

**Public comment at 10/24/2024 Commission Meeting - Concerns about disparate treatment**

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reported via email

*9 hours ago (Wed, 23 Oct 2024 at 11:31 PM)*

To: "PDC Support" <pdcc@pdcc.wa.gov>

External Email

Attn: Public Disclosure Commission

I am drafting this letter to the members of the PDC commission because I am becoming increasingly concerned about a possible collapse in enforcement standards by the PDC resulting in what appears to be a disparate impact on participants in the political campaign process. Specifically, my concern is that large, well-funded, professional PACs get little to no enforcement, while others are treated very differently and far more aggressively for far less significant violations.

Before I get into a few examples which I believe merit further and deeper attention from this Board, I want to remind this commission that I have been on the record since 2016, advocating for proportionate penalties commensurate with the violations committed by those who broke Washington State's campaign finance laws. Obviously, it is a mistake and poor public policy to inflict financial ruin on everyone who violates **RCW 42.17A**. I have often advocated for clear and transparent fines imposed similar to traffic tickets or other penalties – high enough to encourage compliance, but not destructive to the free speech and political process that we profess to support.

At the same time, **it is very disturbing when it appears that preferential treatment is given to large well-funded PACs, often with decades of history and experience in the campaign finance process who flagrantly violate the law with no penalty of any kind.** This type of "enforcement," I am afraid only encourages an escalation of flagrant violations in the future to the point where violating the law becomes the rule rather than the exception for these organizations.

## Example #1

Let me give you a recent example, and, unusually, this was not a complaint I filed. In this example (**PDC Enforcement Case #159779**), the Service Employees International Union 775 Quality Care PAC was caught concealing over \$500,000 of large campaign contributions to candidates and PACs within the critical 21 and 7 day windows of this year's primary election in August. With decades of experience, professional staff, millions of dollars in the bank, and an outsized impact on our state's election, **there is no excuse for the complete and total concealment of half a million dollars in direct, influential campaign expenditures right in the middle of the campaign season and then waiting until after the election to reveal the truth to the public.**

**The fact that this PAC committed this significant violation is not in dispute. PDC staff, in fact, verified this is exactly what happened.** The original complaint was accurate, and there is no public evidence that this large PAC disputed any aspect of this obvious violation.

However, and this is my primary concern here, **this massive, significant, consequential, and undisputed violation of Washington State's campaign finance laws didn't even generate a minor fine or even a warning letter. It was dismissed by staff and in effect concealed from this commission with no consequences and in fact an almost certain guarantee that major violations like this will continue now.**

This is disturbing, and I am collecting and compiling an increasing number of violations and violators just like this which seem to be swept under the rug and essentially concealed from this commission. **This really appears to be highly unusual preferential treatment to conceal a massive violation of Washington State's campaign finance laws.**

Please understand, I don't believe this body must toss out 5 figure fines to every PAC and candidate that is a few days late on a report, fails to provide necessary details on their C4, or misses something minor in their campaign reports. I support the use of Warning Letters the first time for relatively common and minor violations like these, and reasonable, manageable fines after that if they continue to break the law. However, **it isn't fair to anyone who attempts to comply with our state's campaign finance laws for them to witness cases like the one I just detailed above where massive violations go essentially ignored and dismissed without any consequences at all.**

## Example #2

In this example, I want to draw the attention of the commission to **Enforcement Case #141529, #147631, and #160410** – all of which originated from complaints I have filed, all of which were filed against the **Washington Education Association PAC**. **The oldest of these complaints is 14months old**, and it appears that staff has combined these complaints into essentially one investigation – which I believe makes sense from an efficiency perspective.

This PAC has a history of committing violations – See **recent PDC Enforcement Case #144263** where they signed a Statement of Understanding and paid a \$150 fine for concealing legal fees. This was also based on one of my complaints against this same large dollar PAC last year. In addition, **they settled a \$19,000 Citizen Action Notice case I was forced to file against them in 2018 (See Thurston County Superior Court Case #18-2-02884-34), again for significant and widespread campaign finance violations.**

As all the members of this commission are aware, this PAC is one of the largest and most active PACs in Washington State history with annual political expenditures in excess of millions of dollars for decades, a professional and experienced staff, and the resources to pay (and sometimes conceal that payment) to lawfirms.

My concern in this combined set of cases I bring to your attention is not the fact they have violated the law. I catch many lawbreakers every year and have brought these to the attention of the PDC on a regular basis since 2016. **No, my concern is the fact this investigation appears to be in multi-year pause mode with no resolution in sight despite very significant and concerning failures to follow the law. In my most recent complaint this group appears to have “disappeared” over \$109k from their bank account, based on my research of their C4 expenditure reports. They also appear to have “mysteriously” discovered a bonus \$66k one year in their bank account with no attribution of where it came from.** There are many other details in my complaints against this large, well-funded organization which merit, at the least, the simple correction of just a few hundred problematic reports over the past few years. Yet, this complaint languishes and the defendant appears to be attempting to run out the clock on the statute of limitations to avoid accountability of any kind for their historic and chronic violations.

**My request for this Commission is twofold**

**#1 – Please consider reviewing the first example (PDC Case #159779) I detailed above, at least from a quality control standpoint and verify that the casual dismissal by PDC staff of a concealed \$500k contribution to PACs and candidates during the critical 21 day election until AFTER the election is over is appropriate.** If not, please consider applying appropriate monetary penalties for this type of massive violation so that the little violators out there realize that these rules are not just for them, but also must be applied to the large PACs as well.

**#2 – As I witnessed this commission recently accelerate the review process based on a request from a different law firm, I would like this commission to look closer at this WEA-PAC investigation which seems to be stalled out and better understand why large violators like this seem to be allowed to run out the clock when others with far less significant violations are not allowed to do so.**

I will continue to bring more examples like this to the attention of this commission in the future when it appears appropriate.

Thank you,

Glen Morgan