

E-FILED
THURSTON COUNTY, WA
SUPERIOR COURT
February 23, 2017
Linda Myhre Enlow
Thurston County Clerk

☐ EXPEDITE
☐ Hearing is set:
☒ No hearing is set.

SUPERIOR COURT OF THE STATE OF WASHINGTON
FOR THURSTON COUNTY

STATE OF WASHINGTON,

Plaintiff,

v.

TERESA PURCELL and PEOPLE FOR
TERESA PURCELL,

Defendants.

No. 16-2-04959-34

DEFENDANTS' ANSWER TO SECOND
AMENDED COMPLAINT

COMES NOW Defendants Teresa Purcell and People for Teresa Purcell (collectively "Purcell"), by and through its attorneys of record, and answers Plaintiff's second amended complaint as follows:

I. NATURE OF ACTION

Shortly before the November election, Purcell learned from the Public Disclosure Commission ("PDC") that a citizen complainant accused Purcell of incorrectly reporting certain campaign contributions and expenditures. Purcell immediately sought to rectify these alleged deficiencies. The PDC initially indicated it would work with Purcell to address the

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1 complainant's concerns, but while discussions were ongoing, the State of Washington filed
2 this lawsuit. Purcell denies any allegations in this unnumbered paragraph, to the extent a
3 response is warranted.
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8 **II. PARTIES**

9 2.1 Purcell admits the allegations in paragraph 2.1.
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11 2.2 Purcell admits that Defendant Teresa Purcell ("Ms. Purcell") was a 2016
12 candidate for the state House of Representatives (19th Legislative District). Purcell has
13 insufficient knowledge or information as to what constitutes "the relevant time periods," and
14 accordingly denies that Ms. Purcell was a candidate during those time periods. The
15 remaining allegations in paragraph 2.2 are legal conclusions to which no response is
16 required. To the extent a response is required, Purcell denies the remaining allegations in
17 paragraph 2.2.
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24 2.3 Purcell admits that People for Teresa Purcell ("Campaign") is a political
25 committee registered by Ms. Purcell as her candidate committee on April 29, 2016. The
26 remaining allegations in paragraph 2.3 are legal conclusions to which no response is
27 required. To the extent a response is required, Purcell denies the remaining allegations in
28 paragraph 2.3.
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35 **III. JURISDICTION AND VENUE**

36 3.1 Purcell admits the allegations in paragraph 3.1.
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38 3.2 Purcell admits the allegations in paragraph 3.2.
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40 3.3 Purcell admits the allegations in paragraph 3.3.
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IV. FACTUAL ALLEGATIONS

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3 4.1 The allegations in paragraph 4.1 are legal conclusions to which no response is
4 required. To the extent a response is required, Purcell denies the allegations in paragraph
5 4.1.
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9 4.2 Purcell admits that contributions are reported on Public Disclosure
10 Commission ("PDC") form "C3" which is called the "Cash Receipt Monetary
11 Contributions" form. The remaining allegations in paragraph 4.2 are legal conclusions to
12 which no response is required. To the extent a response is required, Purcell denies the
13 allegations in paragraph 4.2.
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16 4.3 Purcell admits that the PDC form to report expenditures is called "Summary,
17 Full Report Receipts and Expenditures" and is a form "C4." The remaining allegations in
18 paragraph 4.3 are legal conclusions to which no response is required. To the extent a
19 response is required, Purcell denies the allegations in paragraph 4.3.
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Citizen Action Notice

