[TAB 3]

Candidate Forfeiture Appeal

Presented By:

Kim Stone, Campaign Disclosure Coordinator

THE STATE of ALASKA GOVERNOR MIKE DUNLEAVY

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

August 26, 2025

VIA EMAIL & CERTIFIED MAIL
Patrick "Ian" Sharrock
1509 Atkinson Dr.
Anchorage, AK 99504
isharrock@acsalaska.net

RE: Commission Meeting Notice

Dear Mr. Sharrock:

The Commission will review the matter of your candidate forfeiture appeal at its September 10, 2025 Commission Meeting in Anchorage, Alaska.

I have enclosed the **Amended** Staff Recommendation that will be presented to the Commission at the meeting for your review. <u>Please note this new **Amended** Staff Recommendation differs substantially from the previously issued Staff Recommendation.</u>

You have a right to participate at the meeting, either in person or by telephone (1-907-202-7104, Access Code: 218853540#, in-person (2221 Northern Lights Blvd, Ste 128, Anchorage, Alaska, 99508) or via Microsoft Teams Meeting. Please notify our office if you intend to participate. Candidate Civil Forfeiture Appeals are expected to begin at 9:45 a.m. on Wednesday, September 10, 2025.

This matter will initially be presented to the Commission on a Consent Agenda. If you do not wish to present your appeal or make a statement to the Commission, and your appeal is not removed from the agenda by a Commissioners, the Staff Recommendation will be approved without discussion or deliberation. If you do wish to present your appeal or make a statement before the Commission, please notify staff or the Commission prior to the approval of the consent agenda.

Staff will send you a copy of the Commission's final decision regarding your appeal.

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Meeting ID: 234 956 901 993 7, Passcode: Yb9UE6WW

Patrick "Ian" Sharrock Commission Meeting Notice

If you have any questions, please contact our office.

ALASKA PUBLIC OFFICES COMMISSION

KIM STONE

Kim Stone Campaign Disclosure Coordinator

Encl: Amended Staff Recommendation

cc: Candidate File

CERTIFICATE OF SERVICE:

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

Patrick "Ian" Sharrock 1509 Atkinson Dr. Anchorage, AK 99504 isharrock@acsalaska.net

Certified Mail

KIM STONE

August 26, 2025

Signature

Date



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

Memorandum

To: APOC Commissioners

From: Kim Stone, Campaign Disclosure Coordinator

Date: August 20, 2025

Subject: Amended Recommendation – Sharrock appeal of staff's determination re:

forfeiture of leftover campaign funds (originally issued June 6, 2025)

Under provisions of 2 AAC 50.831, Patrick "Ian" Sharrock (Sharrock) appealed APOC staff's determination that he must forfeit to the state undispersed campaign funds from his 2022 State Primary campaign, pursuant to AS 15.13.116. In his appeal, Sharrock asked the Commission to return the since-forfeited funds to him and allow him to put them in a future election campaign account (FCA) under AS 15.13.116(a)(7).

In its originally issued Memorandum of June 6, 2025, and based on prior Commission decisions related to forfeiture under these circumstances, APOC staff recommended the Commission uphold the staff determination that the funds be forfeited. Staff attaches and incorporates by reference its June 6, 2025 recommendation.¹

Independent of Mr. Sharrock's matter, at the Commission's June 25, 2025 meeting, the Commission heard the penalty appeal matter of Charles "Hans" Thompson. Like Mr. Sharrock, former candidate Thompson failed to disburse surplus campaign funds by the statutory deadline after his campaign.² Thompson instead continued to file year-end reports, on which he noted the surplus funds but did not disburse them in accordance with AS 15.13.116(a). Based upon Mr. Thompson's testimony that he had "decided to use the leftover funds for an (FCA) before the disbursement deadline," the Commission on July 7, 2025 concluded Thompson did not actually fail to disburse the funds by the deadline but rather had "misreported" them.³ The Commission therefore ordered staff to return Thompson's misreported funds to allow him to place them in an FCA. The Commission further remanded to staff "to determine whether to assess, and in what amount, a civil penalty for the reporting error."

Mr. Sharrock's appeal involves operative facts and circumstances that necessarily dictate the same result as in Mr. Thompson's matter. Like former candidate Thompson, Sharrock forfeited

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¹ Exhibit 1, June 6, 2025 staff recommendation.

² AS 15.13.116.

