

FILED

FEB 16 2018

Superior Court
Linda Myhre Enlow
Thurston County Clerk

**STATE OF WASHINGTON
THURSTON COUNTY SUPERIOR COURT**

STATE OF WASHINGTON,

Plaintiff,

v.

NATHAN CHOI, individually, and
www.nathanchoiforjudge.com, a
candidate authorized committee,

Defendants.

NO. 18-2-00951-34

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

I. NATURE OF ACTION

Plaintiff State of Washington (State) brings this action to enforce state campaign finance disclosure laws, RCW 42.17A. The State alleges that Defendants, NATHAN CHOI, individually, and www.nathanchoiforjudge.com, a candidate authorized committee, violated provisions of RCW 42.17A by 1) failing to timely submit a candidate committee registration form and a personal financial affairs statement, and 2) failing to timely report contributions received and expenditures made including debts and obligations. 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 Public Disclosure Commission, Attorney General, or a local prosecuting attorney, the State

1 enforces state campaign finance disclosure laws contained in RCW 42.17A.

2 2.2 Defendants are NATHAN CHOI, individually, and www.nathanchoiforjudge, a
3 candidate authorized committee.

4 **III. JURISDICTION AND VENUE**

5 3.1 This Court has subject matter jurisdiction over the present case in accordance
6 with RCW 42.17A. The Attorney General has authority to bring this action pursuant to
7 RCW 42.17A.765.

8 3.2 This Court has personal jurisdiction over Defendants, a resident of the State of
9 Washington, and a political committee registered in the State of Washington, respectively.
10 Additionally, the acts alleged below occurred in whole or in part in Thurston County,
11 Washington.

12 3.3 Venue is proper in this Court pursuant to RCW 4.12.020(1).

13 **IV. FACTUAL ALLEGATIONS**

14 4.1 RCW 42.17A declares as a matter of public policy “[t]hat political campaign
15 and lobbying contributions and expenditures be fully disclosed to the public and that secrecy is
16 to be avoided.” RCW 42.17A.001(1). Further, the statute provides that the provisions of the
17 law “shall be liberally construed to promote complete disclosure of all information respecting
18 the financing of political campaigns. . . .”

19 4.2 Washington’s campaign finance law requires candidates to file timely
20 statements registering the candidates’ campaign committees. The information required to be
21 disclosed includes the candidate’s contact information, the name and contact information for
22 the candidate’s treasurer and other committee officers, the name and branch location of the
23 candidate’s campaign depository, and contact information for the public’s use in requesting
24 appointments to inspect campaign books of account. RCW 42.17A.205. The Public Disclosure
25 Commission (PDC) form to register a candidate’s campaign committee is form “C-1,” which is
26 called the “Candidate Registration.”

1 4.3 Washington's campaign finance law requires candidates to file timely reports
2 disclosing aspects of the candidate's personal financial affairs, including sources of income,
3 real estate holdings, and intangible assets. RCW 42.17A.700. The PDC form to disclose a
4 candidate's personal financial affairs is form "F-1," which is called the "Personal Financial
5 Affairs Statement."

6 4.4 Washington's campaign finance law requires candidate committees to timely
7 report contributions received, including in-kind contributions. The information required to be
8 disclosed includes the name and address of the source of contributions that exceed \$25 in the
9 aggregate, and the employer and occupation of any individual contributor giving more than
10 \$100 in the aggregate. RCW 42.17A.235, .240; WAC 390-16-037. Contribution disclosures are
11 reported on a Public Disclosure Commission form "C-3" which is called the "Cash Receipt
12 Monetary Contributions" form.

13 4.5 Washington's campaign finance law also requires candidate committees to
14 timely report expenditures related to campaigns, including any debts incurred by the political
15 committee. RCW 42.17A.235, .240(8); RCW 42.17A.005(20). The PDC form to report
16 expenditures is called a "Summary, Full Report Receipts and Expenditures" and is a form
17 "C-4." An expenditure is defined to include "a *promise to pay*, For the purposes of this
18 chapter, agreements to make expenditures, contracts, and promises to pay may be reported as
19 estimated obligations until actual payment is made." RCW 42.17A.005(20). Debts are
20 reportable when they exceed \$250, or exceed \$50 and have been outstanding for more than 30
21 days.

22 4.6 The activities of the Public Disclosure Commission, including its receipt and
23 compilation of reports required by law, are conducted in and about Thurston County.

24 4.6 On November 27, 2017, the Attorney General's Office received a citizen action
25 notice alleging that Defendants had failed to timely file campaign finance registration and
26 disclosure reports for Defendant Choi's candidacy in 2017. The notice advised that in the event

1 the State did not act on the allegations, the citizen would proceed in the name of the State.

2 4.7 The State conducted an investigation into the allegations contained in the citizen
3 action notice. As a result of the investigation, the State determined that certain provisions of
4 RCW 42.17A had been violated by the Defendants since June 2017.

5 Failure to Timely Submit Candidate Committee Registration form and Personal
6 Financial Affairs Statement

7 4.8 Defendant Choi filed a declaration of candidacy with elections officials on May
8 16, 2017, seeking the office of Court of Appeals Judge Division I in the November 7, 2017
9 general election.

