AKPIRG and 907 Initiative vs. Republican Governors Association and A Stronger Alaska Complaint No. 22-04-CD

COMPLAINANTS' SUPPLEMENTAL ARGUMENTS BRIEF

I. INTRODUCTION

On October 21, 2022 the Alaska Public Offices Commission ("APOC") heard evidence and argument in this matter on Complaint No. 22-04-CD. The uncontested facts, presented through exhibits and testimony, showed that A Stronger Alaska ("ASA") was run solely by two full-time Republican Governors Association ("RGA") employees. Also, the RGA did not "donate" funds to ASA, but instead held the funds at all times in an account in the RGA's name and under the control of RGA employees. ASA has no address, no office, no employees, no board, no other "donors", and no indicia of a structure of any kind. Apart from registering with APOC, Respondents presented zero evidence that ASA exists.

Following the expedited hearing, APOC asked the parties to provide supplemental argument on the following issues:

Application of AS 15.13.050 & .084. Alaska Statute 15.13.050 requires that an entity register before making expenditures and that the name of such an entity incorporate the name of the supported (or opposed) candidate. Here, the RGA violated the statute by failing to register before paying directly for campaign expenditures, and the RGA/ASA violated, and continue to violate, the statute by not including "Mike Dunleavy" as part of its name in reports and in disclaimers on new communications.

Alaska Statute 15.13.084 bars reporting expenditures under a fictious name or the name of another. Complainants demonstrated that the RGA is paying expenditures directly and never made a \$3 million donation to any other bona fide entity. Therefore, the RGA is violating .084 by reporting its own expenditures in ASA's name and disclosing themselves only as ASA's sole donor.

<u>Other statutes.</u> Although the statutes above most directly bear on the financial fiction at the heart of this case, the RGA's scheme also caused numerous false reports and inaccurate disclosures on three flights of campaign communications to date. This scheme violates numerous other APOC statutes.

Relevance of Advisory Opinions 22-01-CD; 21-11-CD; and 21-04-CD. These Advisory Opinions ("AOs") do not apply directly to this proceeding but clarifying them is still helpful regarding the way the facts in those AOs differ from the evidence established at the October 21 hearing. Generally, those AO requests involved entities asking whether an entity can segregate funds within itself into separate accounts such that they would not have to report the information regarding donors of funds that are never used in an Alaska election.¹

¹ Neither APOC's mission, nor its statutory authority indicates it should report information regarding funds that are never used, nor intended to be used, to affect any election outcome.

The facts underlying those AO requests are very different from what the RGA has done here. The RGA has aggregated a war chest of tens of millions of dollars. The RGA then named a subaccount "A Stronger Alaska" and characterized that account as a new and separate entity. The RGA went on to file false reports to APOC that: 1) it had made a \$3 million "contribution" to ASA (despite the uncontested fact those funds never left the RGA's accounts and control) and 2) that ASA had independently made expenditures (when all records and testimony show that the payments were made from an RGA-controlled account at the direction of RGA employees).

Generally, those AOs are about segregating funds intended to influence elections from funds that will never be spent on an election. The RGA's scheme was about creating a false entity in order to manufacture an additional layer of opacity between RGA's spending and where its funds came from. None of these AOs condone what the RGA has actually done—report a subaccount as an independent entity, <u>and then reporting *itself* as the only donor to that entity</u>. The RGA's clever legal fiction has obliterated the Top 3 disclaimer for ASA, something no AO has ever considered or approved, and frankly something the Commission would never condone.

Intent and Effect of the RGA's reporting choices. Although they refused to answer Commissioners' questions about their reasons for not simply registering the RGA itself as an Independent Expenditure Group ("I.E. Group"), Respondents' reporting structure was obviously created for the purpose of obscuring their donors and their own activities.

Respondents could easily have obeyed the law. As noted by several Commissioners, the RGA could simply have registered as an I.E. Group. The RGA probably rejected this option because it wanted to avoid potential reporting liability and any direct disclosure of its donors. Alternatively, the RGA could actually (and quite easily) have created a truly independent and separate entity and made a contribution to that entity, as they have in past elections. They likely rejected *that* option because it would have required them to forfeit direct control of \$3 million 20 months prior to an election. Regardless of their reasoning, they had clear, legal options and chose not to use them.

