

[TAB 6]

Complaint 25-14-CD

Mike Alexander v. Mia Costello

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 11:00 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](#).¹ 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 2024 campaign.
- 3) **Procedural history.** Complainant Michael Alexander filed a complaint against respondent Mia Costello 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 24, 2025.

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

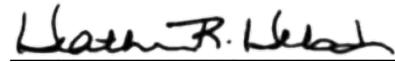
- 4) **Hearing procedures.** The hearing will be conducted as provided in AS 15.13.380, 2 AAC 50.891, and the Alaska Administrative Procedure Act, AS 44.62.330 – 44.62.630. All testimony must be presented or submitted under oath. A party may call witnesses, cross-examine witnesses, present and rebut 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

CERTIFICATE OF SERVICE:	
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 Mikealexander728@gmail.com	<input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Email
Rep. Mia Costello 5512 Yukon Charlie Loop Anchorage, AK 99502 Rep.Mia.costello@akleg.gov	<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 25-14-CD, *Michael Alexander v. Mia Costello*

SUMMARY OF COMPLAINT AND RESPONSE

Complainant Michael Alexander alleges Respondent Mia Costello “failed to disclose campaign expenditures” to several named vendors.¹ Respondent Costello responds that the complaint is unspecific and lacks independent factual basis, and that her reporting properly described the identified expenditures consistent with standard campaign reporting practices.² Respondent additionally argues the complaint is insufficient under APOC regulations as it relies on hearsay, does not state alleged violations with specificity or provide the complainant’s basis of knowledge, requests improper relief, and is made for a political and retaliatory purpose.³

SUMMARY OF STAFF RECOMMENDATIONS

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

Respondent’s descriptions of several other expenditures identified in the complaint, to advertising agencies or for campaign consultation or management services, do not disclose in detail all services rendered, as required for these vendors. For Respondent’s

¹ [Complaint 25-14-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27198), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27198>. As with several other complaints filed by Alexander, the electronic version of the complaint includes comments by a user identified as “Pat Martin.”

² [Response 25-14-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27240), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27240>, p.1

³ *Id.* at pp. 1-5.

reports listing those services, APOC staff recommends a finding of violation and recommends a reduced penalty as it is Respondent's first alleged violation and mitigating factors apply.

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 those expenditures for advertising agencies or campaign management and consulting services.

BACKGROUND FACTS

Respondent Costello was a candidate for the State House during the 2024 state election. During her campaign, Respondent made expenditures to campaign vendors, reporting them on her 30-day primary,⁴ 7-day primary,⁵ 30-day general,⁶ 7-day general,⁷ and year-end reports.⁸

Complainant alleges that payments to campaign “vendors” Tim Brobst, James Costello, A\T Publishing & Printing, Mindbrew Creations, Dubay Business Services, Hackney Communications, PS Strategies, Arena LLC, and Pragmatic Data Solutions violated Alaska Statute 15.13.040 and 2 AAC 50.321. He 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

⁴ [30-day primary report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=43724&ViewType=CD),
<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=43724&ViewType=CD>.

⁵ [7-day primary report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=44244&ViewType=CD),
<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=44244&ViewType=CD>.

⁶ [30-day general report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=45150&ViewType=CD),
<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=45150&ViewType=CD>.

⁷ [7-day general report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=45598&ViewType=CD),
<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=45598&ViewType=CD>.

⁸ [Year-end report](https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=47160&ViewType=CD), <https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=47160&ViewType=CD>.

for the primary and general elections, and a year-end report.⁹ 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.”¹⁰

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 . . .¹¹

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.”¹²

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).”¹³

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

⁹ AS 15.13.110.

¹⁰ AS 15.13.400(7)(A)(i).

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

¹² 2 AAC 50.321(d).

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

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.”¹⁴

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

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

ANALYSIS

As a preliminary matter, Complainant has filed nine complaints in the past year, most of them repeating allegations made by a third party during a previous Commission hearing, identical to his approach in this complaint against Respondent. And while Complainant specifically calls out Respondent’s expenditures to several vendors, he does not articulate any argument specific to those expenditures.²⁰

¹⁴ Exhibit 1, APOC email guidance, July 22, 2020.

¹⁵ 2 AAC 50.320(a) and (b).

¹⁶ 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).

¹⁷ 2 AAC 50.870; 2 AAC 50.891.

¹⁸ 2 AAC 50.891(d).

¹⁹ 2 AAC 50.870(b)(4).

