



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

June 7, 2019

Sent electronically to Gina McCabe and Jason Michaud

Subject: Complaints filed regarding Gina McCabe, PDC Cases 24635 and 30915

Dear Representative Mosbrucker:

Below is a copy of an electronic letter sent to Dmitri Iglitzin (PDC Case 30915) and Walter Smith (PDC Case 24635), concerning two complaints that were filed with the Public Disclosure Commission (PDC) against you. As noted in the letter to Mr. Iglitzin and Mr. Smith, the PDC will not be conducting a more formal investigation into these allegations or take further enforcement action in this matter.

On June 4, 2019, the PDC received a completed Statement of Understanding (SOU) signed by you along with a \$300 check for the civil penalty assessed in accordance with WAC 390-37-143. By completing the SOU and acknowledging violations of RCW 42.17A.235 for failing to timely file a Monetary Contribution report (C-3 report), and the 2016 7-Day Pre-General Election Summary Full Campaign Contributions and Expenditures report (C-4 report), you have resolved the allegations listed in the two complaints.

PDC staff is reminding you about the importance of filing timely and accurate C-3 and C-4 reports, including for the surplus funds account, and to timely and accurately file C-3 and C-4 for your 2020 re-election campaign, and your surplus funds account in accordance with PDC laws and rules.

Based on this information, the PDC has dismissed these matters in PDC Cases 24635 and 30915 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



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June 7, 2019

Sent electronically to Walter Smith

Subject: Complaints filed regarding Gina McCabe, PDC Cases 24635 and 30915

Dear Mr. Iglitzin and Mr. Smith:

The Public Disclosure Commission (PDC) has completed its review of the complaints each of you filed against Gina McCabe, an incumbent State Representative for the 14th Legislative District and a candidate seeking re-election to that office in 2016, for PDC Case 24635 filed by Mr. Smith on September 1, 2017, and for PDC Case 30915 filed by Mr. Iglitzin on January 30, 2018. The two complaints alleged Representative McCabe may have violated: (1) RCW 42.17A.235 by failing to timely file Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contributions and Expenditures reports; and (2) RCW 42.17A.430 by failing to timely disclose expenditure details for the Gina McCabe Surplus funds account.

For your information, in order to more efficiently use PDC resources both of your complaints are being combined into one complaint return letter. PDC staff reviewed the allegations listed in the two complaints and exhibits, the statutes, rules and reporting requirements for a candidate, the C-3 and C-4 reports filed by the Committee to Elect Gina McCabe (Campaign), and the responses from Representative McCabe and her Campaign to the two complaints. Based on staff's review, we found the following:

- On September 2, 2015, Gina McCabe filed a Candidate Registration (C-1 report) declaring her candidacy for re-election to State Representative in the 14th Legislative District in 2016, selecting the Full Reporting Option, and listing Angela Hoffman as Campaign Treasurer. Representative McCabe was elected to that office in November of 2014, as a candidate under the Full Reporting Option.
- For the 2016 election cycle, the Campaign timely filed the April and May 2016 C-4 reports, the 21-Day and 7-Day Pre-Primary Election C-4 reports, the Post-Primary Election C-4 report, the 21-Day Pre-General Election C-4 report, and the Post-General Election C-4 report.
- On December 12, 2016, the Campaign filed the Post-General Election C-4 report covering the period November 1 through 30, 2016, disclosing that the Campaign received \$1,450 in monetary contributions, made \$32,934 in expenditures made, that included a \$30,112 expenditure made on November 29, 2016, transferring 2016 Campaign surplus funds to the Gina McCabe Surplus Funds Account, and no outstanding debts or obligations.
- Except for the C-3 reports noted below, and a few isolated late filed C-3 reports, the Campaign substantially complied with the weekly C-3 report filing requirements for contributions received and deposited in the accelerated reporting period beginning June 1, 2016, but also for contributions received in April and May of 2016.

2016 Late filed C-3 and C-4 reports:

- On November 16, 2016, the Campaign filed a C-3 report disclosing \$1,000 in total monetary contributions received for two \$500 contributions received from Dennis and Robin Bassford on September 6, 2016. The C-3 report was required to have been filed on September 12, 2016 and was filed eight days after the November 8, 2016 general election and 65 days late by the Campaign.
- On November 16, 2016, the Campaign filed the 7-day Pre-General Election C-4 report disclosing \$3,250 in monetary contributions received, \$2,132 in expenditures made, with \$40,981 as a cash on hand balance and no outstanding liabilities. The 7-day Pre-General Election C-4 report was required to have been filed on November 1, 2016 and was filed 15 days late and eight days after the November 8, 2016 general election. The Campaign filed an amended 7-Day Pre-General Election C-4 report on September 13, 2017, disclosing the same \$3,250 in monetary contributions received, but expenditures made were \$1,523, with \$45,792 as a cash on hand balance and \$6,544 in liabilities.
- On September 13, 2017, the Campaign filed two C-3 reports disclosing: (1) a \$500 monetary contribution was received from Regence Bluecross/Blueshield on December 13, 2016. The C-3 report was required to have been filed on January 10, 2017 and was more than eight months late by the Campaign; and (2) two small un-itemized contributions totaling \$50 were received on November 10, 2016. The C-3 report was required to have been filed on December 10, 2016 and was more than nine months late by the Campaign.
- Staff's review also indicated there were several instances in which the Campaign appeared to have been required to disclose an outstanding debt or obligation during the 2016 election, including the November 30, 2016 expenditure made to Townsquare Promos for "Radio ads. "

