

FILED

JUN 09 2016

SONYA KRASKI
COUNTY CLERK
SNOHOMISH CO. WASH.

STATE OF WASHINGTON
SNOHOMISH COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Petitioner,

v.

TIM EYMAN, VOTERS WANT MORE
CHOICES – SAVE THE 2/3RDS VOTE
FOR TAX INCREASES, VOTERS WANT
MORE CHOICES – SAVE THE 2/3RDS
(MIKE FAGAN), PROTECT THE
INITIATIVE ACT (JACK FAGAN),
PROTECT YOUR RIGHT TO VOTE ON
INITIATIVES, 2/3-FOR-TAXES
CONSTITUTIONAL AMENDMENT
INITIATIVE-VWMC, VWMC LOWER
PROPERTY TAXES, VOTERS WANT
MORE CHOICES PAC, HELP US HELP
TAXPAYERS, AND TIM EYMAN,
WATCHDOG FOR TAXPAYERS LLC,

Respondents.

NO. **16 2 15174 31**

PETITION PURSUANT TO
RCW 34.05.588(2) FOR ORDER
COMPELLING COMPLIANCE
WITH AGENCY CIVIL ORDERS

Petitioner, STATE OF WASHINGTON, represented by its attorneys ROBERT W.
FERGUSON, Attorney General, LINDA A. DALTON, Senior Assistant Attorney General, and
CHAD C. STANDIFER, Assistant Attorney General, respectfully requests that this Court
enforce Civil Orders duly issued by the Attorney General following Respondents' failure and
refusal to fully comply with them. This petition is based upon the following allegations by the

1 State, the accompanying Declarations of Chad Crummer and Chad C. Standifer with exhibits,
2 and the legal authority supporting the request.

3 **I. JURISDICTION AND VENUE**

4 1.1 This petition is filed pursuant to RCW 34.05.588 and RCW 42.17A.765(3),
5 which authorize the Attorney General to seek enforcement of his civil orders by filing a
6 petition for enforcement in superior court.

7 1.2 Venue is proper in Snohomish County Superior Court pursuant to RCW
8 34.05.588 and RCW 4.12.025. The Attorney General is informed and believes, and on that
9 basis alleges, that Respondent resides in Snohomish County, Washington and that he has
10 control over the remaining identified political committees and for-profit limited liability
11 corporation.

12 **II. PARTIES**

13 2.1 Petitioner: Petitioner is the State of Washington (*State*). The Attorney General
14 is authorized by RCW 42.17A.765 with, among other things, to investigate possible violations
15 of the state campaign finance disclosure laws contained in RCW 42.17A. He is also authorized
16 to take civil enforcement action in the name of the state relating to any violations discovered.
17 The Attorney General has an office located in Olympia, Thurston County, Washington.

18 2.2 Respondent Tim Eyman: Respondent Tim Eyman (*Eyman*) resides in
19 Mukilteo, Snohomish County, Washington. During the pendency of the underlying
20 investigation, Eyman has been represented by counsel who has accepted service on his behalf.
21 During the relevant time periods to the State's investigation, Eyman has been listed as a
22 campaign manager, media contact, and/or committee officer for numerous political
23 committees registered with the state Public Disclosure Commission (*PDC*). He is identified
24 for each of these committees as someone with authority to make decisions on behalf of the
25 committees.

26 2.3 Respondents with "Voters Want More Choices" in Title: There are numerous

1 political committees registered with the PDC since 2009 that use the phrase "Voters Want
2 More Choices" or "VWMC" in their titles and which have various missions and identified
3 acronyms. Each identified Respondent Eyman as a campaign manager, media contact, and/or
4 committee member for each year it has been registered. The following is a list of names,
5 dates of registration, and final reports for each such committee with "Voters Want More
6 Choices" in their titles:

- 7 • November 14, 2002 - Voters Want More Choices PAC – Continuing
8 committee; January 7, 2009 - VWMC Lower Property Taxes – March 10,
9 2010;
- 10 • January 13, 2010 – Voters Want More Choices – Save the 2/3rds Vote For
11 Tax Increases – February 11, 2011;
- 12 • February 3, 2011 – Voters Want More Choices, Save the 2/3rds – January 10,
13 2012;
- 14 • April 2, 2012 - Voters Want More Choices – Save the 2/3's (Mike Fagan) –
15 January 10, 2013;
- 16 • January 11, 2013 - Voters Want More Choices – No New Taxes 2013 - May
17 11, 2013;
- 18 • January 23, 2014 – Voters Want More Choices – 2/3 Constitutional
19 Amendment – *See below paragraph 2.6;*
- 20 • January 12, 2015 – Voters Want More Choices – No New Taxes 2015 –
21 February 10, 2015.

22 Declaration of Chad C. Standifer (Standifer Decl.), ¶ 4.

23 2.4 Respondent Protect the Initiative Act (Jack Fagan): Protect the Initiative Act
24 (Jack Fagan) registered with the PDC as a political committee on or about May 3, 2012.
25 Standifer Decl., ¶ 4. It also filed a registration report on May 21, 2012 in the same name. *Id.*
26

1 On June 11, 2012, the Protect the Initiative Act (Jack Fagan) committee changed its name to
2 Protect Your Right To Vote on Initiatives. *Id.*

3 2.5 Respondent Protect Your Right to Vote on Initiatives: Protect Your Right to
4 Vote on Initiatives (*Protect Your Right*) is the political committee formerly known as Protect
5 the Initiative Act (Jack Fagan) as identified in paragraph 2.4. Respondent Eyman is identified
6 as an officer of the committee and someone authorized to make decisions for the committee.
7 Standifer Decl., ¶ 4. Protect Your Right filed an amended final report on October 28, 2013.
8 *Id.* Protect Your Right to Vote on Initiatives supported Initiative Measure No. 517. *Id.*

9 2.6 Respondents related to a “2/3rds for Taxes Constitutional Amendment” in
10 Titles: Several political committees associated with Eyman related to efforts to pass a two-
11 thirds vote for taxes. Respondent 2/3 For Taxes Constitutional Amendment Initiative –
12 VWMC (*VWMC 2/3*) registered as a political committee with the PDC on January 26, 2015.
13 Respondent Eyman is an officer of the committee. Standifer Decl., ¶ 4. The committee filed a
14 final report on January 12, 2016. *Id.* VWMC 2/3 appears to have been formerly known as Let
15 Voters Decide on 2/3 for Taxes Constitutional Amendment (*Two-Thirds-14*), which registered
16 as a political committee with the PDC on July 9, 2013. *Id.* Two-Thirds-14 filed a final report
17 on January 22, 2014. *Id.* VWMC 2/3 also appears to have been formerly known as 2/3-For-
18 Taxes Constitutional Amendment (Two-Thirds), which registered as a political committee with
19 the PDC on January 7, 2014. *Id.* On January 23, 2014, it filed a new committee registration
20 form listing its name as Voters Want More Choices – 2/3 Constitutional Amendment retaining
21 its acronym “Two-Thirds”. *Id.* It filed a final report on January 24, 2015. *Id.*

22 2.7 Respondent Help Us Help Taxpayers: Respondent Help Us Help Taxpayers is a
23 political committee that first registered with the PDC on or about June 30, 2003. Standifer
24 Decl., ¶ 4. Help Us Help Taxpayers has been registered with the PDC using different names
25 over the ensuing years, including Help Us Help Taxpayers 2012 (Jack Fagan), Help Us Help
26 Taxpayers – 2014, Help Us Help Taxpayers – 2015, and Help Us Help Taxpayers – 2016. *Id.*

1 Help Us Help Taxpayers most recently registered with the PDC on or about January 8, 2016.

2 *Id.* Respondent Eyman is identified as an officer of the committee. *Id.*

3 2.8 Respondent Tim Eyman, Watchdog for Taxpayers LLC: Respondent Tim
4 Eyman, Watchdog for Taxpayers LLC is a limited liability company registered with the
5 Secretary of State. Respondent Eyman is listed as its registered agent and a member of the
6 company.

7 III. RELATED ENTITY

8 3.1 Citizens in Charge (*Citizens in Charge*) is a Virginia 501(c)(4) corporation that
9 provides signature gathering services to initiative proponents. In 2012, Protect Your Right
10 filed reports with the PDC that listed Citizens in Charge as a contributor of signature gathering
11 services to its committee. Crummer Decl., ¶ 6.

12 IV. FACTS

13 4.1 On or about September 25, 2015, the Attorney General received a referral letter
14 from the PDC recommending that the Attorney General investigate Tim Eyman, Protect Your
15 Right to Vote on Initiatives, and Voters Want More Choices for possible violations of the state
16 campaign finance disclosure laws, located at RCW 42.17A. Declaration of Chad Crummer,
17 Exhibit (Ex.) A. That referral included a copy of an Executive Summary and Report of
18 Investigation issued by PDC staff on September 18, 2015. Crummer Decl., Ex. B.

19 4.2 The PDC staff Report of Investigation identified that campaign contributions made
20 to and received by Voters Want More Choices in support of Initiative Measure No. 1185 were
21 improperly used to support a separate initiative campaign, Initiative Measure No. 517. *Id.* PDC
22 staff also found evidence that Eyman made personal use of campaign contributions made to and
23 received by Voters Want More Choices. *Id.*

24 4.3 Based on a complaint received by the PDC, its staff investigated political
25 committee activity including financial transactions which occurred during the 2012 election
26 season. *Id.* During the course of that investigation, witnesses stated that Eyman and Citizens

1 Solutions engaged in a payment scheme in which Eyman hired Citizen Solutions to provide work
2 to political committees with which he was a committee officer and then Citizen Solutions paid
3 Eyman separately from the payments from these committees. These types of transactions were
4 part of their normal conduct, outside the year 2012. *Id.* When referring the investigation and
5 recommending the Attorney General take action on the improper conduct during 2012, the PDC
6 also recommended that the Attorney General investigate similar conduct by Eyman or his political
7 committees before and after the 2012 time period covered by its own investigation. Crummer
8 Decl., Ex. A.

9 4.4 Following review of the PDC referral and staff Report of Investigation, the
10 Attorney General commenced investigations against Eyman, political committees with which he
11 was associated, his limited liability corporation, and Citizen Solutions and its principals.
12 Crummer Decl., ¶ 4.

13 4.5 On November 13, 2015, the Attorney General, acting through Senior Assistant
14 Attorney General Linda A. Dalton, issued Civil Order to Appear and Produce Documents
15 Pursuant to RCW 42.17A.765(2) (Civil Order 1) to Eyman and any political committee or
16 business with which he is or has been associated. Their counsel accepted service of these
17 orders. Crummer Decl., Ex. C. The return date on Civil Order 1 was November 30, 2015. *Id.*

18 4.6 Civil Order 1 requested the following documents and records for the time period
19 of 2009 through the present:

- 20 1. Any and all documents, financial institutional/bank records, funds, loan
21 documents or business records that you sent, submitted, or issued to Citizens
Solutions.
- 22 2. Any and all documents, financial institutional/bank records, funds, loan
23 documents or business records that you sent, submitted, or issued to Roy
24 Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on
behalf of or at the behest of Citizens Solutions.
- 25 3. Any and all documents, financial institutional/bank records, funds, loan
26 documents or business records disclosing any and all funds or anything of
value you received from Citizens Solutions.

- 1 4. Any and all documents, financial institutional/bank records, funds, loan
2 documents or business records disclosing any and all funds or anything of
3 value you received from Roy Ruffino, Edward Agazarm, and William
4 Agazarm, or anyone acting on behalf of at the behest of Citizens Solutions.
- 5 5. Any and all documents, financial institutional/bank records, funds, loan
6 documents or business records that discuss or relate to services that you
7 proposed, provided, or will provide to Citizens Solutions.
- 8 6. Any and all documents, financial institutional/bank records, funds, loan
9 documents or business records that discuss or relate to funds or anything of
10 value that you requested, sought or received from Citizens Solutions.
- 11 7. Any and all documents, financial institutional/bank records, funds, loan
12 documents or business records that discuss or relate to funds or anything of
13 value that you requested, sought or received from Roy Ruffino, Edward
14 Agazarm, and William Agazarm, or anyone acting at the behest of Citizens
15 Solutions.
- 16 8. Any and all documents, financial institutional/bank records, funds, loan
17 documents or business records that discuss or relate to funds or anything of
18 value you requested, sought, or received from Paul Jacob, Citizens in
19 Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.
- 20 9. Any and all documents, financial institutional/bank records, funds, loan
21 documents or business records disclosing any and all funds or anything of
22 value that you made, gave, or transferred to Paul Jacob, Citizens in Charge,
23 Citizens in Charge Foundation, or Liberty Initiative Fund.
- 24 10. Any and all documents, financial institutional/bank records, funds, loan
25 documents or business records disclosing any and all services that Paul
26 Jacob, Citizens in Charge, Citizens in Charge Foundation, or Liberty
Initiative Fund proposed, provided or will provide to you.
11. Copies of your tax returns and tax information filed for the years 2009-
2014, personally, for the marital community of Tim Eyman, or for any
political committee or business with which Tim Eyman is associated,
including but not limited to "Tim Eyman, Watchdog for Taxpayers LLC."

21 4.7 On December 16, 2015, Eyman produced bank statements purportedly responsive
22 to item 3 of Civil Order 1. Crummer Decl., ¶ 10. The statements, however, contained extensive
23 redactions. *Id.* Eyman's counsel asserted these redactions were based on privilege and/or privacy
24 objections but provided no log to substantiate this claim. *Id.* To date, Respondents failed to
25 produce a log explaining the basis for withholding information based on these or any other
26 objections. *Id.*

1 4.8 Eyman produced one document purportedly responsive to item 8 of Civil Order 1.
2 Crummer Decl., ¶ 11.

3 4.9 Eyman produced no other documents or records purportedly responsive to items 3
4 and 8 of Civil Order 1. Crummer Decl., ¶ 12. Eyman produced no documents or records
5 purportedly responsive to items 1, 2, 4, 5, 6, 7, 9, 10 and 11 of Civil Order 1. *Id.*

6 4.10 Also on November 13, 2015, the Attorney General, acting through Senior
7 Assistant Attorney General Linda A. Dalton, issued a Civil Order to Appear and Produce
8 Documents Pursuant to RCW 42.17A.765 (2) (Civil Order 2) to: Voters Want More Choices –
9 Save the 2/3rds Vote For Tax Increases; Voters Want More Choices – Save the 2/3rds; Protect
10 the Initiative Act; Protect Your Right to Vote on Initiatives; 2/3-For-Taxes Constitutional
11 Amendment Initiative-VWMC; Voters Want More Choices Lower Property Taxes; Voters
12 Want More Choices PAC; Help Us Help Taxpayers; and Tim Eyman, Watchdog for Taxpayers
13 LLC. Each of these entities is a political committee or business with which Eyman is or has
14 been associated since 2009. Civil Order 2 was properly served on Respondents' legal counsel.
15 Crummer Decl., Ex. D. The return date on Civil Order 2 was November 30, 2015.

16 4.11 Civil Order 2 requested the following documents and records for the time period
17 of 2009 through the present:

- 18 1. Any and all documents, financial institutional/bank records, funds, loan
19 documents or business records that you sent, submitted, or issued to Citizens
20 Solutions.
- 21 2. Any and all documents, financial institutional/bank records, funds, loan
22 documents or business records that you sent, submitted, or issued to Roy
23 Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on
24 behalf of or at the behest of Citizens Solutions.
- 25 3. Any and all documents, financial institutional/bank records, funds, loan
26 documents or business records disclosing any and all funds or anything of
value you received from Citizens Solutions.
4. Any and all documents, financial institutional/bank records, funds, loan
documents or business records disclosing any and all funds or anything of

value you received from Roy Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on behalf of at the behest of Citizens Solutions.

5. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to services that you proposed, provided, or will provide to Citizens Solutions.
6. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to funds or anything of value that you requested, sought or received from Citizens Solutions.
7. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to funds or anything of value that you requested, sought or received from Roy Ruffino, Edward Agazarm, and William Agazarm, or anyone acting at the behest of Citizens Solutions.
8. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to funds or anything of value you requested, sought, or received from Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.
9. Any and all documents, financial institutional/bank records, funds, loan documents or business records disclosing any and all funds or anything of value that you made, gave, or transferred to Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.
10. Any and all documents, financial institutional/bank records, funds, loan documents or business records disclosing any and all services that Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or Liberty Initiative Fund proposed, provided or will provide to you.
11. Copies of tax returns and tax information filed for the years 2009-2014, for any political committee with which Tim Eyman served or serves as an officer, campaign manager, or volunteer.

4.12 On March 18, 24, and 25, 2016, Eyman, on behalf of Voters Want More Choices, produced bank statements associated with an entity named "Voters Want More Choices". Crummer Decl., ¶ 15. No information was provided as to which specific political committee named in Civil Order 2 these statements were associated. *Id.* These statements were purportedly responsive to items 1 and 2 of Civil Order 2. *Id.* The bank statements provided by counsel for the time period requested were incomplete, redacted, and related to only one of the named entities. *Id.* There are multiple years of bank records unaccounted for and not produced related to all Respondents. *Id.*

1 4.13 On December 16, 2015, Respondents produced a one-page contract between
2 Citizen Solutions and Voters Want More Choices. Crummer Decl., ¶ 16. That document was the
3 only one produced that was purportedly responsive to items 2, 3, 4, 5, 6, and 7 of each Civil
4 Order. *Id.*

5 4.14 On January 7, 2016, Respondents produced a three-page document purportedly
6 responsive to items 8, 9, and 10 of each Civil Order. Crummer Decl., ¶ 17. That document was
7 the only produced that was purportedly responsive to those items. *Id.* Respondents have not
8 indicated that they have completely produced all responsive records. *Id.*

9 4.15 Respondents have refused to produce any tax returns or tax information in
10 response to item 11 of Civil Order 2. Crummer Decl., ¶ 18.

11 4.16 Respondents produced other documents purportedly in response to the Civil Order
12 1 and 2. Crummer Decl., ¶ 19. However, Respondents failed to specify which documents were
13 responsive to which request in which Civil Order. *Id.* From the face of the documents, the State
14 has not been able to discern to what these documents may be responsive. *Id.*

15 4.17 To date, Respondents have not confirmed that all responsive documents have been
16 provided to the State for any of the requests made in the Civil Orders.

17 4.18 The State attempted to work with Respondents through their counsel to obtain
18 information contained in the redacted documents. Standifer Decl., ¶ 5. Respondents' counsel
19 represented that he would be filing a motion for a protective order in this Court on or about
20 April 20, 2016, which would allow him to release the redacted information. *Id.* No protective
21 order has been sought by Respondents to date. *Id.*

22 4.19 Additionally, on February 29, 2016, Attorney General Office investigators
23 contacted Respondents' counsel to schedule interviews with Respondents. On March 3, 2016,
24 Counsel refused to schedule any interviews without an explanation of the nature and scope of
25 the investigation and questions. Crummer Decl., ¶ 22.

1 4.20 To date, the investigation of the Attorney General's Office has been significantly
2 hindered and essentially stalled by Respondents' refusal to comply with the Civil Order.
3 Crummer Decl., ¶ 23.

4 4.21 Respondents have failed to produce all bank records, unredacted, that are
5 responsive to the Civil Orders.

6 4.22 Respondents have failed to produce any tax records that are responsive to the
7 Civil Orders.

8 4.23 Respondents have failed to produce all documents identifying any contract or
9 agreement to provide services to the political committees associated with Eyman.

10 4.24 Respondents have failed to provide any email communications that may evince
11 an agreement between Citizen Solutions and any political committee associated with Eyman
12 for services.

13 4.25 Respondents have failed to provide any or all financial transactions between
14 Citizen Solutions and Respondents.

15 4.26 Respondents have failed to provide any or all financial transaction documents
16 between Respondents and Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or
17 Liberty Initiative Fund.

18 4.27 Despite the specificity of the requests to Respondents, they have been
19 recalcitrant on providing a full response. Attempts to secure documents including discussions
20 between counsel have failed to secure the necessary documents or a proper response.

21 4.28 Court intervention is the only remaining avenue to secure Respondents'
22 cooperation in this investigation.

23 **V. LEGAL AUTHORITY TO COMPEL**
24 **PRODUCTION OF RECORDS AND CONDUCT INVESTIGATIONS**

25 5.1 RCW 42.17A.765(3) provides that when the Attorney General requires the
26 attendance of any person to obtain such information or produce the accounts, bills, receipts,

1 books, papers, and documents that may be relevant or material to any investigation authorized
2 under this chapter, he shall issue an order setting forth the time when and the place where
3 attendance is required and shall cause the same to be delivered to or sent by registered mail to
4 the person at least fourteen days before the date fixed for attendance. RCW 42.17A.765(3)
5 further provides that the order shall have the same force and effect as a subpoena, shall be
6 effective statewide, and, upon application of the Attorney General, obedience to the order may
7 be enforced by any superior court judge in the county where the person receiving it resides or
8 is found, in the same manner as though the order were a subpoena.

9 5.2 RCW 34.05.588(2) provides that an agency with statutory authority to issue
10 investigative subpoenas may petition for enforcement of such subpoena in accordance with
11 RCW 34.05.588(1) which provides that the Court shall enter an order directing the person to
12 appear before the Court at a time and place fixed in the order to show cause why the person has
13 not obeyed the subpoena or refused to produce the documents.

14 5.3 RCW 34.05.588(2) provides further that if it appears to the Court that the
15 subpoena was properly issued, that the investigation is being done for a lawfully authorized
16 purpose, and that the testimony or documents required to be produced are adequately specified
17 and relevant to the investigation, the Court shall enter an order that the person appear before the
18 agency and testify or produce the required documents, and failing to obey this order, the person
19 shall be dealt with as for contempt of Court.

20 5.4 As shown above, each of these elements is met. The Attorney General has the
21 statutory authority to issue orders, which shall have the same force and effect as a subpoena. The
22 Attorney General has statutory authority to require production of information related to his
23 investigation of possible violations of RCW 42.17A. The Civil Orders were in fact properly
24 issued. Moreover, the records sought pursuant to the Civil Orders are specifically identified and
25 narrow in scope and time.
26

1 5.5 In addition to the criteria set out in RCW 34.05.588(2), the Washington State
2 Supreme Court in *Steele v. State*, 85 Wn.2d 585, 594, 537 P.2d 782 (1975), held that an agency
3 seeking judicial enforcement of an administrative subpoena must show that the inquiry is within
4 the agency's authority, the demand is not too indefinite, and the information sought is reasonably
5 relevant.

6 5.6 All three prongs of the *Steele* test are met in this case. First, the inquiry is within
7 the Attorney General's authority. RCW 42.17A.765(3) accords the Attorney General the power
8 to obtain information relevant or material for the purpose of any investigation authorized under
9 RCW 42.17A.

10 Second, the demand is not impermissibly indefinite. In sum, the Attorney General seeks
11 banking records, tax records, and other business records in the custody or control of Respondents
12 relating to funds sent to, or received from, Tim Eyman, and other specific individual or entity
13 listed in the Civil Orders for very specific timeframes. For the political committees identified,
14 these records are required to be maintained even after the committee has filed a final report.
15 RCW 42.17A.235(6). The records sought are, therefore, explained with the requisite particularity.

16 Third, the requested records are necessary to investigate and assess whether Respondents
17 committed violations of RCW 42.17A. The PDC already referred to the Attorney General
18 findings made by its staff that political committee Voters Want More Choices failed to properly
19 report certain payments by Respondent Citizens Solutions to Tim Eyman, as well as certain other
20 payments to Citizens in Charge. The PDC staff investigation further identified that political
21 committee Protect Your Right to Vote on Initiatives failed to properly report Tim Eyman or
22 Voters Want More Choices as the true source of certain contributions attributed to Citizens in
23 Charge. Finally, the PDC staff investigation finally found that Tim Eyman authorized the use of
24 political committee funds for his own personal living expenses.

25 At this time, the Attorney General is investigating whether this conduct was repeated in
26 years with Eyman, Citizen Solutions, and other political committees, excluding the year 2012.

1 State law mandates how a political committee must report its financial activities, including the
2 purpose of expenses made from political committee funds and the true sources of funding for
3 campaign activities. Further, RCW 42.17A.445 makes it illegal for an individual to make
4 personal use of contributions absent certain circumstances set forth therein. A thorough and
5 comprehensive assessment of potential violations of RCW 42.17A cannot be made without
6 reviewing the requested records, records that Respondents have failed and/or refused to produce.

7 5.7 Under either the criterion set forth in RCW 34.05.588 or set forth by the
8 Washington Supreme Court in *Steele*, the Civil Orders issued by the Attorney General should be
9 judicially enforced and costs and fees assessed against Respondents for their failure to comply
10 with the Civil Orders.

11 VI. RELIEF REQUESTED

12 The State respectfully requests that the Court grant relief as follows:

13 6.1 Pursuant to RCW 34.05.588, issue an order requiring that Respondents produce
14 the records, documents, and written information, required by the Attorney General's Civil Orders,
15 at a time and date certain, or to appear in this Court and show cause why Respondents should not
16 be held in contempt for failure to do so;

17 6.2 If Respondents fail to appear and comply with the subpoenas as directed by the
18 Court, or fails to show adequate cause why they have not done so, that this Court find
19 Respondents in contempt and impose such criminal and/or civil penalties as authorized by law;

20 6.3 For other such relief as the Court deems appropriate including award of costs and
21 fees associated with initiating this lawsuit; and

22 ///


23 ///

24 ///

1 6.4 Retain jurisdiction in this action to implement, carry out, and enforce the terms of
2 the Court's order and to entertain any suitable motions or applications related to this matter.

3 DATED this 8th day of June, 2016.

4 ROBERT W. FERGUSON
5 Attorney General

6 
7 LINDA A. DALTON, WSBA No. 15467
8 Senior Assistant Attorney General
9 CHAD C. STANDIFER, WSBA No. 29724
10 Assistant Attorney General
11 Attorneys for State of Washington
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Respondents.

NO.

16* 2 15174 31

MOTION FOR ORDER TO SHOW
CAUSE


Petitioner, State of Washington, by and through its attorneys,
ROBERT W. FERGUSON, Attorney General, LINDA A. DALTON, Senior Assistant
Attorney General, and CHAD C. STANDIFER, Assistant Attorney General, moves this Court
for an Order to Show Cause requiring Respondents to appear and show cause why
Respondents have failed or refused to comply with Petitioner's Civil Orders issued on

1 November 12, 2015, and why an Order should not be issued compelling compliance with
2 Petitioner's Civil Orders, according to their terms.

3 This motion is brought pursuant to RCW 34.05.588 and RCW 42.17A.765 and is based
4 on the Petition for Order Compelling Compliance with Agency Civil Orders and the
5 Declarations of Chad Crummer and Chad C. Standifer.

6 DATED this 8th day of June, 2016.

7 ROBERT W. FERGUSON
8 Attorney General

9 
10 LINDA A. DALTON, WSBA No. 15467
11 Senior Assistant Attorney General
12 CHAD C. STANDIFER, WSBA No. 29724
13 Assistant Attorney General
14 Attorneys for State of Washington
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AMENDMENT INITIATIVE-VWMC,
VWMC LOWER PROPERTY TAXES,
VOTERS WANT MORE CHOICES
PAC, HELP US HELP TAXPAYERS,
AND TIM EYMAN, WATCHDOG
FOR TAXPAYERS LLC,

Respondents.

NO. 16 2 15174-31

DECLARATION OF
CHAD CRUMMER IN SUPPORT OF
MOTION FOR AN ORDER TO SHOW
CAUSE

I, Chad Crummer, declare the following:

1. I am over the age of 18 and am competent to make the statements set forth in
this declaration.

1 2. I am an Investigations Manager working for the Office of the Attorney General.
2 I make the following statements in that capacity. I have knowledge of, and access to, the
3 documents pertaining to the investigation of this matter.

4 3. On or about September 25, 2015, the Attorney General received a referral letter
5 from the Public Disclosure Commission (PDC or Commission) recommending that he investigate
6 Tim Eyman and any political committees with which he is associated, including Protect Your
7 Right to Vote on Initiatives and Voters Want More Choices, for possible violations of the state
8 campaign finance disclosure laws. These laws are located at RCW 42.17A (the Act). A true and
9 accurate copy of the Commission referral letter is attached as **Exhibit A**.

10 4. Based upon the information alleged in the Commission's referral and its staff's
11 Report of Investigation, the Attorney General commenced an investigation, AGO Investigation
12 No. 15-003 against Respondents. I am assigned to that investigation.

13 5. As part of my investigation, I reviewed the PDC Report of Investigation
14 submitted on September 18, 2015. A true and accurate copy of that Report of Investigation
15 (without exhibits) is attached as **Exhibit B**.

16 6. Citizens in Charge ("Citizens in Charge") is a Virginia 501(c)(4) corporation
17 that was listed as a contributor of signature gathering services in reports provided to the
18 Commission by Protect Your Right to Vote in 2012.

19 7. On November 13, 2015, the Attorney General, acting through Senior Assistant
20 Attorney General Linda A. Dalton, issued Civil Orders to Appear and Produce Documents
21 Pursuant to RCW 42.17A.765(2) (Civil Orders) to Respondents, which was properly served on
22 and accepted by their legal counsel. A true and accurate copy of those Civil Orders are attached
23 to this declaration as **Exhibits C and D**. The responses to the Civil Orders were due by
24 November 30, 2015.

1 8. Civil Order 1 requested the following documents and records for the time period
2 of 2009 through the present:

- 3 1. Any and all documents, financial institutional/bank records, funds, loan
4 documents or business records that you sent, submitted, or issued to
Citizens Solutions.
- 5 2. Any and all documents, financial institutional/bank records, funds, loan
6 documents or business records that you sent, submitted, or issued to Roy
7 Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on
8 behalf of or at the behest of Citizens Solutions.
- 9 3. Any and all documents, financial institutional/bank records, funds, loan
10 documents or business records disclosing any and all funds or anything
11 of value you received from Citizens Solutions.
- 12 4. Any and all documents, financial institutional/bank records, funds, loan
13 documents or business records disclosing any and all funds or anything
14 of value you received from Roy Ruffino, Edward Agazarm, and William
15 Agazarm, or anyone acting on behalf of at the behest of Citizens
16 Solutions.
- 17 5. Any and all documents, financial institutional/bank records, funds, loan
18 documents or business records that discuss or relate to services that you
19 proposed, provided, or will provide to Citizens Solutions.
- 20 6. Any and all documents, financial institutional/bank records, funds, loan
21 documents or business records that discuss or relate to funds or anything
22 of value that you requested, sought or received from Citizens Solutions.
- 23 7. Any and all documents, financial institutional/bank records, funds, loan
24 documents or business records that discuss or relate to funds or anything
25 of value that you requested, sought or received from Roy Ruffino,
26 Edward Agazarm, and William Agazarm, or anyone acting at the behest
of Citizens Solutions.
8. Any and all documents, financial institutional/bank records, funds, loan
documents or business records that discuss or relate to funds or anything
of value you requested, sought, or received from Paul Jacob, Citizens in
Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.
9. Any and all documents, financial institutional/bank records, funds, loan
documents or business records disclosing any and all funds or anything
of value that you made, gave, or transferred to Paul Jacob, Citizens in
Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.
10. Any and all documents, financial institutional/bank records, funds, loan
documents or business records disclosing any and all services that
Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or
Liberty Initiative Fund proposed, provided or will provide to you.

