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

9 In Re: The Matter of Enforcement Action
10 Against:

PDC CASE NO. 140213

FINAL ORDER

11 LET'S GO WASHINGTON (SPONSORED
12 BY BRIAN HEYWOOD),

13 Respondent.
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15 This matter was heard by the Washington State Public Disclosure Commission (PDC,
16 Commission) on October 3, 2024, by telephonic and online streaming access. The hearing was
17 continued from its original date of September 19, 2024, per Respondent's Motion for Extension.
18 The hearing was held in accordance with Chapters 34.05 and 42.17A RCW, and Chapter 390-37
19 WAC.

20 Commissioners present online were Allen Hayward, Commission Chair, J. Robert Leach
21 (Commission Vice-Chair, presiding), and Commissioners Nancy Isserlis and Douglass North.
22 Also present in-person or online were Assistant Attorney General John S. Meader representing
23 the Commission, Senior Assistant Attorney General Chad Standifer representing PDC Staff, and
24 Callie Castillo, Counsel for Let's Go Washington (Sponsored by Brian Heywood), (LGW),
25 Notice of the Special Meeting was provided to the Respondent and they appeared through
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1 counsel. The proceeding was open to the public and recorded.
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3 The Commissioners had before them the following materials:
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5 PDC staff exhibits:
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- 7 1. Report of Investigation, Case No. 140213, unsigned and undated;
- 8 2. Summary of phone call between Phil Stutzman and Devin Frank, dated September 18,
9 2023;
- 10 3. Services Agreement between LGW and Pixelpure Media, unsigned and undated;
- 11 4. Email communication from Kelly Palmer to Sharon Hanek, dated May 28, 2024;
- 12 5. R.M. Consulting invoice, dated August 8, 2023;
- 13 6. R.M. Consulting invoice, dated July 15, 2023;
- 14 7. Email from Kelly Palmer to Brian Heywood, dated September 5, 2023;
- 15 8. Email from Kelly Palmer to Jason Michaud, redacted prior to receipt, dated April 25,
16 2024;
- 17 9. Email from Kelly Palmer to Brian Heywood, dated June 20, 2024;
- 18 10. TDM Strategies invoice, dated November 2, 2023;
- 19 11. PDC Summary, Full Report Receipts and Expenditures (C-4) for LGW, covering
20 September 1, 2023, to September 30, 2023, submitted January 9, 2024;
- 21 12. PDC Summary, Full Report Receipts and Expenditures (C-4) for LGW, covering
22 July 1, 2024, to July 31, 2024, submitted September 11, 2024;
- 23 13. PDC Summary, Full Report Receipts and Expenditures (C-4) for LGW, covering
24 August 1, 2023, to August 31, 2023, submitted January 9, 2024;
- 25 14. PDC Summary, Full Report Receipts and Expenditures (C-4) for LGW, covering
26 July 1, 2023, to July 31, 2023, submitted January 9, 2024;

1 15. PDC Summary, Full Report Receipts and Expenditures (C-4) for LGW, covering
2 April 1, 2024, to April 30, 2024;

3 16. PDC Summary, Full Report Receipts and Expenditures (C-4) for LGW, covering
4 October 1, 2023, to October 31, 2023.¹
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6 Respondent's Exhibits:

7 R-1 Email from Conner Edwards to Dan Brady, dated September 1, 2023;

8 R-2 Email from Conner Edwards to PDC Support, dated August 28, 2023;

9 R-3 Correspondence from Abby Lawlor and Dmitri Iglitzin, Barnard, Iglitzin &
10 Lavitt, LLP, as Counsel for Heather Weiner, dated August 24, 2023,
11 signed by Abby Lawlor;

12 R-4 Email from Conner Edwards to PDC Support, dated August 29, 2023;

13 R-5 Email from Kurt Young, PDC Support, to Dan Brady, dated September 19, 2023;

14 R-6 Email from Conner Edwards to Kurt Young, dated October 10, 2023;

15 R-7 Response to Complainant's letter from Conner Edwards, dated August 24, 2023;

16 R-8 Complaint from Abby Lawlor to the PDC, Dated October 17, 2023;

17 R-9 Email from Conner Edwards to Dan Brady, dated October 18, 2023;

18 R-10 Email from Conner Edwards to PDC Support, dated November 25, 2023;

19 R-11 Response to complaint from Dan Brady Law, dated November 2, 2023;

20 R-12 Email from Kurt Young, PDC Support, to Dan Brady, dated April 18, 2024;

21 R-13 Correspondence from Dan Brady Law to Peter Lavalley, dated May 2, 2024;

22 R-14 Email from Kurt Young, PDC Support, to Dan Brady, dated May 16, 2024;

23 R-15 Email from Dan Brady to Kurt Young, dated May 20, 2024;

24 R-16 Email from Kurt Young, PDC Support, to Dan Brady, dated June 7, 2024;

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¹ PDC staff Exhibit 17 was not admitted into evidence.

