

EDWARD C. NUCCI  
Acting Chief, Public Integrity Section

NICHOLAS A. MARSH  
EDWARD P. SULLIVAN  
Trial Attorneys  
Public Integrity Section  
United States Department of Justice  
1400 New York Ave. NW, 12th Floor  
Washington, DC 20005  
(202) 514-1412

JOSEPH W. BOTTINI  
JAMES A. GOEKE  
Assistant U.S. Attorneys  
District of Alaska  
Federal Building & U.S. Courthouse  
222 West Seventh Avenue, Room 253, #9  
Anchorage, Alaska 99513-7567  
(907) 271-5071

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ALASKA**

UNITED STATES OF AMERICA,	)	No.
	)	
Plaintiff,	)	<u>COUNT 1:</u>
	)	CONSPIRACY TO COMMIT EXTORTION
vs.	)	UNDER COLOR OF OFFICIAL RIGHT,
	)	BRIBERY, AND MONEY LAUNDERING
THOMAS T. ANDERSON,	)	Vio. 18 U.S.C. § 371
	)	
Defendant.	)	<u>COUNT 2:</u>
	)	INTERFERENCE WITH COMMERCE BY
	)	EXTORTION INDUCED UNDER COLOR OF
	)	OFFICIAL RIGHT
	)	Vio. 18 U.S.C. § 1951(a) and § 2
	)	
	)	<u>COUNT 3:</u>
	)	BRIBERY CONCERNING PROGRAMS
	)	RECEIVING FEDERAL FUNDS
	)	Vio. 18 U.S.C. § 666(a)(1)(B) and § 2
	)	
	)	<u>COUNTS 4-6:</u>
	)	MONEY LAUNDERING
	)	Vio. 18 U.S.C. § 1956(a)(1) and § 2
	)	
	)	<u>COUNT 7:</u>
	)	INTERFERENCE WITH COMMERCE BY
	)	EXTORTION INDUCED UNDER COLOR OF
	)	OFFICIAL RIGHT
	)	Vio. 18 U.S.C. § 1951(a) and § 2

---

**INDICTMENT**

The Grand Jury charges that:

**COUNT ONE**

**CONSPIRACY TO COMMIT EXTORTION UNDER COLOR OF  
OFFICIAL RIGHT, BRIBERY, AND MONEY LAUNDERING  
(18 U.S.C. § 371)**

**General Allegations**

At all times material to this Indictment:

1. THOMAS T. ANDERSON (hereinafter "ANDERSON"), was an elected member of the Alaska House of Representatives. ANDERSON represented District 19, located in Anchorage. ANDERSON was first elected to the House of Representatives in November 2002, and was re-elected in November 2004.

2. Alaska Strategic Consultants was an Alaska limited liability corporation that was owned by ANDERSON. ANDERSON established Alaska Strategic Consultants on November 9, 1999. ANDERSON maintained a business bank account for that entity at Wells Fargo Bank, a bank whose business affected interstate commerce, and was the sole signatory on the account.

3. A company known to the grand jury but unnamed (hereinafter referred to as "Corrections Company") was a corporation headquartered in a State other than the State of Alaska and engaged in the business of building and managing privately-owned prisons, halfway houses, and other types of correctional and treatment facilities. Corrections Company had multiple interests within the state of Alaska, including, without limitation: (1) a series of halfway houses in the Anchorage area that provided services to the State; (2) a planned juvenile treatment facility to be

built in Anchorage; and (3) a planned privately-operated state prison, which was to be built in Alaska and operated by Corrections Company.

4. "CS-1" was an individual operating as a Confidential Source for the Federal Bureau of Investigation ("FBI"). CS-1 made monetary payments to ANDERSON and Lobbyist A, identified below, with money provided to CS-1 by the Federal Bureau of Investigation. At various times, CS-1 also worked as a lobbyist for Corrections Company.

5. Lobbyist A was a lobbyist who had a contract to provide lobbying services for Corrections Company. Lobbyist A, whose lobbying efforts for Corrections Company related primarily to the planned juvenile treatment facility to be built in Anchorage, frequently worked with CS-1 on matters related to Corrections Company.

6. Pacific Publishing was an Alaska corporation created by Lobbyist A on or about August 2, 2004. At various times, the co-conspirators also referred to Pacific Publishing as "Pacific Publications" and "Alaska Publishing." Pacific Publishing had a business bank account at Wells Fargo Bank, a bank whose business affected interstate commerce.

7. The Alaska Public Offices Commission ("APOC") was an agency of the Alaska state government that, among other duties, received and retained financial disclosure forms filed by members of the Alaska State Legislature during their service. Under Alaska state law, every current member of the Alaska State Legislature was required to file a financial disclosure form each year.

