

1  EXPEDITE  
2  No Hearing Set  
3  Trial is Set

Date: Monday, July 9, 2018  
Time: 8:30 a.m.

Judge Christopher Lanese

7 **STATE OF WASHINGTON**  
8 **THURSTON COUNTY SUPERIOR COURT**

9 STATE OF WASHINGTON,  
10  
11 Plaintiff,  
12  
13 v.  
14 THURSTON COUNTY  
15 DEMOCRATIC CENTRAL  
16 COMMITTEE, a Washington nonprofit  
17 corporation,  
18  
19 Defendant.

NO. 17-2-00972-34  
  
THIRD AMENDED COMPLAINT  
FOR CIVIL PENALTIES AND FOR  
INJUNCTIVE RELIEF FOR  
VIOLATIONS OF RCW 42.17A

16 **I. NATURE OF ACTION**

17 The State of Washington (State) brings this action to enforce the state's campaign  
18 finance and disclosure law, RCW 42.17A. The State alleges that Defendant THURSTON  
19 COUNTY DEMOCRATIC CENTRAL COMMITTEE, a Washington nonprofit corporation,  
20 violated provisions of RCW 42.17A by failing to timely disclose contributions and  
21 expenditures in filings with the Public Disclosure Commission. The State seeks relief under  
22 RCW 42.17A.750 and .765, including civil penalties, costs and fees, and injunctive relief.

23 **II. PARTIES**

24 2.1 Plaintiff is the State of Washington. Acting through the Washington State  
25 Attorney General, a local prosecuting attorney, or the Public Disclosure Commission, the State  
26 enforces the state campaign finance disclosure laws contained in RCW 42.17A.

1           2.2     Defendant THURSTON COUNTY DEMOCRATIC CENTRAL COMMITTEE  
2 (Thurston County Democrats) is registered as a Washington nonprofit corporation. As the term  
3 is used under RCW 42.17A.005(6)(c), it is the county central committee for the Washington  
4 State Democratic Party in Thurston County, Washington.

5                                   **III.        JURISDICTION AND VENUE**

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

9           3.2     This Court has personal jurisdiction over the Thurston County Democrats, a  
10 Washington nonprofit corporation with active membership and representatives in the State of  
11 Washington, and with its headquarters located in Olympia, Washington. Additionally, the acts  
12 and omissions complained of here took place in Thurston County.

13           3.3     Venue is proper in this Court pursuant to RCW 4.12.020(1).

14                                   **IV.        FACTUAL ALLEGATIONS**

15           4.1     RCW 42.17A declares as a matter of public policy “[t]hat political campaign  
16 and lobbying contributions and expenditures be fully disclosed to the public and that secrecy is  
17 to be avoided.” RCW 42.17A.001(1). The statute further provides that the state’s campaign  
18 finance and disclosure law “shall be liberally construed to promote complete disclosure of all  
19 information respecting the financing of political campaigns.”

20           4.2     Washington’s campaign finance law requires political committees to timely  
21 report contributions received, including in-kind contributions. The information required to be  
22 disclosed includes the name and address of the source of contributions that exceed \$25 in the  
23 aggregate, and the employer and occupation of any individual contributor giving more than  
24 \$100 in the aggregate. RCW 42.17A.235, .240; WAC 390-16-037. Contribution disclosures are  
25 reported on a Public Disclosure Commission form “C-3” which is called the “Cash Receipt  
26 Monetary Contributions” form.

1 4.3 Washington's campaign finance law also requires political committees to timely  
2 report expenditures related to state campaigns, including any debts incurred by the political  
3 committee. RCW 42.17A.235, .240(8); RCW 42.17A.005(20). The PDC form to report  
4 expenditures is called a "Summary, Full Report Receipts and Expenditures" and is a form  
5 "C-4." An expenditure is defined to include "a *promise to pay*, . . . . For the purposes of this  
6 chapter, agreements to make expenditures, contracts, and promises to pay may be reported as  
7 estimated obligations until actual payment is made." RCW 42.17A.005(20).