Although the Respondents chose not to present a defense at hearing and never articulated a coherent reason why the ASA/RGA structure was used here, Complainants anticipate that Respondents will belatedly attempt to say their structure is "just like" those in AOs 22-01-CD and 22-11-CD. As described above, and herein, those cases involved entirely different factual situations, different reporting by the parties,² and different impacts on the public.³

² The requestors of those AOs sought only to segregate donations impacting elections from donations made for purposes unrelated to any election. The RGA, on the other hand, seeks to create a disclosure barrier, obscuring donors of funds, all of which were donated for the purpose of impacting elections.

³ The impact of those AOs is simply that the public is not provided with "bycatch" disclosures—i.e. the public is not incidentally provided with financial information about donations unrelated to elections, over which APOC has no authority. The impact of the RGA's novel reporting structure is that the RGA ha absolute unilateral control over both the donor and the I.E. receiving the funds, allowing them to report that they've donated funds to themselves (ASA being, at most, an alter ego of RGA), effectively denying the public access to *any* donor information at all.

II. RELEVANT UNCONTESTED FACTS FROM HEARING TESTIMONY AND EVIDENCE

To apply the statutes and AOs cited by the Commission, it is first necessary to briefly summarize the evidence from Friday's hearing. Complainants presented the Commission with the strongest of evidence in this case—sworn IRS financial reports, bank statements, and sworn testimony from Respondents' own witnesses.

The uncontested evidence is that the RGA never reported a \$3 million contribution to ASA in their sworn IRS reports. Respondents' own exhibits show that the funds never left an RGA-controlled account until actually directly paying each expenditure.⁴

Respondents' witness testimony also reinforced that the funds never left RGA's dominion and control such that they could be reported as a "contribution":

Dave Rexrode serves as both the Executive Director of the RGA and the Chairman of ASA. He testified that he is the only decision-maker for ASA, and that Erim Canligil serves as both the CFO of the RGA and the Treasurer of ASA. He further testified that the two of them comprise the entire leadership structure of ASA, while conceding that they are both also employed by the RGA.

Erim Canligil testified that he and Mr. Rexrode are employed full time by the RGA, but lead ASA as "volunteers." Mr. Canligil conceded that he would not have this role for ASA if he did not already work for the RGA. Mr. Canligil also testified that he performed work for ASA under the direction of Rexrode (another RGA employee), while in the RGA offices, and on RGA-owned equipment.

After an opportunity to review the RGA's tax filings Mr. Canligil admitted that they do not contain the \$3 million contribution to ASA that appears in their APOC reports. He also admitted that expenditures attributed to ASA in APOC reports are also attributed to the RGA in its IRS filings. Mr. Canligil testified that he is responsible for both the RGA's IRS filings and ASA's APOC filings. When asked about this discrepancy, Mr. Canligil stated that he reported in this way because the RGA and ASA are "the same entity" under federal law.⁵

Mr. Canligil was specifically asked—in the event Mr. Rexrode resigned from ASA but retained his role with RGA—whether Mr. Rexrode could still direct ASA expenditures. His answer: "I don't know." Mr. Canligil was further asked whether ASA could actually expend funds without the approval of the RGA's leadership. Again, his answer was: "I don't know."

In summary, all evidence and testimony at the hearing consistently showed that ASA lacks an independent existence apart from the RGA. ASA has no employees, no offices, no address, no website, no phone number, no independent decision-making structure, no board of directors, no

⁴ See every page of Respondents' Exhibit A (The bank statements were titled "Republican Governors Association" with the subheading below "A Stronger Alaska"); see also Respondents' Exhibit C (Showing the \$3 million transfer as an "internal transfer").