³ Exhibit 2, Thompson Order Reversing Forfeiture and Remanding.

unused campaign funds (\$797) that he had carried forward on his year-end reports. Sharrock indicated in his forfeiture appeal that his failure to distribute the funds as required by AS 15.13.116(a) was accidental in that he confused his year-end reports with FCA reports; in other words, Sharrock, too, "intended" to place the surplus campaign funds in an FCA. Like Thompson, Sharrock had asked, after forfeiting his funds pursuant to AS 15.13.116, that APOC return the funds and allow him to properly "close out" his campaign account and use the funds for an FCA.

Under the Commission's reasoning and Order in Thompson, APOC staff finds Sharrock's actions to be misreporting rather than failing to distribute unused campaign funds. Accordingly, APOC staff recommends that the Commission overturn APOC staff's determination that, under provisions of AS 15.13.116, Sharrock was required to forfeit surplus funds; order that the forfeited campaign funds be returned to Sharrock to place in an FCA; and order Sharrock to amend his year-end report for the 2022 State Primary election to reflect the transfer within 30 days of its order.

If the Commission accepts the above recommendations, APOC staff further requests that it remand the matter for staff "to determine whether to assess, and in what amount, a civil penalty for the reporting error," consistent with its decision in Thompson.⁵

⁴ Exhibit 3, Sharrock appeal email of 09.13.25

⁵ Exhibit 2, p. 4.



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

Memorandum

To: APOC Commissioners

From: Kim Stone, Campaign Disclosure Coordinator

Date: June 6, 2025

Subject: Sharrock appeal of staff's determination re: forfeiture of leftover campaign funds

INTRODUCTION

Under provisions of 2 AAC 50.831, Patrick "Ian" Sharrock (Sharrock) appeals APOC staff's determination that undispersed campaign funds from his 2016 Alaska State election campaign must be forfeited to the state pursuant to AS 15.13.116. Sharrock asks the Commission to return the since-forfeited funds back to him and allow him to put them in a future election campaign account (FCA) under AS 15.13.116(a)(7). Based on prior Commission decisions related to forfeiture under these circumstances, Staff recommends the Commission uphold it's determination.

LEGAL BACKGROUND

Beginning in 2023, the Commission issued several orders addressing the application of AS 15.13.116, mandating a candidate's post-election distribution of unused campaign funds, and its specific application to funds that remain after the deadline for disbursement. The statute requires all funds to be distributed by February 1 following a general election campaign (or 90 days after a special election) but allows, in relevant part, for a candidate to transfer a limited amount to an account for a future election campaign.¹

In *In re Bennie Colbert*², a candidate's year-end report in 2021 showed a balance of \$1,827.99 in unused contributions. The Commission noted that AS 15.13.116 – outlining the procedure for "disbursement of campaign assets after election," – required Colbert to turn over the remaining funds to the Department of Revenue to be deposited into the state's general fund. APOC staff, however, relying on 2 AAC 50.384(a), concluded that Colbert was subject to an ongoing reporting requirement and required him to file another year-end report in 2022 for the same campaign. In its order, the Commission held

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¹ AS 15.13.116(a)(7).

² See In Re: Colbert, Final Order at 2, available at: https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=25341

(t)hat regulation, to the extent it is read to mean a candidate may carry a campaign balance into another year and simply file another year-end report, conflicts with AS 15.13.116(c)'s instruction that a balance go to the State within 30 days. *And where a regulation is inconsistent with a statue, the statute controls.*³

As the statute does not provide an extra year to disperse unused campaign contributions but rather puts a definite end to the campaign cycle, the Commission held that a candidate who reports unused contributions on the year-end report must forfeit them to the general fund "and the campaign cycle ends."

In early 2024, the Commission revisited this issue in *McDonald v. Snyder*.⁵ There, a candidate reported a surplus balance of \$1,673.16 on her year-end report filed after the election. At the time of her filing, Snyder did not intend to run again. Some five months later, in July 2019, Snyder changed her mind, filed a letter of intent, and amended her year end report to disclose a transfer of the surplus to a future campaign account – an action well outside the February 1 deadline for such transfer.⁶ The Commission found that AS 15.13.116(a) prohibited the retroactive transfer and ordered forfeiture of the unused funds pursuant to AS 15.13.116(c).⁷

And in *In re Daniel Saddler*,⁸ the Commission again considered a candidate's failure to disperse remaining campaign funds after the February 1 deadline. Similar to the circumstances in *Colbert*, APOC staff concluded that he was subject to an ongoing reporting obligation and required him to file another year-end report for the \$424.15 surplus. While the Commission declined to impose a penalty for Saddler's original failure to forfeit the funds because, as in *Colbert*, the candidate had "relied on erroneous staff advice that his sole obligation was to file reports," the Commission ordered Saddler to complete the forfeiture of the funds pursuant to AS 15.13.116(c).