### **The Conspiracy**

8. Beginning in or about July 2004 and continuing until in or about March 2005, in the District of Alaska and elsewhere, the defendant, THOMAS T. ANDERSON, an elected public

official of the Alaska State Legislature, together with Lobbyist A, and others both known and unknown to the grand jury, did knowingly and unlawfully conspire, confederate, and agree together and with each other:

- (A) to obstruct, delay and affect in any way and degree commerce and the movement of articles and commodities in commerce by extortion, that is, to unlawfully obtain under color of official right money from another with his consent for ANDERSON and Lobbyist A not due ANDERSON or his office, in agreement for the performance of official acts, in violation of Title 18, United States Code, Section 1951(a);
- (B) to corruptly solicit, demand, agree to accept, and accept a thing of value of \$5,000 or more for ANDERSON while an agent for the State of Alaska, an entity that received more than \$10,000 in federal funding during calendar year 2004, with the intent that ANDERSON would be influenced and rewarded in connection with any business, transaction or series of transactions of the State of Alaska, in violation of Title 18, United States Code, Section 666 (a)(1)(B); and
- (C) to knowingly conduct a financial transaction which involved the proceeds of specified unlawful activity, that is, violations of Title 18, United States Code, Sections 1951(a) and 666(a)(1)(B), with the intent to promote the carrying on of specified unlawful activity, and knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, and that while conducting said financial transaction knew that the funds involved in the financial transaction

represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i) and (B)(i).

#### **Goals of the Conspiracy**

9. It was a goal of the conspiracy for ANDERSON to receive money in exchange for agreeing to perform, and ultimately performing, official acts as a member of the Alaska State Legislature, for the purpose of enriching himself and advancing the business interests of Corrections Company within the State of Alaska.

10. It was a further goal of the conspiracy to structure the payments to ANDERSON through a shell corporation – Pacific Publishing – as a means of concealing the motivation for ANDERSON’s agreement to perform and attempted and eventual performance of official acts on behalf of Corrections Company and concealing from APOC, the State of Alaska and its citizens the true nature and source of the monetary payments.

#### **Manner and Means of the Conspiracy**

11. ANDERSON and his co-conspirators executed the conspiracy by agreeing to create and use a shell corporation, Pacific Publishing, which ANDERSON and Lobbyist A would use to receive and distribute the monetary payments from CS-1 while simultaneously concealing the true nature and origin of those payments. In exchange for the payments, ANDERSON agreed to perform, and ultimately did perform, official acts to benefit CS-1 and Corrections Company. In furtherance of the conspiracy, Lobbyist A created Pacific Publishing to construct and operate an internet-based website that ostensibly would contain information and articles concerning state and local politics in Alaska and for which ANDERSON would purportedly write articles.

12. In actuality, Pacific Publishing simply served as a conduit through which ANDERSON received illegal payments from CS-1. These payments from CS-1 to Pacific Publishing were disguised as fees for banner advertising on the website for Corrections Company. ANDERSON in fact wrote no articles for Pacific Publishing. Pursuant to the conspiracy, CS-1 wrote checks totaling \$24,000 to Pacific Publishing. Lobbyist A then in turn passed a portion of the money onto ANDERSON as payment for his agreement to perform official acts to benefit business interests of Corrections Company. ANDERSON then falsely reported the receipt of his payments from CS-1 on his annual financial disclosure form for calendar year 2004.

13. ANDERSON agreed to perform, attempted to perform, and performed official acts as a member of the Alaska State Legislature in exchange for the illegal payments from CS-1 through Lobbyist A in order to further Corrections Company's business projects. ANDERSON performed the following acts to execute the conspiratorial agreement: securing positions on specific legislative committees and subcommittees; agreeing to vote for legislation concerning the private corrections project; lobbying other elected public officials to support the same legislation; writing letters; contacting public officials; speaking publicly at a public hearing on behalf of Corrections Company's business projects; and other similar official acts.

#### **OVERT ACTS**

14. In furtherance of the conspiracy, and in order to effect its objects, the co-conspirators committed, among others, the following overt acts in the District of Alaska and elsewhere:

15. On or about July 16, 2004, in a recorded conversation, Lobbyist A asked CS-1 to consider whether they could "try with [Corrections Company] to help out TOM ANDERSON."

16. On or about July 21, 2004, in a recorded conversation, Lobbyist A met with CS-1 and told CS-1 that ANDERSON and Lobbyist A were “forming kind of like a partnership,” that Lobbyist A and ANDERSON were “pitching a bunch of people” to try to get money for ANDERSON, and “what would be great is if I [Lobbyist A] could get [Corrections Company] to hire TOM ANDERSON through me,” and that in exchange for money “[ANDERSON would] [b]e our boy in Juneau.”

