

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

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PDC Staff Generated Complaint against King County Democratic Central Committee

Complaint and Background:

On May 17, 2016, the King County Democratic Central Committee (KCDCC) filed a new Committee Registration (C-1pc report) listing Richard Erwin as Chair and Media Contact, Jayson Morris as Treasurer, and Omaha Sternberg as 1st Vice Chair. (Exhibit 1)

Between May 21, 2016 and July 19, 2016, KCDCC filed Cash Receipts Monetary Contributions reports (C-3 reports) and Campaign Summary Receipts & Expenditures reports (C-4 reports) covering the period January 1, 2016 through May 31, 2016.

On July 19, 2016, KCDCC filed its May 2016 C-4 report disclosing \$30,205 in aggregate monetary contributions for 2016 and \$9,772 in aggregate expenditures for 2016, with a Cash on Hand balance of \$20,433 as of May 31, 2016. (Exhibit 2) No additional C-3 or C-4 reports have been filed by KCDCC.

On August 21, 2016, Mr. Morris submitted his formal resignation as Treasurer for KCDCC. In August of 2016, Public Disclosure Commission (PDC) staff discovered, outside its office door, a laptop, cash box, and committee records that had been left at the PDC by Mr. Morris. PDC staff notified KCDCC Chair Richard Erwin, and he traveled to Olympia and picked up the laptop, cash box, and committee records.

On November 16, 2016, KCDCC filed an amended C-1pc listing Nancy Podschwit as its new Treasurer. (Exhibit 3)

Complaint Review Findings:

PDC staff queried the PDC contribution database and found that between October 14, 2016 and November 5, 2016, KCDCC made \$30,500 in monetary contributions to five candidates for public office. (Exhibit 4)

PDC staff queried the PDC expenditure database and found that seven political committees made monetary contributions to KCDCC totaling \$30,000 during the month of October 2016. (Exhibit 5)

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Relevant PDC Statutes:

RCW 42.17A.205 states that political committees that are registered with the PDC are required to disclose any material change in information previously submitted in a statement of organization field with the commission within the ten days following the change.

RCW 42.17A.235 and .240 require political committees to file timely, accurate reports of contributions and expenditures, including C-4 reports that are required 21 and 7 days before each election, and in the month following the election, regardless of the level of activity. Beginning five months before the election, weekly C-3 reports are required to be filed every Monday disclosing monetary contributions received and deposited during the previous week.

Alleged Violations:

The facts referenced above provide reason to believe that the King County Democratic Central Committee may have violated: (1) RCW 42.17A.205 by failing to timely file an amended Committee Registration disclosing that Nancy Podschwit had replaced Jayson Morris as Treasurer; and (2) RCW 42.17A.235 and .240 by failing to file or timely file C-3 reports of contributions and C-4 reports of contributions and expenditures, disclosing contribution and expenditure activities undertaken during calendar year 2016.

Based on this information, I am filing this complaint and directing staff to open an investigation into the allegations that the King County Democratic Central Committee may have violated chapter 42.17A RCW.

Evelyn Fielding Lopez

Executive Director

Nov. 18, 2016 Date

Exhibit 1 May 17, 2016 Committee Registration (C1-pc)

Exhibit 2 May 2016 C-4 Report Filed by KCDCC

Exhibit 3 November 16, 2016 Committee Registration (C1-pc)

