

[TAB 7]

# **Complaint 25-15-CD**

*Mike Alexander v. Cathy Giessel*

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 11:30 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 her 2022 campaign.
- 3) **Procedural history.** Complainant Michael Alexander filed a complaint against respondent Cathy Giessel on August 18, 2025. Respondent filed a response to the complaint on September 8, 2025. Staff's investigation report recommending the complaint be upheld in part and dismissed in part was issued December 24, 2025.

1 Meeting ID: 237 734 363 936 42, Passcode: iz3Ps6vV

- 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 6, 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 13, 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 26, 2026



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
Cathy Giessel 12701 Ridgewood Road Anchorage, AK 99502 <a href="mailto:Sen.Cathy.Giessel@akleg.gov">Sen.Cathy.Giessel@akleg.gov</a>	<input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Email



12-26-25

Signature

Date





**TO:** APOC Commissioners  
**DATE:** December 24, 2025  
**FROM:** Kim Stone, Campaign Disclosure Coordinator  
**SUBJECT:** Staff Report 25-15-CD, *Alexander v. Giessel*

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

Complainant Michael Alexander alleges Respondent Cathy Giessel “failed to disclose campaign expenditures” to several named vendors.<sup>1</sup> Respondent Giessel responds that she properly described the identified expenditures in accordance with campaign disclosure rules, and provides additional information concerning the vendors.<sup>2</sup>

### **SUMMARY OF STAFF RECOMMENDATIONS**

Respondent’s descriptions of several expenditures to general campaign vendors 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 expenditures to one vendor identified in the complaint, Winfluence Strategies, an advertising agency or campaign consultation or management service, did not disclose in detail all services rendered, as required. 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.

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<sup>1</sup> [Complaint 25-15-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27199), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27199>.

<sup>2</sup> [Giessel Response to Complaint 25-15-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208),  
<https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208>.

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 Giessel was a candidate for the State Senate during the 2022 state election. During her campaign, Respondent made expenditures to campaign vendors, reporting them on her year-start,<sup>3</sup> 30-day primary,<sup>4</sup> 7-day primary,<sup>5</sup> 30-day general,<sup>6</sup> and 7-day general<sup>7</sup> reports.

Several of the “vendors” identified by Complainant are individuals who contributed non-monetary campaign event supplies: Jim Jansen, Pam Birch, Cheryl Frasca, and Jennifer Johnston. Respondent described the corresponding non-monetary expenditures as event food, supplies, and beverages.<sup>8</sup>

For several additional campaign vendors identified in the complaint – PIP Printing, Upper One Studios, Paxson Design, and Michaela Weihrich – Respondent refutes that her descriptions insufficiently described the purpose of the expenditure. For PIP Printing, a printing company, she described “printing, mailing, postage, and addressing.” Upper One Studios provided “video production.” Paxson Design provided a “website.” From Michaela Weihrich, Respondent purchased “advertising graphics” and “graphic art services.” Respondent notes that any citizen would recognize these words and what they mean.<sup>9</sup>

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<sup>3</sup> [Year-start report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=35513&ViewType=CD),

<sup>4</sup> [30-day primary report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=37154&ViewType=CD),

<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=37588&ViewType=CD>.

<sup>5</sup> [7-day primary report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=38726&ViewType=CD),

<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=38726&ViewType=CD>,

<sup>6</sup> [30-day general report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=39025&ViewType=CD),

<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=39025&ViewType=CD>,

<sup>7</sup> [7-day general report](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208),

<https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208>.

<sup>8</sup> [Giessel Response to Complaint 25-15-CD](#),

<https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208>.

<sup>9</sup> *Id.*

For Winfluence Strategies, Respondent described the procured services as “campaign coordination,” “advertising,” and “TV advertising.”

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.

## **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>10</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>11</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>12</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>13</sup>

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<sup>10</sup> AS 15.13.110.

<sup>11</sup> AS 15.13.400(7)(A)(i).

<sup>12</sup> AS 15.13.040(a)(1)(A); 2 AAC 50.321(a)(5) (emphasis added).

<sup>13</sup> 2 AAC 50.321(d).

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>14</sup>

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>15</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>16</sup> Upon request of the Commission, a candidate must make the records available for inspection.<sup>17</sup>

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<sup>14</sup> Candidate Training Presentation at p. 13 (emphasis in original), <https://apoc.doa.alaska.gov/media/edrdibcp/cdt-2024-candidate-training-manual.pdf>.

<sup>15</sup> Exhibit 1, APOC email guidance, July 22, 2020.

<sup>16</sup> 2 AAC 50.320(a) and (b).

