

**[TAB 4]**

# **Complaint 25-12-CD**

*Mike Alexander v. Jesse Bjorkman*

Presented By:

Kim Stone, Campaign Disclosure Coordinator



## **BEFORE THE ALASKA PUBLIC OFFICES COMMISSION**

## **NOTICE OF HEARING AND PROCEDURAL ORDER**

A hearing in these cases will take place before the Alaska Public Offices Commission at approximately 9:45 a.m. on Wednesday January 14, 2026.

The Commissioners will be present in person, by telephone, or via Microsoft Teams and will receive evidence regarding this matter. You may be present at the hearing either by telephone (1-907-202-7104, Access Code: 382 982 822#), in-person (2221 E. Northern Lights Blvd, Ste 128, Anchorage, Alaska), or via [Microsoft Teams Meeting](#).<sup>1</sup> You may be, but are not required to be, represented by an attorney or agent.

**If you wish to participate by telephone and are an individual who requires a special accommodation to participate, you must advise the Commission office on or before January 7, 2026, so that a special accommodation can be made.**

## PREHEARING AND HEARING PROCEDURES

- 1) **Parties.** The parties in this case are Commission Staff and Respondent.
- 2) **Issues.** At the hearing, the Commission will consider whether Respondent properly disclosed and detailed campaign expenditures during his 2022 campaign.
- 3) **Procedural history.** Complainant Michael Alexander filed a complaint against respondent Jesse Bjorkman on August 18, 2025. Respondent filed a response to the complaint on September 22, 2025. Staff's investigation report recommending the complaint be upheld in part and dismissed in part was issued December 15, 2025.<sup>2</sup>

<sup>1</sup> Meeting ID: 237 734 363 936 42. Passcode: jz3Ps6vV

<sup>2</sup> An Amended staff report issued December 16, 2025, to correct an error in the case number.

- 4) **Hearing procedures.** The hearing will be conducted as provided in AS 15.13.380, 2 AAC 50.891, and the Alaska Administrative Procedure Act, AS 44.62.330 – 44.62.630. All testimony must be presented or submitted under oath. A party may call witnesses, cross-examine witnesses, present and rebut evidence. If the respondent does not testify, the respondent may be called and examined as if under cross-examination.
- 5) **Evidence and exhibits.** All relevant evidence may be admissible at the hearing. In passing upon the admissibility of evidence, the Commission may consider, but is not bound to follow, the rules of evidence governing general civil proceedings in the courts of the State of Alaska. The Commission may exclude inadmissible evidence and order repetitive evidence discontinued.
- 6) **Prehearing filings.** No later than January 2, 2026, a party:
  - a) may file a list of witnesses expected to testify at the hearing;
  - b) may file copies of exhibits to be presented at the hearing that are marked and identified (for example, Resp.’s Ex. A);
  - c) may file a prehearing memorandum;
  - d) may file prehearing motions, including motions to dismiss, for summary judgment, or to exclude evidence, and
  - e) shall serve all parties and the Complainant with filings submitted.
- 7) **Response to motions and requests for subpoenas.** No later than January 9, 2026, a party
  - a) may respond to a motion; and
  - b) may request the Commission to issue subpoenas to compel the attendance of witnesses, the production of documents, or other things related to the subject of the hearing, and is responsible for serving the subpoena and paying the appropriate witness fee.
- 8) **Extensions of time.** Requests to extend the deadlines in this order must be in writing, filed with the Commission, served on all parties and the Complainant, and supported by good cause.
- 9) **Burden of proof.** The Commission staff has the burden to prove any charges by a preponderance of the evidence.

**10) Order of proceedings.** Matters considered at a hearing will ordinarily be disposed of in substantially the following order:

- a) pending motions, if any;
- b) complainant may present argument under 2 AAC 50.891(d)
- c) presentation of cases as follows, unless otherwise ordered by the Commission:
  - i) The Commission Staff's direct case, including the investigative report, evidence, and testimony of witnesses;
  - ii) Respondent's direct case;
  - iii) Rebuttal by the Commission Staff; and
  - iv) Closing statements, if any, by Respondent and Commission Staff.