In the fall of 2024, in light of these Commission Orders, APOC staff began notifying candidates who had previously reported undisbursed surplus funds of the Commission decisions and advised that because the 90 day deadline to disburse had passed, leftover funds must be forfeited to the State of Alaska.¹⁰

FACTS:

Sharrock first registered as a candidate for the 2016 state primary and general elections. After the general election, on February 22, 2017, Sharrock filed his year-end report reflecting an expenditure to establish a Future Campaign Account with his remaining funds:

³ Colbert, Final Order at 2 (emphasis added), citing Nordlund v. Dep't of Corr.,520 P.3d 1178, 1183 (Alaska 2022).

⁴ Colbert, Final Order at 3, citing 15.13.116(c).

⁵ *McDonald v. Snyder*, Case No. 23-05-CD, Final Order issued 03.11.24, available at: https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=25675.

⁶ AS 15.13.116(a)(7).

⁷ Snyder, Final Order at 12.

⁸ Final Order issued 06.17.24, available at: https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26011.

⁹ Saddler, Final Order at 4.

¹⁰ Exhibit 1, Notice of Forfeiture, August 15, 2024.

Expenditures					
Date	Payment Method	Vendor	Purpose	Amount	
09/30/2016	Bank Fee	Alaska USA Federal Credit Union 4000 Credit Union Dr. Anchorage, Alaska 99503	checking fee	\$5.00	
01/31/2017	Future Campaign Account	Sharrock, Ian 1509 Atkinson Dr. Anchorage, Alaska 99504	To be held in separate account for future campaign.	\$797.00	

After establishing his FCA in 2017, Sharrock continued to submit FCA disclosures for 2018, 2019, 2020, 2021, and 2022.

CampaignDisclosure	2016	Future Campaign Account	2/15/2018	Filed
Campaign Disclosure	2016	Future Campaign Account	2/15/2019	Filed
CampaignDisclosure	2016	Future Campaign Account	2/16/2020	Filed
CampaignDisclosure	2016	Future Campaign Account	2/1/2021	Filed
Campaign Disclosure	2016	Future Campaign Account	2/14/2022	Filed

In 2022, Sharrock registered for the 2022 State Primary; his 30- and 7-day reports showed no income, debts, or expenditures and the same \$797 beginning cash on hand. Sharrock withdrew after the August 16, 2022 primary. His year-end report submitted February 1, 2023 again showed no income, debts, or expenditures and \$797 beginning cash on hand, but he did not create an expenditure to place the funds in a Future Campaign Account as he had after his 2016 campaign. Sharrock's 2024 year end report again reported \$797 with no other activity.

On August 15, 2024, APOC Staff issued a Notice of Forfeiture of Funds, instructing Sharrock that based on recent Commission orders addressing undispersed campaign funds, he was required to forfeit the surplus funds. Sharrock forfeited the \$797 and thereafter emailed APOC to appeal the forfeiture. Page 12.

Date	Payment Method	Vendor	Purpose	Amount
09/13/2024	Cash		Penalty Forfeiture of Funds for accidentally filing my Year End Report incorrectly.	\$797.00

¹¹ Exhibit 1, Notice of Forfeiture, August 15, 2024.

¹² Exhibit 2, Sharrock appeal email.

SUMMARY OF APPEAL:

Sharrock in his appeal requests APOC allow him "to properly 'close out' his campaign account and file a Future Campaign Account form" for all or some of the surplus funds. In support of his request, Sharrock notes:

- APOC's year-end reports, aside from title, "looked exactly like the previous five FCA reports I had filed with APOC" and he had confused them
- APOC's reporting procedure in general puts a technical burden on those candidates with very little campaign experience without knowledgeable staff
- APOC forms and procedures should be changed to
 - o "discontinue the practice of auto-generating post-election Year End Reports that do not have a lock-out function, or prompt, preventing the filing process to be 'Finished' on page 10/10 with a Surplus balance, AND without clicking the Final Report box"
 - o "create an more timely auto-generated response to YER's that are filed inconsistent with statute"
 - o create more email reminders to candidates well before all reporting deadlines.