- 1 R-17 Email from Dan Brady to Kurt Young, dated June 26, 2024;
2 R-18 Email from Kurt Young to Dan Brady, dated June 27, 2024;
3 R-19 Email from Devin Frank to LGW and Kelly Palmer dated July 5, 2024;
4 R-20 Email from Kurt Young, PDC Support, to Dan Brady, dated July 10, 2024;
5 R-21 Email from Dan Brady to Kurt Young, dated July 19, 2024;
6 R-22 Email from Kurt Young to Dan Brady, dated July 19, 2024, at 5:11 PM;
7 R-23 Email from Kurt Young to Dan Brady, dated July 19, 2024, at 5:18 PM;
8 R-24 Response to Request for Referral from LGW, dated July 23, 2024, and signed by
9 Callie Castillo, Lane Powell;
10 R-25 Complaint to the PDC from Counsel for Defend Washington, dated August 15,
11 2024, signed by Abby Lawlor, Bernard, Iglitzin & Lavitt, LLP.
12 R-26 Response to the PDC from Counsel for LGW, dated August 26, 2024, signed by
13 Callie Castillo, Lane Powell;
14 R-27 to R-35 C-1 Registration Reports from LGW, dated respectively: April 14, 2022;
15 April 16, 2022; April 19, 2022; May 31, 2022; July 7, 2023; July 21, 2023;
16 November 24, 2023; November 28, 2023; and May 13, 2024;
17 R-36 to R-85 C-4 Summary, Full Report Receipts and Expenditures. Reports covering
18 March 1, 2022, to April 30, 2022 (original, R-36); March 28, 2022, to
19 April 30, 2022 (amended, R-37); May 1, 2022, to May 31, 2022 (original,
20 R-39); May 1, 2022, to May 31, 2022 (amended, R-40). Then including
21 monthly reports alternating between original and amended versions from
22 June, 2022, to March, 2023 (R-38 to R-60). Then reports for April 1,
23 2023, to April 30, 2023 (original and two amendments, R-61-63); May 1,
24 2023, to May 31, 2023 (original and two amendments, R-64-66); June 1,
25 2023, to June 30, 2023 (original and three amendments, R-67-70); July 1,
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2023, to July 31, 2023 (original and two amendments, R-71-73); August 1, 2023, to August 31, 2023 (original and one amendment, R-74-75); September 1, 2023, to September 30, 2023, (original and two amendments, R-76-78); October 1, 2023, to October 31, 2023, (original and one amendment, R-79-80); November 1, 2023 to November 30, 2023, (original and two amendments, R-81-83); December 1, 2023, to December 31, 2023 (original and one amendment, R-84-85).

- PDC Witness and Exhibit List, dated September 24, 2024, signed by Senior Assistant Attorney General Chad Standifer;
- Respondent's Witness and Exhibit List, dated September 25, 2024, signed by Callie Castillo, Counsel for LGW;
- PDC Enforcement Hearing Notice, PDC Case 140213, for hearing September 19, 2024, dated September 9, 2024, signed by Phil Stutzman, PDC Compliance Officer;
- Notice of Administrative Charges, PDC Case 140213, dated September 9, 2024, signed by Peter Lavallee, PDC Executive Director;
- Order for Continuance, PDC Case 140213, dated September 16, 2024, signed by Chair Allen Hayward;
- Pre-hearing brief from LGW, dated September 25, 2024, signed by Callie Castillo, Counsel for LGW;
- Pre-hearing brief from PDC staff, dated October 2, 2024, signed by Senior Assistant Attorney General Chad Standifer.

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I. FINDINGS OF FACT

This matter involves Respondent Let's Go Washington (Sponsored by Brian Heywood), (LGW). On April 22, 2022, LGW timely filed as a single-election committee for the 2023 election and amended that filing on July 21, 2023, to become a continuing political committee. LGW eventually sponsored six initiatives² that were either accepted by the legislature and became law or are on the November 5, 2024, general election ballot. Respondent is alleged to have violated RCW 42.17A.235 and .240, by failing to accurately report, document, and produce the receipts of contributions and expenditures for these initiatives.