⁵ All quotes attributed to witnesses herein come from the notes of counsel. Although the quotes are believed to be accurate, the Commission has the audio recordings of the hearing to review the testimony directly.

registration as an entity whatsoever,⁶ and no donors apart from the false donation from the RGA—which was nothing more than a transfer from one subaccount under its control to another.

One key piece of evidence in the record, but never explained by Respondents at hearing, is even more telling. "Keep Dunleavy"—an Alaska group formed to raise money in opposition an attempt to recall Mike Dunleavy—donated \$225,000 to the RGA in March of this year. If ASA really exists as a separate entity, it would appear more likely that Keep Dunleavy—an entity formed solely to support Dunleavy—would have donated to ASA and not the RGA.⁷ It did not.

ASA did not exist as a separate entity such that the RGA could actually report itself as separate and the only "donor" to ASA. Rather, ASA is a name the RGA stamped beneath its own on a subaccount at its bank so that it could go through the charade reporting an internal transfer of funds as a "donation"—unlawfully placing an additional layer of opacity between Alaska voters and the RGA's activities in the gubernatorial election, and thereby destroying and ignoring the Top 3 disclaimer for the purpose of its activities in Alaska.

III. NEW EVIDENCE THAT WAS UNAVAILABLE AT HEARING

When submitting its exhibits prior to the hearing, Complainants reserved the right to supplement the evidence should additional campaign communications by the RGA/ASA be discovered. The day after the hearing—October 22, 2022—Complainants were made aware that two additional and distinct new mailers from Respondents were being received by Alaskans.⁸

These are large-format 8.5" by 11" mailers, indicating a premium cost. Complainants have reviewed ASA's expenditure reports, but there do not appear to be any new mailer costs reported.⁹ Because of the premium cost and two-week delay from the prior mailer, it appears likely to Complainants that these mailers are a new expenditure that, due to the 10-day delay in reporting, has not yet been disclosed to APOC. However, because Respondents' attorneys objected at hearing to questions regarding undisclosed expenditures, Complainants cannot be certain.

Most relevant for purposes of this filing is that, as discussed below, these mailers have the same defects as the prior mailer and violate the same statute. The disclaimer indicates that it was paid for by ASA, when in fact it was created at the direction of RGA employees and directly paid for with funds still in the possession of the RGA. Additionally, it does not disclose the top 3 donors, but instead falsely reports the RGA as the only donor. Finally, Respondents continue to fail to incorporate "Mike Dunleavy" as part of the group's name.

IV. REQUESTED DISCUSSION OF ALASKA STATUTES

⁶ Apart from the APOC registration and reports Complainants allege are a false layer obscuring RGA's activities.

⁷ Complainants' Exhibit B at 2.

⁸ See Exhibits J and K.

⁹ The evening of the hearing in this case, ASA did report making a series of wire transfers. These appear to be belated "repayments" back to the RGA of nominal amounts for "staff support."

<u>The application of AS 15.13.050 & .084.</u> These two statutes have direct application to the facts of this case as proven through exhibits and testimony.

Alaska Statute 15.13.050 requires *both* that an entity register with APOC before making any campaign expenditure, and that any such entity include the name of the candidate it supports or opposes if one-third or more of its funds will be used on that race. Application here demonstrates that Respondents have violated, and continue to violate, both provisions of this statute: First, the uncontested evidence at hearing showed that ASA was not a separate entity from RGA and that the RGA directed and paid all expenditures, while never having registered with APOC. Second, the evidence also showed that the registered entity, ASA, did not include Mike Dunleavy's name in its title despite "intending" to support only him *at least* since February 21, 2022 when ASA specifically reported its expenditures are for the specific purpose of supporting Dunleavy and no one else.¹⁰

Despite disingenuous claims by Respondents' counsel at hearing, there is no requirement that such a group actually expend one-third of its funds in support of one candidate before changing its name. (Such an interpretation is nonsensical because it would allow *any* group to evade this statute entirely by depositing surplus funds to always keep a two-thirds buffer in its account). Rather, the statute says at subsection (b) that if such a group "*intends* to support only one candidate or to contribute to or expend on behalf of one candidate 33 1/3 percent of more of its funds, the name of the candidate shall be part of the name of the group."¹¹ The record from *each and every* expenditure report,¹² as well as every public statement by the RGA,¹³ has made absolutely clear that their sole intent is to support Mike Dunleavy, and only Mike Dunleavy in this election. His name should have been incorporated into the name of the organization from the outset and should have been included in every report and in the disclaimer on every communication. It was not—and AS 15.13.050 continues to be violated.