²⁰ 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.

Respondent emphasizes these shortcomings within the complaint and posits that it is “copycat” in nature, rooted in the complainant’s conflict with another legislator and providing no “clear and concise description of facts” that would violate Alaska Statute 15.13. While Respondent’s comments are not wholly unjustified, under Alaska Statute 15.13, APOC staff “shall investigate” a complaint that meets basic requirements.²¹ The complaint names specific campaign vendors, highlights the expenditures to those vendors, and points to statutes and regulations. Although it offers little in the way of actual argument, 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). The complaint provides Respondent sufficient facts and notice of the issues to allow her to formulate a response to the allegations based upon Alaska Statute 15.13.040 and 2AAC 50.321. Under these facts, APOC staff must investigate the complaint.²²

Respondent also argues the complaint is impermissibly based upon hearsay and does not identify the complainant’s basis of knowledge. But the complaint’s reliance on information found in Respondent’s campaign disclosure reports, published in APOC’s publicly available reporting system, is not only permissible but reflects how campaign disclosure is intended to function, by providing the public with an opportunity to review a candidate’s use of campaign funding. To be clear, APOC staff did not rely upon or consider hearsay comments of any third party in determining whether the complaint met the basic requirements to initiate an investigation or for any basis of this Staff Report; APOC staff reviewed the campaign disclosure reports, specific vendors, and campaign disclosure provisions identified by the complainant and from these sources formed its recommendations to the Commission.

For the campaign vendors Complainant has identified, APOC staff reviewed the nature of the business along with the nature of Respondent’s expenditures to them. APOC

²¹ 2 AAC 50.870(e).

²² 2 AAC 50.870(e); 2 AAC 50.875(a); 2 AAC 50.870(c).

staff also considered Complainant’s argument that 2 AAC 50.321 requires itemization of 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 expenditures to **James Costello** (five expenditures totaling \$1,570 for “campaign help,” “gas for volunteers,”²³ and “outreach”), **Tim Brobst** (four expenditures totaling \$3,375 for “campaign help”), and **A\T Printing** (multiple expenditures totaling \$31,802.22 for “printing”): 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).

Regarding **MindBrew Creative**²⁴ (two expenditures totaling \$450 for “marketing”), Respondent noted in her response to APOC’s request for information that the business provided freelance graphic design for her campaign.²⁵ **Dubay Business Services** (four expenditures totaling \$2,765.54 for “campaign services” and “campaign help”), according to its website,²⁶ offers “branding, apps, small business support, healthcare IT solutions, data management, campaign, and programming software” and provides business support services.²⁷ Shivani Tiwari, listed as the company’s manager on

²³ Expenditures for \$40 and \$30 to James Costello appear in Respondent’s year-end report with a described purpose of “gas for volunteers” and appear to be reimbursements for campaign expenditures.

²⁴ [Work - Mindbrew Creative | Branding & Web Design Agency in Southcentral Alaska](#), last accessed December 12, 2025.

²⁵ Exhibit 2, Response to APOC request for information, p. 2.

²⁶ [DUBAY Tech](https://dubay.bz/dubayBz/about), <https://dubay.bz/dubayBz/about>, accessed December 4, 2025.

²⁷ *Id.*

its State of Alaska business license,²⁸ is Respondent’s campaign treasurer and provided recordkeeping and APOC report filing services associated with that role.²⁹

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 persons and 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

The complaint alleges Respondent’s descriptions of several other vendors also failed to comply with campaign disclosure laws.

Art Hackney Communications describes itself as a “political media consultant[].”³⁰ On its State of Alaska business license, the company uses the NAICS code for “marketing consulting services.”³¹ Respondent described her three expenditures totaling \$17,430 to Art Hackney Communications as “media buy[s]” on her 30-day general and year-end reports. **PS Strategies Inc.**’s website describes the company as “a uniquely versatile political advertising and communications agency.”³² Its most recent Alaska business license uses the NAICS code for “marketing consulting services” and “media

²⁸ [Dubay Business Services #119689](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.

²⁹ Exhibit 2, Response to APoC request for information, p. 2.

³⁰ [Bio | Art Hackney Communications](https://ajhackneycommunications.com/bio/), <https://ajhackneycommunications.com/bio/>, website last accessed December 3, 2025.

³¹ [Art Hackney Communications #2166017](https://www.commerce.alaska.gov/cbp/businesslicense/search/License), <https://www.commerce.alaska.gov/cbp/businesslicense/search/License>, State of Alaska business license database search, accessed December 12, 2025.

