



**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.pdcc.wa.gov

January 27, 2020

Delivered electronically to “voteandy@comcast.net” and “taki.flevaris@pacificalawgroup.com”

Subject: Complaint filed by Glen Morgan, PDC Case 25127

Dear Andrew Billig:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Glen 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.

PDC staff is reminding you about the importance of the timely and accurate disclosure of all contribution and expenditure activities. PDC staff expects in the future that you will timely and accurately file all PDC reports in accordance with the statutes and rules.

If you have questions, you may contact Tabitha Townsend at 1-360-586-4555 or toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,

/s

Tabitha Townsend
Compliance Coordinator

Endorsed by,

/s

Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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January 27, 2020

Delivered electronically to “glen@wethegoverned.com”

Subject: Complaint regarding Andrew Billig, PDC Case 25127

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on September 9, 2017. The complaint alleged that Andrew Billig, a 2017 Candidate for State Senator for Legislative District 03 may have violated RCW 42.17A.235 and .240 for failure to timely and accurately file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), disclosing contributions, debts and expenditures undertaken by the Campaign; WAC 390-16-042 for failure to timely report debts undertaken by the campaign; and RCW 42.17A.240, WAC 390-16-037 and WAC 390-16-205 for failure to provide accurate and complete expenditure details on C-4 reports.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the response provided by the Respondent; the applicable PDC reports filed by the Respondent; and queried the Respondent’s data in the PDC contribution and expenditure database to determine whether the record supports a finding of one or more violations.

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

- Pursuant to RCW 42.17A.235, .240 the Respondent is required to timely and accurately file C-3 and C-4 reports disclosing all contributions, debts and expenditures undertaken by the Campaign.
- The C-3 report for the period of November 1-30, 2016 was filed on December 10, 2016, but was not due until December 12, 2016, due to the weekend. This report was amended to include contributor’s address on January 22, 2017.
- The response to the allegations indicated that this deposit was made electronically to the campaign and the contributor address was incomplete when received.
- The Respondent’s representative, Taki Flevaris of Pacifica Law Group LLP, stated in the response dated October 12, 2017, that there were technical difficulties with the ORCA program that prevented timely filing of reports and that once the issues were cleared the reports were filed.
- The Respondent contacted PDC staff on June 10, 2016, regarding technical issues that required staff assistance to be resolved, that was impeding the filings from being submitted timely.

- C-3 Reporting period May 1-31, 2016, Report number 100701939, was submitted on June 13, 2016, with the assistance of PDC staff, three days beyond the statutory deadline of RCW 42.17A.235, due to technical issues requiring PDC staff assistance.
- As stated within WAC 390-37-061 Commission staff or equipment error, including technical problems at the agency which prevented or delayed electronic filing, are mitigating factors to be considered, and a good faith effort was shown by the Respondent to consult with PDC staff prior to the initiation of a complaint in order to stay in compliance with PDC laws and rules.
- The complaint alleges that 34 line-item expenditures, including rent, consulting, and treasurer services, should were for orders placed in reporting periods prior to payment by expenditure, which should have been reported as debt but were not.
- The version of RCW 42.17A.240(8) in effect at the time of the alleged violations required that the Respondent report the name and address of any person and the amount owed for any debt, obligation, note, unpaid loan, or other liability in the amount of more than two hundred fifty dollars or in the amount of more than fifty dollars that has been outstanding for over thirty days.
- The version of WAC 390-16-042 in effect at the time of the alleged violation required a contractual contingent liability (e.g., an additional fee to be paid to a political consultant or other person whose services are used by a candidate who wins the election) is reportable as a debt or obligation on Form C-4, Schedule B, from the time the contract is entered into until the liability is voided, paid or otherwise satisfied.
- The response states that the expenditures for reoccurring expenses of rent and other monthly obligations were on invoices that were paid swiftly and that there were no outstanding debts that were reportable; however, it appears per WAC 390-16-042 monthly re-occurring payments for rent, consulting, treasurer and other monthly obligations would be reported as debt as stated in the rules in effect during the 2016 election cycle, as the response states that there were monthly payments made for Exhibit C items 5-21.
- Pursuant to the version of RCW 42.17A.240 in effect at the time of the alleged violations, committees were required to disclose all expenditure details, including the name of the person (e.g. vendor) to whom it was made, a detailed description of the goods or services provided, and the purpose of each expenditure.
- Pursuant to the versions of WAC 390-16-037, and WAC 390-16-205 in effect at the time of the alleged violations, detailed expenditure reporting should include vendor and sub-vendor name (e.g. a consultant and its sub-vendor), a description of the item including numerical details (e.g. the number of brochures), the type of advertising or platform used (e.g. television), and where the ad was broadcast (e.g. TV station name).
- The Respondent disclosed expenditure descriptions on C-4 reports which failed to include the required quantities for mailers, signs and envelopes for expenditures undertaken by the Campaign.
- PDC staff are not requesting that the Respondent amend C-4 reports from election year 2016 to disclose additional details.
- The Respondent has no prior violations as of September 9, 2017.

Effective June 7, 2018, the standard for reporting debts and obligations in RCW 42.17A.240(8) has changed. Now, the debt reporting threshold is raised to \$750 for any invoices submitted, goods received, or services received. Once a qualifying debt is outstanding for 5 business days in the period 30 days before the election, or 10 business days during any other period, and is past due as of the last day of the reporting period, it must be reported as an outstanding debt or obligation.

Based on our findings staff has determined that, in this instance, failure to timely and accurately report contribution and expenditure activity does not amount to violations that warrant further investigation.

However, PDC staff is reminding Andrew Billig about the importance of the timely and accurate disclosure of all contribution and expenditure activities, and the timely and accurate filings of all future PDC reports in accordance with the statutes and 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 Tabitha Townsend at 1-360-586-4555 or toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

/s

Tabitha Townsend
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Barbara Sandahl
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cc: Andrew Billig