<sup>17</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).

When APOC receives a properly filed complaint, Commission staff must undertake an investigation and present the investigation report.<sup>18</sup> Staff bears the burden of proving a violation by a preponderance of the evidence.<sup>19</sup> A complaint must include “a clear and concise description of facts that, if true,” would violate relevant statutes.<sup>20</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 many vendors but does not articulate any argument specific to those expenditures.<sup>21</sup> APOC staff recognizes 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 individuals to whom Respondent reported non-monetary expenditures<sup>22</sup> or from whom she purchased services during the campaign.

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<sup>18</sup> 2 AAC 50.870; 2 AAC 50.891.

<sup>19</sup> 2 AAC 50.891(d).

<sup>20</sup> 2 AAC 50.870(b)(4).

<sup>21</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 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>22</sup> The expenditures reflected non-monetary contributions in the form of event refreshments and supplies donated by the individuals.

Relating to the individuals **Jim Jansen, Pam Birch, Cheryl Frasca, and Jennifer Johnston**, Complainant presents no evidence or argument about how Respondent's descriptions of purpose for these non-monetary event 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 private individuals were advertising agencies or provided campaign consultation or management services which would have required greater detail under 2 AAC 50.321(d).

Regarding **PIP Printing, Upper One Studios, Paxson Design, and Michaela Weihrich**: Here again, Complainant presents no evidence or argument about how Respondent's descriptions of purpose to these campaign vendors fail to meet the requirements of 2 AAC 50.321(a)(5). For PIP Printing, Respondent described expenditures not unexpected of a printing company, including printing, mailing, and postage. Upper One Studios offers production services including design and video,<sup>23</sup> from whom Respondent purchased video production services. Paxson Design<sup>24</sup> provides design services; Respondent described the purchase of a website. Respondent described services from Michaela Weihrich as graphic art design services.

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). 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), which she did sufficiently to satisfy .321(a)(5). APOC staff recommends the Commission find no violation relating to Respondent's expenditures to the above vendors.

- 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

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<sup>23</sup> [Design | Upper 1 Solutions](https://upper1solutions.com/production-services/design/), <https://upper1solutions.com/production-services/design/>, last accessed December 4, 2025.

<sup>24</sup> [Paxson Design](https://paxsondesign.com/), <https://paxsondesign.com/>, last accessed December 4, 2025.

The complaint alleges Respondent’s descriptions of her expenditures to Winfluence Strategies 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>25</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>26</sup> Respondent’s nine expenditures to Winfluence Strategies over the course of her campaign totaled \$38,275; her reports described the expenditures alternately as “campaign coordination,” “graphic design and advertising,” “advertising, campaign strategy,” or “TV advertising.”

APOC staff finds Winfluence Strategies is an advertising agency or business “that provides 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>27</sup>

In her Response to the complaint, Respondent posits that her stated descriptions allow the public to understand the purpose of the expenditure.<sup>28</sup> But while minimal detail may be sufficient for *general* expenditures under 2 AAC 50.321(a)(5), the business purpose of Winfluence Strategies (campaign consulting), combined with the services it provided for Respondent (campaign coordination, strategy, and advertising) required Respondent to describe “in detail all services rendered” pursuant to 2 AAC 50.321(d). Respondent’s descriptions of her expenditures to Winfluence Strategies did not provide the level of detail required by the regulation.

The full scope of Winfluence Strategies’ \$38,275 services to Respondent is unclear from the limited information provided in her reports. But since several of the expenditures

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<sup>25</sup> [Winfluence Strategies LLC #10145794](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 November 25, 2025.

<sup>26</sup> <https://winfluencestrategies.com/services-1>, accessed November 25, 2025.

<sup>27</sup> 2 AAC 50.321(d).

<sup>28</sup> [Giessel Response to Complaint 25-15-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27208>.

were for “advertising” and “TV advertising,” APOC staff must assume Winfluence Strategies paid or engaged at least one third-party business to place Respondent’s campaign messaging on her behalf. 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 placement is unknown and cannot be determined, 2 AAC 50.321(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>29</sup> and the name of any business it paid to do so. Even where a third-party was not involved, 2 AAC 50.321(d)’s requirement to “disclose in detail all services rendered” mandates a narrative far more detailed than the two- and four-word summaries Respondent used in her reports; Winfluence Strategies likely included these greater details in Respondent’s invoices or account statements but if not, undoubtedly could provide them.

