



Alaska Public Offices Commission



COMPLAINT

FILING A COMPLAINT <i>To be accepted, complaint must include</i>	APOC LAWS ALLEGEDLY VIOLATED <i>Specify section of law or regulation</i>		APOC case name/number/date
1. Complainant's name + contact info 2. Respondent's name + contact info 3. Laws, regulations allegedly violated 4. Description of allegations 5. Basis of knowledge of alleged facts 6. Documentation to support allegations 7. Notarized signature of the complainant 8. Proof that complaint and all supporting documents were served on respondent	Campaign Disclosure Law	<input checked="" type="checkbox"/> AS 15.13 <input checked="" type="checkbox"/> 2 AAC 50.250-405	
	Public Official Financial Disclosure	<input type="checkbox"/> AS 39.50 <input type="checkbox"/> 2 AAC 50.680-799	
	Legislative Financial Disclosure	<input type="checkbox"/> AS 24.60 <input type="checkbox"/> 2 AAC 50.680-799	
	Lobbying Regulation	<input type="checkbox"/> AS 24.45 <input type="checkbox"/> 2 AAC 50.550-590	

If complaint meets requirements for acceptance, APOC will investigate the allegations and notify the respondent of the right to respond. APOC will notify Complainant and Respondent when APOC accepts or rejects a complaint.

<input type="checkbox"/> APOC <input type="checkbox"/> Person <input type="checkbox"/> Party <input checked="" type="checkbox"/> Group	COMPLAINANT Yes on 2 for Better Elections	RESPONDENT <i>Person or group allegedly violating law</i> <input type="checkbox"/> Person <input type="checkbox"/> Party <input checked="" type="checkbox"/> Group Defend Alaska Elections - Vote No on 2
Address City / Zip	P.O. Box 210295, Anchorage, AK 99521	Please see attached supporting information and documentation, Page 1 and footnotes 3 and 4
Phone/Fax	907-250-1125	
E-mail	Shea@AlaskansForBetterElections.com	

COMPLAINANT'S REPRESENTATIVE		RESPONDENT'S REPRESENTATIVE	
<i>If complainant or respondent is political party or group, list contact person. If complainant or respondent is represented by attorney, list name + contact info</i>			
Name/Title	Samuel G. Gottstein for Yes on 2 for Better Elections	Please see attached at page 1 and footnotes 3 and 4.	
Address	701 W. 8th Avenue, Ste 700, Anchorage, AK 99501		
Phone/Fax	907-274-0666 / 907-277-4657		
E-mail	sgottstein@hwb-law.com		

DESCRIPTION or SUMMARY of ALLEGED VIOLATION Please see attached supporting information and documentation.	Use extra pages if needed	<input checked="" type="checkbox"/> SUPPORTING DOCUMENTS – DESCRIBE: Please see attached.

PROOF of SERVICE ATTACHED:
☐ Fax – receipt confirmation
 ☐ Certified mail – signed receipt
 ☐ Process server – return of service
 ☐ E-mail – delivery/read receipt
 ☐ Other:

COMPLAINANT'S SWORN STATEMENT: To the best of my knowledge and belief, these statements are true

Signature		Title	Samuel Gottstein	Date	9-21-2020
Subscribed and sworn to or affirmed by me at _____ on _____					
Signature		Notary in for Alaska, my Commission Expires 9-18-2022			

APOC COMPLAINTS, RESPONSES, INVESTIGATION REPORTS & COMMISSION ACTIONS ARE PUBLIC DOCUMENTS

APOC ANCHORAGE	APOC JUNEAU	APOC COMPLAINT PROCESS: 2 AAC 50.465-476
2221 E. NORTHERN LIGHTS #128	240 MAIN STREET #500	FILING COMPLAINTS: 2 AAC 50.870
ANCHORAGE, AK 99508	P.O. BOX 110222	APOC CRITERIA for ACCEPTING COMPLAINTS: 2 AAC 50.870
907-276-4176 / FAX 907-276-7018	JUNEAU, AK 99811	INVESTIGATIONS & HEARINGS: 2 AAC 50.875-891
TOLL-FREE 800-478-4176	465-4864 / FAX 465-4832	RULES for REQUESTING EXPEDITED CONSIDERATION: AS15.13.380(c)
WEB: http://doa.alaska.gov/apoc/	APOC FORMS: http://doa.alaska.gov/apoc/forms_all.html	APOC LAWS: http://doa.alaska.gov/apoc/apoclaws.html

