



**State of Washington**  
**PUBLIC DISCLOSURE COMMISSION**

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October 10, 2023

Sent electronically to Andy Taylor, Treasurer 2023 Lisa Brown for Spokane Mayor Campaign

Subject: Complaint filed against Lisa Brown, PDC Case 140156

Andy Taylor:

Enclosed is a copy of an electronic letter concerning the three separate complaints filed by Glen Morgan against the 2023 Lisa Brown for Spokane Mayor Campaign, alleging violations of: (1) RCW 42.17A.235 and .240 for failure to timely and accurately file contribution and expenditure reports, including debts and expenditure details; (2) RCW 42.17A.405 by receiving an in-kind contribution that exceeded the 2023 primary contribution limits; and (3) RCW 42.17A.430 by making an expenditure using campaign funds to attend a Spokane County Democratic Central Committee (SCDCC) fundraising event, and that a portion of the campaign funds used to purchase a sponsorship at the event ended up being a contribution to the SCDCC.

PDC staff did not find evidence of violations that would require conducting a more formal investigation into the complaint or pursuing further enforcement action in this instance.

In accordance with WAC 390-37-060(1)(d), PDC staff is issuing a formal written warning to the 2023 Lisa Brown Campaign concerning the requirement to timely and accurately file C-3 and C-4 reports, including providing the expenditure details for Campaign vendors and the disclosure and proper attribution for debts and the subsequent payments on those debts, for the remainder of the 2023 election and in all future Campaigns. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws and rules.

If you have questions, please contact PDC Compliance Officer Kurt Young by e-mail.

Sincerely,

Endorsed by,

/s

\_\_\_\_\_  
Electronically Signed Kurt Young  
Compliance Officer

/s

\_\_\_\_\_  
Electronically Signed Peter Lavallee, PDC Executive  
Director



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October 10, 2023

Sent electronically to Glen Morgan

Subject: Complaint filed against 2023 Lisa Brown for Spokane Mayor Campaign, PDC Case 1140156

Glen Morgan:

Public Disclosure Commission (PDC) staff has completed its review of three complaints you filed against the 2023 Lisa Brown for Spokane Mayor Campaign. The complaint alleged that the 2023 Lisa Brown for Spokane Mayor Campaign violated: (1) RCW 42.17A.235 and .240 for failure to timely and accurately file contribution and expenditure reports, including debts and expenditure details; (2) RCW 42.17A.405 by receiving an in-kind contribution that exceeded the 2023 primary contribution limits; and (3) RCW 42.17A.430 by making an expenditure using campaign funds to attend a Spokane County Democratic Central Committee (SCDCC) fundraising event, and that a portion of the campaign funds used to purchase a sponsorship at the event ended up being a contribution to the SCDCC.

PDC staff reviewed the allegations listed in the complaints; the applicable statutes, rules, and the local candidate reporting requirements; the Monetary Contributions reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports) filed by the 2023 Lisa Brown for Spokane Mayor Campaign (Campaign); and the email exchanges between Andrew Taylor, Treasurer for the Campaign, and PDC staff, to determine whether the record supports a finding of one or more violations. Based on staff's review, we found the following:

- On March 2, 2023, Lisa Brown filed a Candidate Registration with the PDC declaring her candidacy for election to the office of Mayor for the City of Spokane, selecting the Full Reporting option, and listing Andy Taylor, as Ministerial Campaign Treasurer.
- Specifically, your complaint alleged that the Campaign failed to timely file one C-4 report; accurately file C-4 reports providing the complete descriptions for some expenditures; failure to disclose debts, orders placed, or obligations owed for management and consulting services; exceeding contribution limits for two in-kind contributions received, and spending active campaign funds, a portion of which was a contribution to a political party committee.

In the response, Mr. Taylor stated the following concerning the allegations listed in the initial complaint filed on July 13, 2023, and the supplemental complaint that was filed on July 21, 2023, against the Campaign:

1. The Campaign "inadvertently filed" the 21-Day Pre-Primary Election C-4 report two days late.

Mr. Taylor stated the Campaign missed “checking the box” in the PDC’s Online Reporting of Campaign Activities (ORCA) campaign finance filing software indicating “the candidate is participating in the primary election.” He stated by not checking the proper box in ORCA, the Campaign did not receive the filing reminders through the ORCA software. He added that the Campaign has corrected that issue in ORCA “by ensuring that box is checked, and reminders will be activated.”

