



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: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

May 16, 2019

Sent electronically to Mitch Short

Subject: Complaint filed regarding March to the Majority PAC, PDC Case 25498

Dear Mr. Short:

Below is a copy of an electronic letter sent to Walter Smith concerning the complaint he filed with the Public Disclosure Commission (PDC) against the March to the Majority. As noted in the letter to Mr. Smith, the PDC will not be conducting a more formal investigation into the allegations or taking any action in this matter.

However, PDC staff is reminding you about the importance of the accurate and timely reporting of all contribution and expenditure activities undertaken by candidates and political committees that you provide consulting and other political services for, including activities that involve a joint fundraising committee, and events that qualify as low-cost fundraisers in the future. Since the admission price for the event was \$25, the event qualified as a low-cost fundraiser and the funds received by each candidate should have been disclosed as a lump sum with the description "Proceeds from a low-cost fundraiser", rather than attributed to March to the Majority.

Based on this information, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1). If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Kurt Young, Compliance Officer

s/ _____
BG Sandahl, Deputy Director
For Peter Lavalley, Executive Director



Public Disclosure Commission
Shining Light on Washington Politics Since 1972



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May 16, 2019

Sent electronically to Walter Smith

Subject: Complaint filed against March to the Majority; PDC Case 25498

Mr. Smith:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on September 18, 2017 against March to the Majority. The complaint alleged that March to the Majority (MTM) may have violated RCW 42.17A.205 by failing to timely register as a political committee, RCW 42.17A.235 and .240 by failing to timely file Monetary Contributions reports (C-3 reports), and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) disclosing contribution and expenditure activities.

PDC staff reviewed the allegations listed in the complaint you filed, the statutes, rules and reporting requirements for a political committee, queried the PDC contribution and expenditure database MTM, and the response provided by Mitch Short. Based on staff's review, we found the following:

- Your complaint included a copy of the invite from the Spokane County Republican Party to attend a July 19, 2016, fundraising event at Lower Manito Park Picnic Shelter. The invite stated *"Don't mis this!!! Republican "March to the Majority 2016" in Washington State. The Washington State House Republicans are hosting a fundraiser for Districts 4, 6, 7, 9, and 13. Please come and meet all the Republican Representatives from our area. Help us take the majority in the Washington State House of Representatives."*
- The invitation indicated the event cost \$25 per attendee, included a beef and salmon dinner with a dessert auction and a \$500 door prize, and provided contact information for Brian Short, Shelly Short or Joe Schmick to RSVP for the event.
- Mitch Short is the spouse of State Senator Shelly Short, from the 7th Legislative District. Mr. Short owns and operates The ROC Foundation, a political consulting firm run that has provided consulting and campaign services to Legislative candidates and several political party organizations dating back to 2011.
- Mr. Short stated that MTM was a one-time joint fundraising committee established for only the 2016 election and involved eight incumbent State Representatives who were all candidates seeking re-election to that office in 2016. The eight candidates were from Legislative Districts 4, 7, 9 and 13, and State Representatives Thomas Dent, Mary Dye, Joel Kretz, Mathew Manweller, Robert McCaslin, Joseph Schmick, Matt Shea and Shelly Short all participated in the joint fundraiser.

- Mr. Short stated an accountant opened a bank account as required by the PDC, and he made “an estimated guess” concerning the total costs of the conducting the joint fundraiser. He requested each of the eight candidates benefitting from the event to share the costs, and this was a necessary step since the “fundraising expenses needed to be paid prior to the event.” He estimated the event costs would total \$4,000 so each candidate wrote a check for \$500, which was deposited \$4,000 into the MTM bank account.
- Mr. Short stated the joint fundraising event raised a total of \$11,400, that the event qualified as a “low-cost fundraiser” since the costs was \$25 per person. He stated that the event ended up costing \$5,000, so the net proceeds totaled \$10,400 which was divided equally between the 8 candidates. MTM wrote a \$1,300 check to each of the eight legislative candidates.
- The PDC’s candidate guidance for joint fundraising committees’ states that a separate bank account is opened exclusively for the joint fundraising activity, the activity does not require the committee to register with the PDC. All contribution received are made out to the committee name on the bank account, all event related expenses are paid out of the account, and once those expenses have been paid, the remaining funds are distributed to all participants on a pro-rated basis. The pro-rated payment made to each candidate will include a list of contributor names and addresses.
- For this specific case, each contributor paid \$25 to attend the July 19, 2016 event, and eight candidates participated equally in the joint fundraising effort, so each attendee contributed \$3.12 to each candidate. Since the admission price for the event was \$25, the event qualified as a low-cost fundraiser and the proceeds received by each candidate were not required to have been itemized, but instead disclosed as a lump sum as “Proceeds from a low-cost fundraiser.”
- Seven of the eight candidates that participated in the event disclosed receiving a \$1,3000 contribution that was attributed to MTM. The Committee to Elect Mary Dye properly disclosed the \$1,3000 received from the event as “Proceeds from a low-cost fundraiser” received on August 1, 2016.

Based on these findings, no evidence was provided or found indicating that March to the Majority met the definition of a political committee and does not warrant further investigation. However, Mr. Short will be reminded about the importance of the accurate and timely reporting of all contribution and expenditure activities for all candidates and political committees that he is providing consulting and other political services, including those activities that are involve establishing a joint fundraising committee, and events that qualify as low-cost fundraisers in the future.

Based on this information, the PDC has dismissed the complaint in accordance with RCW 42.17A.755(1). If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Kurt Young, Compliance Officer

s/ _____
BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director

cc: Mitch Short, The ROC Foundation