

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

July 8, 2019

Delivered electronically to "bhasegawa@aol.com"

Subject: Complaint filed by Glen Morgan, PDC Case 25126

Dear Bob Hasegawa:

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, accurate, and complete disclosure of all contribution and expenditure activities, including sub-vendors utilized for expenditures. PDC staff expects in the future that you will file timely, accurate, and complete reports in accordance with PDC laws and rules.

If you have questions, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by email at pdc@pdc.wa.gov.

Sincerely,	Endorsed by,
/s	/s
Fox Blackhorn	Barbara Sandahl
Compliance Coordinator 2	Deputy Director
	For Peter Lavallee
	Executive Director



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July 8, 2019

Delivered electronically to "glen@wethegoverned.com"

Subject: Complaint regarding Bob Hasegawa, PDC Case 25126

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 Robert (Bob) Hasegawa, a 2016 and 2020 candidate for State Senator for Legislative District 11, and a 2017 candidate for Mayor of the City of Seattle, may have violated RCW 42.17A.220 for failure to timely deposit contributions within five business days of receipt; RCW 42.17A.235 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 and expenditures undertaken by the Campaigns; RCW 42.17A.240 for failure to completely and accurately disclose debts and obligations; and RCW 42.17A.240 and WAC 390-16-205 for failure to completely and accurately provide detailed break downs of sub-vendors utilized for expenditures undertaken by the Campaigns.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the responses provided by Bob Hasegawa (Respondent); the applicable PDC reports filed by the Campaigns; and queried the Campaigns' 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:

- The complaint alleged that five contributions were deposited into the 2016 State Senator campaign's depository, totaling \$8,000 or 6.79% of contributions in that election campaign, between 1-9 days beyond the statutory deadline of five business days from receipt, as provided by RCW 42.17A.220.
- The complaint further alleged that 169 line-item contributions were late disclosed on 20 C-3 reports filed by the Campaigns, filed beyond the statutory deadlines set forth by RCW 42.17A.235.
- The 2020 State Senator campaign filed one C-3 report, voluntarily disclosing \$0.06 in bank interest, which was not a contribution, and below the threshold of RCW 42.17A.235 to report.
- The 2017 Mayor of Seattle campaign filed four late C-3 reports, disclosing \$11,560 or 15.95% of contributions in that election campaign, one day beyond the statutory deadlines of RCW 42.17A.235.

- The 2016 State Senator campaign filed eleven late C-3 reports, disclosing \$23,502 or 12.05% of total contributions in that election campaign, between 3-545 days beyond the statutory deadlines of RCW 42.17A.235.
- The 2020 State Senator campaign filed three late C-4 reports, disclosing \$12,374 or 23.05% of total reported expenditures in that election campaign as of June 30, 2019, between 2-119 days beyond the statutory deadlines of RCW 42.17A.235.
- The complaint alleged that the 2017 Mayor of Seattle campaign late filed three C-4 reports, but each of these were amendments to timely filed reports in accordance with RCW 42.17A.235.
- The 2016 State Senator campaign filed four late C-4 reports, disclosing \$10,190 or 13.60% of total expenditures in that election campaign, between 2-586 days beyond the statutory deadlines of RCW 42.17A.235.
- The complaint alleged that 39 line-item expenditures were for orders placed in a reporting period prior to discharge, and should have been reported as debt under the version of RCW 42.17A.240 in effect at the time, which required reporting of any orders placed or promises to pay whose value exceeded \$50 and had been overdue for more than 30 days, or whose value exceeded \$250 with no time limitations.
- The Respondent acknowledged that 6 of these expenditures should have been reported as debts, and acknowledged a possibility that 2 more should have been reported as debts, but either denied or did not address the remainder.
- The complaint alleged that 37 line-item expenditures failed to include the sub-vendor actually providing goods or services to the campaign, and the Respondent acknowledged that 36 of these failed to include the sub-vendor as required by RCW 42.17A.240 and WAC 390-16-205.
- The Respondent acknowledged and took responsibility for the non-compliance, the public was not deprived of critical information in a time-sensitive period near elections, and the overall proportion of late and inaccurately activity was minor in proportion to the overall contribution and expenditure activity of the Campaigns.

Based on our findings staff has determined that, in this instance, failure to timely deposit contributions and to timely, accurately, and completely report contribution and expenditure activity, do not amount to violations warranting further investigation.

PDC staff is reminding Bob Hasegawa about the importance of the timely, accurate, and complete disclosure of all contribution and expenditure activities, including sub-vendors utilized for expenditures, and the timely, accurate, and complete 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 Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,	Endorsed by,
/s	/s
Fox Blackhorn	Barbara Sandahl
Compliance Coordinator 2	Deputy Director
	For Peter Lavallee
	Executive Director

cc: Bob Hasegawa