³² [PS Strategies](#), last accessed December 3, 2025.

buying agencies.”³³ Complainant points to Respondent’s two expenditures totaling \$1,845, which Respondent described as “social media” on her 30-day general report. **Arena LLC** appears to be “Arena Wins,” a Salt Lake City, UT-based company which promotes itself as “the most trusted Republican advertising agency in America.”³⁴ According to its website, the company provides services including direct mail, full-service digital advertising, websites for campaigns, digital media, online fundraising, and political texting. Respondent reported one \$16,238.98 expenditure to Arena Wins, described as “marketing” on her 7-day general report. **Pragmatic Data Solutions** “provides general campaign management consulting services”; Respondent hired its owner, Trevor Jepson, for “general campaign management and consulting services.”³⁵ Jepson also placed and boosted social media ads on behalf of the campaign.³⁶ Respondent reported five expenditures to Pragmatic Data Solutions totaling \$8,996.58 on her 30-day primary, 7-day primary, and 30-day general reports, which Respondent described as “campaign services, graphics, data, management, consulting, ads etc.”

Based upon the companies’ self-descriptions and Respondent’s purchases of “media,” “social media,” “marketing,” and “campaign management and consulting services” through them, APOC staff finds Art Hackney Communications, PS Strategies, Arena LLC, and Pragmatic Data Solutions to be advertising agencies or businesses providing campaign consultation 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.”³⁷ Respondent’s descriptions of expenditures to these campaign vendors, while disclosing the amount of the expenditures, did not provide sufficient detail. While minimal detail may be sufficient for *general* expenditures

³³ [PS Strategies #1047073](https://www.commerce.alaska.gov/cbp/businesslicense/search/License), <https://www.commerce.alaska.gov/cbp/businesslicense/search/License>, State of Alaska business license database search, accessed December 12, 2025.

³⁴ <https://arenawins.com>

³⁵ Exhibit 2, Response to APOC request for information, pp. 1-2.

³⁶ *Id.*

³⁷ 2 AAC 50.321(d).

under 2 AAC 50.321(a)(5), the business purposes of Art Hackney Communications, PS Strategies, Arena LLC, and Pragmatic Data Solutions, combined with the services they provided Respondent, required her to describe “in detail all services rendered” pursuant to 2 AAC 50.321(d).

It is unclear from Respondent’s reports what specific services each business provided. But, for example, for the \$16,238.98 expenditure to Arena Wins, described as “marketing,” APOC staff assumes that Arena 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 the information concerning placement is unknown and can’t 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. Information could possibly have included whether Arena “created the ads, directly distributed them, arranged placement on another entity’s website or app, or provided some combination of these services,”³⁸ and the name of any business it paid to do so. But Respondent’s description of Arena’s services – “marketing” – does not meet the regulatory requirement because it does not provide any level of detail of “all services rendered” by an advertising or consulting agency,³⁹ details likely stated in the vendors’ invoices, account statements, or contracts with the candidate. The same is true of Art Hackney Communications, PS Strategies, and Pragmatic Data Solutions: Respondent’s cursory and limited descriptions did not “disclose in detail all services rendered” by these advertising agencies and consulting or campaign management providers and thereby violated the regulation.

³⁸ [Order Denying Reconsideration](#), *Widney v. McCabe*, 25-01-CD (September 22, 2025), pp. 3-4, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27273>.

³⁹ *See id.*

The failure to provide these details rendered Respondent’s 30-day primary, 7-day primary, 30-day general, 7-day general, and year-end reports incomplete. The total amount of 2 AAC 50.321(d) expenditures Respondent insufficiently reported was **\$44,210.56**.

- 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 her 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.”⁴⁰ 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

⁴⁰ [Complaint 25-14-CD](https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27198), <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=27198>.

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.”⁴¹ 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.⁴²

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

⁴¹ Exhibit 3, 2016 APOC audit letter.

⁴² Ex. 1.

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).⁴³

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.”⁴⁴ The consent agreement, approved by the Commission as “in the public interests and consistent with controlling law for the reasons identified in the agreement,”⁴⁵ 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,”⁴⁶ the purposes provided by respondent provided insufficient details about the services rendered and the placement or dissemination of his paid communications.⁴⁷

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.⁴⁸

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.

