



**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

November 20, 2023

Delivered electronically to Kathleen Martin at katemartinseattle@gmail.com

Subject: Complaint filed by Glen Morgan, PDC Case 141651

Dear Kate Martin:

Below 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 letter to Mr. Morgan, the PDC has dismissed this matter following RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

However, per WAC 390-37-060(1)(d), this serves as a formal written warning concerning your failure to timely and accurately disclose contribution and expenditure information, including detailed purpose of expenditures, in election years 2019 and 2021. Staff expects you to timely, accurately, and thoroughly file all required reports of contributions and expenditures in future years. Regarding the alleged violation of RCW 42.17A.445, misuse of campaign funds for personal use in election year 2019, the PDC has dismissed this matter per RCW 42.17A.755(1) and WAC 390-37-060(1)(a) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter. However, in future reporting, the expectation will be that you provide more and clearer details about who is being met with, where the meeting occurred, and for what purpose. If violations of PDC laws or rules occur in the future, the Commission will consider this formal written warning in deciding on further Commission action.

If you have questions, you may contact Tanya Mercier at 1-360-586-4746 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

Endorsed by,

/s/ Electronically signed

Tanya Mercier
Compliance Officer

/s/ Electronically signed

Peter Frey Lavalley
Executive Director



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November 20, 2023

Delivered electronically to Glen Morgan at glen@wethegoverned.com

Subject: Complaint against Kathleen Martin, PDC Case 141651

Dear Glen Morgan:

The Public Disclosure Commission (PDC) has completed its review and assessment of the complaint you filed on August 23, 2023. The complaint alleged that Kathleen Martin a candidate in the 2019 city council, 2021 city council and mayor's races, for the City of Seattle, and the 2022 state senate race for the 36th Legislative District, may have violated RCW 42.17A.235, .240, and .445, and WAC 390-16-037 for failure to timely and accurately disclose contribution and expenditure information and misuse of campaign funds for personal use.

PDC staff reviewed the allegation(s); the applicable statutes, rules, and reporting requirements; the response(s) provided by the Respondent and their treasurer; the applicable PDC reports filed by the 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:

- Kate Martin filed on October 11, 2018, a Candidate Registration (C-1) for City of Seattle Council, registering for election year 2019 under the Full Reporting option. Ms. Martin again filed a C-1 on March 1, 2021, for both the City of Seattle mayoral and city council races for election year 2021. She was registered under the Full Reporting option. Ms. Martin also filed a C-1 on May 23, 2022, for election year 2022 as a candidate for the 36th Legislative District Senate race, registered under the Full Reporting option. Jeanne Legault was the treasurer for these four races.
- Per RCW 42.17A.235 and .240, under the Full Reporting Option, the Committee was required to disclose contribution and expenditure information by submitting Receipts and Expenditure Summary (C-4) reports and Cash Receipts, Monetary Contributions (C-3) reports to the PDC. The Committee's due dates for the C-3 and C-4 reports are determined by its activity and participation in the election cycle.
- In your evidence was noted late reports from 2018. Those reports were not considered in the case review and the alleged violations are beyond the statute of limitations. Per RCW

42.17A.770, action must be started within five years after the date when the alleged violation occurred.

