

**FILED**  
DEC 16 2014  
SUPERIOR COURT  
BETTY J. GOULD  
THURSTON COUNTY CLERK

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**STATE OF WASHINGTON  
THURSTON COUNTY SUPERIOR COURT**

STATE OF WASHINGTON, *ex rel.*,  
WASHINGTON STATE PUBLIC  
DISCLOSURE COMMISSION,

Plaintiff,

v.

FOOD DEMOCRACY ACTION! and  
FOOD DEMOCRACY ACTION! Yes  
on I-522 COMMITTEE TO LABEL  
GMOs in Washington,

Defendants.

NO. 14-2-02381-0  
SUMMONS

THE STATE OF WASHINGTON SENDS GREETINGS TO:

**FOOD DEMOCRACY ACTION! and FOOD DEMOCRACY ACTION! Yes on I-522  
COMMITTEE TO LABEL GMOs in WASHINGTON**

A lawsuit has been started against you in the Thurston County Superior Court by the plaintiff above named. Plaintiff's claim is stated in the written complaint, a copy of which is served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating your defense(s) in writing, and serve a copy upon the undersigned attorney for the plaintiff within 60 days after service of this summons, excluding the day of service, or a default

1 judgment may be entered against you without notice. If you serve a notice of appearance on  
2 the undersigned attorney, you are entitled to notice before a default judgment may be entered.

3 You may demand that the plaintiff file this lawsuit with the court. If you do so, the  
4 demand must be in writing and must be served upon the plaintiff. Within 14 days after you  
5 serve the demand, the plaintiff must file this lawsuit with the court, or the service on you of  
6 this summons and complaint will be void.

7 If you wish to seek the advice of an attorney in this matter, you should do so promptly  
8 so that your written response, if any, may be served on time.

9 This summons is issued pursuant to Rule 4 of the Superior Court Civil Rules of the  
10 State of Washington.

11 DATED this 15th day of December, 2014:

12 ROBERT W. FERGUSON  
13 Attorney General

14 

15 CHAD STANDIFER, WSBA No. 29724  
16 Assistant Attorney General  
17 LINDA A. DALTON, WSBA No. 15467  
18 Senior Assistant Attorney General  
19 Attorneys for Plaintiff  
20 State of Washington  
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STATE OF WASHINGTON, *ex rel.*,  
WASHINGTON STATE PUBLIC  
DISCLOSURE COMMISSION,

Plaintiff,

v.

FOOD DEMOCRACY ACTION! and FOOD  
DEMOCRACY ACTION! Yes on I-522  
COMMITTEE TO LABEL GMOs in  
Washington,

Defendants.

NO. 14-2-02381-0

COMPLAINT FOR CIVIL  
PENALTIES AND FOR  
INJUNCTIVE RELIEF FOR  
VIOLATIONS OF RCW 42.17A

**I. NATURE OF ACTION**

The State of Washington ("State"), acting through the Washington State Public Disclosure Commission, brings this action to enforce the state's campaign finance disclosure law, RCW 42.17A. The State alleges that Defendants Food Democracy Action! ("FDA") and Food Democracy Action! Yes on I-522 Committee to Label GMOs in Washington ("FDA-WA State PAC") violated provisions of RCW 42.17A by 1) soliciting and receiving contributions and making expenditures to support the 2013 ballot proposition, Initiative 522 ("Initiative 522"), without timely or properly registering and reporting as a political committee, 2) failing to identify a treasurer for the political committee, 3) failing to identify a depository for funds

1 collected by the political committee, and 4) concealing the true source of the contributions  
2 received and expenditures made by Defendants. The State seeks relief under  
3 RCW 42.17A.750 and .765, including penalties, costs and fees, and injunctive relief.

4  
5 **II. VENUE AND JURISDICTION**

- 6 1. This Court has jurisdiction over Defendants FDA and FDA-WA State PAC, pursuant to  
7 RCW 42.17A, and the Attorney General has authority to bring this action in the name of  
8 and on behalf of the State of Washington pursuant to RCW 42.17A.765 and  
9 RCW 42.17A.750.
- 10 2. Defendants FDA and FDA-WA State PAC carried out the violations alleged in this  
11 complaint, in whole or in part, in Thurston County, Washington.
- 12 3. Venue is proper in Thurston County Superior Court pursuant to RCW 4.12.