Specifically, the PDC alleges four categories of violation: 1) failure to timely and accurately report its expenditures in violation of RCW 42.17A.235 and .240; 2) failure to timely report expenditures of subvendors in violation of RCW 42.17A.235 and .240, WAC 390-16-037 and WAC 390-16-205; 3) failure to timely provide its Books of Account to the PDC in violation of RCW 42.17A.235 and WAC 390-16-043(9); and 4) failure to preserve Books of Account to substantiate subvendor expenditures in violation of RCW 42.17A.235(8). The Respondent has no prior PDC violations.

1. From April 1, 2022, through March 31, 2024, LGW filed C-4 reports disclosing its contribution and expenditure information. On January 9, 2024, LGW voluntarily amended its C-4 reports at the request of PDC staff to provide specific dollar amounts attributable to each of the six initiatives for in-kind contributions and expenditures rather than reporting them in one lump sum. Similar voluntary amendments of C-4 reports disclosing each initiative's contributions and expenditures occurred on January 18, 2024, and February 13, 2024.

² Initiatives 2109, 2111, 2113, 2117, 2124, and 2081. Initiative 2066 was also sponsored by LGW and collected sufficient signatures to appear on the 2024 general election ballot.

- 1 2. On August 29, 2023, LGW entered into a Professional Services Agreement with
2 Your Choice Petitions (YCP). YCP was required to collect at least 200,000
3 signatures for each of the six initiatives supported by LGW. Payments to YCP
4 totaled \$3,638,594.02. LGW did not obtain information from YCP concerning
5 whether it used subvendors in its signature gathering activities.
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8 3. On October 10, 2023, LGW entered into a Professional Services Agreement with
9 Allstate Petition Management (APM)³ for signature gathering services. For the
10 years 2023 and 2024, LGW reported payments to APM of \$1,867,620.00. On
11 January 17, 2024, LGW asked the owner of APM, Roy Ruffino, whether his
12 company had used subvendors and, if so, asked him to disclose the name and
13 address of every vendor or payee, the purpose of the payment, and the date of the
14 payment or obligation. APM refused to do so that same day. LGW did not follow
15 up on the refusal and did not report any subvendor information to the PDC.
16 Despite the refusal, LGW continued to pay APM for its services and on or about
17 April 15, 2024, hired its owner as an employee.
18
19 4. On May 10, 2024, LGW entered into a Professional Services Agreement with
20 Collective Voice Solutions to circulate and gather up to 425,000 completed
21 petitions for statewide ballot measure I-2066. Unlike the other agreements for
22 signature gathering, this one included a requirement that the vendor disclose any
23 subcontractors used by the vendor and report their name and address, the nature
24 of the services provided, and the total cost of the service(s). No subvendor
25 information has been reported by LGW to the PDC.
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³ Allstate is also known as TDM Strategies. Respondent's pre-hearing brief at pg. 7, ll.3-4.

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2 5. LGW paid \$24,000 to Research Mom Consulting Services in calendar year 2023.
3 Invoices for these services reflect apparent expenses for subvendors, including
4 references to “local consultants.” PDC Ex. 5-6. No subvendor information has
5 been reported to the PDC.
6

7 6. On May 16, 2024, the PDC sent LGW legal counsel a request for “...the books
8 of account, including invoices, receipts, contracts, memorandum, or other
9 documentation for several paid signature gathering expenditures and/or in-kind
10 contributions to verify and confirm the amounts reported were correctly report
11 [sic] and properly allocated to each initiative.” Ex. R-14. The records requested
12 included those related to APM and YCP. On May 30, 2024, LGW responded
13 with some of the information but indicated full compliance would be a “great
14 burden.” Ex. R-15. The request was repeated on July 10, 2024. The records
15 were not produced until August 2, 9, and 12, 2024, after an administrative
16 subpoena was issued on July 26, 2024.
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19 II. CONCLUSIONS OF LAW

20 1. The Commission has jurisdiction over this proceeding pursuant to Chapter
21 42.17A. RCW, the State campaign finance and disclosure law; Chapter 34.05
22 RCW, the Administrative Procedure Act; and Title 390 WAC.
23

24 2. LGW properly reported the allocation of its expenditures under RCW
25 42.17A.235 and .240, and WAC 390-16-037 under PDC rules in effect at the
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1 time of filing. The Respondent reasonably relied on a plain reading of the rule
2 which required reporting “unless...such ballot proposition(s) have been
3 previously identified in a statement of organization...” WAC 390-16-037
4 (former). PDC staff failed to explain how the term “unless” could be
5 interpreted other than to allow an exception to the remainder of the rule.

