



**State of Washington  
PUBLIC DISCLOSURE COMMISSION**

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May 8, 2019

Delivered electronically to Zachary Smith at [zsmokoi@gmail.com](mailto:zsmokoi@gmail.com)

Subject: Complaint regarding Noelle Balliett, PDC Case 26013 and 25233.

Dear Mr. Smith:

The Public Disclosure Commission (PDC) has completed its review of the two complaints you filed against Noelle Balliett, a first-time candidate for the school director position in the Peninsula School District in 2016, on September 17, 2017, for PDC Case 25233 and on October 9, 2017, for PDC Case 26013. The complaints alleged that Noelle Balliett may have violated RCW 42.17A.235 and .240 by: (1) failing to timely file Campaign Summary Receipts and Expenditures reports (C-4), and Monetary Contributions reports (C-3); (2) failing to provide the proper reporting breakdown for a number of expenditures made by the campaign; and (3) failing to report debts and obligations; and (4) violations of RCW 42.17A.320 for failing to list sponsor ID on Facebook advertising and RCW 42.17A.425 for allowing non-committee officers to authorize expenditures.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the C-3 and C-4 filed by the Committee to Elect Noelle Balliett for School Board (Committee); and the responses provided by the Campaign.

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

- On May 11, 2017, Noelle Balliett timely filed a C-1 report declaring her candidacy for School Director for the Peninsula School District in 2017 and selected the Full Reporting Option.
- On September 25, 2017, Noelle Balliett amended her C-1 report and listed her husband, Byron Maxwell, as the new treasurer.

**PDC Case 25233:**

Allegation One: Failure to timely report contributions and expenditures.

- PDC staff reviewed the C-3 and C-4 reports filed by the Committee, including the four reports noted in your complaint. Staff found that all the 4 alleged late-filed reports, two C-3 reports and two C-4 reports, were filed between one and seven days late by the Committee.
- In its response to the allegation, the Committee stated, "We were aware of this issue prior to the time of this complaint and had already taken initiative to work with the PDC staff to fix this. We had a volunteer treasurer whose computer crashed the day before she left for two weeks of vacation. The entire reporting

history had to be rebuilt. We have since filed an amended C1 to reflect a change in treasurer to ensure that this does not happen again. My husband, Byron O’Neal, is now listed as the campaign treasurer.”

Allegation Two: Failure to accurately and timely report debts and obligations.

- PDC staff reviewed this allegation and found that the Committee failed to report debt as required by law. For example, on July 3, 2017, Progressive Strategies paid for \$2,285.65 for “yard signs” and \$479.34 for “printing, logo and design. These expenditures/expenses should have been reported as debt on the prior C-4 report covering the time period of June 2017.
- In its response to this allegation, the Committee stated, “We were not invoiced the totals for these invoices from Progressive Strategies NW until July 3, 2017. They were on the original C4 uploaded and revised C4 should reflect the sub vendors as requested.”

Allegation Three: Failure to accurately and timely report in-kind contributions.

- PDC staff reviewed this allegation and found that the Committee failed to properly report in-kind donations to the campaign. Specifically, the Committee failed to report the in-kind donation for the website design.
- In its response to this allegation, the Committee stated, “The total for registering the domain through Go Daddy was \$18.27 reported on 5/11 under Candidates Personal Fund and appears to fall under the umbrella of Expenses of \$50 or less. If we need to report this expense differently, please let us know and we will work with PDC staff to ensure correct reporting. My husband volunteered the videography work and that has been reported as an in-kind. My husband also volunteered designing the web site. My husband is not a professional web designer as the allegation states, but I am pleased to hear that the quality appears professional.”

Allegation Four: Failure to properly report expenditure per WAC 390-16-037.

- PDC Staff reviewed the description of the payments made and found that the expenditures lacked proper description(s) or additional information as required by law. For example, the \$2,285.65 expenditures for “yard signs, stakes and screws, lacked the sub-vendor information as required by PDC law and rule.
- In its response to this allegation, the Committee stated, “we reported all the information that was available on the invoices we received from Progressive Strategies NW. Upon receipt of this complaint, I have asked my consultants to provide a revised invoice with sub vendor information. They did and the applicable reports to include this additional information have now been added into the revised July C4 and submitted to the PDC.”

Allegation Five: Allowing non-committee officers to authorize expenditures.

