

Respondent Name
21st Legislative District Democrats PAC
Complainant Name
Glen Morgan
Complaint Description
<p>Glen Morgan reported via the portal (Tue, 15 Oct 2024 at 3:38 PM)</p> <p>To whom it may concern,</p> <p>It has come to my attention that the 21st Legislative District Democrats – victory Fund PAC, has, once again, violated Washington State’s campaign finance laws (RCW 42.17A). The details are as follows:</p> <p>1) Attempt to conceal true sub vendors and legally required details from the public on expenditures (Violation of RCW 42.17A.235, RCW 42.17A.240, WAC 390-16-037, WAC 390-16-205)</p> <p>This secretive, shady, dark money PAC has once again violated Washington State’s campaign finance laws despite the simplicity, clarity, and very obvious requirements explained in WAC 390-16-037, example B, and WAC 390-16-205 when they reported an in-kind expenditure from the Washington State Democrats for “Yard Signs” valued at \$624.884 on 10/8/2024. Despite the ease of complying with Washington State’s campaign finance laws, this crew decided to clearly threaten Democracy by failing to provide the legally required details as so obviously explained in WAC 390-16-037, example B, and worse than this – they also failed to provide the sub-vendor information for an inquiring public to know. Who printed the signs? Where are they located? Was it a foreign corporation located in China? Was it Russia? Who knows, and these guys aren’t talking. As if these egregious violations were not enough, they also decided to conceal from the public which candidate (or candidates) these signs are supporting. Again, WAC 390-16-205 is so clear on this matter, yet they decided to break the law anyway. (See PDC C4 expenditure Report # 110251901, attached for staff reference).</p> <p>While this clear threat against Democracy, Freedom, and the very future of our state must be addressed, this violation also needs to be put in the context of this organization’s previous shameful history of lawbreaking.</p> <p>A Sad, Shameful history of breaking the law</p> <p>This isn’t the first time I’ve caught this crew breaking the law. Back in October of 2017, I filed a complaint against this shady crew for a variety of lawbreaking including concealing the truth from the public and accepting illegal, overlimit anonymous contributions. The PDC issued a formal warning letter to this crew in 2020 (See attached PDC Enforcement Case #26543 Warning letter). In addition, they were forced to forfeit the illegal \$1,375.37 in illegal overlimit contributions to the State of Washington.</p> <p>With that history of lawbreaking,, it appears that PDC Warning Letters are not enough to convince these guys to follow the law, and it seems appropriate that compliance be obtained through a PDC fine at least, if we are to save Democracy, of course.</p> <p>Let me know if you need any more on this one.</p> <p>Best Regards,</p> <p>Glen Morgan</p>
What impact does the alleged violation(s) have on the public?
The public has a right to know that secretive dark money PACs like this one with a shameful history of breaking Washington state's campaign finance laws can actually follow the law. Their decision to conceal the truth from the public about these in-kind contributions is a serious concern and possible threat to the Republic.
List of attached evidence or contact information where evidence may be found
See exhibits attached and referenced in the complaint
List of potential witnesses with contact information to reach them

Every officer involved in this PAC

Certification (Complainant)

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908

(360) 753-1111 • FAX (360) 753-1112

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

March 13, 2020

Sent electronically to treasurer@21dems.org and xslm1231@gmail.com

Subject: Complaints filed by Glen Morgan, PDC Case 26543

Dear Sharon Holt:

Enclosed is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed October 12, 2017 with the Public Disclosure Commission (PDC) alleging the 21stth Legislative District Democrats violated RCW 42.17A.235 and .240 for failure to timely and accurately report contributions, expenditures, and debt and failure to provide proper expenditure descriptions, and RCW 42.17A.220 for accepting anonymous contributions in excess of the allowable limit without forfeiting the excess amount to the State of Washington.

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

However, pursuant to WAC 390-37-060(1)(d), this letter serves as a formal written warning concerning your failure to comply with the filing requirements noted in the enclosed letter to Morgan. This formal written warning comes with staff's expectation you to file timely and complete reports in future years in accordance with PDC laws and rules. This includes reporting sub vendor information and debt under WAC 390-16-042 and adherence to anonymous contributions limits and rules.

The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Alice Fiman at (360) 586-4746, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov

Sincerely,

/s_____

Alice Fiman
Compliance Officer

Endorsed by,

/s _____
Peter Lavallee
Executive Director



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March 13, 2020

Sent Electronically to Glen Morgan at "glen@wethegoverned.com"

Subject: 21st Legislative District Democratic Central Committee, PDC Case 26543

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed October 12, 2017.

