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*Original via email to:  
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December 16, 2024

Washington Public Disclosure Commission  
711 Capitol Way S., Suite 206  
P.O. Box 40908  
Olympia, WA 98504-0908

Re: PDC Case No. 162531  
BIL No.: 2800-082

Dear PDC Staff,

This letter constitutes the Washington State Labor Council AFL-CIO DIME PAC (DIME PAC)'s response to the allegations raised in Conner Edwards (Edwards)' complaint. Edwards' complaint alleges three violations: failure to timely report a contribution, failure to file a 21-day C4 report covering the July 2024 election period, and failure to disclose unknown contributions and/or expenditures. With regard to the first allegation, DIME PAC simply amended the deposit date on a contribution after discovering it had been misdated. With regard to the second allegation, DIME PAC had no intention of subverting the election filing requirements; it failed to realize that it had participated in the election. With regard to the third allegation, despite diligent record-keeping and reporting, a trivial amount of contributions, mostly from bank interest, were missed in reporting. Those missing amounts, coupled with an administrative error that carried over the wrong yearly starting balance, constituted in discrepancies between starting and ending year-end balances, which have since been corrected.

DIME PAC took prompt and diligent investigatory action upon receiving the Edwards complaint. Upon discovering its minor reporting errors, DIME PAC successfully remedied them.

### **I. Allegedly late reports.**

In his complaint Mr. Edwards asserts that DIME PAC filed a C3 report approximately three months late, and links to C3 report # 110163486. That C3 report is for an entirely different committee, the UFCW Union Local 367 Political Action Committee Fund.

Nonetheless, DIME PAC investigated its 2023 and 2024 C3 reports in an effort to make sure that its reporting was in compliance. DIME PAC volunteers on its own that Mr. Edwards may have been referring to Report #110248886, which was an amended report that DIME PAC filed to correct an error that it realized it had made. DIME PAC originally reported a \$4,000 contribution in Report #110230881. Afterwards, DIME PAC realized that the \$4,000 contribution had actually been deposited earlier than it had originally thought and needed to be filed in a different C3 report with the correct deposit date. So, it

amended the C3 to reflect that the \$4,000 contribution had actually been deposited on June 21, 2024, via Report # 110248886.

Thus, DIME PAC did not file a C3 report approximately three months late, rather it proactively corrected a prior error that it had made with regards to the reporting of that contribution.

## **II. Alleged failure to file a 21-day C4 covering the August 2024 election.**

DIME PAC did not file a 21-day C4 report covering early July 2024 because it did not believe that it had participated in the August 2024 election. Thus, it did not believe that it was required to file a 21-day report.

However, after investigating this matter closely, it appears that DIME PAC made one expenditure of \$1,500 to Responsible Leadership PAC in July of 2024, and Responsible Leadership PAC may have participated in the July 2024 election.

Going forward, DIME PAC is committed to making sure that even if it does not participate directly in elections, it will investigate whether and how the organizations that it does contribute to participate in elections, and will file 21-day C4 reports if necessary.

## **III. Alleged failure to report contributions or expenditures.**

In his complaint Mr. Edwards compared DIME PAC's starting and opening balances for 2022–2023 and 2023–2024 and concluded that the discrepancies between them indicated that contributions and/or expenditures had gone unreported. DIME PAC has investigated these discrepancies and found that an administrative error and a few minor reporting inaccuracies were responsible for the end-of-year balance discrepancies. DIME PAC promptly amended the relevant reports and now its ending balances match perfectly with its starting balances for 2022, 2023, and 2024.

### After investigation, DIME PAC found regarding 2022:

- There was a total of \$2.23 of bank interest credits between January and August of 2022 that were missed and unreported. DIME PAC promptly amended the relevant reports to include this \$2.23.
- There was a bank charge reported from March of 2022 that was misreported as \$36.95 instead of the correct amount of \$46.90. DIME PAC promptly amended the relevant reports to capture the correct amount.
- There was an expense filed for \$94 in June of 2022 that was mistakenly reported as a DIME PAC expense, and was promptly removed.
- The ending balance for 2022 was \$3,528.25 and the starting balance for 2023 should have been the same. When DIME PAC went to open 2023, the ending balance from 2021 automatically carried over, instead of the ending balance from 2022, and DIME PAC did not catch the discrepancy. The relevant reports are now corrected.