Exhibit 4 Monetary Contributions Made by KCDCC to Candidates in 2016

Monetary Contributions Received by KCDCC from PACs in 2016 Exhibit 5

PUBLIC DISCLOSURE COMMISSION

711 CAPITOL WAY RM 206 Political Committee

	PO BOX 40908 OLYMPIA WA 98504-0908	Registration			100695774			
(360) 753-1111 Toll Free 1-877-601-2828			(1/12)	05-17-2016				
official name. Do not i	clude sponsor in committee nar use abbreviations or acronyms DEMOCRATES CENTR	*	ponsor." Show entire	Acronym:	Acronym:			
INING COONTI	DEMOCRATES CENTE			Telephone: 206-	-566-9472			
Mailing Address								
P.O. BOX 525	ı			Fax:				
City		County	Zip + 4					
MERCER ISLAN		KING COMMITTEE STATU	98040	E-mail: CHAIR@	KCDEMS.ORG			
☑ NEW. Complete	■ NEW. Complete entire form. ■ Continuing (On-going; not established in anticipation of any particular campaign election.)							
1. What is the purpose	e or description of the committe	ee?						
	al Party Committee - official s e candidates you support.	tate or county central committee or le	gislative district committee.	. If you are not support	ting the entire party ticket, attach a list			
☐ Ballot Committee	e - Initiative, Bond, Levy, Recal	l, etc. Name or description of ballot r	neasure:		Ballot Number FOR AGAINST			
Other Political Co	ommittee - PAC, caucus comn	nittee, political club, etc. If committee	is related or affiliated with	a business, association	n, union or similar entity, specify			
(a) one or more candi	idates? Yes No	Itinuing committees): Is the commit lf yes, attach a list of each candidate	e's name, office sought and		n.			
(b) the entire ticket of	a political party? Yes committees. List name, addre	☐ No If yes, identify the party	:					
2. Helated of allillated	committees. List name, addre	ss and relationship.			☐ Continued on attached sheet.			
		election campaign, including the primi imate spending on a calendar year b		Based on that estimate	te, choose one of the reporting options			
l , .	•	Full Reporting. See instruction m		out reports required	and changing reporting options.			
MINI REPO		Φ5.000 "III II I	X FULL REP					
	in the aggregate will be accept	\$5,000 will be raised or spent <u>and</u> no ed from any one contributor.	i dii i topoi	ting is selected. The fr by law will be filed as r	equent, detailed campaign reports equired.			
4. Campaign Manager	's or Media Contact's Name ar	nd Address			ephone Number: 06-566-9472			
	5, MERCER ISLAND	WA 98040						
next page for details JAYSON T MOI	s. List deputy treasurers on att				ytime Telephone Number: 06-257-9206			
6. Persons who perfor	m only ministerial functions on	behalf of this committee and on beha	alf of candidates or other po	olitical committees. List	_ ' ' '			
persons. See WAC	390-05-243 and next page for	details.			Continued on attached sheet.			
7. Committee Officers	and other persons who author	ize expenditures or make decisions fo	or committee. List name, tit	tle, and address. See i	next page for definition of "officer."			
JAYSON MORRI	S, TREASURER, 26	32 NW 56 ST APT D,	SEATTLE WA 981	.07	Continued on attached sheet.			
RICH ERWIN,	CHAIR, 2811 75TH	I PL, #306, MERCER I	SLAND WA 98040	l				
OMAHA SIERNB	REG, IST VICE CE	IAIR, 314 S 180TH CT	, BURIEN WA 98	148				
8. Campaign Bank or [Depository		Branch		ity			
		pointment between 8 a.m. and 8 p.m		re the election, except				
	ace below, provide contact info n out-of-area address.	rmation for scheduling an appointmen	nt and the address where th	ne inspection will take p	place. It is not acceptable to provide a			
		y where campaign books will be a	ailable for inspection					
	ST APT. D., SEAT appointment, contact the came	$^{\prime}\mathrm{TLE}$ paign at (telephone, fax, e-mail): (2	(06)257-9206 T	REASURER@KCI	DEMS.ORG			
10. Eligibility to Give	to Political Committees and	State Office Candidates: A comm	nittee 11. Signature and	Certification. certif	y that this statement is true, complete			
contributing to a V	Nashington State political com	ashington State registered voters b mittee. Additionally, during the six m	onths	best of my knowledge.				
		ce candidate your committee must n at least ten Washington State regis	tered	Treasurer's Signature				
voters.	icates your awareness of and	pledge to comply with these provis	JAYSON T	MOKKIS	05-17-2016			
Absence of a che		ee does not qualify to give to Washi						

PUBLIC DISCLOSURE COMMISSION 711 CAPITOL WAY RM 206 PO BOX 40908 OLYMPIA WA 98504-0908 (360) 753-1111 TOLL FREE 1-877-601-2828

SUMMARY, FULL REPORT RECEIPTS AND EXPENDITURES

C4(3/97)

