



State of Washington PUBLIC DISCLOSURE COMMISSION

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February 4, 2025

Sent electronically to Drew Stokesbary at drew@dresstokesbary.com

Subject: Complaint regarding Philip Johnson, PDC Case 160692

Dear Drew Stokesbary:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 3, 2024. Your complaint alleged that Philip Johnson, a 2024 candidate for State Representative in the 18th Legislative District, Position 2, may have violated RCW 42.17A.430 for improper disposal of surplus funds and RCW 42.17A.445 for unauthorized personal use of campaign funds.

To determine whether a formal investigation or enforcement action is warranted, PDC staff reviewed the allegation(s) in the complaint; the applicable statutes, rule(s), and reporting requirements; the Cash Receipts Monetary Contributions (C-3) and Summary, Full Report Receipts and Expenditures (C-4) reports filed by Friends of Philip J. (Respondent); the October 17, 2024, response to the complaint submitted by Philip Johnson on behalf of the Campaign; and other relevant information to determine whether the record supports a finding of one or more violations.

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

- On April 9, 2024, Philip Johnson filed a Candidate Registration (C-1) and selected the "Full Reporting" option. Mr. Johnson listed Tom Perry as Ministerial Treasurer.
- RCW 42.17A.445 as codified, stipulates specific instances when campaign contributions received and reported pursuant to RCW 42.17A.220 through .240 and .425 may be used for individual personal use. Those instances include reimbursement to cover lost earnings incurred resulting from campaigning or services performed that have a nexus to a political campaign and reimbursement for direct out-of-pocket election campaign and post-election campaign related expenses made by the individual political candidate, including repayment of loans made by an individual political candidate.
- Staff noted that the Respondent in this matter used his campaign funds to purchase political advertising using funds left over from his primary race for state representative in the 2024 primary election cycle. Specifically, the Respondent used his dedicated campaign debit card to use leftover monies from his unsuccessful primary campaign to purchase two newspaper advertisements not related to his campaign for a

total of \$1,300 for two ads that were placed in the September 18 and 25 editions of *The Reflector*, a local newspaper in Battleground, Washington.

- In his response to the complaint, the Respondent stated: “I may have made a mistake in using these funds to purchase these ads. This was my first attempt at running for a state legislative office and I had thought that political funds could be spent for political ads. I certainly had no intent in harming the public, nor was there any intent of wanton disregard of Washington campaign finance laws.”
- In speaking with the Respondent about this matter, he noted that he had loaned his campaign a “little over \$7,000” between April and June 2024, and he thought he would “burn through the loan by purchasing the ads” after the primary election cycle.
- Regarding the allegation concerning the lack of proper sponsor identification on the political ads at issue in this matter, staff noted that the Respondent failed to include a complete sponsor identification language required by the statutory scheme. Specifically, the Respondent failed to include the name and full address of the sponsor in the required sponsor identification language on the ads.

Based on these findings, staff has determined that, in this instance, the use of campaign funds for unauthorized personal use and failure to include a complete sponsor identification to include name and full address of the sponsor, do not amount to a violation warranting further investigation. The Respondent acknowledged the mistake and took responsibility by addressing the mistake through a response to the PDC staff.

However, pursuant to WAC 390-37-060(1)(d), Philip Johnson will receive a formal written warning concerning his unauthorized personal use of campaign funds. Philip Johnson will be informed the Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

Accordingly, 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 Erick Agina, Compliance Officer at toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

Endorsed by:

s/_____
Erick O. Agina, Compliance Officer

s/_____
Peter Frey Lavalley, Executive Director

cc: Philip Johnson