August 13, 2002

TIM EYMAN
TAXPAYER ADVOCATE
11913 59TH AVE W
MUKILTEO WA 98275

Subject: Letter from the desk of Tim Eyman, Taxpayer Advocate

Dear Mr. Eyman:

On August 7, 2002, the Public Disclosure Commission received a copy of your letter addressed to “Dear Fellow Taxpayer” (copy enclosed). The letter solicits financial gifts and states in part, “For the past several months, I’ve spent countless hours on the phone talking with supporters, meeting one-on-one for lunches and ping-pong matches, and continuing my efforts to speak out on behalf of the taxpayers. If you appreciate my past efforts and want to encourage me to continue, please send me a generous financial gift using the form below. Please send me a $10, $50, $100, $250, $500, or $1000 check—made payable to ‘Tim Eyman, Taxpayer Advocate’—to my home in Mukilteo.”

The letter contains a statement which reads “Gifts to ‘Tim Eyman, Taxpayer Advocate’ are not political donations so contributors’ names, addresses and amount of financial support will be anonymous. Gifts to ‘Tim Eyman, Taxpayer Advocate’ will be used to help Tim Eyman resolve his current financial challenges.” However, as stated above, the text of your letter states that if the reader appreciates your past efforts and wants to encourage you to continue, he or she should do so by making a generous financial gift. Also, the remittance portion of the letter includes the pre-printed message, “Tim, I appreciate what you're doing and want you to keep fighting for Washington taxpayers. Enclosed is my check for $______ (made payable to ‘Tim Eyman, Taxpayer Advocate’).”

As your solicitation letter is presently written, PDC staff believes that your letter appears to solicit contributions designed to enable you to continue your efforts of supporting initiatives, including initiatives to the legislature. As such, this solicitation constitutes activities that meet the definition of a political committee: “any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition.” RCW 42.17.020(33).

"The public's right to know of the financing of political campaigns and lobbying and the financial affairs of elected officials and candidates far outweighs any right that these matters remain secret and private.”

RCW 42.17.010 (10)
A political committee must register and begin filing contribution and expenditure reports generally within two weeks of its organization. Enclosed is a Political Committee Registration form to be completed for the Tim Eyman, Taxpayer Advocate committee. Additionally, your activities with this committee must comply with the terms of the Judgment entered against you in *State ex rel. Washington State Public Disclosure Commission v. Permanent Offense, et al.*, Snohomish County Superior Court No. 02-2-08212-1.

As an alternative to registering a new committee, Permanent Offense PAC, and/or any other political committee receiving the benefit of your services, must report these funds as in-kind contributions from the individuals responding to your solicitation.

However, if the financial support sought in your August 7, 2002, letter is solely for the purpose of paying legal expenses and not to pay you or your family's personal expenses, the payment of which will enable you to spend time assisting or promoting ballot measure campaigns and/or initiatives to the legislature, then those monies raised and spent for legal expense purposes are not reportable under the public disclosure law.

If all the funds received from your solicitations are being used to pay legal expenses, please confirm this fact in writing. Also please indicate whether any of the funds in excess of your legal costs will be used directly or indirectly to support or oppose any candidate, ballot measure or initiative to the legislature.

If you have any questions, please contact me at (360) 664-8853 or toll free at 1-877-601-2828.

Sincerely,

[Signature]

Philip E. Stutzman
Director of Compliance

Enclosures
   (1) Political Committee Registration Form
   (2) Tim Eyman, Taxpayer Advocate Letter

c: Permanent Offense PAC