17. Between in or about late July 2004 and early August 2004, Lobbyist A and CS-1 decided that: (a) Lobbyist A would create a shell corporation, Pacific Publishing, that would purport to construct and operate an internet-based website that would provide information and articles concerning state and local politics in Alaska; (b) CS-1 would pay \$24,000 in three equal installments of \$8,000 to Pacific Publishing, but record those payments for a “banner advertisement” on the website for Corrections Company; and (c) Lobbyist A would take the money from CS-1 and pay ANDERSON through Pacific Publishing so that “[ANDERSON] doesn’t have to report any of my clients, just the money that he gets paid by a company that he writes the column for.”

18. Between in or about late July 2004 and early August 2004, Lobbyist A and CS-1 discussed how, in exchange for monetary payments from CS-1, ostensibly on behalf of Corrections Company, ANDERSON would take official acts as a member of the Alaska State Legislature in order to further Corrections Company’s business projects, including, without limitation: securing positions on specific legislative committees and subcommittees; voting for legislation concerning the private Corrections project; lobbying other elected public officials to support the same legislation; and other similar official acts.

19. On or about July 28, 2004, in a recorded conversation between ANDERSON, Lobbyist A, and CS-1 in Anchorage, ANDERSON told CS-1 that ANDERSON could become a member of any Alaska House of Representatives subcommittees that ANDERSON “needed to be” a member of to benefit CS-1 and Corrections Company.

20. On or about July 29, 2004, in a recorded conversation, Lobbyist A reassured CS-1 that ANDERSON would take official acts in exchange for the monetary payments from CS-1, stating that “[i]f I was a Soviet spy and I was looking for a legislator to recruit...[ANDERSON]’d be the one I’d get . . .[because ANDERSON] needs the money.”

21. On or about August 17, 2004, in a recorded conversation, ANDERSON told CS-1 that he would take official acts to help further Corrections Company’s interests within the state of Alaska, in exchange for \$24,000 in payments from CS-1 that needed to be paid to ANDERSON through Pacific Publishing, an entity that ANDERSON knew was a sham and was “not going to do anything for” Corrections Company.

22. On or about August 17, 2004, in the same recorded conversation, ANDERSON told CS-1 that he wanted the payments to go to Lobbyist A, and then through Pacific Publishing, because “no one can ever, if anyone ever says [unintelligible], I say, hey, I work for [Lobbyist A], I don’t know what the hell you’re talking about. . . . APOC only needs to know [Lobbyist A] pays me and then we’re always safe.”

23. On or about August 17, 2004, in the same recorded conversation, ANDERSON told CS-1 that he would “call [the Commissioner of the Department of Corrections] in October and say, ‘In November you better have [this feasibility study] done’” in response to CS-1 specifically

mentioning that Corrections Company needed immediate assistance on pushing the State of Alaska Department of Corrections to conduct a feasibility study concerning the potential for a private prison within the State.

24. On or about August 19, 2004, Lobbyist A received a check for \$8,000 from CS-1.

25. On or about August 21, 2004, Lobbyist A wrote a check, drawn on the bank account of Pacific Publishing, made payable to Alaska Strategic Consultants in the amount of \$3,328.

26. On or about August 23, 2004, ANDERSON deposited the \$3,328 check into the Alaska Strategic Consultants bank account.

27. On or about October 20, 2004, in a recorded conversation, ANDERSON told CS-1 that ANDERSON would become a member of two particular House of Representatives subcommittees for the 2005 session of the Alaska State Legislature: Corrections and Health and Social Services ("HESS"), which CS-1 previously had told ANDERSON he needed to join in order to assist Corrections Company.

28. On or about October 20, 2004, in a recorded conversation, ANDERSON asked CS-1 to draft a letter for ANDERSON to send to the Commissioner of Department of Corrections and then send the letter to ANDERSON's personal email account with America Online ("AOL") in response to CS-1 asking ANDERSON to send a letter to the Commissioner of the State of Alaska Department of Corrections that advocated for certain benefits to halfway houses operated by Corrections Company, and for ANDERSON to request a meeting with the Commissioner to discuss the issue.

29. On or about October 20, 2004, in the same recorded conversation, ANDERSON stated, "Awesome. Awesome. I appreciate it" in response to CS-1's statement to ANDERSON that

he had prepared a second \$8,000 check and planned to give that check to Lobbyist A later that day.