PDC OFFICE USE

100709523

Candidate or Committee Name (Do r	877-601-2828 not abbreviate Inclu	de full name)				07	-19-2016
King County Democrats (•					
Mailing Address P.O. Box 525				City Mercer	Island, WA		
Zip + 4 98040	Office Sought (Cand	lidates)	Election Date		s, Parties & Cau		•
Report Period From (last C-4)	To (er	nd of period)	Final Report?	expenditure	🧕 (i.e., an expense	not conside	red a contribution)
Covered 05/01/16	05	/31/16	Yes No X	supporting of	or opposing a state	or local can	<u>didate</u> ?
RECEIPTS				*See next p	age	Yes	No
Previous total cash and in kind (if beginning a new campaign of	l contributions (From or calendar year, see	line 8, last C-4) instruction boo	klet)			\$	12,964.54
2. Cash received (From line 2, So	chedule A)			···\$	17,240.57		
3. In kind contributions received (From line 1, Schedu	ıle B)			0.00		
4. Total cash and in kind contribu	itions received this p	eriod (Line 2 plu	s 3)		·····		17,240.57
5. Loan principal repayments ma							
6. Corrections (From line 1 or 3, 5	Schedule C)		Show + or (-)	0.00		
7. Net adjustments this period (C	·				-		0.00
8. Total cash and in kind contribu							
9. Total pledge payments due (Fr	rom line 2, Schedule	B)	0.00				
EXPENDITURES							
Previous total cash and in kind (If beginning a new campaign)	l expenditures (From or calendar year, see	l line 17, last C-4 e instruction boo	1) klet)		 		8,792.01
11. Total cash expenditures (From	line 4, Schedule A)				979.63		
12. In kind expenditures (goods &	services) (From line	1, Schedule B)			0.00		
13. Total cash and in kind expendi					-		979.63
14. Loan principal repayments ma	de (From line 2, Sch	edule L)			0.00		
15. Corrections (From line 2 or 3, 9	Schedule C)		Show + or (-)	0.00		
16. Net adjustments this period (C	ombine lines 14 & 1				Show + or (-)		0.00
17. Total cash and in kind expendi		• .	•				9,771.64
CANDIDATES ONLY Won Lost Ur	Name not nopposed on ballot	18. Cash on ha	\RY and (Line 8 minus line ⁻	17)			20,433.47
Primary election			equal your bank account bala				
General election		19. Liabilities:	(Sum of loans and deb	ots owed)			0.00
Treasurer's Daytime Telephone No	o.:	20. Balance (S	urplus or deficit) (Line	18 minus line	19)		
(206) 257-9206		_5 2					20,433.47
CERTIFICATION: I certify that the info Candidate's Signature	rmation herein and on Date	accompanying sch	edules and attachments in Treasurer's Signature		ect to the best of my	knowledge.	Date
			Jayson T Morr	ais			

CASH RECEIPTS AND EXPENDITURE

SCHEDULE to C4

2 Report Date

Candidate or Committee Name (Do not abbreviate. Use full name.)

05/01/16 05/31/16

I. CASH RECEIPTS (C	contributions) whic	n nave been reported on (53. List each dep	osit made since last C4 r	eport was submitte	a.
Date of deposit	Amount	Date of deposit	Amount	Date of deposit	Amount	Total deposits
05/04/2016	10,000.00	05/09/2016	50.00	05/25/2016	600.00	
05/03/2016	1,170.00	05/06/2016	20.00	05/20/2016	0.57	
05/04/2016	4,170.00	05/09/2016	200.00	See attached		

CODES FOR CLASSIFYING EXPENDITURES: If one of the following codes is used to describe an expenditure, no other description is generally

- needed. The exceptions are:

 1) If expenditures are <u>in-kind or earmarked contributions</u> to a candidate or committee or <u>independent expenditures</u> that benefit a candidate or committee, identify the candidate or committee in the Description block;
- 2) When reporting payments to vendors for travel expenses, identify the traveler and travel purpose in the Description block; and
- 3) If expenditures are made directly or indirectly to compensate a person or entity for soliciting signatures on a statewide initiative or referendum petition, use code "V" and provide the following information on an attached sheet: name and address of each person/entity compensated, amount paid each during the reporting period, and cumulative total paid all persons to date to gather signatures.

CODE DEFINITIONS ON NEXT PAGE

- C Contributions (monetary, in-kind & transfers)
- I Independent Expenditures
- L Literature, Brochures, Printing
- B Broadcast Advertising (Radio, TV)
- N Newspaper and Periodical Advertising O - Other Advertising (yard signs, buttons, etc.)
- V Voter Signature Gathering

- P Postage, Mailing Permits
- S Surveys and Polls

Enter also on line 2 of C4

- F Fundraising Event Expenses
- T Travel, Accommodations, Meals
- M Management/Consulting Services
- W Wages, Salaries, Benefits
- G General Operation and Overhead

3. EXPENDITURES

2. TOTAL CASH RECEIPTS

- a) Expenditures of \$50 or less, including those from petty cash, need not be itemized. Add up these expenditures and show the total in the amount column on the first line below.
- b) Itemize each expenditure of <u>more than \$50</u> by date paid, name and address of vendor, code/description, and amount.
- c) For each payment to a candidate, campaign worker, PR firm, advertising agency or credit card company, attach a list of detailed expenses or copies of receipts/invoices supporting the payment.

