

State of Washington PUBLIC DISCLOSURE COMMISSION

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Memorandum

To: Public Disclosure Commission

From: Jennifer Hansen, Compliance Officer

Date: July 14, 2025

Subject: Request from Employment for All, Reporting Modification

Partial Modification - Background & Request:

- On May 20, 2025, the Public Disclosure Commission (PDC) received a request from Committee Treasurer, Patricia Borden, on behalf of Employment for All for partial modification of the filing requirements described in RCW 42.17A.235 and RCW 42.17A.240.
- Employment for All (the Committee) is a continuing political committee registered with the PDC during calendar years 2020, 2021, 2022, 2023, 2024 and 2025. The Committee was registered under the "Mini Reporting" option during calendar year 2021 and under "Full Reporting" for most, or all, of calendar years 2020, 2022, 2023, 2024 and the beginning of 2025.
- In her request, Ms. Borden stated that during a conversation with PDC staff she realized that the Committee had been automatically re-registered for several years under the "Full Reporting" option when her intent was to continue using the reporting method and thresholds allowed for a mini reporting committee.
- Per WAC 390-16-105, committees registered under the "Mini Reporting" option are limited to aggregate contributions and aggregate expenditures of no more than \$7,000 and can receive no more than \$500 in the aggregate from any person.
- After the first of each calendar year, continuing committees registered with the PDC are defaulted to the "Full Reporting" option for the coming year. WAC 390-16-115(4) requires continuing political committees to submit a Committee Registration (C-1pc)

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between January 1st and January 31st for each year in which the committee intends to use the mini reporting option.

Applicable Laws & Rules:

RCW 42.17A.120

Suspension or modification of reporting requirements.

- (1) The commission may suspend or modify any of the reporting requirements of this chapter if it finds that literal application of this chapter works a manifestly unreasonable hardship in a particular case and the suspension or modification will not frustrate the purposes of this chapter. The commission may suspend or modify reporting requirements only to the extent necessary to substantially relieve the hardship and only after a hearing is held and the suspension or modification receives approval. A suspension or modification of the financial affairs reporting requirements in RCW 42.17A.710 may be approved for an elected official's term of office or for up to three years for an executive state officer. If a material change in the applicant's circumstances or relevant information occurs or has occurred, the applicant must request a modification at least one month prior to the next filing deadline rather than at the conclusion of the term.
- (2) A manifestly unreasonable hardship exists if reporting the name of an entity required to be reported under RCW 42.17A.710(1)(g)(ii) would be likely to adversely affect the competitive position of any entity in which the person filing the report, or any member of the person's immediate family, holds any office, directorship, general partnership interest, or an ownership interest of ten percent or more.
- (3) Requests for reporting modifications may be heard in a brief adjudicative proceeding as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in this section. The commission, the commission chair acting as presiding officer, or another commissioner appointed by the chair to serve as presiding officer, may preside over a brief adjudicatory proceeding. If a modification is requested by a filer because of a concern for personal safety, the information submitted regarding that safety concern shall not be made public prior to, or at, the hearing on the request. Any information provided or prepared for the modification hearing shall remain exempt from public disclosure under this chapter and chapter 42.56 RCW to the extent it is determined at the hearing that disclosure of such information would present a personal safety risk to a reasonable person.
- (4) If the commission, or presiding officer, grants a modification request, the commission or presiding officer may apply the modification retroactively to previously filed reports. In that event, previously reported information of the kind that is no longer being reported is confidential and exempt from public disclosure under this chapter and chapter 42.56 RCW.
- (5) Any citizen has standing to bring an action in Thurston county superior court to contest the propriety of any order entered under this section within one year from the date of the entry of the order.
 - (6) The commission shall adopt rules governing the proceedings.