1 11. Copies of your tax returns and tax information filed for the years 2009-
2 2014, personally, for the marital community of Tim Eyman, or for any
3 political committee or business with which Tim Eyman is associated,
including but not limited to "Tim Eyman, Watchdog for Taxpayers
LLC."

4 9. In response, Respondents' counsel sent a series of emails which purportedly had
5 responsive records. I received a total of five emails which Respondents' counsel identified as
6 being responsive to multiple Civil Orders, including Respondents. Counsel did not sufficiently
7 indicate in his emails which records were responsive to which Civil Order or item number. As an
8 investigator I could not state with any certainty that Respondents had provided a complete
9 response to the Civil Order.

10 10. On December 16, 2015, Respondents produced bank statements purportedly
11 responsive to item 3 of Civil Order 1. The statements, however, were incomplete and contained
12 extensive redactions. Their counsel asserted these redactions were based on privilege and/or
13 privacy objections but provided no log to substantiate this claim. To date, Respondents have
14 failed to produce a log explaining the basis for withholding information based on these or any
15 other objections.

16 11. Respondents produced one document purportedly responsive to item 8 of Civil
17 Order 1. It was a screen shot of one Bank of America financial transaction.

18 12. Respondents produced no other documents or records purportedly responsive to
19 items 3 and 8 of Civil Order 1. Respondents produced no documents or records purportedly
20 responsive to items 1, 2, 4, 5, 6, 7, 9, 10 and 11 of Civil Order 1.

21 13. Also on November 13, 2015, the Attorney General, acting through Senior
22 Assistant Attorney General Linda A. Dalton, issued a Civil Order to Appear and Produce
23 Documents Pursuant to RCW 42.17A.765 (2) (Civil Order 2) to: Voters Want More Choices –
24 Save the 2/3rds Vote For Tax Increases, Voters Want More Choices – Save the 2/3rds; Protect
25 the Initiative Act; Protect Your Right to Vote on Initiatives; 2/3-For-Taxes Constitutional
26 Amendment Initiative-VWMC; Voters Want More Choices Lower Property Taxes; Voters

1 Want More Choices PAC; Help Us Help Taxpayers; and Tim Eyman, Watchdog for Taxpayers
2 LLC. Each of these entities is a political committee or business with which Eyman is or has
3 been associated since 2009. Civil Order 2 was properly served on Respondents' legal counsel.
4 The return date on Civil Order 2 was November 30, 2015.

5 14. Civil Order 2 requested the following documents and records for the time period
6 of 2009 through the present:

- 7 1. Any and all documents, financial institutional/bank records, funds, loan
8 documents or business records that you sent, submitted, or issued to
Citizens Solutions.
- 9 2. Any and all documents, financial institutional/bank records, funds, loan
10 documents or business records that you sent, submitted, or issued to
11 Roy Ruffino, Edward Agazarm, and William Agazarm, or anyone acting
on behalf of or at the behest of Citizens Solutions.
- 12 3. Any and all documents, financial institutional/bank records, funds, loan
13 documents or business records disclosing any and all funds or anything
of value you received from Citizens Solutions.
- 14 4. Any and all documents, financial institutional/bank records, funds, loan
15 documents or business records disclosing any and all funds or anything
16 of value you received from Roy Ruffino, Edward Agazarm, and
William Agazarm, or anyone acting on behalf of at the behest of
Citizens Solutions.
- 17 5. Any and all documents, financial institutional/bank records, funds, loan
18 documents or business records that discuss or relate to services that you
proposed, provided, or will provide to Citizens Solutions.
- 19 6. Any and all documents, financial institutional/bank records, funds, loan
20 documents or business records that discuss or relate to funds or anything
of value that you requested, sought or received from Citizens Solutions.
- 21 7. Any and all documents, financial institutional/bank records, funds, loan
22 documents or business records that discuss or relate to funds or anything
23 of value that you requested, sought or received from Roy Ruffino,
Edward Agazarm, and William Agazarm, or anyone acting at the behest
of Citizens Solutions.
- 24 8. Any and all documents, financial institutional/bank records, funds, loan
25 documents or business records that discuss or relate to funds or anything
26 of value you requested, sought, or received from Paul Jacob, Citizens in
Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.

9. Any and all documents, financial institutional/bank records, funds, loan documents or business records disclosing any and all funds or anything of value that you made, gave, or transferred to Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or Liberty Initiative Fund.
10. Any and all documents, financial institutional/bank records, funds, loan documents or business records disclosing any and all services that Paul Jacob, Citizens in Charge, Citizens in Charge Foundation, or Liberty Initiative Fund proposed, provided or will provide to you.
11. Copies of tax returns and tax information filed for the years 2009-2014, for any political committee with which Tim Eyman served or serves as an officer, campaign manager, or volunteer.

15. On March 18, 24, and 25, 2016, Respondents, on behalf of Voters Want More Choices, produced bank statements associated with an entity named "Voters Want More Choices". No information was provided as to which specific political committee named in Civil Order 2 these statements were associated. These statements were purportedly responsive to items 1 and 2 of Civil Order 2. The bank statements provided by counsel for the time period requested were incomplete, redacted, and related to only one of the named entities. There are multiple years of bank records unaccounted for and not produced related to all Respondents.

16. On December 16, 2015, Respondents produced a one-page contract between Citizen Solutions and Voters Want More Choices. That document was the only one produced that was purportedly responsive to items 2, 3, 4, 5, 6, and 7 of each Civil Order.

17. On January 7, 2016, Respondents produced a three-page document purportedly responsive to items 8, 9, and 10 of each Civil Order. The document contained two letters regarding loans from Tim Eyman Watchdog for Taxpayers LLC to Citizens in Charge, and two redacted loan payment checks. No other documents were produced as purportedly responsive to those items. There are numerous possibilities for other records that would be responsive to these items such as email communications, banking records, deposit slips, or money transfers. Respondents have not indicated that they have completely produced all responsive records.

18. Respondents have refused to produce any tax returns or tax information in response to item 11 of Civil Order 2.

1 19. Respondents produced other documents purportedly in response to the Civil Order
2 1 and 2. These records mostly comprised emails between Respondents with news articles.
3 Additionally, Respondents failed to specify which documents were responsive to which request in
4 which Civil Order. As an investigator I could not state with any certainty that Respondents had
5 provided a complete response to the Civil Order.

6 20. To date, Respondents have not confirmed that all responsive documents have been
7 provided to the State for any of the requests made in the Civil Orders.

8 21. The State attempted to work with Respondents through their counsel to obtain
9 information contained in the redacted documents. I contacted Respondents' legal counsel
10 Mark Lamb and requested unredacted and complete copies of bank records provided. Counsel
11 told me that he would not provide unredacted records without a protective order. I could not
12 provide him such a protective order; only a court can issue a protective order. I understood
13 that Respondents' counsel would be filing a motion for a protective order in this Court in early
14 May 2016, which would allow him to release the redacted information from the limited records
15 that were produced. However, I have not been provided such an order to date.

16 22. On February 29, 2016, I contacted Respondents' counsel (Mark Lamb) trying to
17 schedule interviews with his clients. By email dated March 3, 2016, Mr. Lamb refused to
18 schedule any interviews without an explanation of the nature and scope of the investigation and
19 questions.

20 23. As of now, the investigation has been significantly hindered and essentially stalled
21 by Respondents' refusal to provide the records outlined in the Civil Orders. Unredacted and
22 complete financial records are crucial to evaluating the flow of money between the political
23 committees who were Respondents' clients and Respondents. Respondents are blocking access
24 to the very records necessary to determine if the law has been followed. As a result, it is
25 impossible to continue with the investigation absent review of these records prior to taking
26

1 witness statements, which is the next step. Further, Respondents have engaged in a long delay in
2 responding fully to the request.

3 I declare under penalty of perjury of the laws of the State of Washington that the
4 foregoing is true and correct.

5 Dated this 8th day of June, 2016, at Seattle, Washington.

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7 _____
8 CHAD CRUMMER
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EXHIBIT A



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: pdcc@pdcc.wa.gov • Website: www.pdca.wa.gov

September 25, 2015

The Honorable Robert Ferguson
Attorney General
1125 Washington St SE
PO Box 40100
Olympia, WA 98504-0100

RE: Washington State Public Disclosure Commission Referral Following Staff Report of
Investigation re: Protect Your Right to Vote on Initiatives and Tim Eyman, PDC Case
13-027, and Voters Want More Choices and Tim Eyman, PDC Case 15-078

Dear General Ferguson:

On March 12, 2013, the Public Disclosure Commission (PDC) opened an investigation into Protect Your Right to Vote on Initiatives and Tim Eyman, PDC Case 13-027, based on a complaint filed by Sherry Bockwinkel on August 20, 2012, and supplemented by Ms. Bockwinkel on August 29, 2012 and September 10, 2012. In order to report separately on findings concerning Voters Want More Choices and Tim Eyman, on September 10, 2015 staff opened a new case number for those respondents, PDC Case 15-078.

Ms. Bockwinkel's complaint alleged that beginning on or around April 15, 2012, the political committee Protect Your Right to Vote on Initiatives conducted a paid signature drive to qualify Initiative 517 for presentation to the 2013 Washington Legislature, and that the committee failed to register with the PDC until June 11, 2012. The complaint further alleged that the committee's contribution and expenditure reports were untimely, and that the committee had failed to disclose contributions and expenditures associated with its signature gathering efforts. Specifically, Ms. Bockwinkel alleged that funds raised by the political committee Voters Want More Choices to obtain signatures for another statewide initiative, Initiative 1185, were used to compensate petitioners for gathering signatures for both I-1185 and I-517.

This letter provides the Commission's referral to you of the complaint.

The Commission considered the results of the investigation into this matter at the September 24, 2015 Commission meeting, where PDC staff presented the Executive Summary and Staff Analysis, the Report of Investigation, and PDC staff's recommendation on the allegations. Copies of the PDC staff Report of Investigation and Executive Summary and Staff Analysis are enclosed with this letter.

Staff's investigation of the complaint filed by Sherry Bockwinkel showed evidence indicating multiple apparent violations of RCW 42.17A by Mr. Eyman and his committees, as follows:

1. Expenditures totaling \$623,325 by Voters Want More Choices to signature gathering vendor Citizen Solutions, LLC were incurred in a manner to effect concealment, because the expenditures were described in the committee's reports as paying for I-1185 signatures, but were intended in part to result in compensation for Mr. Eyman, and did result in a \$308,185 wire transfer to Mr. Eyman's LLC, Tim Eyman, Watchdog for Taxpayers, on July 11, 2012. Incurring expenditures in a matter to effect concealment violates RCW 42.17A.435.
2. In authorizing these payments to Citizen Solutions, LLC, Mr. Eyman also authorized the expenditure of campaign funds for prohibited personal use, and did use approximately \$170,000 in Voters Want More Choices funds for personal living expenses. Expending contributions reported under RCW 42.17A.235 and .240 for prohibited personal use violates RCW 42.17A.445.
3. Beginning on July 11, 2012, using the funds received that day from Citizen Solutions, LLC, Mr. Eyman's LLC made payments totaling \$200,000 to Citizens In Charge, a Virginia 501(c)(4) organization, for the purpose of sponsoring I-517 signature gathering. Reports filed by Mr. Eyman's committee Protect Your Right to Vote on Initiatives attributed \$182,000 in total in-kind contributions for signature gathering services to Citizens In Charge, when in fact the contributions were made by Mr. Eyman through multiple agents, in order to conceal the source of the funds. Making contributions through an agent to conceal the identity of the source of the contributions violates RCW 42.17A.435.
4. Finally, each instance of concealment also resulted in the failure by Mr. Eyman's committees Voters Want More Choices and Protect Your Right to Vote on Initiatives to file complete and accurate reports of contribution and expenditure activity. Such failure violates RCW 42.17A.235 and .240.

On receiving staff's Report of Investigation, Executive Summary and Staff Analysis, and staff's recommendation on the allegations, Commissioner Anne Levinson offered the following motion:

In regard to Case 13-027, Protect Your Right To Vote On Initiatives and Tim Eyman; and Case 15-078, Voters Want More Choices and Tim Eyman, the Commission is hearing this matter today pursuant to RCW 42.17A.755(3) to consider referral to the Washington State Attorney General or other law enforcement authorities in lieu of us holding a hearing or issuing an order. Therefore, we are not going to make specific findings. However, the record before us due to the staff's thoroughness of investigation is clear:

1. *The PDC staff's investigation indicates that I-1185 funds were used to support I-517.*
2. *The PDC staff's investigation indicates that the initial April 2, 2012 agreement Tim Eyman signed with Citizen Solutions on behalf of Voters Want More Choices included a cost of \$3.50 per signature for I-1185, and a total cost of \$1,050,000 but Citizen Solutions paid petition coordinators between \$1.00 and \$1.40 per I-1185 signature, indicating that the firm made at least \$2.10 per signature, which was a 60% gross margin.*
3. *The PDC staff's investigation, including Mr. Eyman's own testimony, indicates that total payments to Citizen Solutions to qualify I-1185 for the 2012 ballot were in excess of a million dollars, that Voters Want More Choices paid Citizen Solutions more than \$600,000 to qualify I-1185 for the ballot, and that a limited liability corporation that Mr. Eyman operates (Tim Eyman, Watchdog for Taxpayers LLC) received a payment of nearly half that amount back from the signature gathering firm.*
4. *The PDC staff's investigation, including banking records that Mr. Eyman produced in response to a PDC subpoena, indicates that the payment was made by wire transfer in July of 2012, and totaled \$308,185.*
5. *The PDC staff's investigation, including Mr. Eyman's own testimony and banking records produced as a result of a PDC subpoena, indicates that after receiving this more than \$300,000 payment from Citizen Solutions, Mr. Eyman's LLC made payments totaling approximately \$200,000 to Citizens in Charge and that Mr. Eyman understood that the funds his LLC provided would be used to sponsor signature gathering for I-517, not the stated purpose for which the donations were collected.*
6. *The PDC staff's investigation indicates that these payments were reported by Mr. Eyman's committee Protect Your Right to Vote on Initiatives as in-kind contributions from Citizens in Charge, when in fact Mr. Eyman was aware that they came from funds that Voters Want More Choices paid for I-1185 signatures.*
7. *The PDC staff's investigation indicates that in addition to using contributions raised by Voters Want More Choices for I-1185 to support I-517, Mr. Eyman further made personal use of approximately \$170,000 of those funds.*
8. *The PDC staff's investigation, including sworn testimony from a former principal of Citizen Solutions, indicates that the undisclosed more than \$300,000 payment Mr. Eyman received from Citizen Solutions July of 2012 may have been one in a series of such payments and that on multiple occasions between 2004 and 2011, after paying hundreds of thousands of dollars in committee funds to Citizen Solutions to qualify his initiatives for the ballot, Mr. Eyman sought and then received payments back from the firm ranging from \$5,000 to \$100,000 per campaign. This compensation to Mr. Eyman, which as the staff has pointed out*

was also not disclosed to the public, followed a 2002 PDC and Attorney General enforcement action concerning similar efforts by Mr. Eyman to conceal payments to himself from campaign funds. That matter, PDC Case 02-281, Permanent Offense, Tim Eyman et al, resulted in approximately \$55,000 in judgments and fees assessed to Mr. Eyman and his committee. Mr. Eyman was also permanently enjoined from acting as treasurer of any political committee, or as signer on any financial accounts of such a committee as a result of that PDC investigation.