**10) Decision and Order.** The Commission will issue an order no later than 10 days after the close of the record.

Dated: December 24, 2025



Heather Hebdon, Executive Director  
Alaska Public Offices Commission

<b>CERTIFICATE OF SERVICE:</b>	
I hereby certify that on this date, I caused a true and correct copy of the foregoing to be delivered to:	
Michael Alexander PO Box 521171 Big Lake, AK 99652 <a href="mailto:BigLakeMike907@outlook.com">BigLakeMike907@outlook.com</a>	<input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Email
Sen. Jesse Bjorkman PO Box 8293 Nikiski, AK 99635 <a href="mailto:Sen.Jesse.Bjorkman@akleg.gov">Sen.Jesse.Bjorkman@akleg.gov</a>	<input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Email



12-24-25

Signature

Date





**TO:** APOC Commissioners  
**DATE:** December 16, 2025  
**FROM:** Kim Stone, Campaign Disclosure Coordinator  
**SUBJECT:** Staff Report – Amended<sup>1</sup>  
Complaint 25-12-CD, *Michael Alexander v. Jesse Bjorkman*

---

### **SUMMARY OF COMPLAINT AND RESPONSE**

Complainant Michael Alexander alleges Respondent Jesse Bjorkman “failed to disclose campaign expenditures” to several named vendors.<sup>2</sup> Respondent Bjorkman responds that he properly described the identified expenditures in accordance with campaign disclosure rules and provides additional information concerning the vendors.<sup>3</sup>

### **SUMMARY OF STAFF RECOMMENDATIONS**

Respondent’s descriptions of the general expenditures identified in the complaint are consistent with and in compliance with Alaska law. A preponderance of the evidence does not support a finding of violation.

Respondent’s descriptions of two other expenditures identified in the complaint, to advertising agencies or for campaign consultation or management services, did not disclose in detail all services rendered, as required for these vendors. For Respondent’s reports listing those services, APOC staff recommends a finding of violation but also recommends a reduced penalty as it is Respondent’s first violation and mitigating factors apply.

---

<sup>1</sup> The original version of this report noted the wrong complaint number. This version corrects that error.

<sup>2</sup> [Complaint 25-12-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27196), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27196>. As with several other complaints filed by Alexander, the electronic version of the complaint includes comments by a user identified as “Pat Martin.”

<sup>3</sup> [Bjorkman Response to Complaint](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249>.

APOC staff additionally finds Respondent was not required to break down, by dollar amount, the individual costs paid to subcontractors, either for general expenditures or for expenditures to advertising agencies or campaign management and consulting services.

## **BACKGROUND FACTS**

Respondent Bjorkman was a candidate for the State Senate during the 2022 state election. During his campaign, Respondent made expenditures to campaign vendors, reporting them on his 30-day primary,<sup>4</sup> 30-day general,<sup>5</sup> 7-day general,<sup>6</sup> and, and year-end reports.<sup>7</sup>

For several of the campaign vendors identified in the complaint – A\T Publishing, Peninsula Communications Homer, Jenness Graphic Design, and PUREBUTTONS.com – Respondent disputes the businesses were “advertising agencies” or required more than a basic description of purpose, which he properly reported.

For two other campaign vendors – Winfluence Strategies and Point Blank Political – Respondent explains that his campaign contracted directly with the vendors for advertising services. Respondent argues that neither vendor provided consultation or management services, and “[t]he purpose of the expenditures was reported as prescribed in 2 AAC 50.321(a)(5)(D).”<sup>8</sup>

Complainant points to Respondent’s reporting of these campaign vendors as a violation of campaign disclosure law and additionally argues that the law requires a breakdown of individual costs by vendor.

---

<sup>4</sup> [30-day primary report](https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/37164?Type=570), <https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/37164?Type=570>.

<sup>5</sup> [30-day general report](https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/38953?Type=570), <https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/38953?Type=570>.

<sup>6</sup> [7-day general report](https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/39469?Type=570), <https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/39469?Type=570>.

