



**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: pdcc@pdcc.wa.gov • Website: www.pdcc.wa.gov

May 31, 2023

Delivered electronically to "kitty509forward@gmail.com"

Subject: PDC Case 122194

Dear 509 Forward PAC:

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

As noted in the enclosed letter to Glen Morgan, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not be conducting a more formal investigation into these allegations or taking further enforcement action in this matter.

However, pursuant to WAC 390-37-060(1)(d), this letter serves as a formal warning concerning your failure to update your committee's name 60 days before the 2022 general election and your failure to use the required updated name when identifying yourself as the sponsor of political advertising. PDC staff expects 509 Forward PAC to carefully monitor its contributions to ensure the committee's name is properly updated if it becomes a sponsored political committee in the future. The Commission will consider this formal written warning in deciding on further Commission action if there are future violations of PDC laws or rules.

If you have questions, you may contact Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,
Electronically Signed Philip E. Stutzman
Phil Stutzman
Compliance Officer

Endorsed by,
Electronically Signed Peter Frey Lavalley
Peter Frey Lavalley
Executive Director



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May 31, 2023

Delivered electronically to "glen@wethegoverned.com"

Subject: Complaint regarding 509 Forward PAC, PDC Case 122194

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on March 2, 2023. Your complaint alleged that 509 Forward PAC may have violated RCW 42.17A.205(5) and WAC 390-16-011A by failing to include an 80 percent sponsor (Lisa Brown for Congress) in the name of the committee; RCW 42.17A.405 by making over-limit contributions when its contributions were combined with the contributions of its 80 percent sponsor; and RCW 42.17A.320 by failing to include the name of its 80 percent sponsor in the sponsor identification for political advertising.

PDC staff reviewed your allegations; the applicable statutes, rules, and reporting requirements; the response provided by 509 Forward PAC; the applicable PDC reports filed by Respondent; and other relevant information, to determine whether the record supports a finding of one or more violations.

Based on staff's review, we found the following:

Sponsored Political Committee (RCW 42.17A.205(5) and WAC 390-16-011A)

- RCW 42.17A/205(5) and WAC 390-16-011A require a sponsored political committee to include the name of at least one sponsor in the committee's name. A sponsored political committee is required to amend its committee registration 60 days before an election in which it participates if the committee's name on its most recently filed committee registration does not include at least one current sponsor.
- 509 Forward PAC received \$38,555 in contributions in 2022 with \$37,200 of that amount coming from Lisa Brown for Congress. The contributions included \$12,200 on April 14, 2022 and \$25,000 on August 9, 2022.
- 509 Forward PAC was formed in 2021, and stated its purpose was to support progressive causes and candidates in Eastern Washington. In 2021, 509 Forward PAC received one contribution from Lisa Brown for Congress totaling about 20 percent of 509 Forward PAC's total contributions.

- At the beginning of August 2022, Lisa Brown for Congress had contributed less than 50 percent of the total contributions received by 509 Forward PAC during the preceding 12 months. However, by the end of August 2022, Lisa Brown for Congress's contributions exceeded 80 percent of the contributions received by 509 Forward PAC during the preceding 12 months.
- 509 Forward PAC acknowledged that it should have amended its name to "509 Forward PAC Sponsored by Lisa Brown for Congress" by Friday, September 9, 2022, 60 days before the November 8, 2022 general election, and failed to do so. 509 Forward PAC stated it was a new and relatively small political committee and did not track its past donations closely enough to realize it had exceeded the 80 percent threshold and become a sponsored political committee. 509 Forward PAC has updated its committee registration to include the sponsor's name in the committee's name.