Respondent’s descriptions of expenditures to Winfluence Strategies do not meet the regulatory requirement because they do not provide detail of “all services rendered” by an advertising or consulting agency.<sup>30</sup> Failing to provide this detail violated AS 15.13.040(a) and 2 AAC 50.321(d), rendering Respondent’s year-start, 30-day primary, 30-day general, and 7-day general 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)

Respondent disclosed the total expenditure amount for each vendor in her reports. Complainant, however, argues that candidates must also provide—for “any consultant,

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<sup>29</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>30</sup> *See id.*

campaign manager, or PR firm” retained by the campaign—“a breakdown of payments made to all subcontractors, sub-vendors, or affiliated service providers.”<sup>31</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 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.

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<sup>31</sup> [Complaint 25-15-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27199), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27199>.

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>32</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>33</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>34</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>35</sup> The consent agreement, approved by

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<sup>32</sup> Exhibit 2, 2016 APOC audit letter.

<sup>33</sup> Ex. 1.

<sup>34</sup> Candidate Training Presentation at p. 13, <https://apoc.doa.alaska.gov/media/edrdibcp/cdt-2024-candidate-training-manual.pdf>.

<sup>35</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>.

the Commission as “in the public interests and consistent with controlling law for the reasons identified in the agreement,”<sup>36</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>37</sup> the purposes provided by respondent provided insufficient details about the services rendered and the placement or dissemination of his paid communications.<sup>38</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>39</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-start reports is \$50 per day for each day the violation continues.<sup>40</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>41</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 \$226,650.

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<sup>36</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>37</sup> 2 AAC 50.321(d).

<sup>38</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>39</sup> *Id.* at p. 7.

<sup>40</sup> AS 15.13.390(a)(1).

<sup>41</sup> AS 15.13.390(a)(1); 2 AAC 50.855(b)(5).

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 year-start, 30-day primary, 30-day general, and 7-day general reports. If the Commission holds that .321(d) does, in fact, require reporting of sub-vendor or subcontractor amounts, this will not result in additional penalties for the same reports.

### **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 year-start report by 50% because it is Respondent’s first alleged violation.<sup>42</sup>

Once the statutory assessment is calculated under 2 AAC 50.855, APOC staff may consider mitigation criteria to reduce the penalty. Here, Respondent has had no late filings in the preceding five years and therefore has a “good filing history” which warrants a 50% reduction pursuant to 2 AAC 50.865(a)(1)(A).

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>43</sup> Under 2 AAC 50.865(b)(5), 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. Here, the civil penalty for Respondent’s incomplete year-start, 30-day primary, and 30-day general reports, after mitigation, is \$70,250, which far exceeds the \$24,275 in transactions that failed to sufficiently detail the management and media services in those reports. APOC staff therefore recommends a 99% reduction of

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<sup>42</sup> 2 AAC 50.855(b)(3)(B).

<sup>43</sup> 2 AAC 50.865(b)(5).

the \$70,250 total penalty for these reports to **\$702.50**. However, in the case of Respondent's 7-day report, the civil penalty for Respondent's incomplete 7-day general report, after mitigation, is \$27,075, which does not meet 2 AAC 50.865(b)(5)'s threshold for mitigation because it does not exceed twice the value of the \$14,000 (\$28,000) in transactions that failed to sufficiently detail the management and media services. Recognizing the unique circumstances, including the closeness of the calculation threshold relating to the 7-day report and this matter's extensive penalty accrual period, APOC staff pursuant to 2 AAC 50.865(b)(6) recommends a 96% reduction of the \$27,075 total penalty for the Respondent's incomplete 7-day report, thus reducing the penalty to **\$1,083**.<sup>44</sup>

Given the above considerations, the total penalty of **\$1,785.50** is appropriate and commensurate with penalties assessed in similar matters heard by the Commission.

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% 2 AAC 50.865(b)(5) mitigation	After 96% 2 AAC 50.865(b)(6) mitigation
Year-start	2/15/22 – 8/18/25	1280	\$50	\$64,000	\$32,000	\$16,000	\$160	\$160 (unchanged)
30-day primary	7/18/22 – 8/18/25	1127	\$50	\$56,350	\$56,350 (unchanged)	\$28,175	\$281.75	\$281.75 (unchanged)
30-day general	10/10/22 – 8/18/25	1043	\$50	\$52,150	\$52,150 (unchanged)	\$26,075	\$260.75	\$260.75 (unchanged)
7-day general	11/1/22 – 11/8/22 11/9/22 – 8/18/25	7 1013	\$500 \$50	\$3,500 \$50,650	\$3,500 \$50,650 (unchanged)	\$1,750 \$25,325	\$1,750 (unchanged) \$25,325 (unchanged)	\$70 \$1013
<b>Total</b>				<b>\$226,650</b>	<b>\$194,650</b>	<b>\$97,325</b>	<b>\$27,777.50</b>	<b>\$1,785.50</b>

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<sup>44</sup> 2 AAC 50.865(b)(6).