<sup>7</sup> [Year-end report](https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/40607?Type=570), <https://hickory.state.ak.us/ApocAdmin/Filings/ViewForm/40607?Type=570>.

<sup>8</sup> Complainant also identified Best Sellers LLC as one of Respondent’s campaign vendors, but Respondent reports this vendor never provided services and refunded the campaign for the expenditure. APOC staff thus disregards the allegations concerning this vendor.

## **LAW AND APOC HISTORICAL APPROACH TO EXPENDITURE REPORTING**

Alaska campaign disclosure law requires candidates to disclose expenditures and debts incurred by their campaigns. These disclosures are documented in reports. For each campaign, mandatory APOC reports include a year-start report, 30-day and 7-day reports for the primary and general elections, and a year-end report.<sup>9</sup> An expenditure includes “a purchase or a transfer of money or anything of value, or promise or agreement to purchase or transfer money or anything of value, incurred or made for the purpose of . . . influencing the nomination or election of a candidate.”<sup>10</sup>

For expenditures to vendors who provide general campaign goods and services, 2 AAC 50.321(a)(5) requires a candidate to report:

- (A) the date of payment;
- (B) the check number or the identifying transaction number. . . ;
- (C) the name and address of the payee;
- (D) the purpose of the expenditure; and
- (E) the amount of the expenditure . . .<sup>11</sup>

By comparison, for expenditures to advertising agencies or those who provide campaign consultation or management services, 2 AAC 50.321(d) requires a candidate to report “in detail all services rendered, including the name of each business from which campaign goods or services were purchased or subcontracted or media advertising placed, and the amount of the expenditure.”<sup>12</sup>

APOC’s 2024 Candidate Campaign training materials reflect these regulations and outline the enhanced level of detail a candidate must provide under .321(d). As APOC instructs in its Candidate Training Presentation, “(w)hen reporting expenditures for campaign consulting or media buys, you must detail the services provided and subcontractors (includes identifying radio/tv stations where media was placed).”<sup>13</sup>

---

<sup>9</sup> AS 15.13.110.

<sup>10</sup> AS 15.13.400(7)(A)(i).

<sup>11</sup> AS 15.13.040(a)(1)(A); 2 AAC 50.321(a)(5) (emphasis added).

<sup>12</sup> 2 AAC 50.321(d).

<sup>13</sup> Candidate Training Presentation at p. 13 (emphasis in original), <https://apoc.doa.alaska.gov/media/edrdibcp/cdt-2024-candidate-training-manual.pdf>.

Past guidance from APOC staff echoes these training materials and provides examples of proper reporting. In an email sent to all candidates and their treasurers in July 2020, staff outlined how candidates could meet 2 AAC 50.321(d)'s requirements:

Basically, what this means is that the services provided must be disclosed along with any subcontractors used by the consultant, agency or service. An example might be, "Tom's consulting service for creation and placing of social media on Facebook and Twitter" or "Tom's consulting service for production and placement of radio and tv advertising on stations x, y and z."<sup>14</sup>

Alaska campaign disclosure law also imposes separate recordkeeping requirements for expenditures made to advertising agencies and businesses providing campaign consultation or management services.<sup>15</sup> Upon request of the Commission, a candidate must make the records available for inspection.<sup>16</sup>

When APOC receives a properly filed complaint, Commission staff must undertake an investigation and present the investigation report.<sup>17</sup> Staff bears the burden of proving a violation by a preponderance of the evidence.<sup>18</sup> A complaint must include "a clear and concise description of facts that, if true," would violate relevant statutes.<sup>19</sup>

## **ANALYSIS**

As a preliminary matter, Complainant has filed nine complaints in the past year, most of them raising allegations made by a third party during a previous Commission hearing. In this matter, Complainant specifically calls out Respondent's expenditures to several vendors but does not articulate any argument specific to those expenditures.<sup>20</sup>

---

<sup>14</sup> Exhibit 1, APOC email guidance, July 22, 2020.

<sup>15</sup> 2 AAC 50.320(a) and (b).