Alaska Statute 15.13.084 specifically prohibits reporting expenditures under a fictious name or the name of another. The uncontested facts summarized above show that the \$3 million dedicated to impacting Alaska's gubernatorial election never left the control of the RGA and RGA employees; they also showed that every expenditure of these funds was: 1) made from funds that never left an RGA account; 2) made at the direction of an RGA employee; and 3) in fact, was reported to the IRS as being directly paid by the RGA. Accordingly, the expenditures made in the name of ASA violated the law because they were really expenditures made by the RGA yet reported under a fictitious name or, to the extent ASA somehow exists, in the name of another.

¹⁰ <u>https://aws.state.ak.us/ApocReports/Common/View.aspx?ID=5361&ViewType=IE</u>

¹¹ Emphasis added.

¹² See all independent expenditure reports filed by ASA.

¹³ See <u>https://www.adn.com/politics/2022/02/17/national-republican-group-sidesteps-new-disclosure-law-</u> with-3-million-donation-in-alaska-governors-race/

Statement from RGA spokeswoman on February 17, 2022 regarding RGA's \$3 million "donation": "It's Gov. Dunleavy who has stood firm and fought back against the Biden administration's encroachments, and we're going to be very proud to support his reelection however he needs."

Statement from Dunleavy spokesman, Andrew Jensen, in response: "Obviously, the governor appreciates the support of the RGA."

<u>Other statutes.</u> Although the statutes discussed above most directly bear on the financial fiction at the heart of this case, the RGA also caused numerous false reports and inaccurate disclaimers on campaign communications. This scheme violates numerous other APOC statutes.

Alaska Statute 15.13.110(k) is implicated. If the Commission were to somehow conclude that ASA exists and was formed in 2021, then every time the RGA expended its own funds to make an expenditure in ASA's name it was, at a minimum, making an in-kind contribution to ASA. Such donations, if they are greater than \$2,000, must be reported within 24 hours. There were numerous such expenditures and they have gone unreported.¹⁴ Also, there was testimony that the RGA was also paying "the Political Company" directly, but not including it on ASA's reports. These expenditures exceeded \$2,000 and would also be unreported in-kind contributions.¹⁵

Alaska Statute 15.13.400(17) & (18), .110(k), and .074(b) are also implicated by Respondents' scheme. As discussed above, even if ASA somehow exists, it is now evident that the RGA did not actually transfer funds to any separate entity. Accordingly, the expenditures made directly by the RGA would be characterized as in-kind contributions to ASA. In addition to being late and unreported, these contributions require disclosure of the "true sources" of the funds, making them prohibited "dark money" contributions without that information.

Finally, each APOC filer is generally obligated by AS 15.13.040 to file reports and those reports must be accurate. Each and every one of Respondents' violations as catalogued above led to the filing of inaccurate reports. This case presents unique and unprecedented facts—therefore, whether each of these reports is a separate violation to be calculated, or whether these many violations are subsumed within the global violation of RGA falsely reporting expenditures in a fictious name, or the name of another, must be addressed by the Commission.

V. REQUESTED DISCUSSION OF APOC ADVISORY OPINIONS

The AOs listed in the Commission's order seeking supplemental argument bear a passing relevance to this case in that they involved bank accounts existing within larger organizations. However, the resemblance stops there. The accounts in these AOs were essentially "political activities accounts," which are accounts created to segregate campaign from non-campaign funds because some organizations have activities that bear no relationship to Alaska elections, such as education or direct services. But such accounts are simply not analogous to the facts of this case, which involved a purely campaign entity creating a "sub-account" alter ego for the sole purpose of creating more opacity in their finances. The RGA's conduct here is simply not conduct that has ever been analyzed, condoned, or specifically approved by APOC in an AO.