Sponsor Identification in Political Advertising (RCW 42.17A.320)

- 509 Forward PAC further acknowledged that because it did not realize it was a sponsored political committee, it failed to include the name "509 Forward PAC Sponsored by Lisa Brown for Congress" in the sponsor identification for its one political advertising mailer sent out during the 2022 election cycle.
- 509 Forward PAC stated that not including the proper sponsor identification on its political advertising mailer was an innocent misstate that was not an effort to hide the significant contributions 509 Forward PAC had received from Lisa Brown for Congress.
- 509 Forward PAC stated it accurately reported its contributions on C-3 reports with the PDC and noted the contributions were publicly reported as expenditures by Lisa Brown for Congress on her Federal Election Commission reports. In addition, 509 Forward PAC stated it included the Top Five Contributors and Top Three Donors in its sponsor identification, listing Lisa Brown for Congress first.

Exceeding Contribution Limits if Affiliated with Lisa Brown for Congress (RCW 42.17A.405)

- Two entities share campaign contribution limits if the two entities are affiliated because one of the entities is established, financed, maintained, or controlled by the other.
- 509 Forward PAC stated Lisa Brown for Congress was a federal candidate committee established and controlled by the candidate, Lisa Brown, for the purpose of supporting her 2018 congressional campaign. 509 Forward PAC stated that during the process of winding down, Lisa Brown for Congress made donations and contributions to several entities and in March 2023 filed its termination report with the Federal Election Commission after distributing its remaining funds.
- 509 Forward PAC stated it was not established, financed, maintained, or controlled by Lisa Brown for Congress and its officers did not overlap with the officers of Lisa Brown for Congress. 509 Forward PAC stated neither committee had the authority or ability to direct or participate in the governance of the other, and 509 Forward PAC stated it did not coordinate or communicate with Lisa Brown for Congress with respect to any of its campaign contribution decisions or other expenditures.

Expenses for 509 Forward PAC's One Mailer

- 509 Forward PAC sent one mailer in 2022, a political advertisement opposing Al French, a candidate for Spokane County Commissioner, mailed on or about October 31, 2022. The mailer was reported as an Independent Expenditure on PDC form C-6 on November 5, 2022 but because of a miscommunication, the initial C-6 included only the design and printing costs totaling \$4,375. On December 5, 2022, 509 Forward PAC paid an invoice from Publishers Mailing Service for \$4,265.40 which may have resulted in the appearance of a possible second mailing.

- 509 Forward PAC's one mailer was designed by NWP Consulting and printed by Capitol City Press for \$4,375, and was mailed by Publishers Mailing Service for \$4,265.20, for a total cost of \$8,640.20. The expenses were reported on the December 2022 C-4 report and the January 2023 C-4 report. 509 Forward PAC amended its C-6 report to reflect both expenditures for a total cost of \$8,640.20.
- 509 Forward stated its \$25,000 expenditure to Searchlight Research was for assistance with polling to help assess where best to focus their resources. 509 Forward PAC stated the poll focused on City and County races and issues and included one question about Lisa Brown as a potential candidate for Mayor of Spokane. 509 Forward PAC stated the poll was not focused on exploring a possible future run for Mayor by Lisa Brown.

Based on these findings, staff has determined that in this instance, the failure of 509 Forward PAC to update its committee registration 60 days before the November 8, 2022 general election to include the name of its 80 percent sponsor and to use the required updated name when identifying itself as the sponsor of political advertising during the 2022 election cycle does not amount to a violation warranting further investigation.

However, pursuant to WAC 390-37-060(1)(d), 509 Forward PAC will receive a formal written warning concerning its failure to update its committee name 60 days before the 2022 general election and its failure to use the required updated name when identifying itself as the sponsor of political advertising. The formal written warning will include staff's expectation that 509 Forward PAC carefully monitor its contributions to ensure the committee's name is properly updated if it becomes a sponsored political committee in the future. The Commission will 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 finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions, you may contact Phil Stutzman at 360-664-8853, toll-free at 1-877-601-2828, or by e-mail at pdcc@pdcc.wa.gov.

Sincerely,
Electronically Signed Philip E. Stutzman
Phil Stutzman
Compliance Officer

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Peter Frey Lavalley
Executive Director

cc: 509 Forward PAC