September 21, 2020

To: Alaska Public Offices Commission

From: Yes on 2 for Better Elections

Re: Supporting Information and Documentation for APOC Complaint Against Defend Alaska Elections – Vote No on 2.

Introduction and Parties

Respondent “Defend Alaska Elections – Vote No on 2” (“DAE”), a single-issue group registered with APOC, was established to oppose the Better Elections Initiative (“Ballot Measure 2”).¹ DAE first registered with APOC on August 27, 2020.² DAE’s contact information is as follows:

PO Box 230902

Anchorage, Alaska 99523

Email Address to Notify: kcgoode35@gmail.com

DAE’s registration also includes contact information for its chair,³ treasurer,⁴ and deputy treasurer.⁵ And although it was established only a few weeks ago, DAE has already:

¹ DAE’s stated purpose is: “Defend Alaska’s proven and fair election process. Oppose Ballot Measure 2[.]”

² DAE originally registered under the name “Defend Alaska Elections.” DAE amended its registration to comply with AS 15.13.050(c) on August 28.

³ The contact information for DAE’s chair, John Sturgeon, is as follows:

4450 Shoshoni Avenue

Anchorage, Alaska 99516

Phone: 907-345-2299

Email: frontiertradellc@aol.com

⁴ The contact information for DAE’s treasurer, Kelly Goode, is as follows:

PO Box 91518

Anchorage, Alaska 99509

Phone: 907-244-0002

Email: treasurer@defendalaskaelections.com

⁵ The available contact information for DAE’s deputy treasurer, Brett W. Huber, Sr., is as

(1) used and continues to use an inaccurate and unlawful listing of its “three largest contributors;” (2) failed to properly report campaign expenditures, debts, and reimbursements; and (3) likely made impermissible expenditures prior to registration.

I. False And Misleading “Three Largest Contributors” Disclosure.

Alaska Statute 15.13.090 requires that all of an applicable organization’s communications must include a “paid for by” disclosure, along with specific information about that organizations “three largest contributors.”⁶ A top-three contributor list can change over time, and must necessarily be updated if new contributions change the organization’s “three largest contributors.”⁷

DAE has failed to comply with AS 15.13.090’s “three largest contributors” requirement since day 1, and continues to grossly misrepresent who is paying for their campaign communications to this day. DAE’s first expenditure report lists twelve (12) individual contributors, with the top two contributors being John Sturgeon (\$1,000.00) and Corey Mulder (\$500.00), and a six-way tie for third (\$250.00) between Cheryl Markwood, Bob Candopoulos, Sean Parnell, Peter Zuyus, Kathleen Zuyus, and Mark Begich.⁸

Pursuant to AS 15.13.090, one would expect DAE to have listed Mr. Sturgeon, Mr. Mulder, and one other person of their choosing at the \$250 contribution level as their third largest contributors.⁹ But DAE has instead used a different “three largest

follows:

2617 Shepherdia Drive
Anchorage, Alaska 99508

⁶ This specific information includes the name, city, and state “of each of the . . . three largest contributors.” AS 15.13.090(a)(2)(C).

⁷ See AS 15.13.090(a)(2)(C).

⁸ See <https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=4569&ViewType=IE> [hereinafter DAE’s September 7 IE Report].