2. The \$1,079.10 Campaign expenditure made to Mountain Dog Sign Company on April 4, 2023, “was for one large sign with 2 polycarbonate panels for the outside of the campaign office” and not for multiple yard signs. The Campaign has amended the C-4 report to disclose that information.
3. The Campaign did not initially believe that the invoices for the Desautel Hege (DH) Management, Consulting and Marketing services triggered a reporting “obligation to record them as a debt because we made all payments on that invoice within the same reporting period.” In addition, the Campaign’s initial review of the DH invoice stated, “net 30, meaning that the payment was not due for 30 days.” However, after the Campaign “re-examined the situation” it was determined that the Campaign should have recorded the DH “invoice as a debt and payments against that invoice as satisfaction of the debt.” Mr. Taylor stated that the Campaign had filed the relevant amended C-4 reports for this allegation.
4. The Campaign inadvertently misspelled the contributor’s name for Andy Billig and the proper state in the address for the PayPal contribution that was received from Mr. Billig. The Campaign filed an amended C-3 report correcting the name and state for that contributor.
5. The Campaign did not exceed the 2023 primary contribution limits for the two \$1,000 in-kind contributions that were initially disclosed as coming from Hamilton Studio on March 6, 2023. Mr. Taylor stated that the two principals of Hamilton Studio, Don Hamilton, and Lorna St. John, each individually made a \$1,000 in-kind contribution to the campaign for the services provided for the 2023 primary election. He stated, “this was a mistake in reporting” and that the Campaign has filed an amended C-4 report to reflect this and added that the original invoice the Campaign received from Hamilton Studio correctly reflected the intention of the donors.
6. Mr. Taylor stated that all but two of the in-kind contributions received by the Campaign were provided directly by the contributors. He stated that the Campaign has filed amended C-4 reports “to record the identity of any sub-vendors used for those making in-kind contributions to the campaign.”
7. On April 10, 2023, the Campaign timely filed an initial C-3 report disclosing that on March 14, 2023, the Campaign received and deposited a \$1,000 monetary contribution from David Green, CPA PLLC.
8. On July 17, 2023, the Campaign filed an amended C-3 report disclosing that on March 14, 2023, the Campaign received and deposited a \$1,000 monetary contribution from David Green, and not from CPA PLLC entity. Mr. Taylor stated that in July of 2023, David Green contacted the Campaign and notified them “his intent was to make a personal contribution, instead of from his business” and the new C-3 report was filed to reflect that correction.
9. The complaint also alleged that Campaign videos failed to contain the required sponsor identification. Staff noted during the case opening that in accordance with WAC 390-18-010(4), both videos contained the written sponsor identification at the bottom of the advertisements, which clearly identified the Lisa Brown Campaign as the sponsor. Staff advised the Campaign that was not a violation and that it was not necessary to respond to that allegation.

Concerning the last allegation about making an expenditure to a political party committee using active Campaign funds, Mr. Taylor provided the information below in his response.

- The final allegation was that the Campaign violated the statute by making a \$1,000 Campaign expenditure on July 24, 2023, to attend a Spokane County Democratic Central Committee (SCDCC) fundraising event, and that a portion of the Campaign funds used ended up as a contribution to the SCDCC. RCW 42.17A.430(8) states “No candidate or authorized committee may transfer funds to any other candidate or other political committee.”
- Mr. Taylor contacted the SCDCC on behalf of the Campaign and requested they provide him with the costs of the event to assist in determining if any portion of the expenditure ended up being a contribution to the SCDCC. He stated the costs to purchase a table sponsorship at the SCDCC fundraising event included the following: (1) \$54.56 per person, or \$436.58 for a party of 8, was the SCDCC’s out of pocket costs to put on the dinner; (2) the t-shirts that were provided as part of the table sponsorship sell for \$32 each but were discounted by the SCDCC for the event to \$25, so the t-shirts were valued at \$200.
- Finally, Mr. Taylor stated that the “Spokane Tribe contributed the salmon dinners for the event at no cost” but added that the Spokane Tribe Casino “does not normally offer salmon dinners in the Spokane area.” He stated the Campaign found a comparable “salmon dinner at Masselow’s at Northern Quest in Airway Heights” which cost \$41 plus tax, so the total cost is estimated to be \$368 for eight people and did not include the costs for a tip for the service provided. The total estimated fair market value (FMV) of the costs for the Campaign party of 8 to sponsor a table at the SCDCC event totaled \$1,004. Since the total FMV exceeded the \$1,000 in Campaign funds expended for the table sponsorship, staff determined the Campaign did not make a contribution to the SCDCC. Thus, the Campaign did not ask the SCDCC for a refund.

Based on these findings, PDC staff found no evidence of a violation that would require conducting a more formal investigation into the complaint or pursuing further enforcement action in this instance.

In accordance with WAC 390-37-060(1)(d), PDC staff is issuing a formal written warning to the 2023 Lisa Brown Campaign concerning the requirement to timely and accurately file C-3 and C-4 reports, including providing the expenditure details for Campaign vendors and the disclosure and proper attribution for debts and the subsequent payments on those debts, for the remainder of the 2023 election and in all future Campaigns. The Commission will consider the formal written warning in deciding on further Commission action if there are future violations of PDC laws and rules.

The allegations concerning receiving an in-kind contribution that exceeded the 2023 primary contribution limits; and using campaign funds to attend a Spokane County Democratic Central Committee (SCDCC) fundraising event, are dismissed in accordance with RCW 42.17A.755(1). If you have questions, please contact PDC Compliance Officer Kurt Young by e-mail.

Sincerely,

Endorsed by,

/s  
Electronically Signed Kurt Young  
Compliance Officer

/s  
Electronically Signed Peter Lavalley, PDC Executive  
Director



cc: Lisa Brown Campaign