<sup>16</sup> AS 15.13.040(f) (vendor recordkeeping requirements and inspection provision); AS 15.13.045 (relating to Commission's ability to conduct investigations and examine records); 2 AAC 50.806 (inspection and preservation of records).

<sup>17</sup> 2 AAC 50.870; 2 AAC 50.891.

<sup>18</sup> 2 AAC 50.891(d).

<sup>19</sup> 2 AAC 50.870(b)(4).

<sup>20</sup> Instead, Alexander lists campaign disclosure statutes and regulations without explaining how Respondent violated them. His complaint also includes several pages of references to Internal Revenue Service, Occupational Safety and Health Administration, Federal Motor Carrier Safety Administration, Federal Aviation Administration, and Federal Election Commission provisions, along with citations to

APOC staff surmises Complainant's allegation is that Respondent provided insufficient detail about expenditures under 2 AAC 50.321 (as Complainant has alleged in complaints against several other legislators).

For the campaign vendors Complainant identified, APOC staff reviewed both the nature of the business and the nature of Respondent's expenditures to them. APOC staff also considered Complainant's argument that 2 AAC 50.321 requires itemizing individual dollar amounts within a single vendor contract.

a. Respondent's reporting of general expenditures meets 2 AAC 50.321(a)(5) requirements

The complaint points to multiple vendors that Respondent purchased from during the campaign. Relating to **PUREBUTTONS.com** (one \$67.35 expenditure reported as "buttons"), Respondent states that the vendor produced campaign buttons.<sup>21</sup> Relating to **Jenness Graphic Design** (three expenditures totaling \$3,588.64 and reported as "graphic design" and "campaign literature"), Respondent states that the vendor provided graphic design services and campaign literature.<sup>22</sup> Relating to **A\T Publishing & Printing** (three expenditures totaling \$18,468.35 and reported as "advertising" and "direct mail"), Respondent states that the vendor printed and mailed campaign literature.<sup>23</sup>

Complainant presents no evidence or argument about how Respondent's descriptions of purpose for these expenditures fail to meet the requirements of 2 AAC 50.321(a)(5), and APOC staff finds them sufficient under the regulation. Further, APOC staff finds no evidence these vendors were advertising agencies or provided campaign consultation or management services which would have required greater detail under 2 AAC 50.321(d).

---

unnamed state traffic laws, the National Electrical Code, and State of Alaska statutes and Matanuska-Susitna Borough code provisions. Finally, Alexander included in his complaint documents an offensive caricature drawing of an Alaska legislator, irrelevant to this matter, which must be understood to serve only his personal political purposes.

<sup>21</sup> [Bjorkman Response to Complaint](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249>.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

Regarding **Peninsula Communications Homer** (one expenditure for \$4,410 reported as “advertising”), Respondent noted in his Response to the complaint that the company is the “KBAY Radio Group” and that it “aired radio ads.” Peninsula Communications, Inc. is the listed owner of “K-WAVE KPEN KGTL K-BAY Radio”<sup>24</sup> and its most recent biennial report lists its purpose as “radio and TV broadcasting.”<sup>25</sup>

Peninsula Communications appears to be the parent company of several radio stations in the Homer area.<sup>26</sup> According to Respondent, he contracted directly with the business for the listed services and the business did not act as an advertising agency or provide consultation or management services. APOC staff understands the expenditure to Peninsula Communications paid for the placement of radio ads on stations owned by that business and did not involve any subcontractors or sub-vendors. APOC staff further understands the company performed the limited service of transmitting a finished product to a general audience, as opposed to providing services of an advertising agency – “[a] business organization specializing in planning and handling advertising on behalf of clients . . . . including booking advertising space, designing and producing advertisements, devising media schedules, commissioning research, providing sales promotion advice, and acting as a marketing consultant . . .”<sup>27</sup> Peninsula Communications did not place media advertising with other outlets; rather, it performed the limited service of directly broadcasting campaign messaging, in the same way that a billboard company would be paid to display a campaign billboard.