8 4.4 The Thurston County Democrats is a political committee as the term is used in  
9 RCW 42.17A, and is more specifically a county central committee of the Democratic Party. As  
10 such, the Thurston County Democrats routinely raises funds in order to support various  
11 Democratic candidates and ballot propositions. From 2015 through 2018, the Thurston County  
12 Democrats received contributions and made expenditures, all of which should have been  
13 reported in accordance with RCW 42.17A.

14 Late Disclosed Contributions

15 4.5 The Thurston County Democrats failed to timely disclose all of its contributions  
16 as required by law. For example, on September 2, 2016, the Thurston County Democrats filed  
17 an amended C-4 report disclosing a \$1,250 in-kind contribution dated July 11, 2016 from Walt  
18 Bowen for sound systems for the Democratic Party convention. The filing amended the  
19 Thurston County Democrats' C-4 report filed July 11, 2016, for the reporting period from June  
20 1, 2016 through and including July 11, 2016 which did not disclose this information. Thus, the  
21 disclosure was made 52 days late.

22 4.6 The Thurston County Democrats also failed to timely disclose other  
23 contributions it received during the election years 2015, 2016, 2017, and 2018.

24 Late Disclosed Expenditures

25 4.7 The Thurston County Democrats failed to timely disclose all of their  
26 expenditures as required by law during election years 2015, 2016, 2017, and 2018. Examples

1 of these untimely disclosures include:

2 a. On September 2, 2016, the Thurston County Democrats filed an amended C-4  
3 report for the April 1 through April 30, 2016 reporting period. The amended C-4 report  
4 disclosed three expenditures totaling \$1,131, which should have been reported May 10, 2016.  
5 These disclosures were therefore reported 115 days late each.

6 b. On September 2, 2016, the Thurston County Democrats filed an amended C-4  
7 report for the May 1 through May 31, 2016 reporting period. The amended C-4 report  
8 disclosed four expenditures totaling \$1,571, which should have been reported by  
9 June 10, 2016. These disclosures were therefore reported 84 days late each.

10 c. Also on September 2, 2016, the Thurston County Democrats filed an amended  
11 C-4 report for the reporting period of June 1 through July 11, 2016. On that report, they  
12 disclosed \$5,672.62 in expenditures which should have been disclosed on July 12, 2016;  
13 therefore, the expenditures were disclosed at least 52 days late.

14 d. On September 2, 2016, the Thurston County Democrats disclosed \$12.01 in  
15 unitemized expenditures of \$50 or less, which should have been reported in their C-4 report  
16 due July 26, 2016; thus, this disclosure was 38 days late.

17 e. On November 4, 2016, the Thurston County Democrats filed an amended C-4  
18 report for the reporting period of October 18 through October 31, 2016. On that report, they  
19 disclosed a contribution they had made to the Hoffman campaign on October 24, 2016, which  
20 should have been reported by November 1, 2016. This disclosure was three days late.

21 f. On November 18, 2016, the Thurston County Democrats filed an amended C-4  
22 report for the reporting period of October 18 through October 31, 2016. On that report, they  
23 disclosed an expenditure made to Verizon Wireless for \$86.79 (dated October 29, 2016), which  
24 should have been reported on November 1, 2016. This payment was disclosed 17 days late.

25 g. On February 9, 2017, the Thurston County Democrats filed an amended C-4  
26 report for the reporting period of March 1 through March 31, 2016. On that report, they

1 disclosed \$6,782 in expenditures made (six different expenditures), which should have been  
2 reported on April 11, 2016. These disclosures were reported 304 days late each.

3 h. Also on February 9, 2017, the Thurston County Democrats filed an amended  
4 C-4 report for the reporting period of April 1 through April 30, 2016. On that report, they  
5 disclosed two expenditures totaling \$4,757 which should have been reported on May 10, 2016.  
6 These expenditures were reported 275 days late each.

7 i. On April 19, 2017, the Thurston County Democrats filed an amended C-4 report  
8 for the period of January 1 through January 31, 2017. On the amended report, they disclosed a  
9 payment for a brunch event dated January 5, 2017, in the amount of \$1,663.42, to River's Edge  
10 restaurant. This expenditure should have been reported on its C-4 report due on February 10,  
11 2017. This disclosure was reported 68 days late.