- In your evidence, many amendments were cited as having been reported late. Amendments are insufficient evidence of late reporting. There are many reasons a committee might amend their reports, and the mere presence of an amendment is not itself conclusive evidence of a violation. When considering C-3 and C-4s, these report amendments require inspection of the actual report to determine whether the committee has a requirement to report activity by a given date. As well, deciding if a report is late is not as simple as calculating the days late based on a periodic reporting timeline and when a report was filed but is fact specific to the campaign and its activities. In this instance, the evidence provided was insufficient to support the allegations of late or inaccurate reporting for the identified amended reports for years 2019 and 2021.
- Of the non-amended reports due in 2019, 2021, and 2022, outlined in the evidence provided, there were five Cash Receipts, Monetary Contributions (C-3) reports and one Receipts and Expenditure Summary (C-4) report that showed a level of late-reported activity that would have deprived the public of critical information.
 - In the 2019 primary, there were four C-3 reports filed significantly late after the 2019 primary for a total of \$13,656 in contributions. A review of the reports showed individual contributions reported correctly.
 - In the 2019 primary reporting, C-4 #4855468 disclosed \$13,981 in expenditures incurred prior to the primary for yard signs and stakes, Vote Night Out cards, Seattle Times inserts, El Toro insert & advertising, voter contact, doorbelling, and fieldwork. These expenditures were reported significantly late in January 2020.
 - In the 2021 campaign for city council, C-3 report #4961030 showed a transfer of surplus funds from the candidate's prior mayoral campaign to the city council campaign for \$1,210.53. PDC staff questioned the Respondent about this transfer, and she indicated it was made with approval of the donors.
- WAC 390-16-037 states, whenever an expenditure is made to a candidate or a political committee pursuant an agreement or understanding of any kind regarding how the recipient will use the expenditure, the report must describe in detail that agreement or understanding and the goods and/or services to be provided. See the [WAC](#) for examples of what the reporting should identify.
- Specific to expenditures reported in 2019 on C-4 #485546, PDC staff at the time would have encouraged more complete disclosure of the purpose in the description field but the PDC's ORCA (Online Reporting of Campaign Activity) software lacked lengthy text entry capabilities that are now available in the current version. For this reason, we have not required the Respondent to revise their reporting in this instance. For future reporting, the expectation will be that the Respondent provided more detail in the description for expenditures.
- In her response, through treasurer Jeanne Legault, the Respondent relayed: "Following the election, the SEEC asked me to help her re-file reports, because there were some

filing errors etc. and she was unable to balance to zero. ... In this case, the object was to close out the account in as timely a fashion as possible. ... There was no attempt whatsoever on the candidate's part to conceal anything!"

- RCW 42.17A.445 stipulates specific instances when contributions received and reported in accordance with RCW 42.17A.220 through .240 and .425 may be used for individual personal use. Those instances include reimbursement to cover lost earnings incurred resulting from campaigning or services performed for the political committee; reimbursement for direct out-of-pocket election campaign and postelection campaign related expenses made by the individual; and repayment of loans made by the individual to political committees.
- In your evidence, you cite C-4 #100951504, C-4 #10095150, and C-4 #100934814 as evidence the Respondent misused campaign resources for personal use. Upon review of the reported information and further questioning of the Respondent by PDC staff, the following was found:
 - In this instance, the subscription to the Economist was an expenditure directly related to the election campaign. The Respondent explained the subscription was used to inform her understanding of politics and policy.
 - For future reporting, the expectation will be that the Respondent explicitly show in their reporting where the subscription is delivered to, for what period the subscription is received, and how the subscription was used for campaign purposes.
 - In this instance, the meeting with “Dick” was further clarified by the Respondent as having been with Dick Faulkenbury.
 - For future reporting, the expectation will be that the Respondent provide more and clearer details about who meetings are with, where the meeting occurred, and for what purpose.
- The Respondent does not have other similar warnings or violations.

Based on our findings staff has determined that, in this instance, Kathleen Martin's failure to timely, thoroughly, and accurately disclose contributions and expenditures on reports in election years 2019 and 2021 does not amount to a finding of a violation that calls for further investigation.

Per WAC 390-37-060(1)(d), however, Kathleen Martin will receive a formal written warning concerning their failure to timely and accurately disclose contribution and expenditure information, including detailed purpose of expenditures, in election years 2019 and 2021. The formal written warning will include staff's expectation that Kathleen Martin timely, accurately, and thoroughly file all required reports of contributions and expenditures in future years. Regarding the alleged violation of RCW 42.17A.445, misuse of campaign funds for personal use in election year 2019, the PDC has dismissed this matter per RCW 42.17A.755(1) and WAC 390-37-060(1)(a) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter. If violations of PDC laws or rules occur in the future,

the Commission will consider this formal written warning in deciding on further Commission action.

Based on this information, the PDC finds that no further action is necessary and has dismissed this matter per RCW 42.17A.755(1).

If you have questions, you may contact Tanya Mercier at 1-360-586-4746 toll-free at 1-877-601-2828, or by e-mail at pdc@pdc.wa.gov.

Sincerely,

/s/ Electronically signed

Tanya Mercier
Compliance Officer

Endorsed by,

/s/ Electronically signed

Peter Frey Lavalley
Executive Director

cc: Kate Martin