

Commissioner of Political Practices
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www.politicalpractices.mt.gov

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Campaign Finance and Practices

Complaint Form (10/09)

Type or print in ink all information on this form except for verification signature

Person bringing complaint (Complainant):

Complete Name PAUL LANDSGAARD
Complete Mailing Address 1627 W. MAIN #260
BOZEMAN, MT 59715
Phone Numbers: Work 406-581-2216 Home 406-581-2216

Person or organization against whom complaint is brought (Respondent):

Complete Name Senator Jim Peterson- 801 Peterson Ranch Lane, Buffalo, MT 59481
Complete Mailing Address Dan and Staci Wilks- 425 Country Rd. 168, Cisco, TX 76437
Farris and Joann Wilks- 2511 COUNTRY Rd. 169, Cisco, TX 76437
Phone Numbers: Work _____ Home _____

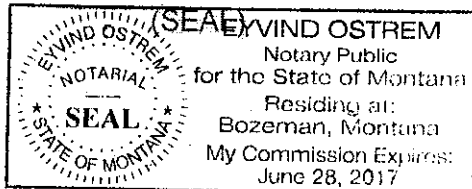
Please complete the second page of this form and describe in detail the facts of the alleged violation.

Verification by oath or affirmation

State of Montana, County of GALLATIN

I, PAUL K LANDSGAARD, being duly sworn, state that the information in this Complaint is complete, true, and correct, to the best of my knowledge and belief.

Paul K Landsgaard
Signature of Complainant



Subscribed and sworn to before me this 14th day of February, 2014.

[Signature]
Notary Public

My Commission Expires:

This is a complaint that state Senator Jim Peterson of 801 Peterson Ranch Lane, Buffalo, MT 59418 who together with Dan Wilks of 425 Country Rd. 168, Cisco, TX 76437 and Farris Wilks of 2511 Country Rd. 169, Cisco, TX 76437 and their wives Staci and Joann violated Montana campaign finance laws.

From viewing reports and other information I believe violations of campaign finance laws took place during the 2012 legislative elections. Senator Jim Peterson advised billionaire brothers Dan and Farris Wilks, who, together and with their wives, gave over \$50,000 to Republican candidates in Montana running for the legislature and other state offices. Under Montana law (13-1-101(22) a:

(22) "Political committee" means a combination of two or more individuals or a person other than an individual who makes a contribution or expenditure:

(a) to support or oppose a candidate or a committee organized to support or oppose a candidate or a petition for nomination;

It is clear from reviewing the reports filed with your office (see attached), that Dan and Farris Wilks, together with their wives, made numerous contributions in a very systematic and organized way. I believe an investigation by your office will reveal an intricate plan orchestrated using the expertise, advice and influence of state Senator Jim Peterson. In providing assistance and advice to the Wilkses, Peterson negligently or intentionally ignored important provisions of Montana campaign finance law that resulted in the accumulation and systematic dissemination of over Fifty Thousand Dollars (\$50,000) to small Montana campaigns and in doing so resulted in numerous violations of Montana law; including, but not necessarily limited to:

- Failure to file a C-2 statement of organization as a political committee, 13-37-201;
- None of the Wilkses meet the qualification for being a treasurer in that none are registered Montana voters and did not establish a Montana depository, 13-37-203 or 205;

- Jim Peterson should have registered as a treasurer for them and filed their reports because, of those directly involved, he was the one with necessary qualifications;
- They did not comply with the provisions for reporting as a Montana committee (Secs. 13-37-207, 208, 216, 225, 226, or disclosure provisions of 13-37-226, 228, 229, and 230;
- Alternatively they did not comply with provisions for filing as nonresident political committees as required and permitted under 13-37-227 and ARM 44.10.413;
- They systematically exceeded contribution limits in legislative races by over \$32,000 violating 13-37-216; and, it appears
- Jim Peterson willingly Aided and Abetted the Wilkes, as well as directly participated in numerous violations of Montana's campaign finance laws.
- Per the recent position taken by you as Commissioner this matter should be adjudicated and when convicted Peterson should, and according to you must, be removed from office.

Your investigation will reveal the method of delivering at least some of the contributions to candidates went something like this:

A candidate would receive an envelope directly from Senator Jim Peterson with four checks inside and a note (from the Senator). The envelope contained two checks that were from Don or Staci Wilkes, each in the amount of \$160, and two checks from Farris and Joann Wilkes in the amount of \$160 each. A note (from Jim Peterson to the Republican candidate) explained 'the Wilkses were large landowners in central MT' that 'want to help us keep our majorities in the legislature.'

Obviously, they made collective contributions to influence election results in order to establish a favorable Republican legislative majority. The influence and assistance of Senator Peterson had a significant value in addition to the assembling and systematic distribution of maximum contribution amounts by the FOUR individuals involved--FIVE when you count Senator Peterson, as one must.