Additionally, before discussing the AOs, Complainants note two things: First, that the RGA reported properly in past years. They created separate truly separate entities in the 2014 and

¹⁴ To the extent the Commission concludes that the RGA made expenditures "in the name of another" that violation possibly encompasses and subsumes any violation of this statute.

¹⁵ These in-kind contributions, and contributions of RGA staff time and infrastructure could also implicate this statute, however this is likely something Staff will need time to investigate more fully to valuate.

2018 election cycles—entities that had their own EINs and for which the RGA was actually obligated to report their contributions to the IRS. Second, AO requests are easy. Considering that the RGA set up its very novel structure 20 months prior to the 2022 election, they certainly had adequate time to write APOC staff a letter and wait a week for the reply. Why didn't they?

The Commission has specifically asked about the relevance of Advisory Opinions 22-01-CD; 21-11-CD; and 21-04-CD. These AOs are not directly applicable to the facts of this proceeding but are nonetheless instructive due to the manner that the facts underlying those opinion requests differ from Respondents' actions in this year's election.

AO 21-11-CD concerns whether the Alaska Center, a bona fide non-profit entity with multiple purposes, can set up a "political activities account" within its organization to segregate all funds that will be spent on Alaska elections for reporting purposes, while still reporting the independent expenditures as coming from itself. The answer was yes, because as long as those non-campaign funds are completely segregated, APOC has no regulatory authority over their disclosure. That AO is not applicable here because the RGA did not create a "segregated" account to divide donations as they came in. The RGA instead created a false subaccount of itself—ASA and reported itself as ASA's sole donor, while having ASA falsely report making the expenditures. The first scenario involves a structure that limits disclosures only to "contributions" intended to impact elections and the second scenario involves adding a false layer of opacity to contributions intended to impact elections. Because these are differences of form as well as function, the best way to understand these differences is visually. Accordingly, Complainants have created two flow charts to illustrate the differences.¹⁶ As can be seen, the Alaska Center's reporting segregates campaign and non-campaign contributions as they arrive, preserving disclosure from the donor through the communication, while preventing the disclosure of non-campaign donations.¹⁷ Conversely, the RGA's reporting structure comingles all incoming contributions, and then completely obscures all disclosure by reporting itself as the sole donor to an internally-held entity that exists nowhere outside of an APOC registration.¹⁸

AO 22-01-CD provides a closer, but still inapplicable, situation. In that AO "the Organization," an anonymous political entity, proposed setting up separate accounts within itself. On the surface, this would seem analogous to the RGA's scheme (and Complainants are certain to argue that is so). However, in reality this AO is much more like the Alaska Center AO and that is why it reached a similar outcome. AO 22-01-CD differs from the RGA's behavior in two fundamental, and important, ways: First, like in the Alaska Center example, the Organization proposes segregating funds into two categories—those that could be used in Alaska elections, and those that will not. The RGA did no such segregation of donations it received—it simply created a new subaccount that stayed within its control by transferring \$3 million already in its possession. Second, *the Organization did not propose to report itself as an intervening donor*. That is, the Organization did not state that it wished to interpose itself to obscure disclosure of Top 3 donors or otherwise. In fact, the AO itself specifies that the donations made to the specific accounts eligible for use in elections, and therefore disclosed, are the relevant "contributions"

¹⁶ See Exhibit L.

¹⁷ *Id.* at 1.