Your complaint alleged the 21st Legislative District Democratic Central Committee (Committee) may have violated: (1) RCW 42.17A.235 and .240 for failure to accurately and timely file Monetary Contributions (C-3) reports and Summary Full Campaign Contribution and Expenditure (C-4) reports; (2) RCW 42.17A.240 for failure to properly report expenditures and debts on C-4 reports, including the failure to provide proper expenditure descriptions; and (3) RCW 42.17A.220 for accepting anonymous contributions in excess of the allowable limit without forfeiting the excess amount to the State of Washington.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the C-3 and C-4 reports filed by the Committee, and the response Simone Gomes, former Committee Treasurer, submitted to the PDC and the Washington State Attorney General's Office (AGO), to determine whether the record supports a finding of one or more violations. You stated the allegations in allegation (5) were based "on information and belief" but you failed to provide any evidence to substantiate the allegations. Therefore, staff did not review allegation (5).

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

- The 21st Legislative District Democratic Central Committee (Committee) is a Bona Fide Political Party Committee for the 21st Legislative District, located in Lynnwood, Snohomish County.

- The Committee maintains two political committees, one exempt (Operations) and one non-exempt (Victory Fund).
- The Committee's most recent C1-pcs were filed January 5, 2020 with the Committee choosing the Full Reporting option and listing Sharon Holt as campaign manager and David Chan as treasurer on both.

Allegation #1: Failure to timely and accurately file C-3 and C-4 reports

- The complaint alleged the Committee failed to timely file C-3 and C-4 reports in 2015, 2016 and 2017.
- The Committee filed 17 C-3 and C-4 reports in 2015 but did not list any activity.
- In her response Gomes stated: "Generally, the 21st LD elects the Mini reporting option, which does not require filing of C3 and C4 reports. In addition, 5 months in 2016 the 21st Treasurer was absent due to extended serious illness, during an unusually busy time. In 2017, the C1pc 'Mini' reporting option was omitted unintentionally (the new Treasurer was unaware that Mini Option was not the default annually) and was later amended."
- In response to the complaint, the Committee worked with the PDC to retrieve its 2016 data, lost due to the illness, as noted above. This process was complete in January 2020.
- The Committee filed under mini reporting for 2017 and 2018 and full reporting for 2019. The Committee filed timely in 2019.

Allegation #2: Failure to disclose debts and obligations on C-4 reports.

- The complaint alleged that the Committee failed to disclose debts and obligations on C-4 reports and properly provide detailed breakdown descriptions of expenditures. You attached a spreadsheet of those expenditures.
- In the response, Gomes stated that "we should have recorded the amount we intended to pay as a debt in March C4, and the expenditure should have been recorded in April, the following month. However, we had already filed the March Report on the 10th."
- Staff expects the 21st Legislative District Democrats to timely file all future required reports and disclose debts and obligations in future years.

Allegation #3: Failing to provide sub-vendor information for expenditures disclosed on C-4 reports

- The complaint alleged that the Committee failed to properly provide detailed descriptions of expenditures. You attached a spreadsheet of those expenditures.
- Expenditures for meeting materials do not require a quantity breakdown.
- The Committee made good faith efforts to comply with the reporting requirements of RCW 42.17A.240 concerning expenditures undertaken by the campaign on their C-4 reports. The public was not deprived of critical information as the dates, amounts, and purposes of the expenditures were disclosed, and requiring further amendments to disclose the subvendors would not have a significant or material impact on the public.

Allegation # 4: Collection of more than \$300 in anonymous contributions.

- On November 21, 2017, the Committee filed an amended C-3, listing \$505 in contributions in March 2016 and submitted a check for \$1,399 to the Washington State Treasurer for “forfeit of excess contributions.”
- As noted above, the Committee worked with the PDC to retrieve its 2016 data, lost due to the illness. When this process was complete in January 2020, the Committee had additional anonymous contributions listed. On March 5, 2020, the Committee submitted a check for \$1,375.37 to the Washington State Treasurer for “forfeit of excess contributions.”

Based on these findings, and the Committee’s 2016 extenuating circumstances as noted above, staff has determined that in this instance, the failure to timely and accurately file reports of contributions and expenditures and disclose debts and obligations and accept over-limit anonymous contributions does not amount to an actual violation warranting further investigation.