STAFF'S ANALYSIS AND RECOMMENDATION:

Pursuant to AS 15.13.116 and the Commission's decisions in *Colbert, Snyder*, and *Saddler*, APOC staff correctly directed Sharrock to forfeit his undispersed campaign funds. Although the balance of remaining funds is within the allowable limits to transfer to a future campaign account, the deadline for doing so has long since passed. Sharrock had experience with accounting for a Future Campaign account, as he'd done so five times previously. Also consistent with the Commission's decision in *Snyder*, Sharrock cannot retroactively apply those funds to a future campaign. While it is common practice to keep funds disbursed to a future campaign in the same physical campaign account, the disbursement must be disclosed as a final expenditure on the campaign's final campaign disclosure report and that did not happen here.

In response to Sharrock's requests for APOC to change various procedures, APOC staff notes that it is now following up with candidates both informally and via formal written notice to let them know a surplus reported on their most recent 105 Day or Year End Report should either be amended to show how funds were disbursed or forfeited to the State of Alaska, and steps needed thereafter, as staff time allows. A candidate's disbursal or forfeiture of remaining funds and subsequent disclosure showing a zeroing out of the account will serve as a formal final report and eliminate any auto generated year end reporting requirement.

Sharrock also asks that staff send out more reminders to candidates regarding reports that become due. Although not required to do so, staff does try to email reminders to candidates and will continue with these efforts.

Consistent with similar matters that have come before the Commission, staff recommends the Commission uphold its determination that AS 15.13.116 required the forfeiture of Sharrock's surplus campaign funds.

¹³ The AS 15.13.116(a) deadline to disburse leftover funds was February 1, 2023.

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

August 15, 2024

VIA CERTIFIED MAIL, U.S. MAIL, & EMAIL

Patrick "Ian" Sharrock 1509 Atkinson Drive Anchorage, Alaska 99504 isharrock@acsalaska.net

RE: Notice of Forfeiture of Funds

2022 Year End Campaign Disclosure Report

Dear Mr. Sharrock:

On February 1, 2023, you filed your 2022 Year End Campaign Disclosure Report, indicating a remaining balance in the amount of \$797.00. However, at its June 5, 2024, meeting the Commission considered several similar matters where a filer had failed to disburse leftover campaign funds after an election resulting in ongoing reporting requirements.¹

Relying on a prior decision from October 9, 2023², the Commission determined that AS 15.13.116(a) requires unused campaign funds be disbursed by February 1st following a general election or within 90 days after a special election; and that undisbursed funds remaining after these deadlines must be forfeited to the State within 30 days.³ Allowing a candidate to "carry a campaign balance into another year and simply file another year-end report" is inconsistent with the statute.

In light of these Commission orders, and because the unused funds from your 2022 State General Election campaign (\$797.00) should have been disbursed by February 1, 2023, those funds **must be forfeited to the State of Alaska within 30 days of this notice.** Payment may be sent to the State of Alaska, Department of Revenue at PO Box 110400, Juneau, Alaska 99811-0400. Alternatively, you may send payment to our office. **Once the funds are forfeited, you must file a final report documenting the account's zero balance within 15 days after the forfeiture.**⁴

See, e.g., In Re: Nowers: https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26017.

See, In Re: Bernie Colbert: https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=25341.

³ AS 15.13.116(a).

⁴ 2 AAC 50.384(c).

Failure to forfeit funds within thirty days or to file a final report will result in the assessment of penalties.

A copy of this letter will be placed in your APOC file and is considered a public document. If you have any questions about this matter, please contact APOC staff.

08.15.2024

Thank you,

ALASKA PUBLIC OFFICES COMMISSION

Michael Sargent
Michael Sargent
Paralegal Specialist I

CERTIFICATE OF SERVICE:				
I hereby certify that on this date, I caused a true and				
correct copy of the foregoing to be delivered to:				
Patrick "Ian" Sharrock 1509 Atkinson Drive Anchorage, Alaska 99504		Certified Mail U.S. Mail Email		
<u>isharrock@acsalaska.net</u> 9489 0178 9820 3021 0547 74				

ignature Date

From:

Ian Sharrock

To

Sargent, Mike David (DOA); Chung, Dyane (DOA)

Cc:

Subject:

Patrick "Ian" Sharrock Appeal to: Aug 15, 2024 APOC Notice of Forfeiture of Funds.

Date:

Friday, September 13, 2024 12:18:02 AM



CAUTION: This email originated from outsi de the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mike and Dyane,

I am writing to appeal the August 15, 2024 letter I received from APOC titled "Notice of Forfeiture of Funds".

That APOC letter stated "Allowing a candidate to 'carry a campaign balance into another year and simply file another year-end report' is inconsistent with the statute".