¹⁸ *Id.* at 2.

for reporting purposes.¹⁹ <u>The AO did not approve of reporting an internal transfer of funds as the</u> <u>only "contribution" to an entity</u>. In this way, the outcome of AO 22-01-CD was a reporting regime largely the same as the one in AO 21-11-CD.²⁰ All donors making contributions to impact Alaska elections are still reported, and there is no false donor layer created as there was under the RGA's actions.²¹

Finally, AO 21-04-CD presented a unique situation in that the requestor was a political party, the Alaska Democratic Party ("ADP"). The structure proposed by the ADP actually more closely resembles the RGA/ASA structure than the prior two AOs. This AO involved the ADP asking whether it could create a separate entity within itself for performing independent expenditure work, called "ADP IE". The ADP wished to use this structure so that it could raise unlimited funds but would only have to report true sources of those contributions made to ADP IE. The ADP's request to use this structure was correctly rejected by the Commission for several reasons: First, the ADP, itself, is an entity that exists for primary purpose of electing candidates from its party. For that reason, its general account is already indistinguishable from a political activities account. Second, the ADP did not actually indicate that it would keep funds in its regular account and the ADP IE account segregated. Rather, the ADP stated that it planned to subsidize the ADP IE with transfers from its general treasury account and the general treasury accounts of its subordinate units.²² The RGA/ASA reporting scheme is very close in structure to the one rejected by the Commission in this AO. First, the RGA (like the ADP) is an entity that exists for the primary purpose of electing candidates from its own party.²³ Secondly, and most critically, the RGA did not segregate incoming funds for ASA, which is nearly identical to the ADP's desire to comingle funds from its general treasury with those in ADP IE. In the end, the ADP's proposed reporting structure more closely resembled the one used by the RGA²⁴ than it did the permissible and segregated structures proposed in the two other AOs discussed above.²⁵ Accordingly, the RGA's attempt to game the system must be rejected, as was the ADP's.

In the limited time available, the Complainants searched through other prior APOC Advisory Opinions but did not find others that were applicable to the unique fact situation presented by the RGA's behavior of essentially "donating" funds within itself for the apparent purpose of obscuring the source of funds, while keeping complete operational control over those funds.

In short, a political activities account within an entity can be a useful tool for segregating donations intended to impact an Alaska election from those that will never do so and need not

¹⁹ See AO 22-01-CD at 5.

²⁰ See Exhibit L at 1.

²¹ See Id. at 2.

²² See AS 21-04-CD at 2.

²³ See e.g. <u>https://www.rqa.org/about/</u> "The RGA is dedicated to one primary objective, electing, reelecting, and supporting America's <u>Republican</u> governors." (emphasis added). See also

<u>https://ballotpedia.org/Republican_Governors_Association</u> "[The RGA's] primary purpose is to help elect Republican governors by providing resources, campaign funds, strategy and voter contact."

²⁴ See Exhibit L at 2.

²⁵ See Id. at 1.

be disclosed, as described in the first two AOs.²⁶ However, nothing in these three AOs provide support for the idea that a separate subaccount within an entity can somehow be used to create the fantasy of an "independent" entity—including reporting the parent entity as a donor, despite the fact that the parent entity never actually loses control of the funds and actually makes all expenditures and decisions itself.

VI. CONCLUSION

In analyzing the situation presented by this complaint, it is important for the Commission to consider not only the improper form and function of the RGA/ASA structure, but also the intent. Why did they do this, rather than just have the RGA register as an I.E. Group itself? The confusion is the point, and obscuring information is the goal. The RGA knows that most of the time a mess like this is very unlikely to be unwound prior to Election Day, allowing a clear path to their one and only goal—impacting an election, while disclosing a minimum of information.

Past behavior of the RGA has shown they have no fear of being fined, and why would they? The RGA is an organization capable of raising over \$100 million per year. Part of the reason the RGA created ASA as a new entity is likely that, when the inevitable fines come, they can claim large reductions based on ASA being a "first time filer." They will do this despite the fact that the RGA and its principals, including Mr. Rexrode, have been involved in APOC violations in the past.

In 2018, the RGA was involved in multiple violations through Families for Alaska's Future ("FFAF).²⁷ Although they properly set up FFAF as an external entity with its own EIN and structure that year, they nonetheless used the RGA itself to conceal information from voters. Like they did this year, the RGA undertook expenditures without first registering as an I.E. Group.²⁸ In fact, they made expenditures amounting to approximately \$1.5 million of television reservations without registering and, after forming FFAF months later, transferred those reservations over to the entity. Why did they do this? To hide those reservations from the public, and because ultimately the fines for the behavior were a rounding error to them—only \$8,900 *total* was imposed against the RGA and FFAF for a scheme implicating over one million dollars. Certainly, they spent tens of thousands litigating the issue through the Alaska Supreme Court, but such amounts are still dwarfed by the RGA's overall budget. It's just the cost of doing business, and of course the bill, and the disclosures attached to it, did not come due until long after Election Day.

