

17-2-00848-34  
CMP  
Complaint  
1074717



MC PUBLIC #1

FILED  
SUPERIOR COURT  
- THURSTON COUNTY, WA

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Linda Myhre Enlow  
Thurston County Clerk

STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

KELSEY HULSE, individually, and  
FRIENDS OF KELSEY HULSE, a  
candidate authorized political  
committee,

Defendants.

NO.

17-2-00848-34

COMPLAINT FOR CIVIL  
PENALTIES AND FOR INJUNCTIVE  
RELIEF FOR VIOLATIONS OF  
RCW 42.17A

I. NATURE OF ACTION

The State of Washington (State) brings this action to enforce the state's campaign finance disclosure law, RCW 42.17A. The State alleges that Defendants, KELSEY HULSE, individually, and FRIENDS OF KELSEY HULSE, a candidate authorized committee, violated provisions of RCW 42.17A by failing to timely disclose debt incurred and in-kind contributions received during the Hulse 2016 campaign for the position of Thurston County Commissioner. The State seeks relief under RCW 42.17A.750 and .765, including penalties, costs and fees, and injunctive relief.

II. PARTIES

2.1 Plaintiff is the State of Washington. Acting through the Washington State Attorney General, a local prosecuting attorney, or the Public Disclosure Commission, the State enforces the state campaign finance disclosure laws contained in RCW 42.17A.

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2.2 Defendant Kelsey Hulse is a resident of Thurston County. She was a candidate for the Thurston County Commission during 2016. As such, she was obligated to comply with the state campaign finance disclosure laws during her candidacy.

2.3 Defendant Friends of Kelsey Hulse is the authorized committee formed under RCW 42.17A.005(3) to accept contributions and make expenditures in support of Defendant Kelsey Hulse's 2016 candidacy. In that capacity, the committee was obligated to comply with the state campaign finance disclosure laws during Defendant Hulse's candidacy.

### III. JURISDICTION AND VENUE

3.1 This Court has subject matter jurisdiction over the present case in accordance with RCW 42.17A. The Attorney General has authority to bring this action pursuant to RCW 42.17A.765.

3.2 This Court has personal jurisdiction over Defendants, who are either a resident of the State of Washington or a political committee registered and reporting in the State of Washington. Additionally, the acts complained of here took place in Thurston County in the State of Washington.

3.3 Venue is proper in this Court pursuant to RCW 4.12.020(1).

### IV. FACTUAL ALLEGATIONS

4.1 RCW 42.17A declares as a matter of public policy "[t]hat political campaign and lobbying contributions and expenditures be fully disclosed to the public and that secrecy is to be avoided." RCW 42.17A.001(1). The statute further provides that the state's campaign finance and disclosure law "shall be liberally construed to promote complete disclosure of all information respecting the financing of political campaigns."

4.2 RCW 42.17A.235, RCW 42.17A.240, and WAC 390-16-041 require candidates to timely disclose debts they incur when the estimated value of the debt exceeds two hundred fifty dollars, or exceeds fifty dollars and has been outstanding for over thirty days. These debts are reported as part of a candidate's expenditures on the "Summary, Full Report Receipts and

1 Expenditures," designated by the Commission as form C-4 pursuant to WAC 390-16-041. This  
2 report is due monthly until 21 days before a primary or general election in which a candidate's  
3 name appears on the ballot, at which time the reports must be filed 21 days and seven days  
4 before the general election.

5 4.3 RCW 42.17A.240(2) and WAC 390-16-207 require candidates and candidate  
6 authorized committees to report in-kind contributions that are valued at more than \$25 in the  
7 aggregate for an election. In-kind contributions are reported as part of contribution activity  
8 disclosed on form C-4 pursuant to WAC 390-16-041.

9 4.4 On April 13, 2016, Defendant Hulse registered Defendant Friends of Kelsey  
10 Hulse as a candidate authorized committee to support her election campaign for the position of  
11 Thurston County Commissioner in 2016.