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14 **III. PARTIES**

- 15 4. Plaintiff is the State of Washington standing in relation to the Washington State Public  
16 Disclosure Commission. Acting through the Washington State Public Disclosure  
17 Commission, Attorney General, or local prosecuting attorney, the State enforces the state  
18 campaign finance disclosure laws contained in RCW 42.17A.
- 19 5. Defendant Food Democracy Action! is registered with the federal Internal Revenue Service  
20 as a 501(c)(4) non-profit organization, headquartered in Clear Lake, Iowa.
- 21 6. Defendant Food Democracy Action! Yes on I-522 Committee to Label GMOs in  
22 Washington is now a registered political committee in the State of Washington which  
23 supported Initiative 522.

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1 IV. FACTUAL ALLEGATIONS

2 **Initiative 522**

3 7. On June 29, 2012, Chris and Leah McManus submitted Initiative 522 to the Washington  
4 State Secretary of State. As identified by the Secretary of State, Initiative 522 “would  
5 require most raw agricultural commodities, processed foods, and seeds and seed stocks, if  
6 produced using genetic engineering as defined, to be labeled as genetically engineered  
7 when offered for retail sale.”

8 8. The Secretary of State then forwarded Initiative 522 to the Washington State Legislature  
9 pursuant to state law. Under state law, if the Legislature failed to act on Initiative 522 by  
10 the end of the 2013 legislative session, Initiative 522 would be submitted to Washington  
11 voters in November 2013.

12 9. The Legislature did not act on Initiative 522 within the time frames allotted by statute. The  
13 matter was set and held on the November 5, 2013 General Election ballot. The initiative  
14 was rejected by the voters.

15 **Political Committees Supporting and Opposing Initiative 522**

16 10. Eleven political committees eventually registered with the PDC to support or oppose  
17 Initiative 522, nine supporting and two opposing.

18 11. Eight committees supporting Initiative 522 initially registered with the PDC as follows:

- 19 a. May 4, 2012 - Label It Now  
20 b. August 6, 2012 - GMO Right to Know;  
21 c. February 11, 2013 - Yes on 522;  
22 d. February 20, 2013 - EWG Yes;  
23 e. March 20, 2013 - Organic Consumers Fund;  
24 f. June 19, 2013 - GMO Awareness;  
25 g. September 10, 2013 - Farmers & Friends; and  
26 h. October 25, 2013 - Wedgwood Neighbors for GC Food Labeling.

1 12. Following notification of a complaint against it, FDA eventually registered FDA-WA State  
2 PAC with the PDC on November 13, 2013, eight days following the election.

3 13. Two political committees registered to oppose Initiative 522, namely, No on 522 and,  
4 eventually, Grocery Manufacturers Association Against I-522.

5 **Food Democracy Action!'s Support of Mandatory Labeling**

6 13. FDA regularly sent out an electronic newsletter to its members and supporters.

7 14. As early as July 2013, FDA's newsletters encouraged its members and supporters to  
8 support labeling efforts in Washington State. It did so through its fundraising campaign to  
9 raise \$150,000 by July 31, 2013 to support Initiative 522.

10 15. FDA received its first contribution on July 31, 2013.

11 16. Both its solicitation and receipt of contributions triggered FDA's duty to register and report  
12 to the State of Washington through the PDC no later than August 14, 2013.

13 17. On November 13, 2013, eight days after the November 5, 2013 general election, and at  
14 least 92 days late, FDA registered FDA-WA State PAC as a political committee.

15 18. On November 22, 2013, FDA-WA State PAC filed eleven Cash Receipts Monetary  
16 Contributions Reports (C-3 reports). These eleven C-3 reports disclosed the receipt of  
17 \$250,036 in monetary contributions received during the period of July 30, 2013 through  
18 October 30, 2013.