**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. Cathy Giessel 12701 Ridgewood Rd Anchorage, AK 99516 <a href="mailto:Sen.Cathy.giessel@akleg.gov">Sen.Cathy.giessel@akleg.gov</a>	<input checked="" type="checkbox"/> Certified Mail <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"/> Certified Mail <input checked="" type="checkbox"/> Email

*John Whitlock*  
Signature

12/24/25

Date

----- Forwarded message -----

From: **Lucas, Tom R (DOA)** <[tom.lucas@alaska.gov](mailto:tom.lucas@alaska.gov)>

Date: Wed, Jul 22, 2020 at 4:55 PM

Subject: Reporting services from advertising agencies, campaign management consultants and campaign management services

To: Lucas, Tom R (DOA) <[tom.lucas@alaska.gov](mailto:tom.lucas@alaska.gov)>

Cc: Hebdon, Heather R (DOA) <[heather.hebdon@alaska.gov](mailto:heather.hebdon@alaska.gov)>, Odena, Jacqueline S (DOA) <[jacqueline.odena@alaska.gov](mailto:jacqueline.odena@alaska.gov)>, Collins, Dacia C (DOA) <[dacia.collins@alaska.gov](mailto:dacia.collins@alaska.gov)>, Stormont, Charles R (DOA) <[charles.stormont@alaska.gov](mailto:charles.stormont@alaska.gov)>

Dear Candidates and their Treasurers,

We are receiving many inquiries concerning insufficient detail in campaign disclosure reports when reporting expenditures for advertising agencies, management consultants and other campaign management services. Simply stating “campaign advertising” or “management consultant”, for example is not consistent with the following regulation found at [2 AAC 50.321\(d\)](#):

**d) 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.**

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”.

If your campaign has not been doing this, your 30 day report should be amended to come into compliance. If you have any questions or desire any help in doing so, please do not hesitate to contact our office.

Thomas R. Lucas  
Campaign Disclosure Coordinator

Alaska Public Offices Commission  
2221 E. Northern Lights Blvd., Rm. 128  
Anchorage, Alaska 99508  
Phone: (907) 276-4176



THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

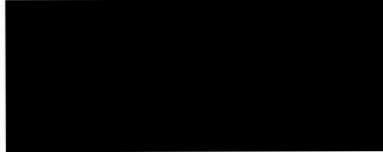
**Department of Administration**

ALASKA PUBLIC OFFICES COMMISSION

2221 E. Northern Lights Blvd., Rm. 128  
Anchorage, AK 99508-4149  
Main: 907.276.4176  
Fax: 907.276.7018  
[www.doa.alaska.gov/apoc](http://www.doa.alaska.gov/apoc)

April 15, 2016

Via U.S. Mail and Email



Re: Year Start Campaign Disclosure Report Audit

Dear [REDACTED]

Thank you for timely filing your Year Start Campaign Disclosure Report for the 2016 State Primary Election. The Alaska Public Offices Commission's mission is to encourage the public's confidence in their elected and appointed officials by administering Alaska's disclosure statutes and publishing financial information regarding the activities of election campaigns, public officials, lobbyists, and lobbyist employers. To comply with this statutory mandate, APOC performs periodic audits to ensure compliance with our laws.

Your Year Start Report has been audited for compliance with AS 15.13, Alaska's Campaign Disclosure law. Based on the information you provided, staff noted a few issues that you may wish to address.

First, your report discloses a contribution from what appears to be a husband and wife.<sup>1</sup> Due to statutory limits and prohibitions that apply to contributions, the contribution must be attributed to an individual.<sup>2</sup> If they have both signed the check, or otherwise authorized the contribution in writing, then it is appropriate to assign and disclose an amount from each individual.<sup>3</sup>

Additionally, you have reported several expenditures which lack sufficient detail.<sup>4</sup> Although 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.

We appreciate your assistance in providing this information to the public. If you have any questions, please do not hesitate to contact us.

ALASKA PUBLIC OFFICES COMMISSION

*Heather R. Hebdon*

Heather R. Hebdon  
Campaign Disclosure Coordinator

cc: Candidate File

<sup>1</sup>

See [REDACTED]

<sup>2</sup>

AS 15.13.070(b).

<sup>3</sup>

2 AAC 50.258(a)(6).

<sup>4</sup>

See [REDACTED] expenditures noting "campaign services" as the purpose.