22 4.4 Purcell admits that it purchased the web domain name
23 "peopleforPurcell.com" on or about April 18, 2016. Purcell admits that it filed a Candidate
24 Registration form "C1" and registered the candidate committee (People for Teresa Purcell)
25 on April 29, 2016. Purcell denies any remaining allegations in paragraph 4.4.
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28 4.5 The Citizen Action Notice ("Notice") filed by complainant Glen Morgan
29 speaks for itself. Purcell has insufficient information to admit or to deny the remaining
30 allegations in paragraph 4.5 and on that basis denies the allegations. Purcell denies any
31 remaining allegations in paragraph 4.5.
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1 4.6 Purcell admits that it received a copy of the Morgan Notice and submitted a
2 response to it. The response Purcell submitted speaks for itself. Purcell denies any remaining
3 allegations in paragraph 4.6.
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7 Failure to Report Debts, Orders Placed, and Obligations
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9 4.7 Purcell admits that prior to the November 2016 election, it purchased services
10 to promote Ms. Purcell's candidacy. Purcell admits that these services included video and
11 film creation, written political advertising, cable advertising, digital advertising, radio
12 advertising, and yard signs. Purcell admits that these services were used during both the
13 primary and general election time frames for the campaign. Purcell denies any remaining
14 allegations in paragraph 4.7.
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20 4.8 Purcell admits that one such service was for the production of a film/video
21 used during the pre-primary election stage. Purcell admits that it paid Guenther Creative
22 \$8,000 on August 16, 2016. Purcell admits that it reported an \$8,000 payment to Guenther
23 Creative on a form C4 dated September 6, 2016. Purcell denies the remaining allegations in
24 paragraph 4.8.
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30 4.9 Purcell admits that she reported certain expenditures once an invoice for the
31 service was provided and paid. Purcell denies the remaining allegations in paragraph 4.9.
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35 Failure to Report Contributor Employer and Occupation Information
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37 4.10 Purcell admits that it began disclosing receipt of contributions on PDC form
38 C3 on or around May 10, 2016. Purcell admits that, on that C3 for some donations,
39 employer information was not included. Purcell has insufficient information to admit or to
40 deny the remaining allegations in paragraph 4.10 and on that basis denies them.
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44 4.11 Purcell admits that it identified thirty-six donations on October 30, 2016 for
45 which it had not previously provided employer and occupation information. Purcell admits
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1 that it supplied employer and occupation information to the PDC and to the Washington
2 State Attorney General on October 30, 2016 to the extent that information was available, but
3 notes that many of the donors did not have employers or occupations. Purcell admits it did
4 not file amended C3 contribution disclosure reports. Purcell denies the remaining allegations
5 in paragraph 4.11.
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10 4.12 Purcell has insufficient information to admit or deny the allegations in
11 paragraph 4.12 and on that basis denies them.
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14 4.13 Purcell has insufficient information to admit or deny the allegations in
15 paragraph 4.13 and on that basis denies them.
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19 V. CLAIMS

20 5.1 Purcell incorporates its response to each and every allegation contained in
21 paragraphs 1 through 4.13 with the same force and effect as if fully set forth herein.
22 Paragraph 5.1 contains a legal conclusion to which no response is required. To the extent a
23 response is required, Purcell denies the allegations in paragraph 5.1.
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27 5.2 Purcell incorporates its response to each and every allegation contained in
28 paragraphs 1 through 4.13 with the same force and effect as if fully set forth herein.
29 Paragraph 5.2 contains a legal conclusion to which no response is required. To the extent a
30 response is required, Purcell denies the allegations in paragraph 5.2.
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34 5.3 Purcell incorporates its response to each and every allegation contained in
35 paragraphs 1 through 4.13 with the same force and effect as if fully set forth herein.
36 Paragraph 5.3 contains a legal conclusion to which no response is required. To the extent a
37 response is required, Purcell denies the allegations in paragraph 5.3.
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VI. AFFIRMATIVE DEFENSES

Purcell further responds to Plaintiff's second amended complaint by alleging the following affirmative defenses:

1. Plaintiff is estopped from asserting the First Claim, the Second Claim, and the Third Claim against Purcell.

2. Plaintiff has unclean hands, and is therefore not entitled to the equitable relief sought.

3. Plaintiff's claims are based on an unconstitutional statute. Purcell has insufficient knowledge or information upon which to form a belief as to whether there may be additional affirmative defenses available to it, and therefore reserves the right to assert such additional defenses based upon subsequently acquired knowledge or information.

VII. REQUEST FOR RELIEF

WHEREFORE having fully answered, these answering Defendants seek the following relief from the Court:

- A. Dismissal of Plaintiff's claims with prejudice.
- B. An award of reasonable attorneys' fees and costs.
- C. Such other relief as the Court deems equitable and just.

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