dollar amount that you reported was a \$6,793 in-kind contribution from you to Val Pak Advertising. However, you indicated that all \$6,793 of the in-kind contribution “needed to be corrected and subsequently reversed, and in your November 16, 2020 email you stated *“With regards to the Valpak transaction, it appears all credit transfers and today showing a xero balance on that credit card as the transaction was contested timely so appears as though it now never happened.”*

Staff has requested you provide additional information concerning the Val Pak advertisement, and some of the other contribution and expenditure activities you reported to the PDC on behalf of your 2020 campaign. To date your responses have indicated a lack of compliance with staff’s request for contribution and expenditure information, particularly concerning the alleged \$6,793 Val Pak expenditure. In the hardship exemption letter from Director Lavallee, it stated *“Our ability to data-enter the information on your behalf depends on the reports being complete and correct. Please work with our filer assistance team to ensure your reporting is both.”*

Based on your failure to comply with the requirements in the hardship exemption and staff’s request for you to clarify or provide additional information, please submit copies of your campaign books of account for all contribution and expenditure activities undertaken during the 2020 election. Concerning the Val Pak expenditure, in addition to the documentation listed above, staff is requesting you provide us with a copy of the proposed campaign political advertisement, along with any email, letters, notes documenting any correspondence between you or your campaign and Val Pak about the mailer and subsequent reimbursement.

In accordance with WAC 390-16-043, the books of account for a 2020 candidate for public office included a *“ledger, spreadsheet, or similar listing of contributions, expenditures, loans, debts and obligations to substantiate the information disclosed on the PDC campaign finance reports....the underlying source documents such as receipts, invoices, copies of contribution checks, copies of canceled checks for expenditures, digital transactions, notes, or other documentation concerning expenditures, orders placed, and loans..”*

WAC 390-16-043(9) requires all candidates and political committee to make the books of account in this section, to “be available for audit or examination by the PDC at any time upon request from the PDC.”

This request is being made to verify the information submitted by you and to confirm that the contribution and expenditure activities have been properly and accurately disclosed by your campaign, to ensure the public received timely and accurate campaign finance information for the 2020 election.

Please provide the requested information and documentation **no later than January 25, 2021**. Failure to respond or provide the requested documentation for your books of accounts that you are required to maintain may result in a staff generated complaint being filed against you and possibly a future enforcement hearing. Thank you for your prompt attention to this matter and let me know if you have any questions by replying to this email.

Sincerely,

Kurt Young
PDC Compliance Officer