- 9. Finally, the PDC staff's investigation indicates that each instance of concealment also resulted in the failure by Mr. Eyman's committees Voters Want More Choices and Protect Your Right to Vote on Initiatives to file complete and accurate reports of contribution and expenditure activity.*

Based on this record, as well as on Mr. Eyman's refusal while being interviewed under oath by PDC staff to answer questions about his compensation, and his refusal to produce records subpoenaed by the PDC until further enforcement action was taken (and as just noted by the staff, a dozen subpoenas needed to be issued in this matter), the Commission is extremely troubled that it appears that Mr. Eyman intended to hide from the public the sources of funds and the actual purposes for which expenditures were made, and to further conceal that funds were used by Mr. Eyman solely for his personal use. Given his creation of multiple LLCs and committees, his explanations to PDC staff that he did not intend to hide the sources or uses of funds strain credibility. Nor can the Respondent legitimately claim this was somehow inadvertent, due to a lack of experience in filing the required campaign disclosure reports or in understanding the allowable uses of campaign donations. His actions and operations appear to have been an intentional flaunting of campaign finance and disclosure laws, laws which were enacted by the voters to put a stop to conduct such as this. It does not go unnoticed that the purported purpose of the Respondent's proposed initiatives are to protect the very public he appears to have harmed by his actions here. These laws are intended to assure the public that our governmental and political systems and individuals who operate within them are open and honest, and are premised on the principle that the public deserves to know who is funding political campaigns to influence their vote. If this apparent circumvention of campaign finance and disclosure laws were allowed to continue, it would significantly diminish the integrity of our electoral system.

If the facts set forth in this record prove true, then Mr. Eyman's actions would constitute multiple serious violations of RCW 42.17A, including RCW 42.17A.435, RCW 42.17A.445, RCW 42.17A.235 and .240. Considering these violations, as well as Mr. Eyman's prior history with the PDC, frequent and repeated use of the initiative process, the refusal to produce documentation even after the issuance of multiple subpoenas, and the likelihood of an intentional ongoing pattern over multiple years, the Commission's penalty authority under RCW 42.17A.755 would be insufficient to enforce compliance with the law in a manner that adequately protects the public, holds Mr. Eyman accountable for his actions and deters future misconduct.

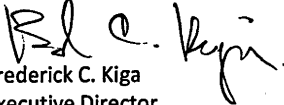
The Honorable Robert Ferguson
PDC Case Nos. 13-027, 15-078
September 25, 2015
Page 2

Accordingly, pursuant to RCW 42.17A.755(3), I move the Commission refer matters No. 13-027 and 15-078, to the Washington State Attorney General for further investigation and request that the Attorney General move swiftly to take any and all appropriate legal action pursuant to his authority under RCW 42.17A.765, including both possible civil and criminal sanctions. Given Mr. Eyman's continued failure to comply with multiple subpoenas, the Commission also requests that the Attorney General's investigation and prosecution expand the timeframe addressed by this investigation, and include in his possible prosecution any actions taken prior or subsequent to the time period covered by the PDC complaint and include any necessary additional charges, such as sanctioning for failure to comply with subpoenas pursuant under RCW 42.17A.110(6).

The above motion was seconded and approved by a unanimous vote of the Commission. Consistent with the above motion and the Commission's action, the Commission is referring this matter to you for further investigation and legal action in accordance with RCW 42.17A.105(5) and RCW 42.17A.755(3), requesting your office explore all remedies allowed by law in superior court, including as provided in RCW 42.17A.750.

If you have any questions, please contact me at (360) 664-2735. Thank you.

Sincerely,


Frederick C. Kiga
Executive Director

cc: Commissioners
Linda Dalton, Sr. Assistant Attorney General
Mark Lamb, counsel for Respondents
Sherry Bockwinkel

EXHIBIT B



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: pdcc@pdc.wa.gov • Website: www.pdc.wa.gov

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE)	
WITH RCW 42.17A)	
)	
Protect Your Right to Vote on Initiatives)	PDC CASE NO: 13-027
and Tim Eyman)	
)	
Voters Want More Choices)	PDC CASE NO: 15-078
and Tim Eyman)	
)	
)	REPORT OF INVESTIGATION
Respondents.)	
)	

I.

BACKGROUND

- 1.1 Voters Want More Choices – Save the 2/3's (Mike Fagan) ("Voters Want More Choices" or VWMC) is a political committee registered with the Public Disclosure Commission (PDC). Respondent Tim Eyman is an officer of Voters Want More Choices. **(Exhibit 1)** Voters Want More Choices supported Initiative Measure No. 1185 (I-1185), which concerned tax and fee increases imposed by state government. On July 7, 2012, Mr. Eyman submitted approximately 320,000 signatures for I-1185 to the Washington Secretary of State's Elections Division. I-1185 qualified for the November 2012 ballot and was approved by Washington voters.
- 1.2 Citizen Solutions, LLC ("Citizen Solutions") is a Washington limited liability company that provides signature gathering services to initiative campaigns. The members of Citizen Solutions, LLC are Roy Ruffino and William

Agazarm. On April 2, 2012, Tim Eyman signed an agreement with Citizen Solutions on behalf of Voters Want More Choices, securing signature gathering services to qualify I-1185 for the 2012 ballot. The initial agreement included a cost of \$3.50 per signature, and a total cost of \$1,050,000.

(Exhibit 2) Records of email communications with petition coordinators concerning the I-1185 signature drive show that Citizen Solutions paid the coordinators between \$1.00 and \$1.40 per I-1185 signature, indicating that the firm made at least \$2.10 per signature turned in to Mr. Eyman's committee, a 60% gross margin. **(Exhibit 3)** Eventual expenditures by VWMC to Citizen Solutions for the I-1185 signature drive totaled \$623,325.¹ **(Exhibit 4)**

- 1.3 Prior to 2012, Citizen Solutions, LLC was organized as Citizen Solutions, Inc., and was used as a signature gathering vendor by Tim Eyman for multiple statewide initiative campaigns. Between 2004 and 2011, Citizen Solutions, Inc. received nearly three million dollars from Mr. Eyman's political committees to secure signatures for various initiatives. During that time, the principals of Citizen Solutions, Inc. were Roy Ruffino and Edward Agazarm, the father-in-law of William Agazarm.² Edward Agazarm provided testimony to staff stating that he retired from Citizen Solutions and the corporation dissolved when his son-in-law founded Citizen Solutions LLC in 2012.
- 1.4 Protect Your Right to Vote on Initiatives ("Protect Your Right to Vote" or PYRVI) is a political committee registered with the PDC. Respondent Tim Eyman is an officer of Protect Your Right to Vote. **(Exhibit 5)** Protect Your Right to Vote supported Initiative Measure No. 517 (I-517), which concerned initiative and referendum measures. On January 3, 2013, Mr. Eyman submitted approximately 345,000 signatures for I-517 to the Washington Secretary of State's Elections Division. I-517 qualified for presentation to the 2013 Washington Legislature; after the state legislative session ended on April 28, 2013 with no resolution on from the legislature on I-517, the initiative went before voters in the 2013 general election. It was rejected by voters.
- 1.5 Citizens in Charge is a Virginia 501(c)(4) corporation that was listed as a contributor of \$182,806 in signature gathering services for I-517 in PDC reports filed by Protect Your Right to Vote on Initiatives in 2012. **(Exhibit 6)** Paul Jacob is President of the Citizens in Charge board of Directors.

¹ In addition to \$623,325 in payments to Citizen Solutions from VWMC funds, the C-4 reports attached as **Exhibit 4** also disclose a total of \$450,000 in payments to Citizen Solutions by the Association of Washington Business as an in-kind contribution of signature gathering for I-1185, and \$100,000 paid to Citizen Solutions by the Washington Beer and Wine Wholesalers for I-1185 signature gathering. Total payments to Citizen Solutions to qualify I-1185 for the 2012 ballot were \$1,173,325.

² Edward Agazarm testified that he is related to William Agazarm only through marriage, and that his son-in-law elected to take the elder Mr. Agazarm's last name.

- 1.6 On August 20, 2012, Sherry Bockwinkel filed a complaint against Protect Your Right to Vote on Initiatives and its officers, including Tim Eyman. **(Exhibit 7)** On August 29, 2012 and September 10, 2012, Ms. Bockwinkel supplemented her complaint with additional evidence, including affidavits from signature gatherers who worked or were solicited to work on the I-1185 and I-517 signature drives. **(Exhibits 8, 9, 10)**

II.

ALLEGATIONS IN COMPLAINT

- 2.1 In her August 20, 2012 complaint and the August 29, 2012 and September 10, 2012 supplements to her complaint, Ms. Bockwinkel alleged that beginning on or around April 15, 2012, Protect Your Right to Vote on Initiatives conducted a paid signature drive to qualify I-517 for presentation to the Washington Legislature, but failed to register with the PDC until June 11, 2012. She further alleged that the committee's contribution and expenditure reports were untimely, and that the committee had failed to disclose contributions and expenditures associated with its signature gathering efforts. Specifically, she alleged that payments by Voters Want More Choices for I-1185 signatures were paid to petitioners to compensate signature gathering for both I-1185 and I-517.

III.

SUMMARY OF FINDINGS

- 3.1 Staff found that the C-1pc Political Committee Registration that Protect Your Right to Vote on Initiatives filed on May 3, 2012 under a different name, Protect the Initiative Act (Jack Fagan), was a substantially timely registration.
- 3.2 Staff found insufficient evidence to support the complainant's allegation that funds raised by Voters Want More Choices and others to qualify I-1185 for the 2012 ballot were used by the committees' signature gathering vendor to directly compensate petitioners for producing I-517 signatures.
- 3.3 However, staff did find evidence that I-1185 funds were used in a *different* way to support I-517. Tim Eyman testified that after his committee Voters Want More Choices paid Citizen Solutions \$623,325 to qualify I-1185 for the 2012 ballot, Mr. Eyman's LLC received a payment of nearly half that amount, \$308,000, back from the signature gathering firm. Mr. Eyman testified that after receiving this \$308,000 payment, his LLC loaned approximately \$190,000 to Citizens in Charge, a Virginia 501(c)(4) organization. (Staff's investigation showed that the payments by Mr. Eyman's LLC to Citizens in

Charge totaled \$200,000.) With Mr. Eyman's knowledge, Citizens in Charge then made payments totaling \$182,000 to petitioning firms working to qualify I-517 for presentation to 2013 legislature. These payments were reported by Mr. Eyman's committee Protect Your Right to Vote on Initiatives as in-kind contributions from Citizens in Charge, when in fact Mr. Eyman was aware that they came from funds that Voters Want More Choices paid for I-1185 signatures. This fact has not been disclosed to the public.

- 3.4 Beyond using at least \$182,000 in contributions raised for I-1185 to support another initiative, staff found evidence that Mr. Eyman made personal use of approximately \$170,000 of those funds, using them for personal living expenses to support his family.
- 3.5 Finally, staff found evidence that the undisclosed \$308,000 payment that Mr. Eyman received from his signature gathering vendor in 2012 may have been one in a series of such payments. Staff obtained testimony from Edward Agazarm, a former principal of Citizen Solutions, Incorporated, indicating that on multiple occasions between 2004 and 2011, Mr. Eyman used hundreds of thousands of dollars in committee funds to pay the signature gathering firm to qualify his initiatives for the ballot, and then sought and received payments back from the firm ranging from \$5,000 to \$100,000. This compensation, which was not disclosed to the public, followed a 2002 PDC and AGO enforcement action against Mr. Eyman for concealing payments to himself from campaign funds. (PDC Case 02-281: Permanent Offense, Tim Eyman, and Suzanne Karr.) During an interview under oath with PDC staff, Mr. Eyman refused to answer questions about the compensation described by Edward Agazarm.
- 3.6 Focusing only on the events of 2012, the evidence indicates the possibility that expenditures by Voters Want More Choices to Citizen Solutions, LLC were incurred in a manner to effect concealment, because they were described in the committee's expenditure reports as paying for I-1185 signatures, but were intended to result in compensation for Mr. Eyman. The evidence indicates that in authorizing these payments to Citizen Solutions, LLC, Mr. Eyman may have authorized the expenditure of campaign funds for prohibited personal use. The evidence indicates that contributions attributed to Citizens in Charge in reports filed by Protect Your Right to Vote on Initiatives were made by Mr. Eyman through multiple agents, in order to conceal the source of the funds. Finally, each instance of concealment also resulted in the failure by Mr. Eyman's committees to file complete and accurate reports of contribution and expenditure activity.
- 3.7 Attached to this report is a chart visually representing the individuals and entities involved in the concealed contribution and expenditure activities described above. **(Exhibit 11)**

DETAILED FINDINGS

3.8 Registration and Reporting by Protect Your Right to Vote on Initiatives:

The initial allegation in Ms. Bockwinkel's complaint involved a failure by Protect Your Right to Vote on Initiatives to timely register its campaign to support I-517. Email evidence provided by Tim Eyman indicates that as of March 29, 2012, Mr. Eyman was aware that Edward Agazarm pledged to secure or personally pay for 50,000 signatures at no cost to Mr. Eyman for an initiative to the people concerning protections for signature gatherers.

(Exhibit 12, page 2) Within that same day, the proposal had been reformulated as an initiative to the legislature.

3.9 As a campaign to support an initiative to the legislature, Protect Your Right to Vote on Initiatives was bound by the Grass Roots Lobbying disclosure requirements in RCW 42.17A.640, which required the committee to file an L-6 form within 30 days of exceeding \$500 in a single month in lobbying expenditures. Although Ms. Bockwinkel alleged that Protect Your Right to Vote on Initiatives registered on form C-1pc on June 11, 2012 **(Exhibit 5, p 1)**, the committee previously registered on May 3, 2012 under a different name, Protect the Initiative Act (Jack Fagan). **(Exhibit 5, p 2)** Treating Edward Agazarm's pledged in-kind contribution of 50,000 signatures as an "expenditure" for the purpose of the L-6 filing deadline, Protect Your Right to Vote on Initiatives was required to register its campaign by approximately April 28, 2012. The C-1pc received five days later from Protect the Initiative Act (Jack Fagan) may be viewed as a substantially timely registration under RCW 42.17A.640.

3.10 Having registered as a political committee on form C-1pc, Protect Your Right to Vote on Initiatives indicated that it had the expectation of receiving contributions and making expenditures in support of a ballot proposition, activity required to be disclosed on PDC forms C-3 and C-4. Protect Your Right to Vote on Initiatives disclosed its first contribution on July 10, 2012: a \$4,444 in-kind contribution from Edward Agazarm for petition printing. The committee filed an additional C-4 report on August 21, 2012, disclosing for the first time contributions and expenditures connected with signature gathering: a \$6,758 payment by Citizens in Charge of Lakeridge, Virginia for "I-517 petitioning." (As will be discussed below, by July 31, 2012 at the latest, Mr. Eyman was aware of \$75,000 in contributions and expenditures pledged for I-517 signatures; this activity was required to be disclosed beginning with the C-4 report for July due on August 10, 2012.)

3.11 Following the committee's August 21, 2012 C-4 report, Protect Your Right to Vote on Initiatives submitted C-4 reports in September, October, November, and December of 2012, disclosing a total of \$305,454 in-kind contributions and expenditures related to signature gathering for I-517. **(Exhibit 6)**

Reportedly, the campaign was financed entirely through in-kind contributions; Protect Your Right to Vote on Initiatives disclosed no monetary receipts or expenditures. The in-kind contributions in the committee's reports were attributed to 41 separate contributors, including 36 individuals located in Washington, Oregon, California, Minnesota, and Massachusetts. Nearly two-thirds of the reported in-kind contributions, \$182,806, were attributed to the organization Citizens in Charge. (As will be discussed below, it appears that these latter contributions were not correctly attributed to Citizens in Charge.)