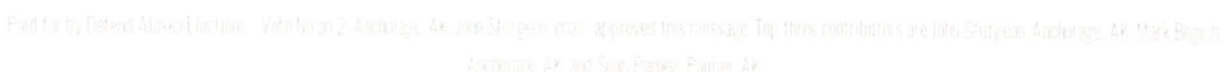
⁹ See AS 15.13.090(e) (“Contributors required to be identified under (a)(2)(C) of this section must be listed in order of the amount of their contributions. If more than three of the largest contributors to a person paying for a communication contribute equal amounts, the person may select which of the contributors of equal amounts to identify under (a)(2)(C) of this section. In no case shall a person be required to identify more than three contributors under (a)(2)(C) of this

contributors” list in violation of the law. Despite its own expenditure reports which dictate a different answer, DAE has listed Mr. Sturgeon, Mr. Parnell, and Mr. Begich as its top three contributors.¹⁰ Without even accounting for DAE’s more recent contributions, it is clear that DAE’s “three largest contributors” disclosure was never accurate, and that DAE has therefore purposely misled the public while violating the law.¹¹

DAE continues to use the same false “three largest contributors” list to this day, which is even more grossly inaccurate and misleading after it received tens of thousands of dollars from outside dark money organizations. DAE’s second expenditure report, filed on September 17, lists over \$250,000.00 in new contributions.¹² In addition to two new \$1,000.00 contributions on September 13 and 14 which would have made DAE’s current “three largest contributors” list obsolete,¹³ much larger contributions were received on September 16 and 17. The Alaska Republican Party and the Republican State Leadership Committee¹⁴ each contributed \$50,000.00 on September 16, and Americans For Prosperity

section.”).

¹⁰ The screenshot below was taken from the bottom of DAE’s website on September 20, 2020. It states: “Paid for by Defend Alaska Elections - Vote No on 2, Anchorage, AK. John Sturgeon, chair, approved this message. Top three contributors are John Sturgeon, Anchorage AK, Mark Begich, Anchorage, AK, and Sean Parnell, Palmer, AK”



The same erroneous “[t]op three contributors” listing remains on DAE’s website today.

¹¹ See DAE’s September 7 IE Report.

¹² See <https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=4598&ViewType=IE> [hereinafter DAE’s September 17 IE Report]. These contributions had the effect of increasing DAE’s contributions by multiple orders of magnitude. See DAE’s September 7 IE Report; DAE’s September 17 IE Report.

¹³ Richard Randolph contributed \$1,000.00 on September 13, and Dustin Wilde contributed \$1,000.00 on September 14. See DAE’s September 17 IE Report.

¹⁴ Interestingly, the Republican State Leadership Committee—an entity that registered with APOC on July 31, 2020—had previously indicated that it would not have any involvement in either supporting or opposing any statewide initiative. See

and Northern Holdings, Inc. each contributed \$45,000.00 on September 17.¹⁵

Again—pursuant to AS 15.13.090—DAE should have listed both the Alaska Republican Party and the Republican State Leadership Committee as their two top contributors after September 17, while listing either Americans for Prosperity or Northern Holdings, Inc. as their third. But DAE has continued to use its old, incorrect, and outdated “three largest contributors” listing. On September 18, this advertisement—with the never-accurate listing of Mr. Sturgeon, Mr. Begich, and Mr. Parnell—was found on The Alaska Landmine.¹⁶



DAE continues to use this false list on its website and Facebook page to this day.¹⁷ In fact, DAE is running *seven* new ads on Facebook *today* with the same incorrect and misleading “largest three contributors” list.¹⁸

The “three largest contributors” requirement outlined in AS 15.13.090 is not a malleable list of three “important” contributors that can be manipulated to use as part of a

<https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=1427&ViewType=ER>. This substantial contribution made to DAE—a group which exists solely to oppose a statewide initiative—seems at odds with the Republican State Leadership Committee’s previously stated intent. *See id.*

¹⁵ *See* DAE’s September 17 IE Report. Another organization, Club for Growth, also made a substantial \$30,000.00 contribution to DAE on September 16. *Id.*

¹⁶ *See* <https://alaskalandmine.com/>.

