



**State of Washington
PUBLIC DISCLOSURE COMMISSION**

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July 31, 2019

Delivered electronically to “walter@smithdietrich.com”

Subject: Complaint regarding Norma Smith, PDC Case 24639 (This letter corrects the July 24, 2019 letter by correcting the expenditure under the second bullet from \$3,000 to \$30,000; the date under the second bullet from September 30, 2016 to August 8, 2016; and the date under the third bullet from September 26, 2016 to July 26, 2016.)

Dear Walter Smith:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on September 1, 2017. Your complaint alleged that Norma Smith may have violated RCW 42.17A.445 for the personal use of campaign funds when Rep. Smith made a \$30,000 contribution to the House Republican Organizational Committee (HROC) on August 8, 2016, using campaign funds.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response provided by Norma Smith; and the applicable PDC reports filed by Respondent, to determine whether the record supports a finding of one or more violations.

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

- Norma Smith is a State Representative from the 10th Legislative District. She was a candidate for re-election in 2016.
- Rep. Smith did not use campaign funds to make a \$30,000 “contribution” to the House Republican Organizational Committee, as alleged. Rather, she made a “Transfer of Surplus Funds” from her campaign account on August 8, 2016.
- On September 12, 2016, Rep. Smith filed a C-4 report covering the period July 26, 2016 to August 31, 2016. The report included a monetary expenditure on August 8, 2016 for \$30,000 to House Republican Organizational Committee, with a description of “Contribution.”

- On September 28, 2017, Rep. Smith amended the September 12, 2016 C-4 for the same period, showing a \$30,000 expenditure to House Republican Organizational Committee, with a description of “Surplus Funds Transfer.”
- Rep. Smith was not required to transfer the surplus funds to a separate surplus funds account before making the transfer. She should have described the expenditure as a “Surplus Funds Transfer” on the original C-4 report. This clarification was made on the amended report.

Based on these findings, staff has determined that in this instance, the alleged personal use of campaign funds does not amount to a violation warranting further investigation.

PDC staff is reminding Norma Smith about the importance of properly describing expenditures that are transfers of surplus funds to avoid confusion about the nature of the expenditure.

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 Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

/s _____

Phil Stutzman
Compliance Officer

Endorsed by,

/s _____

Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director

cc: Norma Smith