- 3.12 **Alleged payments to I-517 petitioners during April 2012:** In alleging untimely reporting of contributions and expenditures by Protect Your Right to Vote on Initiatives, Ms. Bockwinkel premised her allegations on the idea that contributions raised by Voters Want More Choices and others to support I-1185 were being paid by Citizen Solutions, LLC to directly compensate signature gatherers who produced signatures for I-517. She provided a copy of two April 9, 2012 emails from Edward Agazarm to petitioner Steve Burdick, however these emails did not include discussion of monetary payments to petitioners for I-517 signatures. Rather, Mr. Agazarm insisted that petitioners should "bring in equal numbers" of signatures, with some portion, presumably for I-517, being "free." **(Exhibit 13)** In the emails, Mr. Agazarm threatens various consequences to petitioners who would not work for free, including firing and death by stoning.
- 3.13 **Affidavits signed by Petitioners, Petition Coordinators:** Ms. Bockwinkel provided affidavits signed by Miles Stanley, Richard Walther, and Steve Burdick, all petitioners or petition coordinators either who worked or were solicited to work on the I-1185 and I-517 signature drives. **(Exhibits 8, 9, 10)** Each of the affiants described an initial cost agreement of \$1.00 per I-1185 signature produced by the petitioner. Each affiant then described being asked to produce free signatures for I-517, or to accept 75 cents per I-1185 signature so that there would be 25 cents remaining from the original dollar to "pay" for each matching I-517 signature.
- 3.14 The affidavit signed by Miles Stanley **(Exhibit 8)** indicated that he refused to produce any I-517 signatures.
- 3.15 The affidavit signed by Rick Walther stated that he and his petitioners initially produced free I-517 signatures in order to ensure continued work on the paid I-1185 signature drive. **(Exhibit 9)** Mr. Walther stated in his affidavit that in early May, he refused to continue producing free signatures for I-517. (In a separate email to PDC staff received on September 13, 2013, Mr. Walther forwarded copies of emails he exchanged with Edward Agazarm on April 29 and 30, 2012. In an email to Mr. Agazarm **[Exhibit 14]**, Mr. Walther stated, *"I am paying the dollar on the blue, and keeping the red 'volunteer' as that is exactly what it is. Volunteer means working it with no compensation. So as far as equal numbers go, I will continue to hand it out, and you will get exactly*

what the crew gives you. But I am not willing to force my crew to circulate a volunteer petition. You should be thankful for any amount of signatures that you get on a volunteer petition, no matter how bad you want it on the ballot.”)

- 3.16 Of the three affiants, Steve Burdick went furthest in his affidavit, stating that he was initially asked to produce I-517 signatures for free, and then in late April of 2012, was offered \$1.50 for each pair of I-1185 and I-517 signatures he turned in. **(Exhibit 10)** If correct, this would be the first indication of an additional expenditure over and above the \$1.00 “street price” for I-1185 signatures, paid in order to secure signatures for I-517.
- 3.17 **Testimony Regarding I-517 Signature Gathering:** PDC staff attempted to contact the affiants to obtain testimony regarding the possibility that funds raised to qualify I-1185 for the ballot were instead being used to support I-517. Staff attempted to contact Miles Stanley to conduct an interview under oath, however Mr. Stanley did not return staff’s contacts. After initially agreeing to schedule an interview, Richard Walther abruptly declined to speak with PDC staff, stating in a September 17, 2013 email, *“I have supplied all of the information that I have that supports the complaint that was filed, and I have gone as far as I’m willing to go on this matter.”* Staff was successful in securing an in-person interview under oath with Steve Burdick. Mr. Burdick’s statements are discussed below.
- 3.18 In a September 19, 2013 interview under oath, Steve Burdick stated that several statements in his affidavit submitted by Sherry Bockwinkel were inaccurate, and he recanted those statements. Speaking of the affidavit, he stated, *“I signed it, I thought I had totally read it...I went back and read it, and it does not make absolutely a grain of sense to me.”*
- 3.19 Mr. Burdick stated that contrary to the statements in his affidavit, he was never paid more than the original \$1.00 per signature rate originally offered for I-1185, based on the fact that he also turned in an I-517 signature. Although his affidavit stated that he received \$1,200 from petition coordinator Rob Harwig for turning in signatures for I-1185 and I-517, he stated that the amount he received was closer to \$600.
- 3.20 Addressing the alleged price “split” arrangement through which petitioners were asked to accept 75 cents per I-1185 signature and 25 cents per I-517 signature, Mr. Burdick stated that in his many years working on signature drives, there had never been a drive that offered as little as 25 cents per signature. He stated that he knew no petitioners who would accept a 25 cent price, no matter their level of experience. Based on the difficulty he experienced in collecting I-517 signatures, Mr. Burdick stated that the fair market value of each I-517 signature was not 25 cents, but at least \$1.00. He offered his opinion that if a petitioner received \$1.00 for both an I-1185 and I-517 signature, that petitioner was making an in-kind contribution of the I-517

signature for less than fair market value. Regardless, he stated that most petitioners who were asked to collect I-517 signatures for free simply did not deliver the signatures.

- 3.21 On September 5, 2012, Edward Agazarm contacted PDC staff by email and confirmed that he had strongly encouraged petitioners to carry I-517 petitions for free, because he believed in the initiative and the benefits he thought it would offer to signature gathering professionals. **(Exhibit 15)** He stated, *"I used my own money to print up petitions for I-517 because I firmly believe it's going to make the initiative process better for everyone. I saw no reason why anyone in the industry wouldn't want to carry I-517 petitions and ask every voter who signed R-74, I-1185, and I-1240 petitions to sign I-517 too. I strongly urged as many of them as possible to do so after explaining the merits of I-517 and providing them with the paper I'd paid for. Some did, some didn't. There was never any negative repercussions to any of them if they didn't because I didn't have the authority to do anything if they didn't."* Mr. Agazarm stated that the "spontaneous and often bombastic, over-the-top pleas" in his emails to Mr. Burdick were meant only to convey his passion for I-517.

3.22 **Investigation of Reported In-kind Contributions of I-517 Signature**

Gathering: Staff found the evidence inconclusive that funds raised to support I1185 were being paid directly to signature gatherers to compensate them for I517 signatures. PDC staff turned next to the in-kind contributions that Protect Your Right to Vote on Initiatives disclosed beginning in August of 2012 **(Exhibit 6)**, to determine whether the reported payments and professional signature-gathering services were accurately attributed to the contributors. Staff mailed affidavits or letters to more than three dozen of the listed contributors, located inside and outside of Washington State, asking them to state whether they provided I517 signatures for less than fair market value, the approximate value of the signatures they provided, and to state whether they were compensated by any person for the signatures.

- 3.23 Of the letters and affidavits mailed, eight were returned as undeliverable as addressed. An oral or written response was received from six petitioners or petition coordinators, generally confirming the reported contributions. **(Exhibit 16)** No response was received to the remaining 22 mailed affidavits.
- 3.24 The two most significant in-kind contributors listed in reports filed by Protect Your Right to Vote on Initiatives were Peoples Petitions, an Edmonds, Washington petition coordinating firm run by Rob Harwig, and Citizens in Charge of Lakeridge, Virginia. Respectively, the two entities were listed as contributing \$42,711 and \$182,806 in signature gathering services to qualify I-517 for presentation to the legislature. PDC staff made repeated attempts to obtain testimony from Rob Harwig; as described above, Mr. Harwig left a voice message for staff, orally confirming that he had paid for the in-kind

contributions attributed to his firm. However, he failed to honor appointments for an interview under oath. For his part, Paul Jacob of Citizens in Charge did not respond to staff's repeated telephone and written requests for an interview.

**Evidence and Testimony regarding
Contributions by Citizens in Charge to I-517 Campaign**

- 3.25 In response to a March 12, 2013 *subpoena duces tecum* from PDC staff, on March 26, 2013, April 1, 2013, and April 26, 2013, Tim Eyman produced numerous written and electronic communications and other records. Included in his submission of April 26, 2013 was an email showing an exchange between Mr. Eyman, Edward Agazarm, and William Agazarm on July 8, 2012. **(Exhibit 17)** The email exchange occurred at the close of the I-1185 signature drive; one day earlier, on July 7, 2012, Mr. Eyman submitted 320,003 signatures for I-1185 to the Washington Secretary of State's Elections Division.
- 3.26 The originating email from Mr. Eyman in this July 8, 2012 exchange had an invoice to Citizen Solutions attached. In his reply, William Agazarm promises to secure a payment to Mr. Eyman from Roy Ruffino:

"My first and foremost goal is to ensure that you get paid what is properly owed this year and to make it happen promptly... The immediate goal is to get you paid and that will happen whether Roy cuts a check or I have to go up there to do it myself. Give him a call tomorrow and let him know you need it before the day is out if possible. While you are trying to avoid telling Roy exactly what the funds are for, you could always tell him you are working on 'something' with Paul Jacobs [sic] and hoping to grow some national recognition from it."

(Exhibit 17, p 2)

A reply from Mr. Eyman the same evening again mentions the name "Paul," and implies that the requested payment bears some relation to a pending signature drive:

"promised Paul a payment early this week so eager to follow through on that and get the ball rolling (you said some petitioners want to do it on speculation but better to get them locked in early). talked to Brian today and he'll have petitions printed tomorrow (Monday). strike while the iron's hot."

(Exhibit 17, p 1)

3.27 Interview with Edward Agazarm regarding Payments to Tim Eyman:

Prior to obtaining Mr. Eyman's testimony concerning the meaning of his statements, on November 8, 2013 PDC staff conducted an interview under oath with Edward Agazarm, who also took part in the July 8, 2012 email

exchange regarding the payment that Mr. Eyman sought from Citizen Solutions. Mr. Agazarm testified that from the beginning of Citizen Solutions Incorporated's business relationship with Tim Eyman in 2004, Mr. Eyman had sought and received payments from the signature gathering firm. **(Exhibit 18)** Mr. Agazarm testified that these intermittent payments ranged from \$5,000 to \$100,000, and compensated Mr. Eyman for services he performed for Citizen Solutions. Mr. Agazarm testified that Mr. Eyman's services to Citizen Solutions included generating business for the signature gathering firm, including on work gathering signatures for Mr. Eyman's own initiatives:

PDC Staff: *What does Tim invoice Citizen Solutions for, and what does Citizen Solutions pay Tim for?*

Mr. Agazarm: *In the past, I can't tell you for sure on this one because it was 2012, but in the past, 2011 and sooner (sic) we have gotten an invoice or two from Tim for consulting. For his consulting business.*

PDC Staff: *And what services does Tim provide Citizen Solutions?*

Mr. Agazarm: *Consulting.*

PDC Staff: *And what does that entail, in this case?*

Mr. Agazarm: *Everything you can imagine from the petition business. The drafting of petitions, helping get the clients hooked up, when things can start, when things can't start. That kind of thing.*

PDC Staff: *During your time when you were an officer and a co-owner of Citizen Solutions, how long did you have that sort of arrangement with Tim?*

Mr. Agazarm: *It wasn't really an arrangement. It depends on if he did a lot of work, and felt he was due some money for all the work he did for us. All the way from the beginning, we could have gotten an invoice from him. But it wasn't every year, it wasn't every thing, it wasn't every drive.*

PDC Staff: *How much is he typically paid, when he is paid?*

Mr. Agazarm: *Anywhere from \$5,000 to \$100,000.*

...

PDC Staff: *Does Tim Eyman receive a commission for the business he sends to Citizen Solutions?*

Mr. Agazarm: *In my time with Citizen Solutions, he never received a commission.*

PDC Staff: *Does he receive any kind of fee or payment?*

Mr. Agazarm: *He gets a consultant fee.*

PDC Staff: *And is part of his services that he renders generating business for Citizen Solutions?*

Mr. Agazarm: *Part of it, yeah.*

PDC Staff: *And does get that consulting fee when it's his own initiative that Citizen Solutions is working on?*

Mr. Agazarm: *I don't know.*

PDC Staff: *You don't know. Has that ever happened?*

Mr. Agazarm: *Because I don't know if it's, when you say "his own initiative."*

PDC Staff: *Like 1185, for example. He was submitting invoices at the close of the 1185 campaign.*

Mr. Agazarm: *He would have been paid on 1185, but I don't know that it was "his own initiative."*

PDC Staff: *Ah. Other initiatives? The two-thirds tax majority initiatives that he sponsors?*

Mr. Agazarm: *See, it was such an intermittent thing, I can't be certain. But I can say that it's not unreasonable to expect.*

PDC Staff: *That?*

Mr. Agazarm: *That he would have been compensated on any particular initiative.*

PDC Staff: *Including initiatives he sponsored.*

Mr. Agazarm: *Including initiatives he sponsored, yeah.*

- 3.28 **PDC Staff Review of Reported Compensation to Tim Eyman:** PDC reports and expenditure data indicate that since 1998, Tim Eyman has received \$1,943,562 in expense reimbursements and other payments from the political committees that Mr. Eyman serves as an officer. These committees include Help Us Help Taxpayers, a political committee established for the specific purpose of raising funds to compensate Mr. Eyman and his fellow committee officers Jack and Mike Fagan for their work on initiative campaigns. **(Exhibit 19)**
- 3.29 The nearly two million dollars in reimbursements, compensation, and other payments paid directly to Mr. Eyman by his committees since 1998 does not include payments that Mr. Eyman received through Permanent Offense, Incorporated. **(Exhibit 20)** An investigation by PDC staff in 2001 and 2002 showed that Mr. Eyman used Permanent Offense, Inc. to conceal up to \$150,000 in payments to himself from the campaign funds of Permanent Offense PAC, a political committee that Mr. Eyman established to support I-776 in the 2002 general election. During staff's investigation, Mr. Eyman stated that he established Permanent Offense, Inc. *"to have a way to cover the fact that I was making money sponsoring initiatives, and none of my co-sponsors knew that was the case."* **(Exhibit 20, p 3)** Staff's investigation also showed that Mr. Eyman made personal use of Permanent Offense PAC funds by making reimbursements to himself directly from the campaign account for more than \$10,000 in expenses not related to the I-776 campaign, and that Mr. Eyman's political committee failed to report all contributions and expenditures as required. Staff's investigation, PDC Case 02-281, was

referred to the Washington Attorney General for court action, resulting in approximately \$55,000 in judgements and fees assessed to Tim Eyman and his committee. Mr. Eyman was also permanently enjoined from acting as treasurer of any political committee, or as signer on any financial accounts of such a committee.

