

Complaint Description

Glen Morgan (Wed, 25 Sep 2019 at 11:16 AM)

To whom it may concern,

It has come to my attention that Satpal Sidhu, running for Whatcom County Executive has committed numerous violations of Washington State's campaign finance laws (**RCW 42.17A**).

1) Misuse of campaign funds for personal use (Violation of RCW 42.17A.445(2), WAC 390-16-238)

On multiple occasions campaign funds have been improperly used by this political campaign for the personal use and benefit of the candidate. In **RCW 42.17A.445 (2)**, the law clearly states that campaign expenditures for the candidate or reimbursements can only be for campaign related expenses:

"Reimbursement for direct out-of-pocket election campaign and postelection campaign related expenses made by the individual."

Furthermore, **WAC 390-16-238** provides even further more detailed guidance on this campaign finance issue. There are at least two examples as evidence of this. The first is the use of campaign funds to pay \$81.52 for "cell phone repair" of the candidate's personal cell phone (See **PDC Report # 100930350**) This should not be reported on this candidates campaign documents, as it is something the candidate would purchase on their own regardless of whether they were running a campaign or not.

The second is the use of campaign funds to reimburse the candidate for paying for "seminar fees" to "Innerengine" out of Tennessee, (See **PDC Report #100907447** and also **Report #100917768**) These two expenditures of \$410 and \$150 respectively appear to be out-of-state seminar fees entirely unrelated to this political campaign, and should be reimbursed to the campaign. It appears these are seminars the candidate would have attended regardless of the political campaign, and it is illegal for this candidate to use campaign funds to subsidize non-campaign related activities. Claiming this is a legitimate campaign expenditure is a stretch. Related to this is the questionable personal expenditure of \$53.83 for "parking" near SeaTac airport (see **PDC Report #100917768**). This is also a personal expenditure the candidate should have paid for on his own. He is presumably running a political campaign in Whatcom County and has no need to jet around the country for his local political campaign.

Most disturbingly, some very questionable personal expenditures appear to be made by this candidate when this candidate used campaign funds to purchase undefined "supplies" from

McMinnville, Tennessee from the same address and company where he attended his "seminar." There were two mystery purchases of "supplies" from this same corporation - one for \$164.62 and one for \$58.17. While this candidate may have wanted to have these supplies, based on the descriptions provided, they could be personal souvenirs or other items entirely unrelated to a political campaign in Whatcom County and therefore entirely unrelated to this campaign and illegal purchases for this candidate to squander campaign funds. He must refund these funds to the campaign.

2) Failure to accurately describe expense. (Violation of RCW 42.17A.240(6) & WAC 390-16037, RCW 42.17A.235)

Sidhu's campaign has regularly failed to follow Washington State's Campaign Finance laws as they apply to the reporting of expenditures. Many C4s this campaign has filed contains violations of the statute and the rules written by the Public Disclosure Commission which support the statute.

Here are some examples that need to be corrected by Sidhu's campaign to at least go through the motions of complying with the statute: Examples of a failure to provide sufficient detail of expenditures (unambiguous violations of **RCW 42.17A.240(6)** and **WAC 390-16-037** (see **example B** provided at **WAC 390-16-037(3)**):

For example, the expenditures reported on **PDC Report # 100930350** failed to report how many signs and brochures were printed and purchased from Copy Source on 8/27/2019. This is a clear violations of **WAC 390-16-037(3) example B** provided. On **PDC Report # 100907447** this campaign failed to provide required details for \$1,124.39 spent on "printing" on May 2, 2019 also from the vendor "Copy Source." This is a clear violation of the statute because not only did this campaign fail to provide the details of how many items were printed, they also failed to identify what campaign literature (presumably it was related to the political campaign) was printed here. The same failure to comply with the statute occurred on the same report on May 10, 2019 when another \$816.58 was spent on mystery undefined and unquantified "printing." Also, on May 20, 2019 another \$2,238.35 was spent on more secretive and unexplained "printing." There was a lot of money spent on mystery "printing" by this campaign and the required reporting details have been concealed from the public.

Further evidence of this campaign's pattern of violating Washington State's campaign finance laws can be found on **PDC Report # 100921242**, where this campaign failed to report legally required details on the July 26, 2019 purchase of \$14,953 "postcards" from Cerillion Partners. On **PDC Report # 100917768**, more mystery "campaign printing" of \$2,466 occurred from that same vendor with no legally required description or details provided.

Most of the C4s which this campaign filed and which mention literature, signs, handouts, or other campaign advertisement materials has failed to provide proper detail as required under the

statute. This is a total failure to comply with the statute. This is a well-funded campaign with professional consultants. There is no excuse for a failure to be fully transparent or compliant with the statute. This is a candidate who has run for office repeatedly for many years, this is a well-funded political campaign, with an army of professional paid consultants involved. There is no excuse for this campaign to not comply with the statute.

The PDC should conduct a thorough review of this campaign to identify other violations which may have been committed.

Please don't hesitate to contact me if you need any additional information.

Best Regards,

Glen Morgan

What impact does the alleged violation(s) have on the public?

The public has a right to know when candidates misuse their political funds for personal benefit and they have a right to know how candidates like this are spending their campaign funds.

List of attached evidence or contact information where evidence may be found.

All source documents are referenced by PDC report # within the body of the complaint.

List of potential witnesses with contact information to reach them.

In addition to the candidate and treasurer, it might be necessary to look closer at the out of state corporations who received some of these funds which appear to be personal use.

Complaint Certification:

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.