RCW 42.17A.235

Reporting of contributions and expenditures—Public inspection of accounts

- (1)(a) In addition to the information required under RCW 42.17A.205 and 42.17A.210, each candidate or political committee must file with the commission a report of all contributions received and expenditures made as a political committee on the next reporting date pursuant to the timeline established in this section.
- (b) In addition to the information required under RCW 42.17A.207 and 42.17A.210, on the day an incidental committee files a statement of organization with the commission, each incidental committee must file with the commission a report of any election campaign expenditures under *RCW 42.17A.240(6), as well as the source of the ten largest cumulative payments of ten thousand dollars or greater it received in the current calendar year from a single person, including any persons tied as the tenth largest source of payments it received, if any.
- (2) Each treasurer of a candidate or political committee, or an incidental committee, required to file a statement of organization under this chapter, shall file with the commission a report, for each election in which a candidate, political committee, or incidental committee is participating, containing the information required by RCW 42.17A.240 at the following intervals:
- (a) On the twenty-first day and the seventh day immediately preceding the date on which the election is held; and
 - (b) On the tenth day of the first full month after the election.
- (3)(a) Each treasurer of a candidate or political committee shall file with the commission a report on the tenth day of each month during which the candidate or political committee is not participating in an election campaign, only if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.
- (b) Each incidental committee shall file with the commission a report on the tenth day of each month during which the incidental committee is not otherwise required to report under this section only if the committee has:
- (i) Received a payment that would change the information required under RCW 42.17A.240(2)(d) as included in its last report; or
- (ii) Made any election campaign expenditure reportable under *RCW <u>42.17A.240</u>(6) since its last report, and the total election campaign expenditures made since the last report exceed two hundred dollars.
- (4) The report filed twenty-one days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. The report filed seven days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. Reports filed on the tenth day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report.
- (5) For the period beginning the first day of the fourth month preceding the date of the special election, or for the period beginning the first day of the fifth month before the date of the general election, and ending on the date of that special or general election, each Monday the treasurer for a candidate or a political committee shall file with the commission a report of each

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bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds and the amount contributed by each person. However, persons who contribute no more than twenty-five dollars in the aggregate are not required to be identified in the report. A copy of the report shall be retained by the treasurer for the treasurer's records. In the event of deposits made by candidates, political committee members, or paid staff other than the treasurer, the copy shall be immediately provided to the treasurer for the treasurer's records. Each report shall be certified as correct by the treasurer.

- (6)(a) The treasurer for a candidate or a political committee shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditure. During the ten calendar days immediately preceding the date of the election the books of account shall be kept current within one business day. As specified in the political committee's statement of organization filed under RCW 42.17A.205, the books of account must be open for public inspection by appointment at a place agreed upon by both the treasurer and the requestor, for inspections between 9:00 a.m. and 5:00 p.m. on any day from the tenth calendar day immediately before the election through the day immediately before the election, other than Saturday, Sunday, or a legal holiday. It is a violation of this chapter for a candidate or political committee to refuse to allow and keep an appointment for an inspection to be conducted during these authorized times and days. The appointment must be allowed at an authorized time and day for such inspections that is within forty-eight hours of the time and day that is requested for the inspection. The treasurer may provide digital access or copies of the books of account in lieu of scheduling an appointment at a designated place for inspection. If the treasurer and requestor are unable to agree on a location and the treasurer has not provided digital access to the books of account, the default location for an appointment shall be a place of public accommodation selected by the treasurer within a reasonable distance from the treasurer's office.
- (b) At the time of making the appointment, a person wishing to inspect the books of account must provide the treasurer the name and telephone number of the person wishing to inspect the books of account. The person inspecting the books of account must show photo identification before the inspection begins.
- (c) A treasurer may refuse to show the books of account to any person who does not make an appointment or provide the required identification. The commission may issue limited rules to modify the requirements set forth in this section in consideration of other technology and best practices.
- (7) Copies of all reports filed pursuant to this section shall be readily available for public inspection by appointment, pursuant to subsection (6) of this section.
- (8) The treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred or for any longer period as otherwise required by law.
- (9) All reports filed pursuant to subsection (1) or (2) of this section shall be certified as correct by the candidate and the treasurer.
- (10) Where there is not a pending complaint concerning a report, it is not evidence of a violation of this section to submit an amended report within twenty-one days of filing an initial report if:
 - (a) The report is accurately amended;
 - (b) The amended report is filed more than thirty days before an election;
- (c) The total aggregate dollar amount of the adjustment for the amended report is within three times the contribution limit per election or two hundred dollars, whichever is greater; and

- (d) The committee reported all information that was available to it at the time of filing, or made a good faith effort to do so, or if a refund of a contribution or expenditure is being reported.
- (11)(a) When there is no outstanding debt or obligation, the campaign fund is closed, the campaign is concluded in all respects, and the political committee has ceased to function and intends to dissolve, the treasurer shall file a final report. Upon submitting a final report, the political committee so intending to dissolve must file notice of intent to dissolve with the commission and the commission must post the notice on its website.
- (b) Any political committee may dissolve sixty days after it files its notice to dissolve, only if:
- (i) The political committee does not make any expenditures other than those related to the dissolution process or engage in any political activity or any other activities that generate additional reporting requirements under this chapter after filing such notice;
- (ii) No complaint or court action under this chapter is pending against the political committee; and
- (iii) All penalties assessed by the commission or court order have been paid by the political committee.
- (c) The political committee must continue to report regularly as required under this chapter until all the conditions under (b) of this subsection are resolved.
- (d) Upon dissolution, the commission must issue an acknowledgment of dissolution, the duties of the treasurer shall cease, and there shall be no further obligations under this chapter. Dissolution does not absolve the candidate or board of the committee from responsibility for any future obligations resulting from the finding after dissolution of a violation committed prior to dissolution.
 - (12) The commission must adopt rules for the dissolution of incidental committees.

