

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

January 10, 2022

Delivered electronically to David Carson at "carson4redmond@outlook.com"

Subject: Complaint regarding Safe Eastside PAC, PDC Case 99673

Dear David Carson:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 15, 2021. The complaint alleged that Safe Eastside PAC, a political committee registered in 2021, may have violated: (1) RCW 42.17A.205 for failure to submit a Committee Registration (C-1pc report) within two weeks of becoming a committee; and (2) RCW 42.17A.235 and .240 for failure to timely and accurately file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), disclosing contributions and expenditures undertaken by the political committee.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the response provided by Committee Manager and Treasurer, Kan Qiu, on behalf of the Respondent; the applicable PDC reports filed by the Respondent; and queried the Respondent's data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

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

- On August 26, 2021, Safe Eastside PAC submitted a Committee Registration (C-1pc report) registering as a continuing committee opposing a 2022 City of Redmond ballot proposition, choosing the "Full Reporting" option, and listing Kan Qiu as Manager and Treasurer and Sharon Hanek as Ministerial Treasurer.
- On December 17, 2021, the C-1pc was amended with the only change being that the PAC no longer was involved in opposing the previously noted ballot proposition.
- RCW 42.17A.205 includes both the content of and the filing deadline for political committees that meet the statutory definition of a political committee found in RCW 42.17A.005.
- RCW 42.17A.235 and .240 describes both the level of disclosure required on C-3 and c-4 reports as well as the obligatory deadlines for such disclosure. RCW 42.17A.235(9)(a) specially requires reporting of the name and address of any person and the amount owed for any debt with a value of more than seven hundred fifty dollars that has not been paid for any invoices submitted, goods received, or services performed, within five business days during the period within thirty days before an election, or within ten business days during any other period.
- The complaint alleged that Safe Eastside PAC made expenditures in connection to a city-wide mailer and reported no funds spent, received or orders placed for this activity.

- On November 10, 2021, the Respondent submitted a C-4 report covering the month of October 2021 disclosing \$5,941 owed to RM Consulting for GOTV consulting.
- Upon the request of PDC staff, Safe Eastside PAC submitted an amended October 2021 C-4 report to include a more complete breakdown of the funds owed to RM Consulting that were used to provide phone banking services between October 18 and 30, 2021, before the November 2, 2021 general election. The C-4 report disclosed \$5,941 owed to RM Consulting.
- The \$5,941 debt owed to RM Consulting was paid in full on November 25, 2021 and disclosed on the November 2021 C-4 report.
- In the response, Kan Qiu stated that the allegations in the complaint are false and that Safe Eastside PAC believes the complaint was politically charged to silence public free speech. In a supplemental response, Kan Qiu stated that when Safe Eastside PAC originally formed in August 2021, they were planning to challenge a ballot measure and subsequently did not file the referendum. Because of this change, Mr. Qiu stated, the PAC had no reportable activity and amended the C-1pc to register as a continuing committee.
- During the investigation, staff found no evidence that the C-1pc submitted by Safe Eastside PAC was submitted late.
- The complaint did not include a copy of any political advertisement or mailer alleged to have been done by the Respondent and staff found no evidence of any un-reported campaign activity conducted by Safe Eastside PAC.
- The complaint also alleged that the PAC's website did not collect all required information from donors. Staff found that the C-3 reports contained the complete information for individual contributors as required in RCW 42.17A.235.

It appears that the lack of detail originally included on October 2021 C-4 report regarding the payment to RM Consulting originally reported with the description "GOTV Consulting", was an oversight and not meant to conceal campaign activity from the public. PDC staff found the Committee Treasurer and Ministerial Treasurer to be responsive and cooperative.

Based on our findings staff has determined that, in this instance, failure to timely register as a political committee and failure to include a detailed description of services provided by RM Consulting, does not amount to a finding of a violation that warrants further investigation.

PDC staff is reminding Safe Eastside PAC about the importance of the timely disclosure of all contribution and expenditure activities, and the timely filings of all future PDC reports in accordance with the statutes 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, you may contact Jennifer Hansen at 1-360-586-4560 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Endorsed by,
Electronically signed
Peter Frey Lavallee
Executive Director

cc: Safe Eastside PAC