I accidentally 'filed' Year End Reports in both February 2023 and February 2024, failing to correctly follow statutory procedure.

Although, if to 'SIMPLY file another YER' is dis-allowed by statute:

- 1) Why does APOC auto-generate post-election Year End Reports (and additional years) that allow a candidate to file 'another' report, and with a "Surplus" balance, without a prompt saving it is illegal to do so?
- 2) Could there be a post-election reminder from APOC stating that candidates MUST create a zero-balance on that Year End Report, and MUST select "Final Report" before filing?
- 3). Or, would it be hard to change the APOC auto-generated post-election YERs to NOT allow candidates to file the report if there is a 'surplus balance', or if "final Report" is not clicked?

At least in my case, current procedues seem to put a technical burden on those candidates who have very little campaign experience, or no staff that do. Accordingly, I confused my last two auto-generated Year End Reports as Future Campaign Account reports, that other than title looked exactly like the previous five FCA reports I had filed with APOC.

Therefore, I am asking for leniency from APOC so I may be allowed to properly 'close out' out my 'campaign account' and file a Future Campaign Account form for all, or some of my surplus funds.

Either way, I am petitioning APOC to change several procedures:

- 1) Please discontinue the practice of auto-generating post-election Year End Reports that do not have a lock-out function, or prompt, preventing the filing process to be "Finished" on page 10/10 with a Surplus balance. AND without clicking the Final Report box.
- 2) Please create an more timely auto-generated response to YER's that are filed inconsistent with statute.
- 3) Also, please create several auto-generated reminder emails that are sent to candidates well before all reporting deadlines, rather than just the day of.

Please let me know if there is another step I need to complete for the appeal process. Thank you for your time and your diligence, Patrick "Ian" Sharrock

Background:

- > After the 2016 general election, I "closed out" my "Campaign Account" and filed my only 'Final' Year End Report in Feb 2017.
- > I do not remember where I learned of this requirement, but I don't think from the reporting form.
- > From Feb 2018 through Feb 2022, I completed five auto-generated Future Campaign Account forms.
- > When I filed to run in the 2022 primary, I don't remember an APOC procedure to close out my Future Campaign Account.
- > I withdrew from the 2022 general election immediately after the primary, with no financial activity during 2022.
- > In Feb 2023, I went to my Assigned Reports list and clicked on the bright red "Not Filed" Year End Report auto-generated by APOC.
- > I clicked the "No Activity" box on page 4/10 because I had 'No Contributions, No Debts' and made no purchases, so I thought 'No Expenditures'.
- > And clicking "No Activity" left the same \$797 Surplus that was listed on my previous five FCA forms.
- > And filling out the Year End Report with "No Activity" looked IDENTICAL to the five previous FCA forms I filed (other than the name of the form).
- > I did not remember (and was not prompted) that after a general election, zeroing out any Surplus is a REQUIRED "Expenditure" on the Year End Report.
- > I did not remember (and was not prompted) that after a general election, I am required to "close out" my Campaign Account, and that this is done by checking the Final Report box.
- > I did not remember (and was not prompted) that after a general election, the Year End Report is required to be a Final Report.
- > Therefore, I did not check the Final Report box on page 8/10, having confused my YER as an FCA form, thus I mistakenly 'simply' filed another YER.
- > With my 2023 "Assigned Reports" list having a YER form with it's bright red "Not Filed" status, it didn't cross my mind to look any further. Had I looked back at my 2016 campaign list (separate page from my 2022 campaign list) and seen past FCA forms, or scrolled well down the 'Candidate' page, below the three Registration Forms to the third Disclosure Form titled "FCA Disclosure forms" I may have caught my mistake.
- > Interestingly, my APOC Assigned Reports list currently contains a 2025 YER asking to 'simply' be filed, the second of which is itself an illegal form.

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

June 11, 2025

VIA EMAIL & CERTIFIED MAIL
Patrick "Ian" Sharrock
1509 Atkinson Dr.
Anchorage, AK 99504

isharrock@acsalaska.net

RE: Commission Meeting Notice

Dear Mr. Sharrock:

The Commission will review the matter of your candidate forfeiture appeal at its June 25, 2025 Commission Meeting in Anchorage, Alaska.

I have enclosed the Staff Recommendation that will be presented to the Commission at the meeting for your review.

You have a right to participate at the meeting, either in person or by telephone (1-907-202-7104, Access Code: 233147607#, in-person (2221 Northern Lights Blvd, Ste 128, Anchorage, Alaska, 99508) or via Microsoft Teams Meeting¹ Please notify our office if you intend to participate. Candidate Civil Forfeiture Appeals are expected to begin at 9:45 a.m. on Wednesday, June 25, 2025.