Today, the Commission knows—from the evidence and testimony—that the same two people who run the RGA, run ASA. The Commission knows the funds never left RGA control and that the RGA itself directed and paid every expenditure at issue. Commissioners asked these two individuals, "why didn't the RGA just register?" They refused to answer, but the only plausible explanation is that this scheme was created for the parallel reasons of: 1) keeping the \$3 million completely under their control, regardless of what the reports showed; and 2) creating an additional barrier to the public regarding the sources of ASA's campaign resources.

²⁶ See discussion of AO 21-11-CD and AO 22-01-CD, supra.

²⁷ See e.g. Order in Complaint No. 18-12-CD (Finding FFAF intentionally manipulated audio disclaimers such to make them inaudible—a violation for which they were fined just \$900).

²⁸ See Republican Governors Association v. Alaska Public Offices Commission, 485 P.3d 545 (Alaska 2021).

This is not a criminal case, and the Commission has more flexibility regarding how evidence is considered. The Commission is allowed to infer that the purpose of this scheme was to undermine public access to campaign finance information—and providing such information is APOC's primary mission. This inference is corroborated by the fact that the RGA are repeat offenders. Again and again, this organization has looked for ways to evade, bend, or just break the rules, all in the name of delaying or obscuring disclosure. Mr. Rexrode himself provided an affidavit in the 2018 proceeding saying he believed the RGA's prohibited activities were just fine.

This must stop, and it must stop now, *before* Election Day. If the Commission is to allow this behavior, what's to stop the RGA or any other entity from creating six or seven such subaccounts? They could all report donations to one another, all while the funds stay firmly under the control of the parent entity, thus confusing voters and obscuring information. Worse still, the RGA has created a blueprint for evading any future changes to campaign finance law. When another change tightens campaign disclosure loopholes, what's to stop the RGA or any other entity from transferring \$50 million within itself to a subaccount before the effective date? They could create a series of grandfathered slush funds immune from any future changes to campaign finance law. Such fictions and blatant manipulations of APOC's statutes cannot be allowed. What happened in *this* case cannot be allowed.

Complainants implore the Commission to uphold both the spirit and the letter of its laws by taking immediate injunctive measures against the RGA for flouting of their statutory obligations to be transparent and honest with Alaska's voters.

> CASHION GILMORE & LINDEMUTH Attorneys for Complainants

DATE: October 24, 2022

By:

Scott M. Kendall Alaska Bar No. 0405019 Samuel G. Gottstein Alaska Bar No. 1511099

Certificate of Service

I hereby certify that on October 24, 2022, I emailed a copy of the foregoing to:

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By: <u>/s/ Jennifer Ditcharo</u>

This communication was paid for by A Stronger Alaska, Dave Rexrode, Chairman, 1747 Pennsylvania Ave, NW STE 250 Washington, D C 2006. The top contributors of A Stronger Alaska are Republican Governors Association, Washington, D C. David Rexrode, Chairman, approves this message. AMAJORTIV OF CONTRIBUTIONS TO A Stronger Alaska CAME FROM OUTSIDE THE STATE OF ALASKA.

1747 Pennsylvania Ave, NW STE 250 Washington, DC 20006



Mike Dunleavy

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Our Second Amendment Rights aren't negotiable. That's why Governor Dunleavy has helped enshrine Alaska as a Second Amendment sanctuary state and has refused to enforce any.





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MIKE DUNLEAVY

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Vote Mike Dunleavy for Governor Tuesday, November 8th



Page 1 of **Exhibit**



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Structure Approved by AOs 22-01-CD and 21-11-CD



Structure Used by RGA

