Exhibit: 3B

[redacted]

From: Shea, Rep. Matt
Sent: Wednesday, March 23, 2016 2:51 PM
To: [redacted]
Cc: [redacted]
Subject: Re: Statement
Attachments: Statement Regarding Ethics Complaint.pdf; ATT00001.htm

[redacted]

Please find attached the requested statement.

Rep. Shea

Legislative Ethics Board

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COMPLAINT 2016 – NO. 4

In Re Shea

DETERMINATION OF NO REASONABLE CAUSE – LACK OF JURISDICTION AND DISMISSAL

May, 2016

I. Background

The Complaint was filed with the Executive Ethics Board on February 17, and redirected to this Board on March 3. Newspaper articles from the Spokesman Review were submitted as exhibits. Those are dated April 17, 2014 and January 2, and February 4, 2016.

II. Nature of the Case

The Complaint alleges three ethics violations were committed by Representative Matt Shea (Respondent) and those occurred in connection with Respondent's travel to Nevada in 2014, and Oregon in 2016. Respondent submitted a Statement to the Board in response to the Complaint (attached).

1. The first allegation is that Respondent used his position as a legislator to "interfere and hobknob" with known felons "to support armed militia conducting an armed standoff with Federal Officers." The statute cited as authority for this allegation is RCW 42.52.070 – **Special Privileges.**
   Except as required to perform duties within the scope of employment, no state officer or state employee may use his or her position to secure special privileges or exemptions for himself or herself, or his or her spouse, child, parents, or other persons.

2. The second allegation is that Respondent unlawfully "collected money from taxpayers" on both occasions because he continued to receive his legislative salary while on these trips. The statute cited as authority for this allegation is RCW 42.52.120 – **Compensation for Outside Activities.** In pertinent part the statute reads as follows.
   *(1) No state officer or state employee may receive any thing of economic value under any **contract or grant** outside his or her official duties* (emphasis added). The statute continues by identifying exceptions to the prohibition and an explanation of how to qualify for those exceptions.

3. The third allegation is that Respondent violated a provision of the Washington Administrative Code (WAC) which is a rule enacted by the Executive Ethics Board. Chapter 292-110-010(5)(e) – **Use of State Resources.** The rule prohibits the private use of state resources for *"Any use related to conduct that is prohibited by a federal or state law or rule, or a state agency policy."*

III. Conclusions

The first allegation is dismissed for lack of reasonable cause to believe Respondent used his position to secure special privileges for himself or others in violation of RCW 42.52.070.

The second allegation, receipt of legislative salary, is dismissed for lack of subject-matter jurisdiction.

The third allegation, violation of a rule enacted by the Executive Ethics Board, is dismissed for lack of subject-matter jurisdiction.

IV. Determinations of Fact

There is reasonable cause to believe the following are among the pertinent facts of the case.

a. During the two trips in question, Respondent was an elected member of the Washington House of Representatives (House) from the 4th Legislative District.
b. On April 12-13, 2014 Respondent was in Nevada in apparent support of a rancher who claimed he was under no obligation to pay fees for grazing his cattle on lands designated as public lands.
c. On January 9-10, 2016 Respondent was in Oregon and visited with government officials and with armed protestors who were in occupation of a federal office – the Malheur National Wildlife Refuge.
d. Elected officials from jurisdictions outside Washington were present during both trips.
e. It is more likely than not that Respondent was not invited by law enforcement personnel involved on either occasion, and that Respondent was alerted and/or invited by one or more of the other elected officials in attendance.
f. Respondent represents he made both trips in an investigatory capacity and that he engaged in mediation efforts on both occasions to contribute to peaceful solutions.

g. Public records provided by the House for 2014 and 2016 show that Respondent submitted no claims for reimbursement at public expense for the travel costs associated with either trip.

h. Public records provided by the House show that Respondent made no claim for legislative per diem for the days involved for either trip. The Legislature was not in session during the April, 2014 trip to Nevada. The 2016 legislative session began on January 11. Respondent was present in Olympia on the 11th and began receiving per diem on that date.