30. On October 21, 2004, ANDERSON faxed a letter, using letterhead from the Alaska State Legislature House of Representatives and in his capacity “[a]s a member of the House Finance Committee’s Corrections Sub-Committee,” from ANDERSON’s legislative office in Anchorage to the Commissioner of the State of Alaska Department of Corrections that described a problem concerning Anchorage-based halfway houses, and requested a meeting between ANDERSON and the Commissioner to discuss the issue.

31. On or about October 21, 2004, Lobbyist A wrote a check, drawn on the bank account of Pacific Publishing, made payable to Alaska Strategic Consultants in the amount of \$3,500.

32. On or about October 22, 2004, CS-1 personally gave a check for \$8,000, which was made payable to Pacific Publishing, to Lobbyist A.

33. On or about October 25, 2004, ANDERSON deposited the \$3,500 check into the Alaska Strategic Consultants bank account.

34. On or about October 29, 2004, ANDERSON met with the Commissioner of the State of Alaska Department of Corrections in ANDERSON’s legislative office in Anchorage to discuss matters relating to the halfway houses operated in Alaska by Corrections Company.

35. On or about November 16, 2004, in a recorded conversation between ANDERSON and CS-1, ANDERSON reassured CS-1 that ANDERSON would continue to take official acts in exchange for the money being paid to him by CS-1, including casting “votes in the legislature,” by stating:

ANDERSON: That’s why when you say, when you kinda giggle and say, ‘hey, TOM, we’re doing this to help you, it’s

really not for your web thing'...

CS-1: Right.

ANDERSON: ... but we have to have something.... I mean, unless you want me to [quit the legislature] and, you know, work for you. But no, you don't want that. You want votes in the legislature, I would assume.

CS-1: Of course.

36. On or about November 17, 2004, ANDERSON appeared at a public hearing in Anchorage, Alaska at CS-1's request concerning a Certificate of Need ("CON") that Corrections Company needed to obtain in connection with a proposed juvenile treatment facility to be operated by Corrections Company.

37. On or about November 17, 2004, while at that public hearing, ANDERSON, after identifying himself as Chairman of the Alaska State Legislature's Regulatory Review committee, told the attendees that ANDERSON hoped to have regulations and guidelines passed in connection with the CON, and further told the attendees that ANDERSON was not there on behalf of any entity seeking a CON.

38. On or about November 27, 2004, after Corrections Company ran into a problem concerning its plan to receive a CON from the State of Alaska Department of Health and Human Services for its proposed juvenile treatment facility, ANDERSON sent an email from his personal AOL email account to CS-1 that stated, "[i]n light of the recent decision by HESS to delay the CON issuance, please advise how I can assist."

39. On or about December 21, 2004, in a recorded meeting, ANDERSON discussed with CS-1 the CON that Corrections Company needed and told CS-1, "So we have to get the CON."

40. On or about December 21, 2004, ANDERSON accepted a check for \$8,000, made payable to Pacific Publishing, from CS-1.

41. On or about December 21, 2004, Lobbyist A wrote a check, drawn on the bank account of Pacific Publishing, made payable to Alaska Strategic Consultants in the amount of \$4,000.

42. On or about December 21, 2004, ANDERSON deposited the \$4,000 check into the Alaska Strategic Consultants bank account.

43. On or about January 24, 2005, ANDERSON, using his personal AOL email account, sent an email to CS-1 stating: "I noted your recommendation of the importance of HESS and Correction subcommittees to the Budget, and am now on them...." and "Let me know your concerns and I'll assist where necessary."

44. Between December 2004 and February 2005, ANDERSON asked an elected public official to contact the Commissioner of the Alaska Department of Health and Human Services on Corrections Company's behalf to get the CON process changed.

45. In or about February 2005, in a recorded meeting between ANDERSON, CS-1 and the elected public official identified in Paragraph 44, the elected public official confirmed that he/she had contacted the Commissioner of the Alaska Department of Health and Human Services to further the CON sought by Corrections Company at ANDERSON's request.

46. On or about March 15, 2005, ANDERSON made a required filing with APOC for calendar year 2004 in which ANDERSON falsely listed that he received \$10,000 in compensation

from Pacific Publishing and did not list either CS-1 or Corrections Company as providing ANDERSON with any money during calendar year 2004.

All in violation of Title 18, United States Code, Section 371.