- 3.30 Following staff's investigation in PDC Case 02-281, over one million dollars in expenditures to Tim Eyman by Help Us Help Taxpayers and Mr. Eyman's other committees since 2003 have been described in the committees' reports as "officer compensation" or "professional services compensation." **(Exhibit 21)**
- 3.31 Assuming that the intermittent payments to Mr. Eyman described by Edward Agazarm in his November 8, 2013 interview were made directly from the funds of Citizen Solutions, PDC staff's review indicates that these payments are separate and distinct from the compensation to Mr. Eyman paid by his political committees, and disclosed to the public in PDC expenditure reports. Staff's review indicates that these payments to Mr. Eyman have not been disclosed in any manner.
- 3.32 **Interview under Oath with Tim Eyman:** On July 11, 2014, Mr. Eyman participated in an interview under oath in response to a June 30, 2014 *subpoena* issued by PDC staff. Mr. Eyman was represented by legal counsel Mark Lamb of the North Creek Law Firm. The interview was transcribed by a certified court reporter. **(Exhibit 22)**
- 3.33 **Tim Eyman Testimony Regarding Payments Received from Citizen Solutions:** During his interview, PDC staff sought Mr. Eyman's testimony concerning the payments to Mr. Eyman by Citizen Solutions that were described by Edward Agazarm in his interview under oath with PDC staff. Mr. Lamb advised Mr. Eyman not to answer questions concerning any payments Mr. Eyman may have received prior to 2009, since any violations connected with such payments would be outside the PDC's five-year statute of limitations. Staff explained that the question was intended to elicit testimony documenting patterns and practices in Mr. Eyman's business affairs, in order to better understand transactions that took place within the statute of limitations. On the advice of counsel, Mr. Eyman refused to answer staff's questions.
- 3.34 In his interview, Mr. Eyman did address the payment discussed in his July 8, 2012 email exchange with Edward and William Agazarm. **(Exhibit 18)** Mr. Eyman testified that the payment he sought from Citizen Solutions, LLC was for the purpose of retaining Mr. Eyman's services in generating future clients for Citizen Solutions, rather than to compensate him for services rendered in the past. Mr. Eyman testified that he negotiated the terms of this payment with William Agazarm. He stated that pursuant to an oral agreement, he

received a single payment of \$308,000 shortly after the July 8, 2012 email exchange. He stated that the payment was executed through a wire transfer to Mr. Eyman's LLC: Tim Eyman, Watchdog for Taxpayers. Mr. Eyman stated that no written agreement existed concerning the terms of this payment or the services to be rendered, but that his informal, oral agreement was to secure clients for Citizen Solutions for three years. He stated that as of the date of his interview with PDC staff, he had already begun to fulfill this obligation to Citizen Solutions. However, he declined to identify any clients he had personally secured for the firm.

- 3.35 Mr. Eyman testified that he did not inform Voters Want More Choices officers Mike Fagan, Jack Fagan, or Stan Long of the \$308,000 payment he sought and received from Citizen Solutions in approximately July of 2012.
- 3.36 PDC staff's review of contribution and expenditure data submitted in connection with the I-1185 campaign indicates that the \$308,000 Mr. Eyman sought and received from Citizen Solutions in approximately July of 2012 represented approximately 50% of payments that Voters Want More Choices made to the firm to qualify I-1185 for the 2012 ballot, and more than 25% of total payments to Citizen Solutions by VWMC, the Association of Washington Business, and the Washington Beer and Wine Wholesalers for I-1185 signature gathering.
- 3.37 **Tim Eyman Testimony Regarding Payments to Citizens in Charge / Contributions by Citizens in Charge to I-517 Campaign:** In his interview, Mr. Eyman testified that soon after receiving the \$308,000 payment from Citizen Solutions, Mr. Eyman's LLC, Tim Eyman, Watchdog for Taxpayers, made a \$75,000 loan to Citizens in Charge via a mailed cashier's check. Mr. Eyman testified that his LLC made an additional \$25,000 loan to Citizens in Charge shortly after the initial \$75,000 loan, and one or more additional loans adding up to an estimated \$190,000. Mr. Eyman testified that all loans from his LLC to Citizens in Charge were made before the end of 2012. Mr. Eyman testified that there was no written agreement with Paul Jacob or Citizens in Charge concerning the \$190,000 payment, or any contemporaneous record that described the payment as a loan, or tracked repayment of the loan. Mr. Eyman stated that he had simply an oral agreement with Mr. Jacob to repay the \$190,000, with no interest charged. He testified that as of the date of his July 11, 2014 interview with staff, Citizens in Charge had repaid an estimated \$70,000 of loans back to Mr. Eyman's LLC, and that repayments were regular and ongoing.
- 3.38 Mr. Eyman stated generally that he loaned \$190,000 of his LLC's funds to Citizens in Charge in order to "deepen his business relationship" with Paul Jacob and his organization. PDC staff noted that following receipt of the funds from Mr. Eyman's LLC, Citizens in Charge made a series of payments totaling \$182,806 to sponsor signature gathering services for the I-517

campaign. Staff asked Mr. Eyman if his LLC's payment to Citizens in Charge was intended to sponsor signatures for I-517, or if Mr. Eyman engaged in any discussion with Paul Jacob about using the funds for that purpose. Mr. Eyman testified that in their discussions, Mr. Jacob *"made it clear that if additional funds came in, that they would be in a position to be able to help Initiative 517."*:

...absolutely both of us discussed how we both supported Initiative 517 and [Jacob] said he had many projects going on nationally and that if additional funds came in, they would be in a position to be able to help Initiative 517. But once I made the loans, I didn't have any knowledge or understanding of whether or not my loans went to his other projects or whether or not he used those funds specifically for 517.

Staff asked Mr. Eyman whether Paul Jacob described any other use that Citizens in Charge would make of funds received from Mr. Eyman's LLC. Mr. Eyman stated that he did not.

- 3.39 Staff asked Mr. Eyman to explain the statements in his July 8, 2012 email exchange with Edward Agazarm and William Agazarm concerning the payment that "Paul" was expecting, and the connection this payment had to a pending signature drive. Mr. Eyman testified as follows:

PDC Staff: *Tim, I am going to draw your attention back to Exhibit A, which is an email exchange from July 8, 2012. I'm going to focus in on the email that you sent to Edward Agazarm and William Agazarm in which you stated,*

"Promised Paul a payment early this week so eager to follow through on that and get the ball rolling (you said some petitioners want to do it on speculation but better to get them locked in early). Talked to Brian today and he'll have petitions printed tomorrow (Monday). Strike while the iron's hot."

Explain all of that to me.

Mr. Eyman: *Well, as I said in the email, I had already discussed with Paul the possibility of doing a loan and I was clearly eager to get paid from Citizen Solutions and Paul was very excited about doing and supporting Initiative 517. It was an idea that he felt that they would be able to do in other states and that if we were successful with 517 in Washington, that he would be able to do it in other states, which would mean potentially using me as a consultant or using Citizen Solutions for their signature gathering. So it was clearly an effort to spur them to pay me.*

PDC Staff: *Okay. So when you say, "Promised Paul a payment early this week, so eager to follow through on that and get the ball rolling (you said some petitioners want to do it on speculation but better to get them locked in early)" can you be clear which petitioners and which signature drive you're referring to?*

***Mr. Eyman:** Seems pretty clear in there that that, and as the email below or the next paragraph makes clear, we are talking about 517.*

- 3.40 **Other Use of Payments from Citizen Solutions:** In his interview, Mr. Eyman stated that after loaning \$190,000 of the \$308,000 payment his LLC received from Citizen Solutions to Citizens in Charge, he used the remaining funds to pay for personal living expenses to support his family. He stated that as Citizens in Charge made repayments, the funds were not used to support an initiative campaign. Rather, Mr. Eyman stated that he similarly used the funds to support his family.
- 3.41 **Testimony of Roy Ruffino:** On July 11, 2014, Roy Ruffino participated in an interview under oath in response to a June 30, 2014 *subpoena* issued by PDC staff. Like Mr. Eyman, Mr. Ruffino was represented by attorney Mark Lamb. In his interview, Mr. Ruffino confirmed that Citizens Solutions, LLC made a single \$308,000 payment to Tim Eyman, Watchdog for Taxpayers, LLC following the close of the signature drive for I-1185. Mr. Ruffino stated that the payment was proposed by William Agazarm for the purpose of compensating Mr. Eyman for his assistance in securing future business for Citizen Solutions. PDC staff pointed out that the payment from Citizen Solutions back to Mr. Eyman's LLC represented a significant portion of the payments that Mr. Ruffino's firm received to qualify I-1185 for the 2012 ballot. Staff asked whether Citizen Solutions had any particular protocol in place for authorizing payments of that size, and Mr. Ruffino stated that there was no such protocol.
- 3.42 PDC staff asked Mr. Ruffino if he was aware whether Tim Eyman made payments to Paul Jacob for I-517 signature gathering. Mark Lamb instructed Mr. Ruffino not to answer staff's questions, stating that the answer would intrude on privileged attorney-client communications. Mr. Lamb also instructed Mr. Ruffino not to answer questions concerning any payments Mr. Eyman may have received from Citizen Solutions, Incorporated prior to 2009, since any violations connected with such payments would be outside the PDC's five-year statute of limitations.
- 3.43 **Subpoenas Issued in Connection with PDC Investigation:** Over a period of nine months during the PDC's investigation, PDC staff issued twelve *subpoenas* or *subpoenas duces tecum* to Tim Eyman, Citizens Solutions LLC, Roy Ruffino and William Agazarm, both in their personal capacity, and as agents of either Citizens Solutions, Incorporated or Citizen Solutions LLC. With the exception of staff's initial March 12, 2013 *subpoena duces tecum* to Mr. Eyman, issued before he retained Mark Lamb as counsel, and the June 30, 2014 *subpoenas* that resulted in testimony by Mr. Eyman and Mr. Ruffino, as of August 2015, Mr. Lamb's clients had not complied with staff's *subpoenas*. The *subpoenas* outstanding as of August 2015 included

demands for banking records the existence of which Mr. Eyman established during his testimony, documenting the following transactions:

- A single \$308,000 payment from Citizen Solutions LLC to Tim Eyman, Watchdog for Taxpayers, LLC in July of 2012.
- Loans that Tim Eyman, Watchdog for Taxpayers, LLC made to Citizens in Charge shortly after receiving the \$308,000 payment from Citizen Solutions LLC, adding up to an estimated \$190,000.
- Repayments by Citizens in Charge of an estimated \$70,000 of loans from Tim Eyman, Watchdog for Taxpayers, LLC.

Mr. Lamb offered various justifications to explain his clients' failure to comply with staff's *subpoenas*, including his belief that records requested through the *subpoenas* were not relevant to staff's investigation. Mr. Lamb also stated that his clients would not produce banking records or provide testimony concerning the activities of Citizen Solutions, Incorporated, since the corporation dissolved approximately two years earlier, in 2012. Mr. Lamb did not explain how this dissolution placed the requested records or testimony outside the scope of staff's investigation. Staff's investigation was significantly hindered by the refusal of Mr. Lamb's clients to provide relevant information and records sought through *subpoenas* duly issued by staff.

- 3.44 On September 3, 2015, the Washington Attorney General's office initiated superior court actions to enforce PDC staff's *subpoena duces tecum* issued to Tim Eyman on December 16, 2013, and staff's *subpoenas duces tecum* issued to Citizen Solutions LLC and Roy Ruffino on March 28, 2014. Upon filing of the *subpoena* enforcement action, Mr. Lamb's clients expressed a desire to cooperate, and began producing, on a rolling basis, a limited range of records specified by staff.
- 3.45 On Monday, September 14, 2015, Mr. Lamb provided certain banking records of Tim Eyman, Watchdog for Taxpayers LLC in response to the AGO *subpoena* enforcement. The banking records document the payment from Citizen Solutions LLC to Mr. Eyman's LLC, and indicate that the payment was made by wire transfer on July 11, 2012, and totaled \$308,185. **(Exhibit 23, p 5)** On September 16, 2015, Mr. Lamb provided a bank statement from Citizen Solutions LLC, showing the outgoing transfer of \$308,185 to Tim Eyman. **(Exhibit 24, p 2)**
- 3.46 The records produced on Monday, September 14, 2015 further documented the payments to Citizens in Charge that Mr. Eyman described in his testimony; they indicate that the payments to Citizens in Charge totaled as

much as \$200,000, and were made between July 11 and October 30, 2012.
(Exhibit 23, pp 2 – 8)

- 3.47 On September 15, 2015, Mr. Lamb produced banking records documenting repayment of funds by Citizens in Charge of loans back to Mr. Eyman's LLC. **(Exhibit 25, pp 2 – 22)** The banking records indicate that beginning on or around August 28, 2013, Citizens in Charge made ten payments totaling \$62,000 to Mr. Eyman's LLC. The last recorded payment was listed on February 2, 2015. The banking records included scanned copies of checks used to make two of the ten payments. **(Exhibit 25, pp 5, 18)** These checks, dated November 15, 2013 and August 15, 2014, included a notation stating "loan repayment." Although Mr. Eyman testified in his July 11, 2014 interview under oath that Citizens in Charge had by that time repaid approximately \$70,000 in loans to Mr. Eyman's LLC, the banking records that Mr. Eyman's counsel produced on September 15, 2015 indicate that Mr. Eyman had received only \$47,000 in repayments as of that date.

IV.

SCOPE

4.1 PDC staff reviewed the following documents:

1. A complaint against Tim Eyman and Protect Your Right to Vote on Initiatives, filed on August 20, 2012 by Sherry Bockwinkel;
2. C-1pc Political Committee Registration, campaign finance reports and data filed with the PDC by Voters Want More Choices – Save the 2/3's (Mike Fagan);
3. C-1pc Political Committee Registrations, campaign finance reports and data filed with the PDC by Protect Your Right to Vote on Initiatives;
4. Campaign finance reports and data filed by other committees that Tim Eyman served as officer, 1998 – present;
5. An April 2, 2012 agreement for signature gathering services, signed by Tim Eyman on behalf of Voters Want More Choices, and William Agazarm on behalf of Citizen Solutions;
6. A March 18, 2012 email from Edward Agazarm to Miles Stanley regarding the payment rate to petition coordinators for I-1185 signatures;
7. The affidavit of Miles Stanley, signed September 10, 2012;
8. The affidavit of Richard Walther, signed September 9, 2012;
9. The affidavit of Steve Burdick, signed August 23, 2012;

10. A March 29, 2012 email exchange between Tim Eyman and Edward Agazarm;
11. April 9, 2012 emails from Edward Agazarm to Steve Burdick;
12. Emails exchanged between Edward Agazarm and Richard Walther on April 29 and 30, 2012;
13. A September 05, 2012 email from Edward Agazarm to PDC staff;
14. Written affidavits and responses to PDC staff inquiry from I-517 petition coordinators and signature gatherers;
15. A July 8, 2012 email exchange between Tim Eyman, Edward Agazarm, and William Agazarm;
16. Numerous written and electronic communications and other records produced by Tim Eyman on March 26, 2013, April 1, 2013, and April 26, 2013;
17. Amended PDC Executive Summary and Staff Recommendations in PDC Case 02-281: Permanent Offense, Tim Eyman, et al., dated April 4, 2002;
18. Additional correspondence received from Tim Eyman, Edward Agazarm, Richard Walther, and Steve Burdick;
19. Banking records of Tim Eyman, Watchdog for Taxpayers LLC, received from counsel to Tim Eyman on September 14 and 15, 2015; and
20. Banking records of Citizen Solutions LLC, received from counsel to Roy Ruffino on September 16, 2015.

4.2 PDC staff conducted the following interviews under oath:

1. Steve Burdick was interviewed on September 19, 2013;
2. Tim Eyman was interviewed on July 11, 2014; and
3. Roy Ruffino was interviewed on July 11, 2014.

V.

LAW

RCW 42.17A.640 requires the sponsor of a Grass Roots Lobbying campaign concerning state legislation, including an initiative to the legislature, to file an L-6 registering the campaign within 30 days of exceeding \$500 in a single month in lobbying expenditures. In 2014, the one-month expenditure trigger was adjusted to \$700. Sponsors of Grass Roots Lobbying campaigns who have the

expectation of receiving contributions or making expenditures in support of or in opposition to a ballot proposition register as political committees under RCW 42.17A.205. Any contributions received or expenditures incurred by such political committees are disclosed on political committee C-3 and C-4 reports, and are not required to be disclosed on form L-6.