RCW 42.17A.240

Contents of report.

Each report required under RCW <u>42.17A.235</u> (1) through (4) must be certified as correct by the treasurer and the candidate and shall disclose the following, except an incidental committee only must disclose and certify as correct the information required under subsections (2)(d) and (7) of this section:

- (1) The funds on hand at the beginning of the period;
- (2) The name and address of each person who has made one or more contributions during the period, together with the money value and date of each contribution and the aggregate value of all contributions received from each person during the campaign, or in the case of a continuing political committee, the current calendar year, with the following exceptions:
- (a) Pledges in the aggregate of less than one hundred dollars from any one person need not be reported;
- (b) Income that results from a fund-raising activity conducted in accordance with RCW 42.17A.230 may be reported as one lump sum, with the exception of that portion received from persons whose names and addresses are required to be included in the report required by RCW 42.17A.230;
- (c) Contributions of no more than twenty-five dollars in the aggregate from any one person during the election campaign may be reported as one lump sum if the treasurer maintains a separate and private list of the name, address, and amount of each such contributor;

- (d) Payments received by an incidental committee from any one person need not be reported unless the person is one of the committee's ten largest sources of payments received, including any persons tied as the tenth largest source of payments received, during the current calendar year, and the value of the cumulative payments received from that person during the current calendar year is ten thousand dollars or greater. For payments to incidental committees from multiple persons received in aggregated form, any payment of more than ten thousand dollars from any single person must be reported, but the aggregated payment itself may not be reported. The commission may suspend or modify reporting requirements for payments received by an incidental committee in cases of manifestly unreasonable hardship under this chapter;
- (e) Payments from private foundations organized under section 501(c)(3) of the internal revenue code to an incidental committee do not have to be reported if:
- (i) The private foundation is contracting with the incidental committee for a specific purpose other than election campaign purposes;
- (ii) Use of the funds for election campaign purposes is explicitly prohibited by contract; and
- (iii) Funding from the private foundation represents less than twenty-five percent of the incidental committee's total budget;
- (f) Commentary or analysis on a ballot proposition by an incidental committee is not considered a contribution if it does not advocate specifically to vote for or against the ballot proposition; and
 - (g) The money value of contributions of postage is the face value of the postage;
- (3) Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, including the names and addresses of the lender and each person liable directly, indirectly or contingently and the date and amount of each such loan, promissory note, or security instrument;
 - (4) All other contributions not otherwise listed or exempted;
- (5) A statement that the candidate or political committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making a contribution to the candidate or political committee that:
 - (a) The contribution is not financed in any part by a foreign national; and
- (b) Foreign nationals are not involved in making decisions regarding the contribution in any way;
- (6) The name and address of each candidate or political committee to which any transfer of funds was made, including the amounts and dates of the transfers;
- (7) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, the amount, date, and purpose of each expenditure, and the total sum of all expenditures. An incidental committee only must report on expenditures, made and reportable as contributions as defined in RCW 42.17A.005, to election campaigns. For purposes of this subsection, commentary or analysis on a ballot proposition by an incidental committee is not considered an expenditure if it does not advocate specifically to vote for or against the ballot proposition;
- (8) The name, address, and electronic contact information of each person to whom an expenditure was made for soliciting or procuring signatures on an initiative or referendum petition, the amount of the compensation to each person, and the total expenditures made for this purpose. Such expenditures shall be reported under this subsection in addition to what is required to be reported under subsection (7) of this section;
- (9)(a) The name and address of any person and the amount owed for any debt with a value of more than seven hundred fifty dollars that has not been paid for any invoices submitted, goods received, or services performed, within five business days during the period within thirty days before an election, or within ten business days during any other period.

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- (b) For purposes of this subsection, debt does not include regularly recurring expenditures of the same amount that have already been reported at least once and that are not late or outstanding;
 - (10) The surplus or deficit of contributions over expenditures;
- (11) The disposition made in accordance with RCW $\underline{42.17A.430}$ of any surplus funds; and
- (12) Any other information required by the commission by rule in conformance with the policies and purposes of this chapter.