



**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

April 5, 2019

Sent electronically to dennis_higgins@hotmail.com, aaron_schuler@comcast.net and ewan@workerlaw.com

Subject: Complaint filed by Glen Morgan, PDC Case 26546

Dear Dennis Higgins Treasurer, 47th District Democrats:

Enclosed is a copy of an electronic letter sent to Glen Morgan, concerning a complaint filed with the Public Disclosure Commission (PDC) alleging that the 47th District Democrats violated RCW 42.17A.235 and .240 for failure to timely and accurately report contributions, expenditures, and debt.

As noted in the letter to Mr. Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(b), this letter serves as a formal written warning concerning your failure to comply with the filing requirements noted in the enclosed letter sent to Mr. Morgan. Staff expects you to file timely and complete reports in future years in accordance with PDC laws and rules. This includes reporting debt under WAC 390-16-042.

In the response filed on behalf of the 47th District Democrats, Laura Ewan states, “the word ‘may’ is permissive here, and this should be taken into account.” Please note, the permissive “may” referred to by Ms. Ewan does not allow filers to decide what to report. Rather, the permissive “may” indicates that the report may include an estimate of the total or actual cost, in lieu of the actual cost, if the cost is not yet known when the filer enters into the purchase agreement, as evidenced by the context: obligations “may be reported as estimated obligations until actual payment is made . . .” (emphasis added).

This formal written warning comes with the staff’s expectation that you will amend the Campaign Summary Receipts and Expenditures (C-4) reports 100757909, 100696388 and 100766624 by providing the additional required information on the expenditures for materials, gifts, and printing, and that you will complete reports in future years in accordance with PDC laws and rules.

The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Alice Fiman at 1-360-586-4746 or toll-free at 1-877-601-2828, or by e-mail fdc@fdc.wa.gov.

Sincerely,

/s _____
Alice Fiman
Compliance Officer

Endorsed by,

/s _____
Peter Lavalley
Executive Director



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April 5, 2019

Delivered electronically to glen@wethegoverned.com

Subject: Complaint regarding, 47th Legislative District Democrats, PDC Case 26546

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed October 13, 2017. Your complaint alleged the 47th Legislative District Democrats may have violated RCW 42.17A.235 and .240: (1) by failing to timely and accurately file Summary Full Campaign Contributions and Expenditures reports (C-4 reports), disclosing contributions and expenditures undertaken by the Committee, (2) by failing to timely and accurately disclose debt and (3) by failing to breakdown sub-vendor information for expenditures disclosed on C-4 reports.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response provided by Dennis Higgins, Treasurer and Laura Ewan, counsel for the 47th District Democrats, and the applicable PDC reports and data in the PDC contribution and expenditure database filed by the Committee, to determine whether the record supports a finding of one or more violations.

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

- The 47th Legislative District Democrats, a bona-fide political party committee, has been registered with the PDC since at least 1996.
- In January 2019, the Committee filed its most recent C-1pc under the full reporting option, listing Aaron Schuler as campaign manager and Dennis Higgins as treasurer.
- The Committee filed 12 C-4 reports during the 2016 campaign, amending no reports.
- The Committee filed 12 C-4 reports during the 2017 campaign, amending no reports.

Allegation #1: Failure to timely and accurately file C-4 reports

- The complaint alleged the Committee failed to timely file C-4 reports between December 2015 and July 2017. You attached a spreadsheet of those reports.
- The complaint identified 11 late reports. These reports were one to 15 days late.

- The response from the 47th District Democrats stated, “The Committee undertook exhaustive efforts, with each reporting period, to ensure that its filings were correct. On these few occasions, the Committee found itself needing to track down additional information in order to make sure its reports were accurate and complete.”

Allegation #2: Failure to disclose debts and obligations on C-4 reports.

- The complaint alleged that the Campaign failed to disclose debts and obligations on C-4 reports and properly provide detailed breakdowns of expenditures. You attached a spreadsheet of those expenditures.
- In the Committee’s response, Ms. Ewan stated all expenditures listed were completed and reported to the PDC “in the same reporting period as it was authorized” or “as closely as possible to the point in time at which the costs were known.”

Allegation #3: Failing to provide sub-vendor information for expenditures disclosed on C-4 reports

- The complaint alleged that the Committee failed to properly provide detailed descriptions of expenditures. You attached a spreadsheet of those expenditures.
- The Committee provided the PDC with additional expenditure information; however it has been directed to update reports 100757909, 100696388 and 100766624 and is expected to do so forthwith.

Based on these findings, staff has determined that in this instance, the failure to timely file reports of contributions and expenditures and disclose debts and obligations does not amount to an actual violation warranting further investigation.

However, pursuant to WAC 390-37-060(1)(b), the 47th Legislative District Democrats will receive a formal written warning concerning its failure to timely disclose all contributions and expenditures and disclose debts and obligations.

The formal written warning will include staff’s expectation that the 47th Legislative District Democrats timely file all future required reports of contributions and expenditures and disclose debts and obligations. The Commission will consider the formal written 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 Alice Fiman at 1-360-586-4746 or toll-free at 1-877-601-2828, or by e-mail pdcc@pdcc.wa.gov.

Sincerely,

Sincerely,

/s _____

Alice Fiman
Compliance Officer

Endorsed by,

/s _____

Peter Lavallee

Executive Director