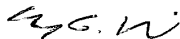
RCW 42.17A.205 requires political committees to file a Committee Registration report (C-1pc report) within two weeks of organizing, or within two weeks of having the expectation of receiving contributions or making expenditures in support of or in opposition to any candidate or ballot proposition, whichever is earlier.

RCW 42.17A.235 and **RCW 42.17A.240** require political committees to file timely, complete, and accurate reports of contributions and expenditures.

RCW 42.17A.435 states that no contribution shall be made and no expenditure shall be incurred, directly or indirectly, in a fictitious name, anonymously, or by one person through an agent, relative, or other person in such a manner as to conceal the identity of the source of the contribution or in any other manner so as to effect concealment.

RCW 42.17A.445 prohibits the expenditure of contributions reported under RCW 42.17A.235 and RCW 42.17A.240 for any individual's personal use, except for 1) reimbursement for or payments to cover lost earnings incurred as a result of campaigning or services performed for the political committee; 2) reimbursement for direct out-of-pocket election campaign and postelection campaign related expenses made by the individual; or 3) repayment of loans made by the individual to a political committee.

Respectfully submitted this 18th day of September, 2015.



Tony Perkins
Director of Compliance

EXHIBIT LIST

- Exhibit 1** C-1pc Political Committee Registration filed on April 2, 2012 by Voters Want More Choices – Save the 2/3's (Mike Fagan).
- Exhibit 2** April 2, 2012 agreement for signature gathering services, signed by Tim Eyman on behalf of Voters Want More Choices, and William Agazarm on behalf of Citizen Solutions.
- Exhibit 3** March 18, 2012 email from Edward Agazarm to Miles Stanley regarding the payment rate to petition coordinators for I-1185 signatures.
- Exhibit 4** PDC C-4 Summary Reports for the periods of April 1 – July 16, 2012, filed by Voters Want More Choices between May 10, 2012 and July 17, 2012.
- Exhibit 5** C-1pc Political Committee Registrations filed on May 3, 2012 and June 11, 2012 by Protect Your Right to Vote on Initiatives.
- Exhibit 6** PDC C-4 Summary Reports for the periods of July 1 – November 30, 2012, filed by Voters Want More Choices between August 21, 2012 and December 11, 2012.
- Exhibit 7** Complaint against Tim Eyman and Protect Your Right to Vote on Initiatives, filed on August 20, 2012 by Sherry Bockwinkel.
- Exhibit 8** Affidavit of Miles Stanley, signed September 10, 2012.
- Exhibit 9** Affidavit of Richard Walther, signed September 9, 2012.
- Exhibit 10** Affidavit of Steve Burdick, signed August 23, 2012.
- Exhibit 11** Chart visually representing the individuals and entities involved in the apparent concealed contribution and expenditure activities, and personal use of campaign funds.
- Exhibit 12** March 29, 2012 email exchange between Tim Eyman and Edward Agazarm.
- Exhibit 13** April 9, 2012 emails from Edward Agazarm to Steve Burdick.

- Exhibit 14** Emails exchanged between Edward Agazarm and Richard Walther on April 29 and 30, 2012.
- Exhibit 15** September 05, 2012 email from Edward Agazarm to PDC staff.
- Exhibit 16** Written affidavits and responses to PDC staff inquiry from I-517 petition coordinators and signature gatherers.
- Exhibit 17** July 8, 2012 email exchange between Tim Eyman, Edward Agazarm, and William Agazarm.
- Exhibit 18** Excerpted notes from Edward Agazarm interview with PDC staff on November 8, 2013.
- Exhibit 19** Table listing payments to Tim Eyman in PDC expenditure database, 1998 - present.
- Exhibit 20** Amended PDC Executive Summary and Staff Recommendations dated April 4, 2002 in PDC Case 02-281: Permanent Offense, Tim Eyman, et al.
- Exhibit 21** Table listing payments to Tim Eyman described as "compensation" in PDC expenditure database, 2003 – present.
- Exhibit 22** Complete transcript of PDC staff's July 11, 2014 interview under oath with Tim Eyman, taken by Kim Otis, Certified Court Reporter.
- Exhibit 23** Banking records of Tim Eyman, Watchdog for Taxpayers LLC, received from counsel to Tim Eyman on September 14, 2015.
- Exhibit 24** Banking records of Citizen Solutions LLC, received from counsel to Roy Ruffino on September 16, 2015.
- Exhibit 25** Banking records of Tim Eyman, Watchdog for Taxpayers LLC, received from counsel to Tim Eyman on September 15, 2015.

EXHIBIT C

1
2
3
4
5
6
7 OFFICE OF THE ATTORNEY GENERAL
8 STATE OF WASHINGTON

9 In re the Investigation of:

AGO Investigation No. 15-003

10 TIM EYMAN, ANY POLITICAL
11 COMMITTEE OR BUSINESS
WITH WHICH HE IS OR HAS
BEEN ASSOCIATED.

CIVIL ORDER TO APPEAR AND
PRODUCE DOCUMENTS ISSUED
PURSUANT TO RCW 42.17A.765(2), (3)

12 THE STATE OF WASHINGTON TO:

13 Tim Eyman, and any political committee or business with which he is or has
14 been associated
15 c/o Mark Lamb, Attorney for Eyman
12900 NE 180th Street, Suite 235, Bothell, WA 98011

16 YOU ARE HEREBY COMMANDED TO APPEAR, pursuant to
17 RCW 42.17A.765, and produce for inspection and copying the following documents, in
18 hard copy or electronic form, to the Office of the Attorney General, Bank of America
19 Building, Suite 2000, Seattle, Washington 98105, at 1:00 p.m. on November 30, 2015.

20 THIS ORDER is issued by the authority granted to the Attorney General by
21 RCW 42.17A.765(2), (3). The failure to comply with the Order may result in application
22 to the superior court of the appropriate county to compel obedience by a contempt of court
23 proceedings issued by said court as identified in RCW 42.17A.765(3).
24

CIVIL ORDER TO APPEAR AND PRODUCE
DOCUMENTS ISSUED PURSUANT TO
RCW 42.17A.765(2), (3)

1

ATTORNEY GENERAL OF WASHINGTON
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100
(360) 664-9006

I. DEFINITIONS

1. "All" and "each" mean each and every.
2. "And" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the discovery request the broadest range of responses.
3. "Business Records" include but are not limited to financial projections and forecasts, business minutes, plans and agreements, actual and projected budgets, term sheets, audit reports (whether unqualified, qualified, adverse, disclaimer of opinion and going concern), Balance Sheets, Income Statements and Cash Flow Statements.
4. "Citizens Solutions" as used in this subpoena includes any corporate form that organization took from 2003 to present including but not limited to the following titles as referenced in PDC database of vendors: Citizens Solution; Citizen Solutions; Citizen Solutions, Inc.; Citizens Solutions; Citizens Solution LLC; Citizen Solutions LLC; Citizen's Solutions; Citizens Solutions Inc.; Citizen's Solution Inc.; and any other similar name.
5. "Disclosing" means displaying, revealing, divulging, showing, exhibiting, exposing, demonstrating, expressing, explaining, and describing.
6. "Document(s)" means all materials within the full scope of Washington Superior Court Civil Rule 34 including but not limited to all writings and recordings, including the originals and all non-identical copies, whether different from the original by reason of any notation made on such copies or otherwise including but without limitation to:
 - a. e-mail and attachments,
 - b. data used for electronic data interchange,
 - c. audit trails,
 - d. digitized pictures and audio (for example, data stored in MPEG, JPEG, and GIF),
 - e. correspondence,
 - f. memoranda,
 - g. notes, letters,
 - h. notations of any sort of conversations and other writings of or relating to telephone conversations and conferences,
 - i. transcriptions or recordings of telephone calls,
 - j. journals,
 - k. calendars,
 - l. diaries,
 - m. minutes and notes or transcriptions of all meetings and other communications of any type,
 - n. statistical records,
 - o. telegrams, teletypes, telex messages, telefaxes,
 - p. minutes, reports, studies, tags, labels,

- 1 q. contracts,
2 r. checks, statements, invoices, receipts, offers, requests for payment or
3 reimbursement, electronic funds transfer,
4 s. brochures, periodicals, returns, summaries, pamphlets, books,
5 t. interoffice and intra-office communications, notations, working papers,
6 applications, permits, file wrappers, indices, telephone calls, meetings or
7 printouts, worksheets, and
8 u. all drafts, alterations, modifications, changes and amendments of any of the
9 foregoing,
10 v. graphic or aural representations of any kind (including without limitation,
11 photographs, charts, microfiche, microfilm, videotape, audiotape, digitalized
12 audio recordings, voicemail, motion and still pictures, plans, drawings,
13 surveys), and electronic, mechanical, magnetic, optical or electric records or
14 representations of any kind (including without limitation, computer files and
15 programs, tapes, cassettes, discs, recordings), including metadata, as well as
16 all written, printed, recorded, graphic, or photographic matter or sound
17 reproductions,
18
19 however produced or reproduced, pertaining to the subject matter indicated.
20
21 7. "Financial Institutional/Bank Records" include but are not limited to statements for
22 all: cash, checking and savings accounts, both foreign and domestic; retirement,
23 investment, brokerage and stock accounts, annuities, cash value insurance plans and
24 copies of checks (both front and back).
25
26 8. "Funds" refers to cash, money, bank checks, cashiers checks, wire transfers, or any
27 other form of currency.
28
29 9. "Loan Documents" include but are not limited to: lines of credit and credit cards
30 with applications and supporting documents; whether the credit was approved or
31 whether a contractual obligation was entered into and all promissory notes or IOUs
32 issued or held.
33
34 10. "Tax Returns and Tax Information" include but are not limited to: Forms 1120,
35 1120S, 1065, 1040, K-1s, W-2s and 1099s and all attached documents and
36 schedules.
37
38 11. "You" or "your" refers to Tim Eyman personally, any political committee or
39 business with which he is or has been associated with since 2009 including *by not*
40 *limited to*
41
42 Voters Want More Choices – Save the 2/3rds Vote For Tax Increases
43 Voters Want More Choices – Save the 2/3rds
44 Protect the Initiative Act
45 Protect Your Right to Vote on Initiatives
46 2/3-For-Taxes Constitutional Amendment Initiative-VWMC
47 Voters Want More Choices Lower Property Taxes

Voters Want More Choices PAC
Help Us Help Taxpayers
Tim Eyman, Watchdog for Taxpayers LLC

and any agents, employees, officers, directors, representatives, attorneys, and any other person acting under the direction or control or on behalf of Tim Eyman and any political committee or business with which you are or have been associated with since 2003.

12. Terms undefined in these instructions shall carry their ordinary meaning.

WITH RESPECT TO ANY DOCUMENT AS TO WHICH YOU ASSERT A CLAIM
OF PRIVILEGE OR IMMUNITY, PLEASE:

1. Specifically identify the document, including its title; its author; its date; its addressee/recipient; and a summary of the substance of the communication contained therein, and
2. Specifically identify the nature of the privilege or immunity upon which you base your objection, and identify the facts giving rise to the claim of privilege or immunity.

II. DOCUMENTS DIRECTED TO BE PRODUCED

1. Any and all documents, financial institutional/bank records, funds, loan documents or business records that you sent, submitted, or issued to Citizens Solutions.
2. Any and all documents, financial institutional/bank records, funds, loan documents or business records that you sent, submitted, or issued to Roy Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on behalf of or at the behest of Citizens Solutions.
3. Any and all documents, financial institutional/bank records, funds, loan documents or business records disclosing any and all funds or anything of value you received from Citizens Solutions.
4. Any and all documents, financial institutional/bank records, funds, loan documents or business records disclosing any and all funds or anything of value you received from Roy Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on behalf of at the behest of Citizens Solutions.
5. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to services that you proposed, provided, or will provide to Citizens Solutions.
6. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to funds or anything of value that you requested, sought or received from Citizens Solutions.
7. Any and all documents, financial institutional/bank records, funds, loan documents or business records that discuss or relate to funds or anything of value that you

- 1 requested, sought or received from Roy Ruffino, Edward Agazarm, and William
2 Agazarm, or anyone acting at the behest of Citizens Solutions.
3 8. Any and all documents, financial institutional/bank records, funds, loan documents
4 or business records that discuss or relate to funds or anything of value you
5 requested, sought, or received from Paul Jacob, Citizens in Charge, Citizens in
6 Charge Foundation, or Liberty Initiative Fund.
7 9. Any and all documents, financial institutional/bank records, funds, loan documents
8 or business records disclosing any and all funds or anything of value that you made,
9 gave, or transferred to Paul Jacob, Citizens in Charge, Citizens in Charge
10 Foundation, or Liberty Initiative Fund.
11 10. Any and all documents, financial institutional/bank records, funds, loan documents
12 or business records disclosing any and all services that Paul Jacob, Citizens in
13 Charge, Citizens in Charge Foundation, or Liberty Initiative Fund proposed,
14 provided or will provide to you.
15 11. Copies of your tax returns and tax information filed for the years 2009-2014,
16 personally, for the marital community of Tim Eyman, or for any political committee
17 or business with which Tim Eyman is associated, including but not limited to
18 "Tim Eyman, Watchdog for Taxpayers LLC."

19 DATED this 13th day of November, 2015.

20 ROBERT W. FERGUSON
21 Attorney General

22 

23 By: LINDA A. DALTON, WSBA No. 15467
24 Senior Assistant Attorney General
CHAD C. STANDIFER, WSBA No. 29724
Assistant Attorney General

1 **PROOF OF SERVICE**

2 I certify that I served a true and correct copy of this document on all parties or
3 their counsel of record on the date below as follows:

4 MARK LAMB
5 THE NORTH CREEK LAW FIRM
6 12900 NE 180TH ST STE 235
7 BOTHELL WA 98011-5773
8 mark@northcreeklaw.com

☐ U.S. Mail via state Consolidated
Mail Service (with proper postage
affixed)

☐ Courtesy copy via facsimile:

☒ via electronic mail:

☐ ABC/Legal Messenger

9
10 I declare under penalty of perjury under the laws of the state of Washington that
11 the foregoing is true and correct.

12 DATED this 13th day of November, 2015, at Olympia, Washington.

13 
14 DIANE GRAF, Legal Assistant

EXHIBIT D

OFFICE OF THE ATTORNEY GENERAL
STATE OF WASHINGTON

In re the Investigation of:

AGO Investigation NO. 15-003

TIM EYMAN, ANY POLITICAL
COMMITTEE OR BUSINESS
WITH WHICH HE IS OR HAS
BEEN ASSOCIATED.

CIVIL ORDER TO APPEAR AND
PRODUCE DOCUMENTS ISSUED
PURSUANT TO RCW 42.17A.765(2), (3)

THE STATE OF WASHINGTON TO:

Voters Want More Choices – Save the 2/3rds Vote For Tax Increases
Voters Want More Choices – Save the 2/3rds
Protect the Initiative Act
Protect Your Right to Vote on Initiatives
2/3-For-Taxes Constitutional Amendment Initiative-VWMC
Voters Want More Choices Lower Property Taxes
Voters Want More Choices PAC
Help Us Help Taxpayers
Tim Eyman, Watchdog for Taxpayers LLC
c/o Tim Eyman, through Mark Lamb, Attorney for Eyman
12900 NE 180th St #235
Bothell, WA 98011

YOU ARE HEREBY COMMANDED TO APPEAR, pursuant to
RCW 42.17A.765, and produce for inspection and copying the following documents, in
hard copy or electronic form, to the Office of the Attorney General, Bank of America
Building, Suite 2000, Seattle, Washington 98105, at 1:30 p.m. on November 30, 2015.

