

State of Washington PUBLIC DISCLOSURE COMMISSION

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March 24, 2025

Delivered electronically to Pursuit PAC, via attorney Dan Brady, at <u>dan@danbradylaw.com</u> and <u>contact@pursuitpac.com</u>

Subject: PDC Case 162156 regarding Pursuit PAC

Pursuit PAC:

The Public Disclosure Commission (PDC) completed its review of the complaint filed by Eric Halvorson on October 28, 2024. The complaint alleged violations of: RCW 42.17A.235 and .240 for failure to timely & accurately disclose contributions and expenditures; and RCW 42.17A.320 for failure to provide complete sponsor identification on political advertising during the 2024 election.

Applicable Laws & Rules

- Per WAC 390-16-105(2), a political committee is not required to comply with provisions of RCW 42.17A.235 through 42.17A.240, except as otherwise prescribed in WAC 390-16-038, 390-16-115, and 390-16-125, if the committee selects the Mini Reporting option on its Candidate Registration (C-1pc) and meets both of the following conditions:
 - Does not raise nor expend an amount that exceeds \$7,000; and
 - Does not accept contributions from any one person that exceed \$500 aggregate.

Candidates and committees choosing mini reporting do not file contribution and expenditure reports, but they must file a registration statement, keep records of their contributions and expenditures, and comply with disclosure requirements.

- Per RCW 42.17A.235 and .240, under the Full Reporting option, a committee is required to disclose contribution and expenditure information by submitting Receipts and Expenditure Summary (C-4) reports and Cash Receipts, Monetary Contributions (C-3) reports to the PDC. The Committee's due dates for the C-3 and C-4 reports are determined by its activity and participation in the election cycle.
 - RCW 42.17A.235(2) indicates that committees participating in an election are required to file reports "(a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held; and (b) On the tenth day of the first full month after the election."
 - WAC 390-16-037 directs campaigns on how to report the details of an expenditure for goods and/or services.

- RCW 42.17A.320 states, "all written political advertising, whether relating to candidates or ballot propositions, shall include the sponsor's name and address." The information required to appear on political advertising shall appear on the first page or fold of the written advertisement or communication in at least ten-point type, or in type at least ten percent of the largest size type used in a written advertisement or communication directed at more than one voter, such as a billboard or poster, whichever is larger; not be subject to the half-tone or screening process; and be set apart from any other printed matter. No text may be before, after, or immediately adjacent to the information required. WAC 390-18-010 further clarifies and explains the requirements for sponsor identification and political advertising.
 - Sponsor identification is an important piece of political advertising that gives the public information about who sponsored the ad. The sponsor is the person who arranges for the ad or pays for the ad to be displayed or broadcast. A candidate or candidate committee sponsoring an ad about the committee uses the words "paid for by" or "sponsored by" followed by the name of the candidate committee and address.

Background & Findings

- Pursuit PAC originally filed a Political Committee Registration (C-1pc), as a Continuing Committee under the Mini Reporting option, on August 4, 2023. Under WAC 390-16-115(4), failure to file a new registration statement during January will automatically terminate a continuing committee's entitlement to use the mini reporting system until such time as it submits a new C-1pc. The PDC notified the PAC, via the PDC newsletter on December 18, 2023, and a mass email on January 3, 2024, that their filing status would be automatically changed to the Full Reporting option if they did not amend the C-1pc. The Committee filed an amended C-1pc on February 9, 2024, but did not change back to the Mini Reporting option. The C-1pc was not amended to reflect the Mini Reporting option until August 4, 2024. Officers of the Committee listed in the C-1pc are Will Knudsvig, Ministerial Treasurer, and Russell Johnson, President.
- The PAC developed a website to assist in Get Out The Vote (GOTV) coordination and to advertise for a political event sponsored by The Pursuit NW church. The PAC also created and published an online voter guide that indicated how to and for whom to vote in the 2024 election.
 - The website was developed and managed by a volunteer. The volunteer incurred \$254 in costs associated with the website and was reimbursed by the PAC in December 2024. The PAC timely reported the expenditure on January 10, 2025, on the Receipts & Expenditure Summary (C-4) report #110267342, amended January 28, 2025, report #110269581. The original in-kind contribution made by the volunteer had not been timely reported by the PAC. At the direction of PDC staff, the in-kind contribution will remain unreported, due to the fact that the PAC refunded it through reimbursement, which was reported.
 - PDC staff determined the online voter guide was developed by a volunteer and published to the website. Other than the cost of the website that hosted the guide, the PAC made no additional expenditure for the guide.
- The Respondent was required to file a 21-day pre-general C-4 report, a 7-day pre-general C-4 report and a post-general C-4 report. No reports were submitted until Dec. 30, 2024.
- PDC staff did not find any evidence to show the PAC incurred costs for the Get Out The Vote (GOTV) events and political events sponsored by an affiliated church, The Pursuit NW, other than the costs for the website which advertised them.
- Upon review, PDC staff found that neither the website nor the voter guide included sponsor identification. The website was updated on approximately January 8, 2025, to include sponsor ID.

• The Respondent does not have previous warnings or violations of PDC requirements.

Summary and Resolution

Based on our findings, staff has determined that, in this instance, any violation that may have occurred was minor and has been cured. After consideration of the circumstances, further proceedings would not serve the purposes of this chapter. Under WAC 390-37- 060, the executive director, at any time prior to consideration by the commission, may dismiss a complaint which on its face, or as shown by investigation, provides reason to believe that a violation has occurred, but also shows that the respondent is in substantial compliance with the relevant statutes or rules, or shows that formal enforcement action is not warranted.

Pursuant to WAC 390-37-060(1)(d), however, Pursuit PAC is receiving a formal written warning concerning failure to timely disclose all contributions and expenditures and failure to include sponsor identification on the PAC's website. The formal written warning includes staff's expectation that the PAC will timely file all future required reports of contributions and expenditures, as applicable, and include sponsor identification on all forthcoming political advertisements. 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 has dismissed this matter in accordance with <u>RCW 42.17A.755(1)</u>.

Any allegations regarding reporting by the PAC for 2024 that are not otherwise addressed are hereby dismissed.

If you have questions, you may contact Tanya Mercier, Compliance Officer, by e-mail at pdc@pdc.wa.gov.

Sincerely,

<u>/s/ Electronically signed</u> Tanya Mercier Compliance Officer

cc: Eric Halvorson

Endorsed by,

<u>/s/ Electronically signed</u> Peter Frey Lavallee Executive Director