APOC staff concludes Respondent’s expenditure to Peninsula Communications was not made to an advertising agency or a business providing campaign consultation or

---

<sup>24</sup> [K-Wave KPEN KGTL K-Bay Radio #89187](https://www.commerce.alaska.gov/cbp/businesslicense/search/License),

<https://www.commerce.alaska.gov/cbp/businesslicense/search/License>, State of Alaska Corporations Database search, accessed December 4, 2025.

<sup>25</sup> [Peninsula Communications, Inc.](https://www.commerce.alaska.gov/cbp/main/Search/Entities), <https://www.commerce.alaska.gov/cbp/main/Search/Entities>, State of Alaska Corporations Database search, accessed December 4, 2025.

<sup>26</sup> See [Bjorkman Response to Complaint](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249>.

<sup>27</sup> *Advertising agency*, OXFORD REFERENCE DICTIONARY (3<sup>rd</sup> ed. 2025), <https://www.oxfordreference.com/display/10.1093/oi/authority.20110803095352932> (last visited November 25, 2025).

management services. Respondent therefore did not need to provide the more detailed level of reporting required by 2 AAC 50.321(d). Instead, Respondent needed only to state the “purpose” of the expenditure pursuant to 2 AAC 50.321(a)(5). Respondent’s description of the expenditure’s purpose – “advertising” – satisfied .321(a)(5) because it described the reason the expenditure was done or made. APOC staff points out that when a campaign vendor’s business name does not make clear to the public what type of services it provides, a candidate’s description ideally would include more information about the expenditure’s purpose to allow the public to better understand the services provided – in this case, something along the lines of “broadcast of completed radio ads on its local radio stations.” However, APOC staff does not find that the lack of additional detail renders the reporting incomplete.

APOC staff recommends the Commission find no violation relating to Respondent’s expenditures to PUREBUTTONS.COM, Jenness Graphic Design, A\T Publishing & Printing, or Peninsula Communications.

- b. Respondent’s reporting of expenditures made to advertising agencies or businesses providing consulting or management services does not meet 2 AAC 50.321(d) requirements

The complaint alleges Respondent’s descriptions of two other vendors, Winfluence Strategies and Point Blank Political, failed to comply with campaign disclosure laws.

**Winfluence Strategies** is a business licensed in Alaska which describes itself as a “consulting, public relations, strategy firm.”<sup>28</sup> According to its website, it offers a broad range of services including “consultation services” and the development of “effective marketing, branding and advertising campaigns.”<sup>29</sup> In Respondent’s 30-day report, he described his \$3,000 expenditure to Winfluence Strategies as “advertising.” In his Response to the complaint, Respondent further elaborated that the company provided “advertising on internet tv streams.”<sup>30</sup>

---

<sup>28</sup> Winfluence Strategies, LLC 2024 Biennial report, State of Alaska Corporations Database Search, <https://www.commerce.alaska.gov/cbp/main/Search/Entities>, accessed November 25, 2025.

<sup>29</sup> <https://winfluencestrategies.com/services-1>, accessed November 25, 2025.

<sup>30</sup> Bjorkman Response to Complaint, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249>.

**Point Blank Political**, according to its website, is a “full service firm for strategic political consulting and voter outreach services.”<sup>31</sup> Respondent described his three expenditures (totaling \$6,267.95) to Point Blank Political on his 30-day general, 7-day general, and year-end reports as “advertising” and “electronic advertising.” In his Response to the complaint, Respondent further elaborated that the company provided “targeted internet and text message advertising.”<sup>32</sup>

APOC staff finds Winfluence Strategies and Point Blank Political are advertising agencies or businesses “that provide campaign consultation or management services” under 2 AAC 50.321(d). Candidates making expenditures to such businesses “must disclose in detail all services rendered, including the name of each business from which campaign goods or services were purchased or subcontracted or media advertising placed.”<sup>33</sup> Respondent’s descriptions of expenditures to Winfluence Strategies and Point Blank Political did not provide sufficient detail.

While Respondent disclosed the amount of the expenditures to these vendors, his descriptions of the expenditures were minimal, i.e. “advertising” or “electronic advertising.” While minimal detail may be sufficient for *general* expenditures under 2 AAC 50.321(a)(5), the business purpose of Winfluence Strategies and Point Blank Political, combined with the services they provided for Respondent (“advertising”), required Respondent to describe “in detail all services rendered” pursuant to 2 AAC 50.321(d).

