



## CITIZEN OUTREACH

*Putting the Public Back in Public Policy*

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February 2, 2019

Hon. Barbara Cegavske  
Nevada Secretary of State  
101 N. Carson Street, Suite 3  
Carson City, NV 89701

### VIA EMAIL

To Whom It May Concern:

According to the "Report Potential Election Law Violation In Nevada" page of the Nevada Secretary of State's [website](#)...

*"The Secretary of State's Office oversees Nevada's Elections and is constantly monitoring elections activities. However, we also rely on the help of citizens to report violations of Title 24 (Nevada's Elections Laws) of the Nevada Revised Statutes. To facilitate this process, the Secretary of State has developed a statewide complaint system to address allegations involving a violation of any provision of Title 24.*

*"To initiate the process, a formal complaint must be received by the Secretary of State, and identify the person making the complaint. The complaint must set forth the alleged violation of law and identify the party responsible for the violation, as well as set forth dates and times of specific occurrences, if practicable. Upon receiving the formal complaint in the Secretary of State's office either by conventional mail, email, facsimile or hand delivery, the Secretary of State's office shall begin the resolution process.*

*"Under this process any person may file a complaint who believes that there has been a violation, a violation is occurring, or a violation will be occurring related to any provision Title 24. These procedures shall be uniform and non-discriminatory. If under these procedures the Secretary of State determines that there is a violation, an appropriate remedy shall be provided to the extent permitted by law. If the Secretary of State determines that the complaint does not allege a violation, the Secretary of State may*

*dismiss the complaint or refer it to the proper agency for resolution. The complainant will be notified of any action taken by the Secretary of State.”*

By this letter, I am hereby filing a formal complaint and requesting an official investigation by the Nevada Secretary of State of what appears to be violations of campaign finance reporting requirements by the End Trafficking and Prostitution (ETAP) political action committee in 2018.

As detailed below, I believe these reporting irregularities and suspected violations were willful, knowing and intentional by people who knew what they were doing. As such, should your investigation confirm such violations occurred I would respectfully request that the maximum fine and/or penalties be assessed as opposed to a simple “slap on the wrist.”

To start, the president and registered agent for ETAP PAC is listed on the published “State of Nevada Committee Registration Form” as Jason Guinasso, an attorney employed at the time of registration with the law firm of Hutchison and Steffan.

That law firm is co-owned by former Nevada Lt. Gov. Mark Hutchison.

As a former Nevada elected official and candidate for public office, as well as his law firm’s well-known involvement in a number of government-related legal actions – [including](#) “serving as legal counsel to the recall committees against Sens. Joyce Woodhouse and Patricia Farley” – Mr. Hutchison and his firm are very well acquainted with Nevada law and requirements as it relates to campaign finance reporting.

In addition, Mr. Guinasso is currently the chairman of the Nevada State Public School Charter Authority and was himself a candidate for public office in 2016 when he unsuccessfully ran for a State Assembly Seat (District 26 in Washoe County). So he is decidedly not a political novice.

In reviewing Mr. Guinasso’s [campaign finance reports](#) for 2016, it is clear he was fully aware of and fully understood the filing requirements. Specifically, his reports detail required disclosures for both “This Period” and “Cumulative From Beginning of Report Period #1 through End of This Reporting Period.”

More specifically, and as it relates to this investigation request, it is clear that Mr. Guinasso understood the reporting requirements as they relate to “cumulative” contributions which exceed the disclosure threshold. For example...

On [Report #1](#) Mr. Guinasso disclosed a pair of \$50 donations made on March 30 2016 by Kelly Borelli of Incline Village. Individually, a \$50 donation would not trigger the requirement to fully disclose Ms. Borelli’s identity; however, when added together the two donations “cumulatively” exceeded the \$100 threshold necessitating the reporting disclosure.

This example clearly demonstrates that Mr. Guinasso, dating back to his campaign for office in 2016, was fully aware of the law regarding donation disclosures as it relates to cumulative totals.

Which brings us to the campaign finance reports submitted by Mr. Guinasso and ETAP PAC for 2018, which were signed by PAC Secretary/Treasurer Bernadette Fancis who, by signing and submitting, agreed to the following terms and conditions...