### After investigation, DIME PAC found regarding 2023:

- There were two \$5.00 employee contributions, one in January 2023 and one in February 2023, that DIME PAC missed. These have been reported and the relevant reports have been amended to reflect these contributions.
- DIME PAC mistakenly reported a contribution of \$0.24 in bank interest in November of 2023, but the actual amount was \$0.18. This has been amended and correctly reported.
- After using the correct ending balance from 2022, and making the above two changes, the ending balance for 2023 was \$9,675.15, which was the beginning balance for 2024 that DIME PAC originally and correctly reported.

In total, DIME PAC mistakenly failed to report \$22.24 in contributions over the course of two years. It has taken prompt action to rectify those errors.

#### **IV. An alternative response is appropriate in this case due to various mitigating factors.**

Due to DIME PAC's transparency and remedial efforts, we believe an alternative response to an investigation or adjudicative proceeding is appropriate, such as a warning letter or statement of understanding. Several factors set out in WAC 390-37-061 make clear that such an alternative response is appropriate.

1. The noncompliance resulted from a good-faith error, omission, or misunderstanding, and not an intentional effort to conceal, deceive, mislead, or violate the law. Here, DIME PAC's failure to file a 21-day C4 report resulted from its misunderstanding that it had not participated in the August 2024 election and thus did not have to file the 21-day report. It was not any intentional effort to conceal, deceive, or mislead the public. It accurately and promptly reported the relevant expenditure on its regular C-4 report for the month of July.
2. DIME PAC's compliance history indicates the noncompliance was isolated or limited in nature, and not indicative of systematic or ongoing problems. Upon investigating every expenditure and contribution for the past three years, pursuant to receiving this complaint, the total noncompliance discovered amounted to less than \$25. In comparison, DIME PAC has been correctly reporting the vast amount of its activities, totaling thousands of dollars, for years. As such, it is clear that DIME PAC's noncompliance was extremely minimal, and not indicative of systematic failures to report significant contributions or expenditures.
3. The impact of the noncompliance on the public was minimal. There was little to no impact on the public. At most, there was a delay of a matter of days of reporting DIME PAC's sole election expenditure in July of 2024. Such impact is minimal, although DIME PAC remains committed to reporting all election activity promptly going forward.
4. The total expenditures by DIME PAC in the campaign were relatively modest. The only noncompliance related to election campaigns was failure to timely report a single \$1,500 expenditure in the 21-day C4 report. As such, the total expenditures by DIME PAC in the campaign were modest.
5. The amount of late-reported activity was small in proportion to the amount of activity that was timely reported by the respondent. After diligently investigating all of DIME PAC's expenditures and contributions for the past three years, it found that it had failed to timely report approximately

\$1,723 dollars. That is a relatively slight amount compared to DIME PAC's overall activity for the past three years, which it did timely report.

6. There is no evidence that any person, including any entity or organization, benefited politically or economically from the noncompliance. No one from DIME PAC or the Washington State Labor Council benefitted financially from the failure to disclose.
7. DIME PAC quickly took corrective action and initiated remedial measures when noncompliance was brought to its attention. After the complaint was filed DIME PAC promptly began a thorough investigation into these allegations and remedied all noncompliance that it discovered. As of December 4, 2024, DIME PAC amended all the relevant reports so as to remedy all minor mistakes that it had uncovered. Such prompt corrective and remedial measures indicates DIME PAC's good faith and commitment to transparency and accountability in the election and reporting process.

DIME PAC remains committed to fulfilling its responsibilities under the FCPA. DIME PAC has fixed the few and minor errors raised by the Edwards Complaint, and pledges to not them repeat in the future.

Please contact me with any questions or concerns at (206) 257-6001.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marina Multhaup', written over a horizontal line.

Marina Multhaup

*Counsel for WSLC DIME PAC*