It is unclear from Respondent’s reports what services the two businesses provided. But for the \$3,000 expenditure to Winfluence Strategies for “advertising,” APOC staff must assume that Winfluence Strategies paid or engaged a third-party business to place Respondent’s campaign messaging. 2 AAC 50.321(d) requires a candidate to disclose the names of the companies or platforms subcontracted by the advertising agency or consulting business, including where the media advertising was placed. If information about exact

---

<sup>31</sup> [Point Blank Political](https://pointblankpolitical.com/), <https://pointblankpolitical.com/>, accessed November 25, 2025.

<sup>32</sup> [Bjorkman Response to Complaint](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27249>.

<sup>33</sup> 2 AAC 50.321(d).

placement is unknown and cannot be determined, .321(d) still requires some description of the services performed by the subcontractor, in keeping with .321(d)'s requirement to report advertising agency and consulting business expenditures with a heightened level of detail for all services rendered. The expenditure description could possibly have included whether Winfluence Strategies "created the ads, directly distributed them, arranged placement on another entity's website or app, or provided some combination of these services,"<sup>34</sup> and the name of any business it paid to do so. But Respondent's descriptions of Winfluence Strategies' services – "advertising" – and Point Blank Political's services – "advertising" or "electronic advertising" – do not meet the regulatory requirement because they do not provide any level of detail about "all services rendered" by an advertising or consulting agency.<sup>35</sup> Failing to provide this detail violated AS 15.13.040(a) and 2 AAC 50.321(d), rendering Respondent's 30-day general, 7-day general, and year-end reports incomplete.

- c. Alaska campaign disclosure law does not require identification of individual dollar amounts incurred by subcontractors for campaign goods and services under 2 AAC 50.321(a)(5) and (d)

As noted above, Respondent disclosed the total expenditure amount for each vendor in his reports. Complainant, however, argues that candidates must also provide—for "any consultant, campaign manager, or PR firm" retained by the campaign—"a breakdown of payments made to all subcontractors, sub-vendors, or affiliated service providers."<sup>36</sup> Complainant also requested that Respondent provide, among other items, "invoices" for every vendor and subcontractor associated with the expenditures identified in the complaint.

Applying Complainant's argument to general expenditures under 2 AAC 50.321(a)(5)—for which the law requires only a description of an expenditure's "purpose"—APOC staff is unable to find precedent, guidance, or historical agency

---

<sup>34</sup> [Final Order on Reconsideration](#), *Widney v. McCabe*, 25-01-CD (September 22, 2025), pp. 3-4, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27273>.

<sup>35</sup> *Id.*

<sup>36</sup> [Complaint 25-12-CD](#), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27196>.

interpretation suggesting .321(a)(5) requires a breakdown of costs by vendor. This would require, for example, that a candidate purchasing campaign t-shirts from a local business ascertain (1) the amount the business paid to its bulk garment sub-vendor for the individual t-shirts (unless the vendor manufactured them in-house), (2) how much the business paid the shipping service to get the t-shirts to its location in Alaska, (3) its purchase and shipping costs for the film or vinyl used to apply the t-shirt design and lettering, and (4) any additional costs or services the t-shirt vendor incurred in their production.

However, the regulation otherwise requires only basic information (date, identifying transaction number, name and address of payee, and amount). Without evidence supporting a contrary approach, APOC staff rejects the assertion that 2 AAC 50.321(a)(5) requires candidates to report extensive details about the costs a campaign vendor incurs in order to produce a final product or service.

Applying Complainant's argument to expenditures to advertising agencies and those providing campaign management or consultation services, APOC staff again concludes that a breakdown of costs by vendor is not required. 2 AAC 50.321(d) mandates:

If an expenditure required to be reported under (a) or (b) or this section is made to an advertising agency or to an individual or business that provides campaign consultation or management services, the report must disclose in detail all services rendered, including the name of each business from which campaign goods or services were purchased or subcontracted or media advertising placed, and the amount of the expenditure.