CIVIL ORDER TO APPEAR AND PRODUCE
DOCUMENTS ISSUED PURSUANT TO
RCW 42.17A.765(2), (3)

1

ATTORNEY GENERAL OF WASHINGTON
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100
(360) 664-9006

1 THIS ORDER is issued by the authority granted to the Attorney General by
2 RCW 42.17A.765(2), (3). The failure to comply with the Order may result in application
3 to the superior court of the appropriate county to compel obedience by a contempt of court
4 proceedings issued by said court as identified in RCW 42.17A.765(3).

5 **I. DEFINITIONS**

- 6 1. "All" and "each" mean each and every.
- 7 2. "And" and "or" shall be construed either disjunctively or conjunctively as necessary
8 to bring within the scope of the discovery request the broadest range of responses.
- 9 3. "Business Records" include but are not limited to financial projections and
10 forecasts, business minutes, plans and agreements, actual and projected budgets,
11 term sheets, audit reports (whether unqualified, qualified, adverse, disclaimer of
12 opinion and going concern), Balance Sheets, Income Statements and Cash Flow
13 Statements.
- 14 4. "Citizens Solutions" as used in this subpoena includes any corporate form that
15 organization took from 2003 to present including but not limited to the following
16 titles as referenced in PDC database of vendors: Citizens Solution; Citizen
17 Solutions; Citizen Solutions, Inc.; Citizens Solutions; Citizens Solution LLC;
18 Citizen Solutions LLC; Citizen's Solutions; Citizens Solutions Inc.; Citizen's
19 Solution Inc.; and any other similar name.
- 20 5. "Disclosing" means displaying, revealing, divulging, showing, exhibiting,
21 exposing, demonstrating, expressing, explaining, and describing.
- 22 6. "Document(s)" means all materials within the full scope of Washington Superior
23 Court Civil Rule 34 including but not limited to all writings and recordings,
24 including the originals and all non-identical copies, whether different from the
original by reason of any notation made on such copies or otherwise including but
without limitation to:
- a. e-mail and attachments,
 - b. data used for electronic data interchange,
 - c. audit trails,
 - d. digitized pictures and audio (for example, data stored in MPEG, JPEG, and
GIF),
 - e. correspondence,
 - f. memoranda,
 - g. notes, letters,
 - h. notations of any sort of conversations and other writings of or relating to
telephone conversations and conferences,

- 1 i. transcriptions or recordings of telephone calls,
2 j. journals,
3 k. calendars,
4 l. diaries,
5 m. minutes and notes or transcriptions of all meetings and other communications
6 of any type,
7 n. statistical records,
8 o. telegrams, teletypes, telex messages, telefaxes,
9 p. minutes, reports, studies, tags, labels,
10 q. contracts,
11 r. checks, statements, invoices, receipts, offers, requests for payment or
12 reimbursement, electronic funds transfer,
13 s. brochures, periodicals, returns, summaries, pamphlets, books,
14 t. interoffice and intra-office communications, notations, working papers,
15 applications, permits, file wrappers, indices, telephone calls, meetings or
16 printouts, worksheets, and
17 u. all drafts, alterations, modifications, changes and amendments of any of the
18 foregoing,
19 v. graphic or aural representations of any kind (including without limitation,
20 photographs, charts, microfiche, microfilm, videotape, audiotape, digitalized
21 audio recordings, voicemail, motion and still pictures, plans, drawings,
22 surveys), and electronic, mechanical, magnetic, optical or electric records or
23 representations of any kind (including without limitation, computer files and
24 programs, tapes, cassettes, discs, recordings), including metadata, as well as
all written, printed, recorded, graphic, or photographic matter or sound
reproductions,

however produced or reproduced, pertaining to the subject matter indicated.

- 15 7. "Financial Institutional/Bank Records" include but are not limited to statements for
16 all: cash, checking and savings accounts, both foreign and domestic; retirement,
17 investment, brokerage and stock accounts, annuities, cash value insurance plans and
18 copies of checks (both front and back).
19 8. "Funds" refers to cash, money, bank checks, cashiers checks, wire transfers, or any
20 other form of currency.
21 9. "Loan Documents" include but are not limited to: lines of credit and credit cards
22 with applications and supporting documents; whether the credit was approved or
23 whether a contractual obligation was entered into and all promissory notes or IOUs
24 issued or held.
10. "Tax Returns and Tax Information" include but are not limited to: Forms 1120,
1120S, 1065, 1040, K-1s, W-2s and 1099s and all attached documents and
schedules.

1 11. "You" or "your" refers to any political committee or business with which
2 Tim Eyman is or has been associated with since 2009 including *by not limited to*

3 Voters Want More Choices – Save the 2/3rds Vote For Tax Increases
4 Voters Want More Choices – Save the 2/3rds
5 Protect the Initiative Act
6 Protect Your Right to Vote on Initiatives
7 2/3-For-Taxes Constitutional Amendment Initiative-VWMC
8 Voters Want More Choices Lower Property Taxes
9 Voters Want More Choices PAC
10 Help Us Help Taxpayers

11 and any agents, employees, officers, directors, representatives, attorneys, and any
12 other person acting under the direction or control or on behalf of Tim Eyman and
13 any political committee with which you are or have been associated with since
14 2003.

15 12. Terms undefined in these instructions shall carry their ordinary meaning.

16 WITH RESPECT TO ANY DOCUMENT AS TO WHICH YOU ASSERT A CLAIM
17 OF PRIVILEGE OR IMMUNITY, PLEASE:

- 18 1. Specifically identify the document, including its title; its author; its date; its
19 addressee/recipient; and a summary of the substance of the communication contained
20 therein, and
21 2. Specifically identify the nature of the privilege or immunity upon which you base your
22 objection, and identify the facts giving rise to the claim of privilege or immunity.

23 II. DOCUMENTS DIRECTED TO BE PRODUCED

- 24 1. Any and all documents, financial institutional/bank records, funds, loan documents
or business records that you sent, submitted, or issued to Citizens Solutions.
2. Any and all documents, financial institutional/bank records, funds, loan documents
or business records that you sent, submitted, or issued to Roy Ruffino,
Edward Agazarm, and William Agazarm, or anyone acting on behalf of or at the
behest of Citizens Solutions.
3. Any and all documents, financial institutional/bank records, funds, loan documents
or business records disclosing any and all funds or anything of value you received
from Citizens Solutions.
4. Any and all documents, financial institutional/bank records, funds, loan documents
or business records disclosing any and all funds or anything of value you received
from Roy Ruffino, Edward Agazarm, and William Agazarm, or anyone acting on
behalf of at the behest of Citizens Solutions.

- 1 5. Any and all documents, financial institutional/bank records, funds, loan documents
2 or business records that discuss or relate to services that you proposed, provided, or
will provide to Citizens Solutions.
- 3 6. Any and all documents, financial institutional/bank records, funds, loan documents
4 or business records that discuss or relate to funds or anything of value that you
requested, sought or received from Citizens Solutions.
- 5 7. Any and all documents, financial institutional/bank records, funds, loan documents
6 or business records that discuss or relate to funds or anything of value that you
requested, sought or received from Roy Ruffino, Edward Agazarm, and William
Agazarm, or anyone acting at the behest of Citizens Solutions.
- 7 8. Any and all documents, financial institutional/bank records, funds, loan documents
8 or business records that discuss or relate to funds or anything of value you
requested, sought, or received from Paul Jacob, Citizens in Charge, Citizens in
Charge Foundation, or Liberty Initiative Fund.
- 9 9. Any and all documents, financial institutional/bank records, funds, loan documents
10 or business records disclosing any and all funds or anything of value that you made,
gave, or transferred to Paul Jacob, Citizens in Charge, Citizens in Charge
Foundation, or Liberty Initiative Fund.
- 11 10. Any and all documents, financial institutional/bank records, funds, loan documents
12 or business records disclosing any and all services that Paul Jacob, Citizens in
Charge, Citizens in Charge Foundation, or Liberty Initiative Fund proposed,
provided or will provide to you.
- 13 11. Copies of tax returns and tax information filed for the years 2009-2014, for any
14 political committee with which Tim Eyman served or serves as an officer, campaign
manager, or volunteer.

15
16 DATED this 13th day of November, 2015.

17 ROBERT W. FERGUSON
18 Attorney General

19 

20 By: LINDA A. DALTON, WSBA No. 15467
21 Senior Assistant Attorney General
22 CHAD C. STANDIFER, WSBA No. 29724
23 Assistant Attorney General
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PROOF OF SERVICE


I certify that I served a true and correct copy of this document on all parties or their counsel of record on the date below as follows:

MARK LAMB
THE NORTH CREEK LAW FIRM
12900 NE 180TH ST STE 235
BOTHELL WA 98011-5773
mark@northcreeklaw.com

- ☐ U.S. Mail via state Consolidated Mail Service (with proper postage affixed)
☐ Courtesy copy via facsimile:
☒ via electronic mail:
☐ ABC/Legal Messenger

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

DATED this 13th day of November, 2015, at Olympia, Washington.



DIANE GRAF, Legal Assistant

FILED

JUN 09 2016

SONYA KRASKI
COUNTY CLERK
SNOHOMISH CO. WASH.

STATE OF WASHINGTON
SNOHOMISH COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Petitioner,

v.

TIM EYMAN; VOTERS WANT
MORE CHOICES – SAVE THE
2/3RDS VOTE FOR TAX
INCREASES; VOTERS WANT
MORE CHOICES – SAVE THE
2/3RDS (MIKE FAGAN); PROTECT
THE INITIATIVE ACT (JACK
FAGAN); PROTECT YOUR RIGHT
TO VOTE ON INITIATIVES; 2/3-
FOR-TAXES CONSTITUTIONAL
AMENDMENT INITIATIVE-VWMC;
VWMC LOWER PROPERTY TAXES;
VOTERS WANT MORE CHOICES
PAC; HELP US HELP TAXPAYERS;
AND TIM EYMAN, WATCHDOG
FOR TAXPAYERS LLC,

Respondents.

NO. 16-2-15174-31

DECLARATION OF
CHAD C. STANDIFER IN SUPPORT
OF MOTION FOR AN ORDER TO
SHOW CAUSE

I, Chad C. Standifer, declare the following:

1. I am over the age of 18 and am competent to make the statements set forth in
this declaration.

DECLARATION OF
CHAD C. STANDIFER IN SUPPORT OF
MOTION FOR AN ORDER TO SHOW
CAUSE

1 2. I am an Assistant Attorney General involved with the investigation of the
2 Respondents and assigned this case. I make the following statements in that capacity. I have
3 knowledge of, and access to, the documents pertaining to the investigation of this matter.

4 3. In preparing the Petition, I reviewed the committee registration forms for
5 political committees since 2011 that identified Tim Eyman as a campaign manager, media
6 contact, or committee officer. I reviewed the forms electronically stored and publicly available
7 on the state Public Disclosure Commission's website.

8 4. In my search, I identified the political committees that listed Respondent Eyman
9 as a campaign manager, media contact, and/or committee officer. Additionally, I identified the
10 dates the committees were registered and when they filed final reports. The following
11 information is a list of committees, registration dates, and final report dates.

12 a. Respondents with "Voters Want More Choices" in Title: There are numerous
13 political committees registered with the PDC since 2009 that use the phrase
14 "Voters Want More Choices" or "VWMC" in their titles and which have various
15 missions and identified acronyms. Each identified Respondent Eyman as a
16 campaign manager, media contact, and/or committee member for each year it has
17 been registered. The following is a list of names, dates of registration, and final
18 reports for each such committee with "Voters Want More Choices" in their titles:

- 19 • November 14, 2002 - Voters Want More Choices PAC – Continuing committee
- 20 • January 7, 2009 - VWMC Lower Property Taxes – March 10, 2010;
- 21 • January 13, 2010 – Voters Want More Choices – Save the 2/3rds Vote For Tax
- 22 Increases – February 11, 2011;
- 23 • February 3, 2011 – Voters Want More Choices, Save the 2/3rds – January 10,
- 24 2012;
- 25 • April 2, 2012 - Voters Want More Choices – Save the 2/3's (Mike Fagan) –
- 26 January 10, 2013;

- January 11, 2013 - Voters Want More Choices – No New Taxes 2013 - May 11, 2013;
- January 23, 2014 – Voters. Want More Choices – 2/3 Constitutional Amendment – *See below paragraph 4(d)*;
- January 12, 2015 – Voters Want More Choices – No New Taxes 2015 – February 10, 2015.

b. Respondent Protect the Initiative Act (Jack Fagan): Protect the Initiative Act (Jack Fagan) registered with the PDC as a political committee on or about May 3, 2012. It also filed a registration report on May 21, 2012 in the same name. On June 11, 2012, the Protect the Initiative Act (Jack Fagan) committee changed its name to Protect Your Right To Vote on Initiatives.

c. Respondent Protect Your Right to Vote on Initiatives: Protect Your Right to Vote on Initiatives (*Protect Your Right*) is the political committee formerly known as Protect the Initiative Act (Jack Fagan) as identified in paragraph 4(b) above. Respondent Eyman is identified as an officer of the committee and someone authorized to make decisions for the committee. Protect Your Right filed an amended final report on October 28, 2013. Protect Your Right to Vote on Initiatives supported Initiative Measure No. 517.

d. Respondents related to a “2/3rds for Taxes Constitutional Amendment” in Titles: Several political committees associated with Eyman related to efforts to pass a two-thirds vote for taxes. Respondent 2/3 For Taxes Constitutional Amendment Initiative – VWMC (*VWMC 2/3*) registered as a political committee with the PDC on January 26, 2015. Respondent Eyman is an officer of the committee. The committee filed a final report on January 12, 2016. VWMC 2/3 appears to have been formerly known as Let Voters Decide on 2/3 for Taxes Constitutional Amendment (*Two-Thirds-14*), which registered as a political committee with the

1 PDC on July 9, 2013. Two-Thirds-14 filed a final report on January 22, 2014.
2 VWMC 2/3 also appears to have been formerly known as 2/3-For-Taxes
3 Constitutional Amendment (Two-Thirds), which registered as a political committee
4 with the PDC on January 7, 2014. On January 23, 2014, it filed a new committee
5 registration form listing its name as Voters Want More Choices – 2/3 Constitutional
6 Amendment retaining its acronym “Two-Thirds”. It filed a final report on January
7 24, 2015.

- 8 e. Respondent Help Us Help Taxpayers: Respondent Help Us Help Taxpayers is a
9 political committee that first registered with the PDC on or about June 30, 2003.
10 Help Us Help Taxpayers has been registered with the PDC using different names
11 over the ensuing years, including Help Us Help Taxpayers 2012 (Jack Fagan), Help
12 Us Help Taxpayers – 2014, Help Us Help Taxpayers – 2015, and Help Us Help
13 Taxpayers – 2016. Help Us Help Taxpayers most recently registered with the
14 Public Disclosure Commission on or about January 8, 2016. Respondent Eyman is
15 identified as an officer of the committee.

16 5. As one of the assigned counsel to this case, I spoke with or communicated
17 through email with Respondents’ counsel, Mark Lamb, on a number of occasions dealing with
18 the records productions the State was having with Respondents. Respondents would not
19 produce certain documents because they believed them to be either private or privileged.
20 Mr. Lamb decided to pursue a judicial protective order for those records. We agreed to dates
21 for consideration of his requests, in this circumstance, April 20, 2016. However, Mr. Lamb
22 never filed an action, did not produce the records, and never provided a reason why. He never
23 produced a log to identify what documents were being withheld and did not provide the basis
24 for any redactions Respondents made to the limited number of records they did produce.

25 //

26 //

1 I declare under penalty of perjury of the laws of the State of Washington that the
2 foregoing is true and correct.

3 Dated this 8th day of June, 2016, at Olympia, Washington.

4 
5 CHAD C. STANDIFER