This matter will initially be presented to the Commission on a Consent Agenda. If you do not wish to present your appeal or make a statement to the Commission, and your appeal is not removed from the agenda by a Commissioners, the Staff Recommendation will be approved without discussion or deliberation. If you do wish to present your appeal or make a statement before the Commission, please notify staff or the Commission prior to the approval of the consent agenda.

Staff will send you a copy of the Commission's final decision regarding your appeal.

If you have any questions, please contact our office.

¹ Meeting ID 217 752 983 222 7, Passcode qD2Eb9rH

ALASKA PUBLIC OFFICES COMMISSION

KIM STONE

Kim Stone Campaign Disclosure Coordinator

Encl: Staff Recommendation

cc: Candidate File

CERTIFICATE OF SERVICE: I hereby certify that on this date, I caused a true and correct copy of the foregoing to be delivered to:					
Patrick "Ian" Sharrock 1509 Atkinson Dr. Anchorage, AK 99504 isharrock@acsalaska.net	X	Email Certified Mail			
1 0 1 1 1					

9489 0090 0027 6610 9409 23

Mail Delivery Subsystem From: To: isharrock@acsalaska.net

Subject: Delivered: Commission Meeting Notice Date: Wednesday, June 11, 2025 12:27:17 PM RE Commission & come Notice.msg **Attachments:**

The original message was received at Wed, 11 Jun 2025 16:27:02 -0400 from mail-northcentralusazon11011027.outbound.protection.outlook.com [40.107.199.27]

--- The following addresses had successful delivery notifications -----

<isharrock@acsalaska.net> (successfully delivered to mailbox)
----- Transcript of session follows -----

<isharrock@acsalaska.net>... Successfully delivered

BEFORE THE ALASKA PUBLIC OFFICES COMMISSION

IN RE:)	
)	FORFEITURE APPEAL
CHARLES HANS THOMPSON)	
)	

ORDER REVERSING FORFEITURE AND REMANDING

On June 25, 2025, the Alaska Public Offices Commission reviewed staff's determination that Charles Hans Thompson must forfeit to the State surplus funds from his 2022 campaign for an Anchorage municipal office. The Commission reverses staff's determination that AS 15.13.116 requires forfeiture because Mr. Thompson misreported, rather than missing the disbursement deadline. The Commission remands to staff to assess a civil penalty for misreporting.

As a candidate in the special municipal election held on June 21, 2022,

Mr. Thompson was required to disburse campaign funds—whether to pay off debt,

donate to statutorily permitted recipients, or transfer to a future campaign or public

official expense account—no later than 90 days after the election. The remedy for

missing the deadline is forfeiture of the surplus to the State. Mr. Thompson did not

report a disbursement by the deadline of September 19, 2022. On his 105-day report

covering the period in which timely disbursements should have occurred, he disclosed no

AS 15.13.116(a); 2 AAC 50.384(a).

AS 15.13.116(c); see In re: Bennie Colbert, Civil Penalty Appeal and Referral at 3 (Oct. 9, 2023), https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID= 25341 (stating that the statute "puts a definite end date on the campaign cycle").

activity and an outstanding surplus of \$4,023.70.³ Mr. Thompson continued to report the surplus on year-end campaign reports filed in February 2023 and 2024.⁴

In August 2024, Commission staff notified Mr. Thompson that holding over the funds in his 2022 campaign account violated AS 15.13.116(a). Staff required him to forfeit the \$4,023.70 within 30 days of the notice and to file a final report documenting the 2022 campaign account's zero balance within 15 days of the forfeiture. Mr. Thompson timely complied with staff's instructions but requested that the Commission review staff's decision.

On June 25, 2025, the Commission considered Mr. Thompson's appeal.

Mr. Thompson asked for his surplus funds back so that he could place them in a future campaign account. He testified that he decided to use the leftover funds for a future

In Re: Charles Hans Thompson
Order Reversing Forfeiture and Remanding

³ See AS 15.13.110(a)(3) (requiring report 105 days after a special election, which is 15 days after the disbursement deadline).

AS 15.13.110(a)(4) (requiring year-end reports annually on February 15).