Although Complainant argues that .321(d) requires reporting a breakdown of individual costs incurred by the vendor for subcontracted services, APOC staff similarly have not found precedent, guidance, or historical interpretation that supports that argument. In searching for support, staff reviewed previous agency approaches to the regulation.

In a **2016 audit letter** produced by a respondent in a nearly identical complaint, APOC staff instructed a candidate that “(a)lthough it is not necessary to detail each single item that was purchased, the purpose should provide the public with an understanding of

what the expense was for and how it relates to your campaign.”<sup>37</sup> Notably, APOC staff did not suggest the candidate should have reported individual amounts corresponding to items purchased; rather, only a description of what the expense was for.

In a **July 2020 email** sent to candidates and their treasurers (described above) APOC interpreted .321(d) to require disclosure of an advertising agency’s sub-vendor media placement and a consultant’s subcontractors, but did not require reporting of individual dollar amounts paid by the agency or consultant.<sup>38</sup>

The **2024 APOC Candidate Training Manual** (also described above) outlines the details a candidate must provide when a campaign uses an advertising agency or consultation or management services. The training materials, consistent with the guidance offered in the 2016 audit letter and 2020 email to candidates, do not require a candidate to report each of their vendors’ subcontracted costs under .321(d).<sup>39</sup>

Finally, in a **2024 APOC complaint**, a candidate reported a series of expenditures to a business providing campaign consultation and management services but described the expenses in only limited and general terms, including “campaign management fee,” “consultant’s fees,” and “paid communications.”<sup>40</sup> The consent agreement, approved by the Commission as “in the public interests and consistent with controlling law for the reasons identified in the agreement,”<sup>41</sup> stated:

Because expenditures to a business that provides campaign management or consulting services must include a detailed description of “all services rendered, including the name of each business from which campaign goods or services were purchased or subcontracted or media advertising placed,”<sup>42</sup> the purposes provided by respondent provided insufficient details about the

---

<sup>37</sup> Exhibit 2, 2016 APOC audit letter.

<sup>38</sup> Ex. 1.

<sup>39</sup> Candidate Training Presentation at p. 13, <https://apoc.doa.alaska.gov/media/edrdibcp/cdt-2024-candidate-training-manual.pdf>.

<sup>40</sup> [Proposed Consent Agreement](#), *McDonald v. Josephson*, 24-01-CD (August 12, 2024), p. 3 n. 12, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26106>.

<sup>41</sup> [Order Approving Consent Agreement](#), *McDonald V. Josephson*, 24-01-CD (September 9, 2024), p. 1, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26261>.

<sup>42</sup> 2 AAC 50.321(d).

services rendered and the placement or dissemination of his paid communications.<sup>43</sup>

Terms of the consent agreement required the candidate to amend his reports “to include campaign management and media contracting details” but did not require the candidate to account for individual sub-vendor costs.<sup>44</sup>

In light of past interpretations, decisions, and agency guidance, and given the lack of contrary guidance or evidence, APOC staff concludes that 2 AAC 50.321(d) does not require candidates to break down the individual costs that an advertising agency or campaign management or consulting vendor pays to its subcontractors.

## **MAXIMUM POTENTIAL CIVIL PENALTIES**

The maximum civil penalty for failing to timely file complete and accurate 30-day general and year-end reports is \$50 per day for each day the violation continues.<sup>45</sup> The maximum civil penalty for failing to timely file complete and accurate 7-day reports is \$500 per day for each day the violation continues through the date of the election and \$50 per day thereafter.<sup>46</sup> Tolling the running of the penalties as of the day the complaint was filed (August 18, 2025) results in a maximum civil penalty of \$152,050.

Notably, the Commission’s ultimate determination about whether the law requires itemized subcontractor dollar amounts does not impact the penalty assessment in this matter because the campaign consulting/management/media expenditure descriptions at issue did not provide adequate details about all services rendered. Therefore, penalties are already assessed for Respondent’s incomplete 30- and 7-day general reports and year-end report. If the Commission holds that .321(d) does, in fact, require reporting of sub-vendor or subcontractor amounts, this would not result in additional penalties for the same reports.