Date Paid	Vendor or Recipient (Name and Address)	Code	Purpose of Expense and/or Description	A	Amount
N/A	Expenses of \$50 or less	N/A	N/A		70.97
05/03/16	TRANSWORLD SYSTEMS 33400 8th Ave South Federal Way, WA 98003		Processing Checks		144.00
05/02/16	NGP VAN 1101 15TH STREET NORTHWEST WASHINGTON, DC 20005		Monthy fee for database		250.00
05/11/16	JAYSON MORRIS 2632 NW 56st Apt D Seattle, WA 98107		PDC Training in Olympia		80.60
05/02/16	FIRST BANK MERCHANT SERVICES 6201 POWERS FERRY ROAD ATLANTA, GA 30338		May Credit Card Fees		74.17
05/25/16	OFFICE DEPOT STORE 120501 SEATTLE, WA 98105		Paper clips, pens, and paper		55.89
05/04/16	LISA HUTCHINSON P.O. Box 55384 Shoreline, WA 98155-0384		Realtime Captioner		200.00
		•	Total from attached pages	\$	104.00
4. TOTAL CA	ASH EXPENDITURES		Enter also on line 11 of C4	\$	979.63

EXPENDITURES CONTINUATION SHEET (Attachment to Schedule A)

Candidate or Committee Name (Do not abbreviate. Use full name.)

Report Date

05/01/16

05/31/16

Date Paid	Vendor or Recipient (Name and Address)	Code	Purpose of Expense and/or Description	Amount
05/09/16	MODERN TRIBE 171 Auburn Ave NE #G Atlanta, GA 30303	-		104.00

Page Total \$ 104.00

Attachment to Schedule A Additional Deposits

Name

Date of Deposit Amount Date of Deposit Amount Date of Deposit	Amount
05/23/16 20.00	
05/28/16 25.00	
05/04/16 5.00	
05/03/16 960.00	
05/24/16 20.00	

for the period: 05/01/16 05/31/16

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PUBLIC DISCLOSURE COMMISSION

711 CAPITOL WAY RM 206 Political Committee

	PO BOX 40908 OLYMPIA WA 98504-0908	Registration			PC 1007354	146		
	(360) 753-1111 Toll Free 1-877-601-2828	riegistration		(1/12)	11-16-2	2016		
official name. Do not u	lude sponsor in committee nar use abbreviations or acronyms DEMOCRATS CENTRA	*	f "sponsor."	Show entire Acronym:	Acronym:			
				Telephone: 2	06-566-9472			
Mailing Address								
P.O. BOX 525				Fax:				
City		County	Zip + 4	4				
MERCER ISLAN NEW OR AMENDED F		KING COMMITTEE STAT	980 <u>4</u>	40 E-mail: CHA	IR@KCDEMS.ORG			
☑ NEW. Complete	NEW. Complete entire form.							
l	or description of the committee							
	al Party Committee - official s e candidates you support.	tate or county central committee or	r legislative	district committee. If you are not su	pporting the entire party ticket,	attach a list		
☐ Ballot Committee	- Initiative, Bond, Levy, Recal	l, etc. Name or description of ballo	ot measure:		Ballot Number FOR	AGAINST		
Other Political Co	mmittee - PAC, caucus comn	nittee, political club, etc. If committ	tee is related	d or affiliated with a business, asso	ciation, union or similar entity, sp	pecify		
(a) one or more candid	dates? Yes No	•	date's name,	orting or opposing office sought and political party aff	liation.			
(b) the entire ticket of	committees. List name, addre	☐ No If yes, identify the pa	irty:					
2. Helated of animated	committees. List name, addre	ess and relationship.			☐ Continued on atta	ached sheet.		
		election campaign, including the primate spending on a calendar year		general elections? Based on that e	stimate, choose one of the repor	ting options		
l , .	•			or information about reports requ	ired and changing reporting o	ptions.		
MINI REPO		\$5,000 will be raised or spent and		X FULL REPORTING				
	n the aggregate will be accept		. No more	Full Reporting is selected. mandated by law will be filed	The frequent, detailed campaign d as required.	reports		
RICH ERWIN	's or Media Contact's Name ar				Telephone Number: 206-566-9472			
next page for details NANCY M PODS	. List deputy treasurers on att		Yes No	∑ X . See WAC 390-05-243 and ☐ Continued on attached sheet.	Daytime Telephone Number: 630-750-7222			
6. Persons who perforr	n only ministerial functions on	behalf of this committee and on be	ehalf of cand	didates or other political committees				
persons. See WAC	390-05-243 and next page for	r details.			☐ Continued on attached	sheet.		
7. Committee Officers	and other persons who author	ize expenditures or make decisions	s for commit	tee. List name, title, and address.	See next page for definition of "	officer."		
NANCY M PODS	CHWIT, TREASUREF	R, 832 SW 4TH PLACE	E, RENI	ON WA 98057	Continued on attached	sheet.		
RICH ERWIN,	CHAIR, 2811 75TH	PL, #306, MERCER	ISLAND	WA 98040				
OMAHA SIERNB.	REG, IST VICE CH	HAIR, 314 S 180TH (JI, BUF	KIEN WA 98148				
8. Campaign Bank or D	Depository		Branc		City			
BECU 9. Campaign books mu	ust be open to the public by ap	pointment between 8 a.m. and 8 p	TUKW m. during th	ne eight days before the election, e	TUKWILA ccept Saturdays, Sundays, and I	legal		
	ce below, provide contact info out-of-area address.	rmation for scheduling an appointn	nent and the	address where the inspection will t	ake place. It is not acceptable t	o provide a		
	*	y where campaign books will be	available f	or inspection				
	ST APT. D., SEAT appointment, contact the cam	"L'LE paign at (telephone, fax, e-mail): 「	(206)25	57-9206 TREASURER®	KCDEMS.ORG			
10. Eligibility to Give	to Political Committees and	d State Office Candidates: A co	mmittee 1	11. Signature and Certification.		, complete		
contributing to a V	Vashington State political com	ashington State registered voters mittee. Additionally, during the six	months	and correct to the best of my knowle				
		ce candidate your committee mu n at least ten Washington State re		Committee Treasurer's Sign		e 2016		
voters. ⊠ A check here indic	cates vour awareness of and	pledge to comply with these pro	ovisions	NANCY M PODSCHWIT	11-1	6-2016		
Absence of a che		ee does not qualify to give to Was						