Senator Peterson (and anyone who assisted him) is guilty of aiding and abetting with respect to each violation because he knew or certainly should have known that his assistance and counsel contradicted established law. Senator Peterson has a long political history in Montana. He has run several campaigns for political office where he was required to understand the law and properly report campaign activity.

Montana has a long history of protecting the sanctity of our elections from wealthy corporations and individuals. We've been leery of out-of-state interests eager to abuse our political system to exploit our abundant natural resources for their own financial gain.

The Corrupt Practices Act was enacted a century ago. In 1995 we placed limits on contributions, and in 2012 Montanans reaffirmed a willingness to guard elections from undue influence by special interests, corporations and wealthy individuals. Low contribution limits level the playing field and gives us all a voice in our government. It only works if everyone abides by the letter, and spirit, of the law. Most certainly, that should include a man like Jim Peterson who, at the time, was even the President of the Montana State Senate. Our Governor supposedly champions these causes with Senator Peterson.

During the 2012 election two billionaire Texas frackers, and their Texas wives, funneled \$51,000 into 70 Montana state legislative and statewide races. Why? Because state legislatures pass the laws that regulate fracking.

The contributions all occurred within one reporting period (see candidate reports for October 25, 2012) during the Fall just before the general election. Contributions were generally delivered in bundles. All appear to be for the maximum of \$160. Making \$640 to each candidate which is about 10% of the average cost to run a legislative race in Montana. More importantly its \$480 more than they were legally allowed to contribute.

While they could have acted independently, and without third-party assistance, like everyone else, they clearly did not. When their effort to make substantial contributions in an organized and systematic fashion to intentionally influence election results in Montana

involved two or more individuals they began acting like a political committee, and they were, in fact, one. While husbands and wives probably do make contributions from joint accounts if its done knowingly by both, there is no brother exclusion, especially when you are billionaire brother business partners, and there's certainly no sister-in law or brother-in law exclusion. AND MOST IMPORTANTLY THOSE TYPES OF TRANSACTIONS DON'T REQUIRE A THIRD PARTY FACILITATOR THAT JUST HAPPENS TO BE THE MOST POWERFUL MAN IN THE MONTANA STATE SENATE.

Once they became a political committee they were subject to the reporting requirements and limits the law places on everyone. Just like any Montanan coming together with their own business partner, friend, neighbor or, yes, a relative. Even in those cases the Montanans do not engage the services of a bagman.

Pursuant to Montana administrative rule 44.10.327 the Wilkses should have been advised, by Peterson, that their actions qualify them as an "independent political committee." (See 44.10.327(2)(b). More specifically, pursuant to (2)(b)(i) they were a "political action committee" because they were "two or more individuals attempting to influence the results of an election" by contributing their money for supporting candidates upon which they agreed.

Senator Peterson has been involved in Montana political campaigns for well over thirty years either as a political lobbyist (that probably had a PAC), a legislator (heavily involved in campaign finance and compliance laws) or as a candidate (responsible for understanding and reporting contributions and expenditures). He knows we have laws.

Montana law intentionally adopted low limits, and placed restrictions on the overall amount our candidates can accept from people acting in connection with one another (a.k.a. political action committees). For wealthy individuals this must be frustrating. I wish all Montanans could experience this frustration.

Senator Peterson knows better yet it seems he either intentionally or negligently contrived a method that provided away to circumvent Montana's contribution limits, and in my opinion he ignored the most fundamental and basic provisions of Montana law.

Attempts might be made to justify these actions by characterizing them as being no different than the common practice where spouses send contributions drawn on joint checking accounts without creating a committee. But even this commonly accepted practice has rules and limits. Furthermore, no such common exception exists for siblings or any other close family members. In fact, the only real exception is candidates and their treasurers don't become political committees.

If it looks like a duck, and quacks like a duck, we have at least to consider the possibility that we have a small aquatic bird of the family anatidae on our hands.

Douglas Adams

I believe that following careful review and investigation by your office you too will conclude that what we have here is, what anyone familiar with the West, and its Code, would call a Duck!