Staff conducted an audit on candidates who were carrying surplus balances in response to a series of Commission decisions waiving penalties for late-filed reports and instead requiring forfeiture of surpluses and the ending of reporting obligations. *Colbert, supra* note 2, and orders issued on June 17, 2024, in civil penalty appeals and referrals for Ronald Bernier, Katherine Henslee, James Kilioni, Stepanie Nowers, David Pruhs, and Daniel Saddler, available at https://aws.state.ak.us/ApocReports/Paper/Commission CivilPenalties.aspx by searching by that date. *See McDonald v. Snyder*, Case No. 23-05-CD, Final Order at 11–14 (Mar. 11, 2024), https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=25675 (ordering a candidate who spent surplus 2018 funds on her 2020 campaign, rather than forfeiting them to the State, to pay a civil penalty in the amount of the required forfeiture). The *Snyder* penalties were later reduced in a settlement. *Snyder* Order Granting Reconsideration and Approving Settlement (Apr. 10, 2024), https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26928.

⁶ 2 AAC 50.384(c).

⁷ 2 AAC 50.831.

campaign before the disbursement deadline, and that he asked staff about the procedures for doing so. He explained that staff told him he could keep the funds in the same account. He also pointed out that the balance was within the limits for such a transfer.⁸

The Commission credits Mr. Thompson's testimony about his intent at the time the disbursement was due. As a practical matter, candidates do not have to undergo the administrative hassle of closing one bank account, opening another one, and transferring funds to designate a surplus balance for use in a future campaign. Instead, a candidate documents an intention to hold the funds for a future campaign on a specified date by reporting it as a transfer from the current campaign year to an unspecified future campaign year on a post-election report. This decision must occur on or before the disbursement deadline. In Mr. Thompson's case, he credibly testified that it did. He explained that he made reporting mistakes due to inexperience as it was his first campaign. He also described his good-faith efforts to comply with the law by asking staff where he should keep the funds for use in a future campaign. The Commission concludes that Mr. Thompson's error was misreporting, not failing to disburse by the deadline.

For these reasons, the Commission orders staff to return Mr. Thompson's funds in

In Re: Charles Hans Thompson
Order Reversing Forfeiture and Remanding

Forfeiture Appeal Page 3 of 5

A candidate who ran for a municipal office may retain up to \$5,000 in unused campaign contributions for a future campaign. AS 15.13.116(7)(D).

⁹ See AS 15.13.116(a); AS 15.13.110(a)(3)–(4).

See Snyder, supra note 5, Final Order at 11–12 (ordering a candidate to pay a civil penalty in the amount of the forfeiture where she decided to keep the funds for a future campaign long after the disbursement deadline).

the amount of \$4,023.70, so that he may place them in a future campaign account.¹¹ The Commission orders Mr. Thompson to correct his 105-day report for the 2022 election to reflect the transfer within 30 days of this order,¹² and to file future campaign reports. The Commission remands to staff to determine whether to assess, and in what amount, a civil penalty for the reporting error.¹³

This is a not a final Commission order for the purposes of an appeal as of right to superior court.¹⁴ The Commission retains jurisdiction to address the civil penalty assessment.

Going forward, staff's forfeiture notice should indicate that a candidate must comply with the forfeiture process *or* appeal within 30 days, rather than instructing a candidate to forfeit the funds within 30 days, regardless of whether he or she wishes to appeal. The Commission also asks staff to consider modifying the 105-day and year-end report forms to prompt candidates that have a surplus that they must forfeit the funds to the State if the funds were not disbursed at least 15 days before the due date of the report. *See* AS 15.13.116(a); AS 15.13.110(a)(3)–(4).

For example, *see* Mia Costello's 2018 Year End Report, https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=29433&ViewType=CD (reporting transfer to future campaign account on Dec. 30, 2018).

See AS 15.13.112(6) (providing that ordinarily campaign contributions held by a candidate may not be used to pay a civil penalty).

See AS 44.62.560 (providing for judicial review by the superior court of "a *final* administrative order" (emphasis added)).

Dated: July 7, 2025

BY ORDER OF THE ALASKA PUBLIC OFFICES COMMISSION¹⁵

Certificate of Service:

I hereby certify that on this date, I served, by U.S. Mail, Certified Mail, and Email a true and correct copy of the

foregoing in this proceeding on the following:

Charles H. Thompson 1025 West 11th Avenue Anchorage, Alaska 99501 hans@hansthompson.com and by **email** to: Heather Hebdon Executive Director

Alaska Public Offices Commission heather.hebdon@alaska.gov

Paralegal

Date

Commissioners Richard Stillie, Dan LaSota, Lanette Blodgett, Eric Feige, and Walt Monegan participated in this matter. The decision was made on a 4-1 vote.

