



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
Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

September 20, 2018

Sent electronically to Max Hyland, 15 Now Tacoma Campaign Manager

Subject: PDC Case No. 37219

Dear Mr. Hyland:

Below is a copy of an electronic letter sent to Glen Morgan concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted below in the electronic letter to Mr. Morgan, the PDC will not be conducting a more formal investigation into the allegations listed in the complaint he filed against 15 Now Tacoma, since the committee completed a Statement of Understanding (SOU) and paid a \$150 civil penalty, as confirmed by the Department of Enterprise Services. The SOU acknowledged a violation of RCW 42.17A.235 for failing to timely file Monetary Contribution reports (C-3 reports).

Pursuant to WAC 390-37-060(1)(b), this letter serves as a warning letter concerning 15 Now Tacoma's failure to timely campaign finance reports disclosing contribution and expenditure activities undertaken by the committee. This formal written warning comes with the staff's expectation that 15 Now Tacoma will timely file reports of contributions and expenditures in future years in accordance with PDC laws and rules. In addition, the Commission may consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules. Based on this information, the PDC has closed this matter

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov.

Sincerely,

Endorsed by:

s/ _____
Erick Agina
PDC Compliance Officer

s/ _____
BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director



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September 19, 2018

Sent electronically to Glen Morgan at “glen@wethegoverned.com”

Subject: Complaint regarding 15 Now Tacoma, PDC Case No. 37219

Dear Mr. Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on June 21, 2018. The complaint alleged that 15 Now Tacoma, a 2015 local ballot proposition committee registered with the PDC to support a \$15 minimum wage in the City of Tacoma, violated RCW 42.17A.235 by failing to timely file the Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) during the period March 10 through December 31, 2015.

PDC staff reviewed the allegations listed in the complaint, the statutes, rules, and reporting requirements, the C-3 and C-4 reports filed by the 15 Now Tacoma Committee, and the August 21, 2018 response letter from Max Hyland, the Committee’s Campaign Manager. Based on staff’s review of the pertinent materials, including Mr. Hyland’s response to the allegations, we found the following:

- On December 8, 2014, 15 Now Tacoma (Committee) filed a Committee Registration (C-1pc report) registering with the PDC as a first-time political committee in 2015 as a Ballot Committee in support of increasing the minimum wage for the City of Tacoma on the November 3, 2015, general election ballot. The C-1pc report disclosed the Committee selected the Full Reporting Option and listed Maximillian Hyland and Katelyn Driskill as Campaign Manager and Treasurer respectively.
- The City of Tacoma adopted a resolution placing a companion or alternative measure on the November 2015 general election ballot, which would raise the minimum wage to \$12 an hour if approved, and then the minimum wage would be raised to \$15 within a specific number of years. The \$12 minimum wage alternative measure was approved by the voters in 2015.

Staff’s review confirmed that the Committee filed some late C-3 and C-4 reports during the 2015 election year, but most of late filed reports were filed before the “critical window prior to the 2015 general election and the ballots being mailed out. Those late filed C-3 and C-4 reports included the following:

1. On October 19, 2015, the Committee filed the 21-Day Pre-General Election C-4 report covering the period September 1 through October 12, 2015, and disclosing \$184 for an in-kind contribution, and \$41 in small un-itemized expenditures. While the 21-Day Pre-General Election C-4 report was filed six days late, it contained minimal contribution and expenditure information, and it does not appear that it deprived the public of critical information pursuant to WAC 390-37-062.
2. On October 26, 2015, the Committee filed a C-3 report disclosing \$4,220 in monetary contributions that had been received during the period August 15 through October 8, 2015. The \$4,220 in contributions disclosed on the C-3 report were all deposited on October 15, 2015, and the contributor information was filed between 7 to 63 days late. The monetary contributions received by the 15 Now Tacoma Committee were required to be deposited within five business days of receipt (RCW 42.17A.220). In addition, a C-3 report was required to be filed by the following Monday for contributions deposited the previous seven days (RCW 42.17A.235).

Based on the information listed on the C-3 report, and the October 15, 2015 deposit date listed on the 21-day Pre-General Election C-4 report, the Committee should have filed five separate C-3 reports for \$4,130 in monetary contributions disclosed on the October 26, 2015 C-3 report. The \$4,220 in total contributions disclosed on the C-3 report represented more than 50 percent of the total contributions received by the Committee, and staff believes deprived the public of critical information before and after the ballots had been mailed out pursuant to WAC 390-37-062.

3. On September 7, 2018, the Committee filed the Post-General Election C-4 report covering the period October 27 through November 30, 2015, disclosing no contributions had been received or expenditures made. The Post-General Election C-4 report was required to have been filed by December 10, 2015 and was filed by the Committee 1,002 days late. While the Post-General Election C-4 report was filed significantly late, it disclosed no contribution and expenditure information, and therefore did not deprive the public of critical information pursuant to WAC 390-37-062.
- The Committee was a first-time political committee in 2015, comprised of all volunteers, with no prior PDC violations. The Committee appears to have made a good faith effort to comply with the PDC statutes, rules and reporting requirements, and no evidence was found the late reporting was intentional.

15 Now Tacoma provided PDC staff with an emailed copy of a completed Statement of Understanding (SOU), along with a copy of a US Postal Service receipt indicating they had mailed a \$150 civil penalty payment to the Department of Enterprise Services. The SOU from 15 Now Tacoma acknowledged a violation of RCW 42.17A.235 for failing to timely file C-3 reports.

Pursuant to WAC 390-37-060(1)(b), 15 Now Tacoma will receive a formal written warning concerning failure to timely report C-3 and C-4 reports, including the 21-Day Pre-General Election and Post-General Election C-4 reports. The formal written warning will include staff's expectation that 15 Now Tacoma file timely reports of contributions and expenditures in future years in accordance with PDC laws and rules.

The Commission may consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules. Based on these findings, the PDC has closed this case and will not be conducting a more formal investigation into your complaint or pursuing further enforcement action in this matter.

If you have questions, you may contact me at (360) 586-2869, toll-free at 1-877-601-2828, or by e-mail at erick.agina@pdc.wa.gov.

Sincerely,

Endorsed by:

Erick Agina
PDC Compliance Officer

BG Sandahl, Deputy Director for
Peter Lavalley, Executive Director

cc: 15 Now Tacoma