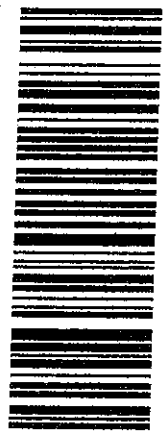
Sincerely,

Paul K Landsgaard

Candidate	PARTY	Dan		Ferris		Joane		Staci	
		Wilks Amount	DATE If Listed	Wilks Amount	DATE If Listed	Wilks Amount	DATE If Listed	Wilks Amount	DATE If Listed
TUTVEDT	R	160		160		160		160	
TAYLOR	R	160		160		160		160	
FIELDER	R	160		160		160		160	
RIPLEY	R	160		160		160		160	
McKamey	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
Richman	R	160	10/8/12	160	10/8/12	160	10/8/12	160	10/8/12
BRENDEN	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
ROSENDALE	R	160		160		160		160	
BROWN	R	160	9/25/12	160	9/25/12	160	9/25/12	160	9/25/12
ARNTZEN	R	160		160		160		160	
BARRETT	R	160		160		160		160	
BENNETT	R	160		160		160		160	
CUFFE	R	160		160		160		160	
REGIER	R	160		160		160		160	
GLIMM	R	160	9/2/12	160	8/29/12	160	8/29/12	160	9/25/12
BRODHEL	R								
LAVIN	R	160	9/25/12	160	9/25/12	160	9/25/12	160	9/25/12
BLASDEL	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
HERTZ	R	160	9/24/12	160	9/24/12	160	9/24/12	160	9/24/12
SOLOMON	R	160		160		160		160	
INGRAHAM	R	160	9/20/12	160	9/20/12	160	9/20/12	160	9/20/12
SCHWADERER	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
EVANS	R	160	9/5/12	160	9/23/12	160	9/23/12	160	9/5/12
CLARK	R	160	9/24/12	160	9/24/12	160	9/24/12	160	9/24/12
O'HARA	R	160		160		160		160	
HAGAN	R	160		160		160		160	
FITZPATRICK	R	160		160		160		160	
HOVEN	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
LONEY	R	160		160		160		160	
COOK	R	160	10/1/12	160	10/1/12	160	10/1/12	160	10/1/12
HOLLANDSWORTH	R	160	9/14/12	160	9/14/12	160	9/14/12	160	9/14/12
OSMUNDSON	R	160		160		160		160	
HARRIS	R	160		160		160		160	
HANSEN	R	160	9/14/12	160	9/14/12	160	9/14/12	160	9/14/12
WARBURTON	R	160	9/27/12	160	9/27/12	160	9/27/12	160	9/27/12
LANG	R	160	9/21/12	160	9/21/12	160	9/21/21	160	9/21/12
KNUDSEN	R	160		160		160		160	
HALVORSON	R	160		160		160		160	
DOANE	R	160		160		160		160	
RANDALL	R	160	9/30/12	160	9/30/12	160	9/30/12	160	9/30/12
ANKNEY	R	160	9/14/12	160	9/14/12	160	9/14/12	160	9/14/12
McNIVEN	R	160		160		160		160	
BERRY	R	160		160		160		160	
FISCUS	R	160	10/5/12	160	10/5/12	160	10/5/12	160	10/5/12
ZOLNIKOV	R	160		160		160		160	
KARY	R	160		160		160		160	
LENZ	R	160	9/26/12	160	9/26/12	160	9/26/12	160	9/26/12
LASZLOFFY	R	160		160		160		160	
HAGSTROM	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
SMITH	R	160		160		160		160	
JONES	R	160		160		160		160	

Candidate	PARTY	Dan		Ferris		Joane		Staci	
		Wilks Amount	DATE If Listed	Wilks Amount	DATE If Listed	Wilks Amount	DATE If Listed	Wilks Amount	DATE If Listed
HOWARD	R	160		160		160		160	
REDFIELD	R	160	9/21/12	160	9/21/12	160	9/21/12	160	9/21/12
SKATTUM	R	160		160		160		160	
BURNETT	R	160		160		160		160	
VANCE	R	160		160		160		160	
WASHBURN	R	160		160		160		160	
WHITE	R	160	9/27/12	160	9/27/12	160	9/27/12	160	9/27/12
SHAW	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
WELLBORN	R	160		160		160		160	
GIBSON	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
BANGERTER	R	160	9/19/12	160	9/19/12	160	9/19/12	160	9/19/12
GALT	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12
MILLER	R	160	9/14/12	160	9/14/12	160	9/14/12	160	9/14/12
PERKINS	R	160	9/20/12	160	9/20/12	160	9/20/12	160	9/20/12
CONNELL	R	160	9/22/12	160	9/22/12	160	9/22/12	160	9/22/12
EHLI	R	160	9/24/12	160	9/24/12	160	9/24/12	160	9/24/12
BALLANCE	R	160	9/5/12	160	9/5/12	160	9/5/12	160	9/5/12
GREEF	R	160	9/29/12	160	9/29/12	160	9/29/12	160	9/29/12
EDMONDS	R	160	9/5/12	160	8/29/12	160	8/29/12	160	9/5/12

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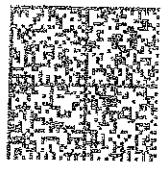
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