From:

Ian Sharrock

To:

Sargent, Mike David (DOA); Chung, Dvane (DOA)

Cc: <u>Ian Sharrock</u>

ulai a -t- D-t-(-l- III-

Subject: Date: Patrick "Ian" Sharrock Appeal to: Aug 15, 2024 APOC Notice of Forfeiture of Funds.

Friday, September 13, 2024 12:18:02 AM



CAUTION: This email originated from outsi de the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mike and Dyane,

I am writing to appeal the August 15, 2024 letter I received from APOC titled "Notice of Forfeiture of Funds".

That APOC letter stated "Allowing a candidate to 'carry a campaign balance into another year and simply file another year-end report' is inconsistent with the statute".

I accidentally 'filed' Year End Reports in both February 2023 and February 2024, failing to correctly follow statutory procedure.

Although, if to 'SIMPLY file another YER' is dis-allowed by statute:

- 1) Why does APOC auto-generate <u>post-election</u> Year End Reports (and additional years) that allow a candidate to file 'another' report, and with a "Surplus" balance, without a prompt saying it is illegal to do so?
- 2) Could there be a post-election reminder from APOC stating that candidates MUST create a zero-balance on that Year End Report, and MUST select "Final Report" before filing?
- 3). Or, would it be hard to change the APOC auto-generated post-election YERs to NOT allow candidates to file the report if there is a 'surplus balance', or if "final Report" is not clicked?

At least in my case, current procedues seem to put a technical burden on those candidates who have very little campaign experience, or no staff that do. Accordingly, I confused my last two auto-generated Year End Reports as Future Campaign Account reports, that other than title looked exactly like the previous five FCA reports I had filed with APOC.

Therefore, I am asking for leniency from APOC so I may be allowed to properly 'close out' out my 'campaign account' and file a Future Campaign Account form for all, or some of my surplus funds.

Either way, I am petitioning APOC to change several procedures:

- 1) Please discontinue the practice of auto-generating post-election Year End Reports that do not have a lock-out function, or prompt, preventing the filing process to be "Finished" on page 10/10 with a Surplus balance, AND without clicking the Final Report box.
- 2) Please create an more timely auto-generated response to YER's that are filed inconsistent with statute.
- 3) Also, please create several auto-generated reminder emails that are sent to candidates well before all reporting deadlines, rather than just the day of.

Please let me know if there is another step I need to complete for the appeal process. Thank you for your time and your diligence, Patrick "Ian" Sharrock

Background:

- > After the 2016 general election, I "closed out" my "Campaign Account" and filed my only 'Final' Year End Report in Feb 2017.
- > I do not remember where I learned of this requirement, but I don't think from the reporting form.
- > From Feb 2018 through Feb 2022, I completed five auto-generated Future Campaign Account forms.
- > When I filed to run in the 2022 primary, I don't remember an APOC procedure to close out my Future Campaign Account.
- > I withdrew from the 2022 general election immediately after the primary, with no financial activity during 2022.
- > In Feb 2023, I went to my Assigned Reports list and clicked on the bright red "Not Filed" Year End Report auto-generated by APOC.
- > I clicked the "No Activity" box on page 4/10 because I had 'No Contributions, No Debts' and made no purchases, so I thought 'No Expenditures'.
- > And clicking "No Activity" left the same \$797 Surplus that was listed on my previous five FCA forms.
- > And filling out the Year End Report with "No Activity" looked IDENTICAL to the five previous FCA forms I filed (other than the name of the form).
- > I did not remember (and was not prompted) that after a general election, zeroing out any Surplus is a REQUIRED "Expenditure" on the Year End Report.
- > I did not remember (and was not prompted) that after a general election, I am required to "close out" my Campaign Account, and that this is done by checking the Final Report box.
- > I did not remember (and was not prompted) that after a general election, the Year End Report is required to be a Final Report.
- > Therefore, I did not check the Final Report box on page 8/10, having confused my YER as an FCA form, thus I mistakenly 'simply' filed another YER.
- > With my 2023 "Assigned Reports" list having a YER form with it's bright red "Not Filed" status, it didn't cross my mind to look any further. Had I looked back at my 2016 campaign list (separate page from my 2022 campaign list) and seen past FCA forms, or scrolled well down the 'Candidate' page, below the three Registration Forms to the third Disclosure Form titled "FCA Disclosure forms" I may have caught my mistake.
- > Interestingly, my APOC Assigned Reports list currently contains a 2025 YER asking to 'simply' be filed, the second of which is itself an illegal form.