⁴³ Candidate Training Presentation at p. 13, <https://apoc.doa.alaska.gov/media/edrdibcp/cdt-2024-candidate-training-manual.pdf>.

⁴⁴ *McDonald v. Josephson*, 24-01-CD, Proposed Consent Agreement at p. 3 n. 12, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26106>.

⁴⁵ [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>.

⁴⁶ 2 AAC 50.321(d).

⁴⁷ *McDonald v. Josephson*, 24-01-CD, Proposed Consent Agreement at p. 3, <https://aws.state.ak.us/ApocReports/Paper/Download.aspx?ID=26106>.

⁴⁸ *Id.* at p. 7.

MAXIMUM POTENTIAL CIVIL PENALTIES

The maximum civil penalty for failing to timely file complete and accurate 30-day and year-end reports is \$50 per day for each day the violation continues.⁴⁹ 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.⁵⁰ Tolling the running of the penalties as of the day the complaint was filed (August 18, 2025) results in a maximum civil penalty **of \$84,100.**

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 primary, 30- and 7-day general, and year-end reports. 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.

MITIGATION CRITERIA

When staff assesses a penalty, the starting point for calculating the penalty is 2 AAC 50.855. In this matter, the regulation enables staff to reduce the maximum statutory assessment for respondent’s incomplete 7-day primary report by 50% because it is Respondent’s first alleged violation.⁵¹

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” warrants a 50% reduction pursuant to 2 AAC 50.865(a)(1)(A).⁵²

Additionally, 2 AAC 50.865(b)(5) allows APOC staff to reduce the penalty by a percentage greater than 50%, or waive it entirely, if the penalty is significantly out of

⁴⁹ AS 15.13.390(a)(1).

⁵⁰ AS 15.13.390(a)(1); 2 AAC 50.855(b)(5).

⁵¹ 2 AAC 50.855(b)(3)(B).

⁵² The last incomplete report at issue in this matter, Respondent’s year-end report, was filed two days late, and APOC earlier assessed a penalty for the violation.

proportion to the degree of harm suffered by the public for not having the information.⁵³ A civil penalty is considered to be significantly out of proportion if it exceeds the value of the transactions that were reported late or, in the case of 7-day reports, exceeds twice the value of the transactions that were reported late.⁵⁴

Here, the total amount in expenditures Respondent insufficiently reported was **\$44,210.56**, and the penalties after 2 AAC 50.865(a)(1)(A) mitigation totaled \$37,125. Breaking down this number for purposes of 2 AAC 50.865(b)(5): the civil penalty for Respondent's incomplete 30-day primary, 30-day general, and year-end reports, after mitigation, is \$17,450, which does not exceed the \$21,591.58 in total transactions to Pragmatic Data Solutions, Arena LLC, PS Strategies, and Hackney Communications that failed to sufficiently detail the management and media services those businesses provided. The civil penalties for Respondent's incomplete 7-day primary and 7-day general reports total \$19,675, which does not exceed twice the value of the \$22,618.98 of the transactions that failed to sufficiently detail the management and media services.

Recognizing the unique circumstances including the closeness of the calculation thresholds in applying the non-7-day reports under 2 AAC 50.865(b)(5), APOC staff pursuant to 2 AAC 50.865(b)(6) recommends a 95% reduction of the \$37,125 total penalty for the Respondent's incomplete 7-day primary, 30-day primary, 7-day general, 30-day general, and year-end reports to **\$1,856.25**. The total penalty 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	2 AAC 50.865 (b)(5) mitigation inapplicable	After 95% 2 AAC 50.865 (b)(6) mitigation
30-day primary	7/20/24-8/18/25	394	\$50	\$19,700	\$9,850	\$4,925	N/A	\$246.25
7-day primary	8/13/24-8/20/24	7	\$500	\$3,500	\$3,500 (unchanged)	\$1,750	N/A	\$87.50

⁵³ 2 AAC 50.865(b)(5).

⁵⁴ 2 AAC 50.865(b)(5).