2018 Campaign filings:

- On September 13, 2017, Gina McCabe filed a C-1 report declaring her candidacy for re-election to State Representative in the 14th Legislative District in 2018, selecting the Full Reporting Option, and listing Angela Hoffman as Campaign Treasurer.
- On May 11 and 12, 2018, Gina McCabe filed two amended C-1 reports for the 2018 election cycle, disclosing that she had changed her name to Gina Mosbrucker, changed the Campaign name to "Committee to Elect Gina", listed Jason Michaud as the new Campaign Treasurer and changed the information for the public inspection of campaign books.
- The Campaign timely filed the May 2018, the 21-Day and 7-Day Pre-Primary and Pre-General Election C-4 reports, and the Post-Primary and Post-General Election C-4 reports. In addition, the 2018 Campaign also timely filed weekly C-3 reports beginning June 1, 2018 throughout the 2018 election cycle.

Additional Allegations:

- There were two allegations listed in the complaint filed by Mr. Smith that included the failure to timely file C-3 and C-4 reports for the Gina McCabe Surplus Funds account, including a \$20,000 contribution reported by the House Republican Organizational Committee (HROC) from the Committee to Elect Gina McCabe that was not disclosed, and that the 2016 Campaign made a \$200 expenditure made on November 30, 2016, to St. Paul Cathedral School listing the purpose as "Charitable."
- On October 24, 2015, the Gina McCabe filed a C-1 report registering the Gina McCabe Surplus Funds Account with the PDC.

- The Post-General Election C-4 report disclosing \$32,934 in expenditures made included an expenditure made on November 29, 2016, transferring \$30,112 in 2016 Campaign surplus funds to the Gina McCabe Surplus Funds Account, and the \$200 expenditure made on November 30, 2016, to St. Paul Cathedral School and listed as a “Charitable” contribution. Both of those expenditures were permissible since the 2016 Campaign had no debts or obligations, so the remaining general election funds were already classified as “surplus funds.”
- On September 13, 2017, the Gina McCabe Surplus Funds Account filed four C-3 reports and one C-4 report covering the period March 16, 2015 through August 31, 2017. The C-3 and C-4 reports brought the surplus funds account reports up to date and into compliance and disclosed \$34,707 in surplus funds received from three deposits that included the \$30,112 deposit made on November 28, 2016, and \$25,346 in expenditures made. The expenditures included a \$20,000 contribution made to the House Republican Organizational Committee on December 8, 2016, as noted in Mr. Smith’s complaint, and \$5,346 in other expenditures including payments made to charitable and not-for-profit organizations, local Republican party organizations, and tickets to attend two consecutive Governor’s Prayer Breakfast in 2016 and 2017.
- The four C-3 reports filed by the Gina McCabe Surplus Funds Account included the following contributions received: (1) a \$1,231 contribution received from the 2016 Committee to Elect Gina McCabe on September 13, 2017; (2) a \$30,112 contribution received from the 2016 Committee to Elect Gina McCabe on November 28, 2016; (2) a \$895 contribution received from the 2014 Committee to Elect Gina McCabe on October 26, 2015; (3) a \$3,700 contribution received from the 2014 Committee to Elect Gina McCabe on March 16, 2015.
- On June 4, 2019, Gina Mosbrucker completed a Statement of Understanding (SOU) acknowledging violations of RCW 42.17A.235 for failing to timely file C-3 and C-4 reports for the 2016 election and paid a \$300 civil penalty in accordance with WAC 390-37-143 (Brief Enforcement Penalty Schedule), resolving the allegations concerning late filed reports.

As noted above, Gina Mosbrucker completed an SOU, paid a \$300 civil penalty, and acknowledged violations of RCW 42.17A.235 for failing to timely file C-3 and C-4 reports, resolving the allegations concerning the late filed reports. Based on the findings and the facts that the Campaign hired a new Treasurer and timely filed C-3 and C-4 reports for the 2018 election, PDC staff has determined that the facts in this instance do not amount to a finding of an actual violation warranting further investigation for the remaining allegations.

PDC staff is reminding Gina Mosbrucker about the importance of filing timely and accurate C-3 and C-4 reports, including for the surplus funds account, and to timely and accurately file C-3 and C-4 for her 2020 re-election campaign, and her surplus funds account in accordance with PDC laws and rules.

Based on this information, the PDC has dismissed the two complaints, PDC Case 24635 and PDC Case 30915, 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: Representative Gina Mosbrucker