10 4.9 On information and belief, Defendant Choi became a candidate for office prior
11 to this, when he reserved the web domain name www.nathancoiforjudge.org on April 24,
12 2017.

13 4.10 Defendant Choi was required to file a C-1 Candidate Registration and F-1
14 Personal Financial Affairs Statement within 14 calendar days of becoming a candidate, or by
15 no later than May 8, 2017.

16 4.11 Defendant Choi filed the C-1 and F-1 reports on October 12, 2017, 157 days
17 late and 27 days before the 2017 general election.

18 Failure to timely report contributions and expenditures including debts and obligations

19 4.12 Defendants failed to timely disclose contributions received as required by law
20 on a C-3 report. Specifically, Defendants failed to timely file and disclose any contributions
21 received during the campaign.

22 4.13 On information and belief, Defendants' expenditures in support of Defendant
23 Choi's candidacy were valued at no less than \$10,000, indicating that at least \$10,000 in
24 financial support to Defendants' campaign went undisclosed.

25 4.14 During the campaign, Defendants failed to timely disclose expenditures made as
26 required by law on a C-4 report. Specifically, the Committee failed to timely file and disclose

1 expenditures it made, including debts and obligations.

2 4.15 Following Defendant's expenditures in April 2017 to reserve a web domain
3 name, Defendants paid Defendant Choi's candidate filing fee in May 2017 (approximately
4 \$1,750).

5 4.16 On or before October 4, 2017, Defendants had sponsored political advertising in
6 the form of full-color, wooden A-board signs posted in at least sixteen locations in downtown
7 Seattle. Because the signs were placed impermissibly under local ordinances, Defendant Choi
8 received citations of \$250 and \$500 on October 13, 2017 and October 26, 2017, respectively,
9 creating additional reportable debts or expenses for Defendants' campaign.

10 4.17 On October 17, 2017, a sponsor registered a domain name for a website
11 supporting Choi and criticizing Choi's opponent, incumbent Appeals Court Judge Michael
12 Spearman. The website (www.spearmanjudge.org) apparently displayed no statement of
13 sponsor identification. On information and belief, Defendants sponsored this domain
14 registration and website.

15 4.18 On information and belief, on October 30, 2017, Defendants published a full-
16 page advertisement in the *Seattle Times* that incorrectly suggested Defendant Choi already held
17 judicial office. Per the *Seattle Times*' 2017 rates, this full-page advertisement was valued at
18 between \$3,960 - \$6,600. For falsely implying incumbency in his advertising, Defendant Choi
19 received an admonishment from the King County Bar Association on November 3, 2017.

20 4.19 On information and belief, on or before November 7, 2017 Defendants
21 sponsored a bulk mailing that prompted an inquiry from King County Elections to the PDC,
22 because Defendants designed the mailing in such a way that it could be perceived as coming
23 from the county elections office. PDC staff responded that the law did not address Choi's
24 misleading use of the county's design elements in his advertising.

25 4.20 The full extent of Defendant's undisclosed contribution and expenditure activity
26 is unknown, but likely exceeded \$10,000.

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4.22 Defendant Choi again contacted the PDC eighteen days later on October 30, 2017, stating that he had made campaign expenditures in the prior two days and wished to disclose them. On November 2, 2017, PDC staff provided login credentials to Defendant Choi for electronic filing of campaign reports. Despite receiving explicit instructions from PDC staff, Defendants never filed any contribution or expenditure reports.

V. CLAIMS

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

5.2 Second Claim: The State reasserts the factual allegations made above and further asserts that Defendants, in violation of RCW 42.17A.700, failed to timely file the F-1 Personal Financial Affairs Statement.

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1 | contributions received during the 2017 campaign.

2 | 5.2 Fourth Claim: The State reasserts the factual allegations made above and further
3 | asserts that Defendant, in violation of RCW 42.17A.235 and .240, failed to disclose
4 | expenditures made during the 2017 campaign.

5 | 5.3 Fifth Claim: The State reasserts the factual allegations made above and further
6 | asserts that the actions of Defendants stated in the above claims were negligent and/or
7 | intentional.

8 | **VI. REQUEST FOR RELIEF**

9 | WHEREFORE, the State requests the following relief as provided by law:

10 | 6.1 For such remedies as the court may deem appropriate under RCW 42.17A.750,
11 | including but not limited to temporary and permanent injunctive relief, as authorized by
12 | RCW 42.17A.750(1)(h);

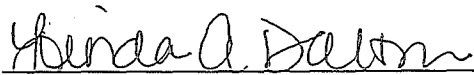
13 | 6.2 For such remedies as the court may deem appropriate under RCW 42.17A.750,
14 | including but not limited to imposition of a civil penalty, all to be determined at trial;

15 | 6.3 For all costs of investigation and trial, including reasonable attorneys' fees, as
16 | authorized by RCW 42.17A.765(5); and

17 | 6.4 For such other legal and equitable relief as this Court deems appropriate.

18 | DATED this 11th day of February, 2018.

19 | ROBERT W. FERGUSON
20 | Attorney General

21 | 
22 | LINDA A. DALTON, WSBA No. 15467
23 | Senior Assistant Attorney General
24 | KELLY R. HARMON, WSBA No. 22498
25 | Assistant Attorney General
26 | Attorneys for Plaintiff State of Washington