Monetary Contributions Made by KCDCC to Candidates in 2016 Exhibit 1

Candidate Receiving Contribution	Contributor	Date	Amo	ount
WIGGINS CHARLES K	KING CO. DEMOCRATIC CENTRAL CO	2016-11-05	\$	2,000.00
	KING COUNTY DEMOCRATIC CENTRAL			
RITCHIE JASON	COMMITTEE	2016-10-17	\$	17,500.00
	KING COUNTY DEMOCRATIC CENTRAL			
RITCHIE JASON	COMMITTEE	2016-10-27	\$	4,500.00
	KING COUNTY DEMOCRATIC CENTRAL			
BURNER DARCY G	COMMITTEE	2016-10-25	\$	500.00
	KING COUNTY DEMOCRATIC CENTRAL			
REEVES KRISTINE M	COMMITTEE	2016-10-21	\$	500.00
	KING COUNTY DEMOCRATIC CENTRAL			
RITCHIE JASON	COMMITTEE	2016-10-21	\$	500.00
MULLET MARK D	KING COUNTY DEMOCRATS CENTRAL CTTE	2016-10-14	\$	5,000.00
Total			\$	30,500.00

Monetary Contributions Received by KCDCC from PACs in 2016 Exhibit 5

Name of Contributor	Recipient	Date	Amount	
WA ST ASSN FOR JUSTICE JUSTICE				
FOR ALL	KING COUNTY DEMOCRATS	2016-10-07	\$	2,500.00
WA ST LABOR COUNCIL AFL CIO PPP	KING COUNTY DEMOCRATIC			
сомм	COMMITTEE	2016-10-12	\$	5,000.00
SERVICE EMPLOYEES INTL UNION				
WA ST COUNCIL PAC	KING COUNTY DEMOCRATS	2016-10-12	\$	5,000.00
HARRY TRUMAN FUND	KING COUNTY DEMOCRATS	2016-10-14	\$	5,000.00
	KING COUNTY DEMOCRATIC			
UFCW 21 PAC	COMMITTEE	2016-10-17	\$	5,000.00
WA ST MACHINISTS COUNCIL	KING COUNTY DEMOCRATS	2016-10-17	\$	2,500.00
WA ST ASSN FOR JUSTICE JUSTICE				
FOR ALL	KING COUNTY DEMOCRATS	2016-10-31	\$	5,000.00
Total			\$	30,000.00