	8/21/24-8/18/25	362	\$50	\$18,100	\$18,100 (unchanged)	\$9,050		\$452.50
30-day general	10/7/24 – 8/18/25	315	\$50	\$15,750	\$15,750 (unchanged)	\$7,875	N/A	\$393.75
7-day general	10/29/24 – 11/5/24 11/6/24 – 8/18/25	7 285	\$500 \$50	\$3,500 \$14,250	\$3,500 (unchanged) \$14,250 (unchanged)	\$1,750 \$7,125	N/A N/A	\$87.50 \$356.25
Year-end	2/20/25 – 8/18/25	186	\$50	\$9,300	\$9,300 (unchanged)	\$ 4,650 (unchanged)	N/A	\$232.50
Total				\$84,100	\$74,250	\$37,125	\$37,125	\$1,856.25

CERTIFICATE OF SERVICE:

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

Rep. Mia Costello 5512 Yukon Charlie Loop Anchorage, AK 99502 Representative.Mia.costello@akleg.gov	<input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Email
Mike Alexander PO Box 521171 Big Lake, AK 99652 mikealexander728@gmail.com	<input checked="" type="checkbox"/> Certified Mail <input checked="" type="checkbox"/> Email

Signature

Date

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

From: **Lucas, Tom R (DOA)** <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>

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



BEFORE THE ALASKA PUBLIC OFFICES COMMISSION

In the Matter of the Complaint of

Michael Alexander,

Complainant,

v.

Representative Mia Costello,
Respondent.

APOC Case No. 25-14-CD

RESPONDENT MIA COSTELLO'S RESPONSE TO APOC REQUEST FOR INFORMATION

I. INTRODUCTION

I, Mia Costello, respectfully submit this response to the request for information from APOC in the matter of APOC Case No. 25-14-CD in the letter dated November 26, 2025. The following is:

- A. a description of my understanding of the services the business provides, including any links to websites or other descriptive sources within my knowledge; and
- B. a breakdown of each service the businesses provided to the campaign and any subcontractors with whom that business placed media advertising or purchased campaign goods or services.

Pragmatic Data Solutions

As I understand it, Pragmatic Data Solutions (PDS) is a business wholly owned and operated by Trevor Jepsen, who is its sole employee. **Pragmatic Data Solutions** provides general consulting services for campaigns and engineering consulting. To my knowledge, Pragmatic Data Solutions does not have a website, and as far as I am aware, PDS does not provide traditional media placement services of any kind.

I hired Trevor Jepson for general campaign management and consulting services which included campaign and message strategy, occasional design of communication for fundraisers and posting on Facebook, attending, staffing and cleanup for campaign events, making phone calls on behalf of the campaign, strategizing regarding events to

attend, campaign survey responses, managing our campaign's data platform, and organizing volunteer efforts such as door knocking and other efforts.

I should note that I have discovered upon reviewing invoices post-campaign that between August and September of 2024, PDS placed and boosted social media ads on Facebook on behalf of the campaign. PDS spent a total of \$1,060 and included that amount on an invoice for reimbursement; the campaign paid that invoice in full. To my knowledge, PDS purchased no other goods or services for the campaign.

Dubay Business Services

It is my understanding that Dubay Business Services (DBS) provides a variety of business support services, including some that are geared toward political campaigns, though I don't have many specifics on their suite of services. In the past, I have contracted with DBS to provide voter case management services, but not for several years now and I don't know whether DBS still provides that service. Their website is dubay.bz. As far as I know, DBS does not provide media placement services.

I hired Shivani Tiwari through DBS to provide service as my campaign treasurer, as I have done for several of my campaigns. Her sole duty is to carry out the recordkeeping and report filings necessary to ensure compliance with campaign finance reporting requirements; over the years, she has regularly worked with APOC to do so. On occasions the campaign had trouble with the APOC website uploading documents to meet deadlines, and she worked with APOC on troubleshooting those issues when required.

Mindbrew Creative

To my knowledge, Forrest Musselman, d/b/a **Mindbrew Creative**, is a graphic artist, videographer and website designer. His company website is mindbrewcreative.com and based on the information there, he provides a suite of services, namely targeted for small businesses looking to create a brand and improve their visibility via freelance brand development, video, websites and graphic design services.

Mindbrew Creative's work for the campaign was providing freelance graphic design for events, for use in social media, or for various other purposes. As far as I know, Mindbrew Creative does not offer media placement services.

Respectfully submitted,

Mia Costello

Dated: December 4, 2025



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

April 15, 2016

Via U.S. Mail and Email

[REDACTED]

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.¹ Due to statutory limits and prohibitions that apply to contributions, the contribution must be attributed to an individual.² 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.³

Additionally, you have reported several expenditures which lack sufficient detail.⁴ 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

¹ See [REDACTED]

² AS 15.13.070(b).

³ 2 AAC 50.258(a)(6).

⁴ See [REDACTED] expenditures noting "campaign services" as the purpose.