12 Late Reported Debts and Obligations

13 4.8 The Thurston County Democrats failed to timely disclose debts and obligations  
14 incurred during 2016, 2017, and 2018. For example, the state Democratic Party caucuses took  
15 place in the early spring of 2016. The Thurston County Democrats arranged to pay for meeting  
16 space for caucus activity to take place on March 26, 2016. They ultimately disclosed payment  
17 of \$4,826.63 to rent meeting space for the party caucuses. These disclosures were made on July  
18 11, 2016 (\$2,075 worth of rental expenses), and September 2, 2016 (\$2,751.63 worth of rental  
19 expenses). On information and belief, these disclosures should have been made as debts or  
20 orders placed no later than April 10, 2016, the next reporting date from the date of the  
21 caucuses. As such, these disclosures were at least 92 days late.

22 4.9 In January 2017, the Thurston County Democrats incurred a debt/obligation in  
23 excess of \$250 when it reserved the River's Edge restaurant for a February 25, 2017 brunch  
24 event. On information and belief, the Thurston County Democrats made the brunch reservation  
25 on or around January 5, 2017 and paid the River's Edge \$1,663.42. It then reported paying the  
26 balance of the obligation (\$1,663.42) on February 25, 2017 by disclosing this information on

1 its C-4 report filed on March 10, 2017. The Thurston County Democrats should have reported  
2 this remaining debt and obligation to the River's Edge on its C-4 report due on February 10,  
3 2017. As such, this disclosure is at least 30 days late.

4 4.10 In August 2017, the Thurston County Democrats incurred a debt/obligation of  
5 over \$50 to Jerry's Towing for towing services that was reported late.

6 Late Amended Political Committee Registration

7 4.11. The Thurston County Democrats failed to timely file its amended C-1pc  
8 registration form after electing a new chair on June 6, 2017.

9 **V. CLAIMS**

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

12 5.1 First Claim: Plaintiff reasserts the factual allegations made above and further  
13 asserts that Defendant, in violation of RCW 42.17A.235, failed to timely disclose contributions  
14 it received to the Public Disclosure Commission.

15 5.2 Second Claim: Plaintiff reasserts the factual allegations made above and further  
16 asserts that Defendant, in violation of RCW 42.17A.235, failed to timely disclose its  
17 expenditures, including but not limited to debts and obligations, to the Public Disclosure  
18 Commission.

19 **VI. REQUEST FOR RELIEF**

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

21 6.1 For such remedies as the court may deem appropriate under RCW 42.17A.750,  
22 including but not limited to imposition of a civil penalty, all to be determined at trial;

23 6.2 For all costs of investigation and trial, including reasonable attorneys' fees, as  
24 authorized by RCW 42.17A.765(5);

25 6.3 For temporary and permanent injunctive relief, as authorized by RCW  
26 42.17A.750(1)(h); and

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

DATED this 8th day of May, 2018.

OFFICE OF THE ATTORNEY GENERAL  
State of Washington



LINDA A. DALTON, WSBA No. 15467  
Senior Assistant Attorney General  
S. TODD SIPE, WSBA No. 23203  
Assistant Attorney General  
Attorneys for Plaintiff State of Washington

1 **PROOF OF SERVICE**

2 I certify that, pursuant to the agreement of the parties regarding electronic service of  
3 documents in this case and the Defendant's agreement to accept service of this Third Amended  
4 Complaint by electronic service, I served a copy of this document today on:

5 Taki Flevaris  
6 Greg Wong  
7 Pacifica Law Group  
8 Attorneys for Defendant  
9 taki.flevaris@pacificallawgroup.com  
10 greg.wong@pacificallawgroup.com  
11 tricia.okonek@pacificallawgroup.com  
12 dawn.taylor@pacificallawgroup.com

13 I certify under penalty of perjury under the laws of the state of Washington that the  
14 foregoing is true and correct.

15 DATED this 8th day of May, 2018, at Olympia, Washington.

16   
17 \_\_\_\_\_  
18 LINDA A. DALTON