

State of Washington PUBLIC DISCLOSURE COMMISSION

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Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

February 7, 2025

Delivered electronically to Drew Stokesbary, Legal Counsel for Dave Reichert at dstokesbary@chalmersadams.com

Subject: PDC Case 160779 (Complaint filed by Marque Jones)

Dear Dave Reichert:

Enclosed is a copy of an electronic letter sent to Marque Jones concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the enclosed letter to Marque Jones, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

However, PDC staff expects the Reichert campaign to continue filing amended reports to reflect the missing employer and occupation information that has been obtained by the campaign.

Sincerely,

Electronically Signed Philip E. Stutzman

Phil Stutzman

Compliance Officer

Endorsed by,
Electronically Signed Kim Bradford
Kim Bradford
Deputy Director
For Peter Frey Lavallee
Executive Director

Enclosure



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February 7, 2025

Delivered electronically to "marque.jones24@gmail.com"

Subject: Complaint regarding Dave Reichert, PDC Case 160779

Dear Marque Jones:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on October 10, 2024. Your complaint alleged that the 2024 Dave Reichert campaign for Governor (Campaign) may have violated RCW 42.17A.235 and .240 and WAC 390-16-034 by:

- Failing to timely and accurately report the names and addresses of contributors giving over \$100 in the aggregate during the campaign; and
- Failing to collect the required employer and occupation information for contributors giving over \$250 in the aggregate during the campaign;

In addition, PDC staff reviewed whether the Campaign may have violated RCW 42.17A.405(14) by accepting contributions in excess of the contribution limits set forth in RCW 42.17A.405.

PDC staff reviewed your allegations and staff's concern about whether the Reichert Campaign may have accepted contributions in excess of contribution limits; the applicable statutes, rules, and reporting requirements; the responses provided on behalf of the Campaign, including its efforts to report the true source of contributions received and missing employer and occupation information; the applicable PDC reports filed by the Respondent; and other relevant information, to determine whether the record supports a finding of one or more violations.

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

- Dave Reichert was a 2024 candidate for Governor who appeared on the general election ballot.
- Drew Stokesbary, Legal Counsel for the Reichert campaign, stated that as of November 4, 2024, the Reichert Campaign had raised over \$6.5 million from nearly 30,000 unique contributors in nearly 60,000 separate transactions. The Campaign stated that through its finance team, treasurer and legal counsel, the Campaign had systems in place to ensure its compliance obligations were met in full.

Timely and Accurate Reporting of Small Contributions

- The complaint alleged "that information provided by the Reichert campaign, compared to the Bob Ferguson campaign, was insufficient." PDC staff noted to the Respondent that this allegation "appears to be motivated by the fact that, according to the PDC database, on 10/18/2024, the Campaign had accepted \$1,348,652.11 in contributions from 33,683 donors."
- The Campaign stated that its small contribution reporting was accurate throughout the 2024 election cycle, noting that the campaign tracked all small contributors and maintained a separate and private list of the name, address and amount of each contributor in accordance with RCW 41.17A.240(2)(c). The Campaign noted that if a contributor exceeded \$100 in aggregate contributions, that contributor's contributions were itemized on subsequent C-3 reports where the contributor is identified by his or her name and address.
- Even with the large volume of small contributions, PDC staff found no evidence to support the allegation that the Reichert campaign failed to properly account for and report its small contributions.

Employer and Occupation Information

- The complaint also alleged that the Campaign may have failed to collect the required employer and occupation information and had not reported all employer and occupation information for contributors giving more than \$250 in the aggregate during the campaign.
- The Campaign stated that since its launch in June 2023, any written fundraising solicitation has included a form requesting the contributor's occupation and employer and such employer's city and state. The Campaign noted that despite this request, many contributors submitting contributions to the campaign did supply this information, as requested, when returning the campaign's fundraising forms. Contributors giving online were required to submit the required employer and occupation information as part of the donation process.
- The Campaign stated that it established internal policies and procedures to attempt to collect the required employer and occupation information, employing a "best efforts" standard similar to what is required by the Federal Election Commission (FEC). The Campaign stated that it promptly followed up with an email or letter when the required information was not submitted with the contribution and entered "Information Requested" on the C-3 Report. The Campaign said it also sent periodic notices to such contributors, reminding them that the campaign was required to report their employer and occupation.
- The Campaign stated that until mid-2024, they believed their "best efforts" policy was sufficient. In mid-2024, the Campaign learned that the PDC Commissioners had adopted a motion instructing PDC staff to provide written guidance on the agency's website regarding political committees' employer and occupation reporting obligations.
- The Campaign stated that thereafter, they revised their internal procedures to significantly
 increase their efforts to obtain employer and occupation information within ten business days of
 receiving contributions for which employer and occupation information was required. The
 Campaign stated it believes it has fully complied with PDC staff's updated guidance. The
 Campaign stated it is not aware of any contributions received since August 2024 where required
 employer and occupation information has not been timely reported.
- The Campaign stated it has also increased its efforts to collect employer and occupation information from previously reported contributions and believes it has collected employer and occupation information for all prior contributors whose aggregate contributions to the Campaign exceed \$250.
- The Campaign changed treasurers during the campaign, initially using the PDC's ORCA filing system, and later using Aristotle campaign reporting software. The campaign has amended C-3 reports originally filed using Aristotle software and is working with PDC staff to amend C-3

reports initially filed using ORCA. The Campaign stated it will continue to file amended C-3 reports to include all missing employer and occupation information it has been able to obtain.

Over-Limit Contributions

• PDC staff reviewed whether the Campaign had accepted contributions in excess of contribution limits, identifying 16 contributors where it appeared the Campaign may have accepted contributions in excess of the \$2,400 per election limit. For 13 of the 16 contributors, the contributions were not over-limit because the Campaign either returned the over-limit portion within 10 days of receipt or attributed the apparent over-limit portion of the contribution to the correct spouse. For the three remaining contributors, where the over-limit contribution was not returned within 10 days, the campaign caught two of the errors within the same calendar month and issued a refund and later issued a refund to the third contributor.

Based on these findings, staff has determined that in this instance: (1) No evidence supports a finding of a violation concerning the allegation that small contributions may not have been properly accounted for or reported; (2) The allegation concerning missing employer and occupation information does not amount to a violation warranting further investigation; and (3) The limited instances of over-limit contributions received have been resolved and do not amount to a violation warranting further investigation.

If you have questions, you may contact Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Electronically Signed Philip E. Stutzman

Phil Stutzman

Compliance Officer

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Electronically Signed Kim Bradford
Kim Bradford
Deputy Director
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