*"I declare, under penalty of perjury or under an oath to God, that the information I submitted herein to the Secretary of State for the State of Nevada is true and correct, and is not submitted for any improper purpose, and that I am authorized to submit the information, and to the best of my knowledge complies with NRS Chapter 294A. I have reviewed the NRS 225.083 Notice. I understand it is unlawful to submit any illegal, unauthorized, fraudulent, forged, deceptive, defamatory, illicit, or improper information, as defined by state and federal law, to the Secretary of State, and agree to indemnify the Secretary of State, and any other parties entitled thereto, for any damages incurred for any unlawful, unauthorized, fraudulent, forged, deceptive, defamatory, illicit, or improper information, as defined by the federal and state law, submitted to the Secretary of State by my use of this electronic filing system. I further understand that I may be subject to criminal (NRS 239.330) and/or civil (NRS 225.084) penalties for submitting any unlawful unauthorized, fraudulent, forged, deceptive, defamatory, illicit, or improper information, as defined by federal and state law. I understand and agree that all information submitted is the property of the Secretary of State, and may be monitored for all lawful purposes. I further understand that during such monitoring, all information, including personal information placed on this system, may be examined, copied, and used for any authorized purpose. By submitting this report I intend to identify myself as the authorized person signing this document and with the present intent to authenticate my signature as such."*

As detailed in the attached Muth's Truths [column](#) ("**BREAKING: Lyon County Anti-Brothel Initiative Secretly Bankrolled by Elected Official**"), a pair of contributions from Alvin McNeil were made in 2018 which, cumulatively, exceeded the \$1,000 threshold requiring disclosure of the identity of the donor.

The first donation of \$500 was made on April 13, 2018 and the second for \$999 was made on August 30, 2018.

Combined the two donations totaled \$1,499 - well above the amount requiring disclosure on Report #3, Report #4 and Report #5 in the "Cumulative From Beginning of Report Period #1 through End of This Reporting Period" column on each report. However, this required disclosure was omitted on each of those reports.

Because of the nature, experience and ownership of the law firm Mr. Guinasso was employed by, as well as Mr. Guinasso's experience as a lawyer and a candidate for public office in Nevada, I would suggest this omission was both knowing and willful – especially in light of the fact that Mr. Guinasso himself previously reported similar "cumulative" donations for his Assembly race in 2016 that exceeded the disclosure threshold.

I would further suggest that the unusual amount of the second donation of \$999 - exactly one dollar (\$1.00) under the disclosure "trigger" amount – that both the donor and the PAC colluded in an intentional effort to hide the donor's identity from the public before the election on November 6, 2018 due to the donor's elected position as sheriff of Lyon County and his duties in regulating and enforcing the county's brothel ordinances.

The purpose of Nevada's "Political Contributions & Expenses Reports" is to assure that the voting public has the information necessary to make a fully informed decision at the ballot box.

It's clear that in this case the public was denied extremely relevant and potentially explosive information related to Mr. McNeil's financial support for a ballot measure directly affecting the public office he held and in which he had extensive regulatory power.

I can only imagine the damage that would have been done to the businesses that would have been affected, as well as the lives of the workers at those businesses, had Lyon County Question 1 been approved without the voters of Lyon County knowing of their sheriff's financial and other support of it.

Thankfully, the question was overwhelmingly defeated.

Nevertheless, the suspected campaign finance reporting violations are both egregious and outrageous and should shock the conscience of the citizens of Lyon County specifically, as well as the citizens of Nevada generally.

As such, I would again suggest that - should your investigation determine that such violations did, in fact, take place - an example be made by assessing the maximum penalties allowed to deter such "deceptive" and "improper" actions by others in the future.

I would further suggest that, in light of the apparent reporting deceptions already uncovered, that ETAP PAC be required to provide your office with full and complete bank statements for each month in 2018 to assure that any other potential violations of the reporting requirements haven't been hidden from the public.

Lastly, I do not know if the actions of Mr. Guinasso and/or Mr. McNeil rise to the level of an ethics and/or criminal violation. But I am copying the attorney general's office, the state ethics commission and the Nevada Bar Association on this complaint and ask that they review it, as well, for possible additional action.

Should you require more information or have any questions, please feel free to contact me.

Respectfully yours,



Chuck Muth

Enclosure: Election Integrity Violation Report  
Muth's Truths column

cc: Nevada Attorney General  
Nevada Commission on Ethics  
State Bar of Nevada