12 4.5 During the 2016 election campaign, Defendants engaged the services of a  
13 videographer, Karla Davison, to produce campaign videos. Ms. Davison first performed work  
14 for Defendants on August 26-28, 2016.

15 4.6 Defendants did not timely disclose Ms. Davison's August 2016 services to the  
16 campaign as either a debt or in-kind contribution on their C-4 report filed on  
17 September 12, 2016.

18 4.7 Ms. Davison submitted an invoice to Defendants dated September 24, 2016 for  
19 her August 2016 work. She identified her services as an in-kind contribution in the  
20 amount of \$750.

21 4.8 Defendants disclosed Ms. Davison's August 2016 services as an in-kind  
22 contribution on their 21-day pre-general election C-4 report filed October 18, 2016. This  
23 disclosure was filed 36 days late.

24 4.9 Ms. Davison continued providing services to the Defendants in September and  
25 October 2016. She identified those services as being performed on the following dates:  
26 9/2/16 to 9/15/16 (55 hours); 9/25/16 to 10/14/16 (25 hours); 10/14/16 & 10/28/16 (15 hours);

1 10/15/16 to 10/16/16 (15 hours); and 10/16/16 to 10/29/16 (40 hours).

2 4.10 Defendants did not timely disclose Ms. Davison's services to the campaign on  
3 their 21 day C-4 report filed on October 18, 2016.

4 4.11 Ms. Davison submitted an invoice to Defendants dated November 27, 2016 for  
5 her work from September 2, 2016 to October 29, 2016. She valued her work at \$5,000. She  
6 identified these services as in-kind contributions to the Defendants.

7 4.12 Defendants disclosed Ms. Davison's services for the months of September and  
8 October 2016 on an amended C-4 report filed on December 21, 2016. While Ms. Davison  
9 identified her work as in-kind contributions, Defendants disclosed \$250 as an in-kind  
10 contribution and the remainder (\$4,750) as a debt of the campaign.

11 4.13 Ms. Davison's time spent from September 1, 2016 through October 17, 2016  
12 should have been reported as an in-kind contribution or debt on Defendants' 21-day pre-  
13 general election C-4 report due October 18, 2016. Defendants did not report this information  
14 until December 21, 2016 on an amended C-4 report for November 2016. This information was  
15 reported 64 days late.

16 4.14 Ms. Davison's time spent from October 18, 2016 through October 31, 2016  
17 should have been reported as an in-kind contribution or campaign debt on Defendants' 7-day  
18 pre-general election C-4 report due November 1, 2016. Defendants did not report this  
19 information until December 21, 2016 on an amended C-4 report for November 2016. This  
20 information was reported 50 days late.

21 4.15 Defendants did not timely disclose the amount of \$5,000 in an in-kind  
22 contribution and debt incurred by Defendants. This disclosure did not occur until 43 days after  
23 the 2016 general election.

## 24 V. CLAIMS

25 Plaintiff re-alleges and incorporates by reference all the factual allegations contained in  
26 the preceding paragraphs, and based on those allegations, makes the following claims:

5.1 First Claim: Plaintiff reasserts the factual allegations made above and further asserts that Defendants, in violation of RCW 42.17A.240, failed to timely disclose debt incurred and in-kind contributions received by Defendants to the Public Disclosure Commission.

## VI. REQUEST FOR RELIEF

WHEREFORE, Plaintiff requests the following relief as provided by law:

6.1 For such remedies as the court may deem appropriate under RCW 42.17A.750, including but not limited to imposition of a civil penalty, all to be determined at trial;

6.2 For all costs of investigation and trial, including reasonable attorneys' fees, as authorized by RCW 42.17A.765(5);

6.3 For temporary and permanent injunctive relief, as authorized by RCW 42.17A.750(1)(h); and

6.4 For such other legal and equitable relief as this Court deems appropriate.

DATED this 23rd day of February, 2017.

ROBERT W. FERGUSON  
Attorney General

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