19 19. State law required political committees to file C-3 reports weekly for an election year,  
20 starting June 1, 2013. FDA-WA State PAC's C-3 reports should have been filed weekly  
21 beginning on August 5, 2013. Its eleven weekly C-3 reports of monetary contributions  
22 were not filed until November 22, 2013 and as such, were filed between 18 and 109 days  
23 late, and more than two weeks after the November 5, 2013 election.

24 20. On January 15, 2014, FDA-WA State PAC filed five Campaign Summary Receipts &  
25 Expenditures reports (C-4 reports). These five C-4 reports disclosed contribution and  
26 expenditure activity during the period of July 1, 2013 through November 30, 2013,

1 including expenditures totaling \$295,662. FDA-WA State PAC was required to file C-4  
2 reports as follows:

- 3 • Monthly C-4 reports by the 10th of the month disclosing contribution and  
4 expenditure activities, if \$200 was received or spent since the last C-4 report was  
5 filed;
- 6 • A 21-day pre-general election C-4 report due on October 15, 2013, covering the  
7 period September 1 through October 14, 2013;
- 8 • A 7-day general election C-4 report due on October 29, 2013, covering the period  
9 of October 15 through October 28, 2013; and
- 10 • A post-general election C-4 report by December 10, 2013, covering the period  
11 October 29 through November 30, 2013.

12 The reports of expenditures were filed between 36 and 158 days late.

13 21. The untimely post-election C-4 report filed on January 15, 2014 included late disclosure of  
14 two in-kind contributions totaling \$45,627 from FDA for committee staffing and data  
15 services to the Yes on 522 committee. Disclosure of these in-kind contributions would  
16 have been due no later than December 10, 2013, and were disclosed 36 days late.

## 17 V. CLAIMS

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19 Based on the foregoing factual allegations and information and belief available to date,  
20 the State makes the following claims, each of which may give rise to multiple violations of  
21 RCW 42.17A.

22 1. First Claim: The State reasserts the factual allegations made above and further asserts  
23 that Defendants, in violation of RCW 42.17A.205, failed to timely register as a political  
24 committee within two weeks after the date it first had the expectation of receiving  
25 contributions or making expenditures in the election campaign to oppose Initiative 522.  
26

- 1 2. Second Claim: The State reasserts the factual allegations made above and further asserts  
2 that Defendants, in violation of RCW 42.17A.210 and RCW 42.17A.215, failed to identify  
3 a treasurer for its political committee and a depository for its funds.
- 4 3. Third Claim: The State reasserts the factual allegations made above and further asserts  
5 that Defendants, in violation of RCW 42.17A.235, .240 and .245, failed to regularly,  
6 timely, and electronically report the financial activities of its political committee, including  
7 identifying the sources of the contributions it received to make its expenditures to the  
8 Yes on 522 political committee to support Initiative 522.
- 9 4. Fourth Claim: The State reasserts the factual allegations made above and further asserts  
10 that the actions of Defendants had the effect of concealing the identity and source of funds  
11 used to make contributions to the Yes on 522 committee as well as the value of in-kind  
12 contributions made to the Yes on 522 committee.
- 13 5. Fifth Claim: The State reasserts the factual allegations made above and further asserts that  
14 the actions of the Defendants stated in the above claims were negligent and/or intentional.

15  
16 **VI. RELIEF REQUESTED**

17 WHEREFORE, the State hereby requests that the following relief as provided by  
18 RCW 42.17A:

- 19 1. Assess a penalty against Defendants for their failures to timely and properly comply  
20 with the above identified provisions of RCW 42.17A;
- 21 2. Order Defendants to pay all costs of investigation and trial, including reasonable  
22 attorneys fees, as authorized by RCW 42.17A.765(5);

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- 1 3. In the event the Court finds Defendants intentionally violated state campaign finance  
2 disclosure laws, order any penalty assessed against Defendants to be trebled as  
3 authorized by RCW 42.17A.765(5); and  
4 4. Grant such additional and further relief as the Court deems appropriate.

5 Dated this 15th day of December, 2014.

6  
7 ROBERT W. FERGUSON  
Attorney General

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10 CHAD C. STANDIFER, WSBA No. 29724  
Assistant Attorney General  
11 LINDA A. DALTON, WSBA No. 15467  
Senior Assistant Attorney General  
12 Attorneys for Plaintiff  
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