However, pursuant to WAC 390-37-060(1)(d), the 21st Legislative District Democratic Central Committee will receive a formal written warning concerning the Committee’s failure to comply with filing requirements as noted in this letter.

The formal written warning will include staff’s expectation that the 21st Legislative District Democratic Central Committee timely file all future required reports of contributions and expenditures and disclose debts and obligations and adhere to anonymous contributions limits and rules.

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 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 Alice Fiman toll-free at 1-877-601-2828, or by e-mail pdcc@pdcc.wa.gov.

Sincerely,

/s_____

Alice Fiman
Compliance Officer

Endorsed by,

/s_____

Peter Lavalley
Executive Director

/s_____



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**SUMMARY, FULL REPORT RECEIPTS
AND EXPENDITURES**

C4

21ST LEGISLATIVE DEMOCRATS - VICTORY FUND (21ST DEM VI)
21ST LEGISLATIVE DEMOCRATS - VICTORY FUND -
PO BOX 37
LYNNWOOD, WA 98046

Coverage: 09/01/2024 to 10/14/2024
Final report: No
Report number: 110251901
Reporting year: 2024
Date submitted: 10/14/2024

RECEIPTS

1. Previous total cash and in-kind contributions (last C4 line 8).		\$7,041.83
2. Cash received (Schedule A line 1).	\$91.57	
3. In-kind contributions received (Line 1 schedule B).	\$624.84	
4. Total cash and in-kind contributions received this period (Lines 2 + 3).		\$716.41
5. Loan principal repayments made (Line 2 schedule L).	\$0.00	
6. Corrections (Lines 1 or 3 schedule C).	\$0.00	
7. Net adjustments this period (Lines 5 + 6).		\$0.00
8. Total cash and in-kind contributions during campaign (Lines 1 + 4 + 7).		\$7,758.24
9. Total pledge payments due (Line 2 schedule B).	\$0.00	

EXPENDITURES

10. Previous total cash and in-kind expenditures (Last C-4 line 17).		\$1,092.29
11. Cash expenditures (Line 3 schedule A).	\$37.81	
12. In-kind expenditures (Line 1 schedule B).	\$624.84	
13. Total cash and in-kind expenditures made this period (Lines 11 + 12).		\$662.65
14. Loan principal repayment made (Line 2 schedule L).	\$0.00	
15. Corrections (Lines 2 + 3 schedule C).	\$0.00	
16. Net adjustments this period (Lines 14 + 15).		\$0.00
17. Total cash and in-kind expenditures during campaign (Lines 10 + 13 + 16).		\$1,754.94

CASH SUMMARY

18. Cash on hand (Lines 8 - 17)		\$6,003.30
Line 18 should equal your bank account balance(s) plus your petty cash balance.		
19. Liabilities: (Sum of loans and debts owed)		\$0.00
20. Balance (Lines 18 - 19)		\$6,003.30

I certify this report is true and complete to the best of my knowledge

Treasurer's name and date

TERESA MELIN - 10/14/2024

Schedule A: Cash Receipts and Expenditure Detail

1. CONTRIBUTIONS AND OTHER CASH RECEIPTS REPORTED ON THE C3:

Deposit date	Amount	Deposit date	Amount	Deposit date	Amount
09/10/2024	\$35.00	09/19/2024	\$21.00		
09/14/2024	\$35.00	09/27/2024	\$0.57		

2. TOTAL CASH RECEIPTS (LINE 2 OF C4): \$91.57

3. EXPENDITURES (CASH AND CREDIT TRANSACTION DETAIL):

Date paid	Vendor or recipient (Name and address)	Purpose of expense and/or description	Credit/Debt	Cash
N/A	Expenses	Non-itemized expenditures		\$36.10
09/10/2024	PAYPAL 2211 N. First Street , San Jose, CA 95131	Utilities, phone, and other overhead costs: Paypal transaction fee		\$1.71
			\$0.00	\$37.81

4. TOTAL EXPENDITURES: \$37.81

Schedule B: In-kind Contributions, Pledges, Orders, Debts and Obligations

1. IN-KIND CONTRIBUTIONS RECEIVED:

Date Received	Contributor	Employer/Occupation	Description	Amount
10/08/2024	Washington State Democratic Central Committee PO Box 4027 , Seattle, WA 98194		Yard Signs	Fair market value: \$624.84 Aggregate total (N): \$624.84

2. PLEDGES RECEIVED BUT NOT YET PAID:

No pledges reported this period

3. ORDERS PLACED, DEBTS AND OBLIGATIONS:

No debt reported this period