



**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

October 31, 2019

Delivered electronically to “dan@danbradylaw.com”

Subject: Complaint filed by Walter Smith, PDC Case 24989

Dear Drew MacEwen:

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

As noted in the letter to Walter Smith, 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 disclosure of contribution and expenditure activity, and the prohibition on transfer of candidate funds to any other candidate or political committee. PDC staff expects that future transfers of funds will be made using personal or surplus funds, and timely reported 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 e-mail at pdc@pdc.wa.gov.

Sincerely,

Endorsed by,

/s

Fox Blackhorn
Compliance Coordinator 2

/s

Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908
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Toll Free 1-877-601-2828 • E-mail: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

October 31, 2019

Delivered electronically to “walter@smithdietrich.com”

Subject: Complaint regarding Drew MacEwen, PDC Case 24989

Dear Walter Smith:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on September 1, 2017. The complaint alleged that Drew MacEwen (Respondent), a 2016 candidate for State Representative, for Legislative District 35, may have violated RCW 42.17A.445 for unauthorized transfers of candidate funds to political committees and nonprofit organizations; RCW 42.17A.430 for failure to report expenditures from a surplus funds account; and RCW 42.17A.235 for failure to timely report contributions.

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:

- RCW 42.17A.430 prohibits the transfer of funds from active candidate committees to other political committees or candidates, except that transfers may be made from surplus funds to political party organizations and nonprofit organizations.
- On September 2, 2016, the Respondent transferred \$5,000 from surplus funds to the House Republican Organizational Committee, and failed to report the expenditure until September 21, 2017, 346 days beyond the statutory deadline of RCW 42.17A.235.
- The Respondent acknowledges that transfers of active candidate committee funds to party organizations in excess of the value of goods and services provided at events hosted by party committees, as prohibited by RCW 42.17A.430: (1) a February 2, 2016, contribution of \$44 to the Thurston County Republican Party; (2) a May 18, 2016, contribution of \$60 to the Kitsap County Republican Party; and (3) an October 29, 2016, contribution of \$50 to the Washington State Republican Party.
- On October 18, 2019, the Respondent reimbursed the Campaign committee out of candidate’s personal funds for the value of the unauthorized transfers of funds, and filed a Monetary Contribution report (C-3 report) disclosing the reimbursement.
- The complaint alleged that a series of C-3 reports were filed after the statutory deadlines set forth in RCW 42.17A.235, and the response indicated that while these were originally timely filed, they were inadvertently entered into the 2014 campaign, rather than the 2015 campaign, and had to be re-submitted in the proper campaign in November of 2015 and January of 2016.

- PDC staff's review confirmed that the Respondent re-submitted the C-3 reports at the direction of staff to reflect the proper election cycle, and the originally filed reports were deleted from the Respondent's filing history.

Based on our findings staff has determined that, in this instance, failure to timely report surplus funds expenditures and making unauthorized transfer of candidate committee funds to party organizations do not amount to violations that warrants further investigation.

PDC staff is reminding Drew MacEwen about the importance of the timely disclosure of contribution and expenditure activity, and the prohibition on transfer of candidate funds to any other candidate or political committee. PDC staff expects that future transfers of funds will be made using personal or surplus funds, and timely reported in accordance with PDC laws 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 pdcc@pdcc.wa.gov.

Sincerely,

Endorsed by,

/s

Fox Blackhorn
Compliance Coordinator 2

/s

Barbara Sandahl
Deputy Director
For Peter Lavalley
Executive Director

cc: Drew MacEwen