6 The Commission will not find a violation and assess a civil penalty
7 when LGW followed the PDC’s own rules, even if that plain reading is later
8 interpreted by PDC staff as imperfectly reflecting statutory intent.⁴ LGW
9 disclosed the full amount of expenditures on its C-4s, identified who contributed
10 the money and designated it as signature gathering expenses. When asked later
11 to report how the expenditures were distributed between the six ballot
12 propositions, LGW eventually did so, even though PDC rules at the time did not
13 require it. There was no violation for failure to allocate expenditures under
14 RCW 42.17A.235 and .240.

- 15
16 3. LGW failed to report expenditures of subvendors as required by RCW
17 42.17A..235 and .240, WAC 390-16-037 and WAC 390-16-205. PDC rule
18 requires that expenditures paid to subvendors or other third parties must be
19 disclosed. WAC 390-16-205(2-3). LGW has an obligation to inquire and
20 confirm whether its contractors have used subvendors. Failing to ask or failing
21 to follow up on a contractor’s non-response or refusal to provide the
22 information is insufficient. If this were the standard, any committee could
23 simply ignore the issue and argue it has no knowledge of its contractor’s actions
24 and nothing to report.

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⁴ WAC 390-16-037 was amended to remove the “unless” language on July 24, 2024.

1 LGW's failure to report is especially concerning here where LGW
2 contractors implied they did utilize subvendors. APM, rather than denying it
3 used subvendors, refused to disclose information about subvendors because they
4 considered that information proprietary. Ex. 1 at 72-73. LGW did not follow
5 up on the refusal and continued to pay APM for its services. Ex. 8. In addition,
6 Research Mom Consulting referred to its use of "local consultants" indicating
7 there were additional vendors they had not disclosed to LGW. Ex. 5-6.

8 At hearing, PDC Compliance Officer Phil Stutzman testified to a
9 conversation between himself and Brent Johnson, owner of YCP, another
10 signature gathering contractor of LGW. Mr. Stutzman testified Mr. Johnson
11 admitted to him they used subvendors, that LGW had not asked YCP about
12 them, and that he would have refused to disclose them if they had.⁵ The
13 Commission finds Mr. Stutzman to be a credible witness and that his testimony
14 can be reasonably relied upon. The Respondent violated WAC 390-16-205.

- 15
16 4. LGW failed to timely provide its Books of Account to the PDC in violation of
17 RCW 42.17A.235 and WAC 390-16-043(9). PDC rule states Books of Account
18 "must be available for audit or examination by the PDC at any time upon
19 request..." WAC 390-16-043(9). This is not dependent on their being a
20 complaint or enforcement matter against the Respondent. The phrase "any
21 time" indicates these records should be continually available to the Commission
22 and the public. The records here were requested in writing on May 16, 2024,
23 and on July 10, 2024, by PDC staff. LGW responded it was in the midst of
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25 ⁵ TVW recording of the October 3, 2024, PDC Special Meeting and LGW hearing at 41:35 – 45:55
26 (testimony about conversation with Mr. Johnson and not additional email correspondence which was stricken, see 48:50 – 49:20).

1 promoting a different initiative and it would be a “great burden” to comply.⁶ It
2 was eventually necessary for the PDC to issue an administrative subpoena on
3 July 26, 2024, to prompt Respondent’s compliance and the records were not
4 produced in full until August 2, 9, and 12, 2024. Other business obligations do
5 not take priority over Respondent’s statutory and regulatory obligation to
6 produce its records for inspection and this length of delay does not meet the
7 requirements of the law. The Respondent violated RCW 42.17A.235 and WAC
8 390-16-049(9).
9

- 10 5. LGW preserved its Books of Account and did not violate RCW 42.17A.235(8).
11 The statute requires committees to retain their Books and financial records for
12 not less than five calendar years. Here, the record contains no evidence LGW’s
13 Books were not preserved, even though the information about subvendors that
14 should have been included was not collected and it did not timely produce the
15 Books to the PDC. These deficiencies were already charged in allegations 2
16 and 3 and are duplicative here. While the Books of Account were incomplete
17 and not produced timely, they were not deleted or destroyed and remain
18 available as required by RCW 42.17A.235(8).
19

20 **III. ORDER**

21 This Order will be the Final Order. After consideration of the mitigating and
22 aggravating factors, the briefing presented, arguments of counsel, witness testimony, the
23 Findings of Fact, and the Conclusions of Law, the Commission finds two violations of RCW
24 42.17A.235 or .240 and its supporting regulations. Respondent failed to report expenditures of
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26 ⁶ LGW Pre-Hearing brief at pg. 6, ll. 18-19.