- PDC staff reviewed this allegation and the Committee’s response, and found that although Progressive Strategies purchased items from the sub-vendors for the Committee, the purchases were authorized by Ms. Balliett.
- In its response to this allegation, the Committee, by way of Ms. Balliett, stated, “I am the only person who has authorized expenditures. No expenditures have been authorized on my behalf.”

Allegation Six: For certifying a negative account balance alleged to be inaccurate.

- PDC staff reviewed this allegation and found that the Committee originally reported a negative balance of \$644.90 cash on hand on its July 2017 C-4 report. This report, covering the month of July 2017, was filed by the Campaign on September 1, 2017.

- In its response to this allegation, the Committee, by way of Ms. Balliett, stated, “Line 18 of the C4 report which shows cash on hand was a positive figure. Line 20 of the C4 report shows the campaign balance including debts. We have reported all debts and do not maintain a negative bank account balance.”

Allegation Seven: Failure to list sponsor ID on Facebook advertising.

- PDC staff reviewed the Facebook advertisements and found that the Committee failed to include the Sponsor ID as required by law. The law requires written political advertising related to candidates to identify the sponsor of the advertisement.
- In its response to this allegation, the Committee stated that “Facebook pages are free, and therefore do not count as expenses nor require sponsor ID. All paid advertisement – either through Facebook or other platforms – have included the sponsor ID except when exempt as Small Online Advertisements” which link directly to the campaign website. Despite this, and in the interest of full transparency, we have updated the Facebook page to include sponsor ID both on the banner video and again at the bottom of the About Section.”

### **PDC Case 26013:**

Allegation One: Failure to timely report contributions and expenditures.

- PDC staff reviewed the C-3 and C-4 reports filed by the Committee, including the four reports noted in your complaint. Staff found that all the 4 alleged late-filed reports, two C-3 reports and two C-4 reports, were filed between one and seven days late by the Committee.
- In its response to this allegation, the Committee stated, “There are a few technical fixes in Zach’s complaint that are valid and that we have corrected. We have broken out the June and July C4s. Byron tried to fix the “Candidate Personal Funds” issue over to an in-kind contribution, but it produced an error message that we reported to the PDC.”

Allegation Two: Failure to list the Candidate and Treasurer as Committee Officers on the Candidate Registration (C1).

- PDC staff reviewed this allegation and found that the amended Candidate Registration (C-1), that was received on September 25, 2017, and the original C-1 received on May 11, 2017, do not list the candidate and the treasurer as committee officers. However, the candidate and the treasurer do not need to be re-listed as committee officers so long as their names appear on their respective slots on the Candidate Registration form.
- In its response to this allegation, the Committee, by way of Noelle Balliett, stated, “My husband is the treasurer and as such does not need to be included as Committee Member.”

Allegation Three: Failure to provide accurate information on reports of contribution and expenditures.

- PDC staff reviewed this allegation and found that the Committee initially failed to provide accurate information on most of its reports of contributions and expenditures.
- In its response to this allegation, the Committee, by way of Noelle Balliett, stated, “I’m aware that Byron spoke with the PDC about the “Washington Education” line item. It’s listed properly, but not showing up on the website. I have included screen shots to show it was done correctly.”

While the Committee failed to timely and accurately file most C-3 and C-4 reports in 2016, it has now filed all its missing reports with the PDC. The Committee also worked with the PDC to amend all the other reports that needed to be amended or corrected, including reporting expenditures correctly and reporting debt as required by law. Although the Committee failed to file most of its C-3 and C-4 reports timely and accurately, including

reporting debt and properly reporting the purpose of debt as required by law, Ms. Balliett was a first-time candidate who was not familiar with the PDC laws and rules.

Based on these findings staff has determined that, in this instance, the failure to file timely C-3 and C-4 reports and failure to properly report expenditures, including failure to accurately and timely report in-kind contributions, does not amount to an actual material violation warranting further investigation or enforcement action.

However, staff is reminding Noelle Balliett about the importance of filing timely and accurate C-3 and C-4 reports disclosing contribution and expenditure activities undertaken by the Campaign, including expenditures for debt, sponsor ID on campaign advertising, and the importance of properly reporting the purpose of the expenditures, as required by RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205.

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 Erick Agina at 360-586-2869, toll-free at 1-877-601-2828, or by e-mail at [erick.agina@pdc.wa.gov](mailto:erick.agina@pdc.wa.gov).

Sincerely,

Endorsed by,

s/\_\_\_\_\_  
Erick Agina, Compliance Officer

s/\_\_\_\_\_  
BG Sandahl, Deputy Director for  
Peter Lavalley, Executive Director

cc: Noelle Balliett