V. Determinations of Law – Analysis

1. Allegation #1. The Complaint requests the Board to conclude there is reasonable cause to believe that Respondent's travel at his own expense, and his involvement in two apparently volatile situations, afforded him a "special privilege" in violation of the Ethics Act. The assertion that he was able to "interfere and hobknob," and that equated to an impermissible special privilege is without merit. The same conclusion is reached for any inferred claim that ranchers and protestors were afforded an impermissible special privilege. The Board has issued several opinions which have interpreted the special privileges statute. The following are a sample of those opinions and they may be viewed as requiring something more than intervention or mediation.

Complaint 1995 – No.1 – A legislator/attorney attempted to secure a special privilege for his law firm when he used public resources to write the firm a letter that offered the firm and the firm's clients special access to legislators.

Advisory Opinion 1997 – No.6 – A legislator was advised the special privileges statute would be violated if he sought or accepted a membership to an exclusive yacht club for a small fraction of the cost to a non-legislator.

Complaint Opinion 2001 – No.4 – A legislator violated the special privileges statute when he solicited lobbyists for tickets to a sports event.

Complaint Opinion 2007 – No.1 – A legislator violated the special privileges statute when she used undue influence to pressure a state agency to take favorable action on behalf of a business owned by members of her family.

2. Allegation #2. Legislative salaries are implemented through provisions of the Washington State Constitution, Article 28, Section 1. The Board's jurisdiction is limited to enforcement of the Ethics Act, RCW 42.52.320(1), and does not extend to constitutional questions of when, if at all, a legislator may be denied any or all of the annual salary.

In addition, the statute referenced in the Complaint on the point of the legislative salary is not applicable. RCW 42.52.120 prohibits legislators from receipt of things of economic

value, with exceptions, through a contract or grant. There are no facts which suggest there are any contracts or grants at issue in this case.

3. Allegation #3. The Board lacks subject-matter jurisdiction with regard to the claim Respondent violated a rule of the Executive Ethics Board. We note that even if the Legislative Ethics Board had adopted an identical rule, a condition precedent to finding a violation is the use of state resources. The facts of this case do not establish the use of state resources (Determinations of Fact, "g" and "h").

VI. Summary and Order

The Complaint suggests that Respondent may have violated a criminal law, or laws, by his actions. That determination rests with other jurisdictions. The Legislative Ethics Board has no jurisdiction over criminal statutes.

The Board concludes there is no reasonable cause to believe Respondent secured special privileges for himself or others. The allegations related to abatement of legislative salary and violations of an Executive Board rule are beyond the jurisdiction of this Board.

IT IS HEREBY ORDERED that the Complaint is dismissed.

Kenny Pittman, Chair
Date: 5/6/2016

STATEMENT REGARDING ETHICS COMPLAINT

Both of my visits to Nevada and Oregon including, lodging, fuel, and gas were paid for from my personal debit card or credit card. No state resources were used to pay for these trips.

I went to Nevada in April, 2014, in an investigatory capacity (fact finding) as State Representative and if needed to mediate in order to prevent any loss of life and ensure a peaceful resolution. I was invited by elected officials and members of the community. Other elected officials including State and County officials were present. I was never personally asked not to visit.

I went to Oregon in January, 2016, in an investigatory capacity (fact finding) as State Representative and if needed mediate in order to prevent any loss of life and ensure a peaceful resolution. I was invited by elected officials and members of the community. Other elected officials including State and County officials were present and I met with both sides of the issue to gain an objective understanding of the situation. I was never personally asked not to visit. In this case, I was also successful in helping mediate a peaceful resolution on two separate occasions after my visit.

In both cases, Washington State was, and is, experiencing similar issues as Nevada and Oregon regarding Federal land mismanagement, including grazing, and also seizures, restrictions, and destruction of private land.

I would be more than happy to answer any other questions or provide details in person.

Matthew T. Shea