1 subvendors or confirm none were used; and failed to timely provide its Books of Account to
2 the PDC.

3 A civil penalty is imposed of \$10,000 for each violation totaling \$20,000, with \$5,000
4 suspended for each violation totaling \$10,000, on the following conditions:

- 5
6 1. a. The non-suspended portion (\$10,000) of the \$20,000 total civil
7 penalty for the two violations of RCW 42.17A.235 and .240, is paid by
8 the Respondent within 30 days of the date of this Final Order.
9
10 b. The Respondent uses due diligence to determine if subvendors
11 were used by its contracted vendors: Your Choice Petitions, Allstate
12 Petition Management, Collective Choice Solutions, and Research Mom
13 Consulting Services. If subvendors were used, Respondent amends its
14 C-4 reports to indicate subvendor expenditures, including the name and
15 address of the subvendor, the purpose of the payment, and the date of
16 service or obligation. If no subvendors were used, it provides a written
17 confirmation to that effect to the PDC.
18
19 c. The Respondent remains in full compliance with all PDC
20 reporting requirements and is not found to have committed any further
21 violations of Chapter 42.17A RCW or Title 390 WAC within four years
22 of the date of this Final Order. The suspended penalty shall not be
23 assessed based solely upon any remediable violation, minor violation, or
24 error classified by the Commission as appropriate to address by a
25 technical correction.
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2. If the Respondent fails to meet the conditions in Section III(1) of this order within 30 days of the date of this order, the suspended portion of the penalty shall immediately become due and the matter may be sent to collection or brought to Superior Court as allowed by law without further action by the Commission.

SO ORDERED this 9th day of October, 2024.

WASHINGTON STATE PUBLIC
DISCLOSURE COMMISSION

FOR THE COMMISSION:

Allen Hayward
Allen Hayward (Oct 9, 2024 09:58 PDT)

Allen Hayward, Chair,
Public Disclosure Commission

This order sent by email to:
LGW, Respondent,
c/o Callie Castillo, Respondent's Counsel,
castilloc@lanepowell.com

Chad Standifer,
Senior Assistant Attorney General
chad.standifer@atg.wa.gov

Phil Stutzman,
PDC Compliance Officer,
phil.stutzman@pdc.wa.gov

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I, _____Jana Greer, Administrative Officer____, certify that I
emailed a copy of this order to the Respondent at his
respective email address.

Jana Greer 10/09/2024
Signed Date

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2 **NOTICE: RECONSIDERATION**

3 Pursuant to the provisions of RCW 34.05.470 and WAC 390-37-150, you may file a Petition for
4 Reconsideration with the PDC within ten (10) days from the date this Final Order is served upon
5 you. Any Request for reconsideration must state the specific grounds for the relief requested.
6 Petitions must be delivered or mailed to the Washington State Public Disclosure Commission,
7 711 Capitol Way, Room 206, Box 40908, Olympia WA 98504-0908.

8 **NOTICE: PETITION FOR JUDICIAL REVIEW**

9 You have the right to appeal this Final Order to Superior Court, pursuant to the Petition for
10 Judicial Review provisions of RCW 34.05.542. Any Petition for Judicial Review of this Final
11 Order must be filed with the court and also served upon both the Commission and the Office of
12 the Attorney general within thirty (30) days after the date this Final Order is served upon you.
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Final_Order-LGW-140213

Final Audit Report

2024-10-09

Created:	2024-10-09
By:	Jana Greer (jana.greer@PDC.WA.GOV)
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"Final_Order-LGW-140213" History

-  Document created by Jana Greer (jana.greer@PDC.WA.GOV)
2024-10-09 - 3:33:01 PM GMT
-  Document emailed to allen.hayward@pdc.wa.gov for signature
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-  Signer allen.hayward@pdc.wa.gov entered name at signing as Allen Hayward
2024-10-09 - 4:58:17 PM GMT
-  Document e-signed by Allen Hayward (allen.hayward@pdc.wa.gov)
Signature Date: 2024-10-09 - 4:58:19 PM GMT - Time Source: server
-  Agreement completed.
2024-10-09 - 4:58:19 PM GMT