¹⁷ The list has been included as part of DAE’s profile picture on Facebook since August 31.

¹⁸ *See* [https://www.facebook.com/ads/library/?active_status=all&ad_type=political_and_issue_ads&country=US&view_all_page_id=710770742377054&sort_data\[direction\]=desc&sort_data\[mode\]=relevancy_monthly_grouped](https://www.facebook.com/ads/library/?active_status=all&ad_type=political_and_issue_ads&country=US&view_all_page_id=710770742377054&sort_data[direction]=desc&sort_data[mode]=relevancy_monthly_grouped). Screenshots of the seven ads from today are available upon request.

political message; its purpose is to list the “three *largest* contributors” so that the public can know who is primarily paying for the political speech. DAE’s “three largest contributors” disclosure has always been—and continues to be—an egregious, blatant, and ongoing violation of the law.

II. Failure To Properly Report Campaign Expenditures, Debts, and Reimbursements.

DAE has filed two campaign expenditure reports to date. The first—submitted on September 7, 2020—includes a \$941.00 “[r]eimbursement for campaign set-up costs,” which was paid to Mr. Huber on September 6.¹⁹ But this reported reimbursement fails to list exactly what DAE reimbursed Mr. Huber for; it omits any information about vendors which may have been used, and fails to include any dates of purported purchases. This lack of specificity violates AS 15.13.040, and may also violate AS 15.13.050(a) if any expenditure was incurred prior to DAE’s registration with APOC on August 27.²⁰

DAE’s second expenditure report, submitted on September 17, 2020, includes both a \$3,228.00 expenditure to Hackney & Hackney for “Radio,” and a \$254,381.00 debt to Hellenthal and Associates for the same.²¹ But here, too, DAE fails to provide the sufficient information needed to comply with APOC’s reporting requirements. 2 AAC 50.321(d) requires any media expenditure disclosure to include additional details, like the specific stations that may be used in prospective media buys.²² That information is not provided in either of DAE’s “Radio” entries.

¹⁹ See DAE’s September 7 IE Report.

²⁰ AS 15.13.050(a) (“Before making an expenditure . . . in support of or in opposition to a ballot proposition . . . , each person other than an individual shall register . . . with the commission.”).

²¹ See DAE’s September 17 IE Report]

²² 2 AAC 50.321(d) (“If an expenditure required to be reported under . . . 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.” (emphasis added)).

III. An Improper Campaign Expenditure Prior To Registering With APOC.

No organization can make any expenditure, including obtaining a website domain, without first registering with APOC.²³ And DAE's domain (www.defendalaskaelections.com) appears to have been purchased on August 24, 2020,²⁴ three days before DAE first registered with APOC. This appears to be, at a minimum, a violation of AS 15.13.050(a). And if the purchase of this domain was a "campaign set-up cost[]" which DAE reimbursed Mr. Huber for, it could also be a violation of AS 15.13.040.

Conclusion

This Complaint establishes that DAE has been circumventing campaign disclosure laws in support of a campaign against Ballot Measure 2. By failing to properly list and disclose expenditures and contributors, DAE is violating the law in blatant disregard of Alaska's campaign laws designed to promote transparency, laws which Ballot Measure 2 seeks to strengthen.

Although an expedited proceeding is not requested, it is important that APOC take action and address these issues well in advance of the upcoming general election, when the public votes on Ballot Measure 2.

²³ AS 15.13.050(a).

²⁴ A screenshot about registration for www.defendalaskaelections.com shows the following:

[defendalaskaelections.com](http://www.defendalaskaelections.com) is already registered*

Domain Name: DEFENDALASKAELECTIONS.COM
Registry Domain ID: 2555141979_DOMAIN_COM-VRSN
Registrar WHOIS Server: whois.google.com
Registrar URL: <http://domains.google.com>
Updated Date: 2020-08-24T00:47:19Z
Creation Date: 2020-08-24T00:47:17Z