---

<sup>43</sup> [Proposed Consent Agreement](#), *McDonald v. Josephson*, 24-01-CD (August 12, 2024), p. 3, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26106>.

<sup>44</sup> *Id.* at p. 7.

<sup>45</sup> AS 15.13.390(a)(1).

<sup>46</sup> AS 15.13.390(a)(1); 2 AAC 50.855(b)(5).

## **MITIGATION CRITERIA**

When APOC staff assesses a penalty, the starting point for calculating the penalty is 2 AAC 50.855. Here, the regulation enables staff to reduce the maximum statutory assessment for respondent's incomplete 30-day general report by 50% because it is Respondent's first alleged violation.<sup>47</sup>

Once the statutory assessment is calculated under 2 AAC 50.855, APOC staff may consider mitigation criteria to reduce the penalty. Here, Respondent's "good filing history" and status as an "inexperienced filer" warrant a 50% reduction pursuant to 2 AAC 50.865(a)(1)(A) and (B).

The penalty may also be reduced by a percentage greater than 50%, or waived entirely, if the penalty is significantly out of proportion to the degree of harm suffered by the public for not having the information.<sup>48</sup> A civil penalty is considered significantly out of proportion if it exceeds the value of the transactions that were reported late or, in the case of a 7-day report, exceeds twice the value of the transactions that were reported late.<sup>49</sup>

Here, the civil penalty for Respondent's incomplete 30-day and year-end reports, after mitigation, is \$35,912.50, which far exceeds the \$8,267.95 in transactions that failed to sufficiently detail the management and media services. The civil penalty for Respondent's incomplete 7-day report is \$27,075, which far exceeds twice the value of the \$1,000 transaction that failed to sufficiently detail the management and media services.

Additionally, APOC staff recognizes the extensive penalty accrual period, as well as Respondent's efforts, upon notice of the complaint and in the absence of any Commission order, to try to bring his reports into compliance.<sup>50</sup>

Given the above considerations, a 99.5% reduction of the \$62,987.50 penalty to \$314.94 is appropriate and commensurate with penalties assessed in similar matters heard by the Commission.

---

<sup>47</sup> 2 AAC 50.855(b)(3)(B).

<sup>48</sup> 2 AAC 50.865(b)(5).

<sup>49</sup> 2 AAC 50.865(b)(5).

<sup>50</sup> 2 AAC 50.865(b)(6).

Report	Dates of Violation	Penalty Days	Daily Max	Maximum penalty of:	After 50% 2 AAC 50.855 (b)(3)(B) assessment	After 50% 2 AAC 50.865(a) mitigation	After 99.5% 2 AAC 50.865(b)(5) mitigation
30-day general	10/10/22 – 8/18/25	1043	\$50	\$52,150	\$26,075	\$13,037.50	\$65.19
7-day general	11/1/22 – 11/8/22 11/9/22 – 8/18/25	7 1013	\$500 \$50	\$3,500 \$50,650	unchanged unchanged	\$1,750 \$25,325	\$8.75 \$126.63
Year-end	2/15/23 – 8/18/25	915	\$50	\$45,750	unchanged	\$22,875	\$114.37
<b>Total</b>				\$152,050	<b>\$125,975</b>	<b>\$62,987.50<sup>5</sup></b>	<b>\$314.94</b>

**CERTIFICATE OF SERVICE:**

I hereby certify that on this date, I caused a true and correct copy of the foregoing to be delivered to:

Sen. Jesse Bjorkman PO Box 8293 Nikiski, AK 99635 Senator.Jesse.Bjorkman@akleg.gov	<input checked="" type="checkbox"/> Email
Mike Alexander PO Box 521171 Big Lake, AK 99652 <a href="mailto:BigLakeMike907@outlook.com">BigLakeMike907@outlook.com</a>	<input checked="" type="checkbox"/> Email



Signature

12/16/25

Date

<sup>51</sup> 2 AAC 50.865(b)(5).