**COUNT TWO**

**INTERFERENCE WITH COMMERCE BY  
EXTORTION INDUCED UNDER COLOR OF OFFICIAL RIGHT  
(18 U.S.C. § 1951(a) and § 2)**

47. Paragraphs 1 through 46 of Count One are realleged and incorporated by reference as though fully set forth herein.

48. Between in or about July 2004 and March 2005, in the District of Alaska and elsewhere, the defendant,

**THOMAS T. ANDERSON,**

an elected member of the Alaska State Legislature, did knowingly attempt to obstruct, delay and affect in any way and degree commerce and the movement of articles and commodities in interstate commerce by extortion, as those terms are defined in Title 18, United States Code, Section 1951; that is, ANDERSON and Lobbyist A unlawfully obtained from CS-1, with his consent under color of official right, \$24,000 not due ANDERSON or his office in agreement that ANDERSON would perform official acts in exchange for the monetary payments from CS-1.

All in violation of Title 18, United States Code, Sections 1951(a) and 2.

**COUNT THREE**

**BRIBERY CONCERNING PROGRAMS RECEIVING FEDERAL FUNDS  
(18 U.S.C. § 666(a)(1)(B) and § 2)**

49. Paragraphs 1 through 46 of Count One are realleged and incorporated by reference as though fully set forth herein.

50. In calendar years 2004 and 2005, the State of Alaska received in excess of \$10,000 from the United States government under Federal programs involving grants, subsidies, loans, guarantees, insurance, and/or other forms of Federal assistance.

51. Between in or about July 2004 and March 2005, in the District of Alaska and elsewhere, the defendant,

**THOMAS T. ANDERSON,**

an elected member of the Alaska State Legislature and an agent of the government of the State of Alaska, did knowingly and corruptly solicit, demand, accept, and agree to accept something of value of \$5,000 or more from CS-1, intending to be influenced and rewarded in connection with a business, transaction, or series of transactions of the State of Alaska.

All in violation of Title 18, United States Code, Sections 666(a)(1)(B) and 2.

**COUNTS FOUR THROUGH SIX**

**MONEY LAUNDERING  
(18 U.S.C. § 1956(a)(1)(A)(i), § 1956(a)(1)(B)(i) and § 2)**

52. Paragraphs 1 through 46 of Count One are realleged and incorporated by reference as though fully set forth herein.

53. On or about the dates listed below, in the District of Alaska and elsewhere, the defendant,

**THOMAS T. ANDERSON,**

did knowingly conduct and attempt to conduct the following financial transactions, that is, deposits of checks drawn on the Pacific Publishing bank account into the bank account of Alaska Strategic Consultants, affecting interstate commerce:

<b><u>Count</u></b>	<b><u>Amount</u></b>	<b><u>Date of Check</u></b>	<b><u>Check From</u></b>	<b><u>Deposited To</u></b>
FOUR	\$3,328.00	August 21, 2004	Pacific Publishing	Alaska Strategic Consultants
FIVE	\$3,500.00	October 21, 2004	Pacific Publishing	Alaska Strategic Consultants
SIX	\$4,000.00	December 21, 2004	Pacific Publishing	Alaska Strategic Consultants

which involved the proceeds of a specified unlawful activity, that is, violations of Title 18, United States Code, Sections 1951(a) and 666(a)(1)(B),

(1) with the intent to promote the carrying on of specified unlawful activity; and

(2) knowing that the transactions were designed in whole or in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful activity,

and that while conducting each foregoing financial transaction, knew that the funds involved in the financial transactions represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i), 1956(a)(1)(B)(i), and 2.

**COUNT SEVEN**

**INTERFERENCE WITH COMMERCE BY EXTORTION  
INDUCED UNDER COLOR OF OFFICIAL RIGHT  
(18 U.S.C. § 1951(a) and § 2)**

54. Paragraphs 1 through 46 of Count One are realleged and incorporated by reference as though fully set forth herein.

55. On or about November 16, 2004, in a recorded conversation in ANDERSON's Alaska State Legislature office in Anchorage, Alaska, ANDERSON met with CS-1 and told him that ANDERSON was upset that Lobbyist A had kept a portion of the \$16,000 paid to date by CS-1. When CS-1 made clear that the agreed payments from CS-1 were explicitly in exchange for ANDERSON's agreement to take official acts at CS-1's request, ANDERSON reaffirmed this fact:

CS-1: Well, this is, you know, TOM, I guess my concern is I don't need [Lobbyist A]'s vote.

ANDERSON: I know.

CS-1: You know, I don't need his support on issues.

ANDERSON: I know.

CS-1: You know, I don't need him to speak Wednesday night at [a public hearing relating to a project in which Corrections Company has an interest].

ANDERSON: Exactly.

56. On or about November 16, 2004, in the same recorded conversation in ANDERSON's legislative office, ANDERSON told CS-1 that, with respect to the third \$8,000 payment due from CS-1, "I don't want to split that with [Lobbyist A]."

57. On or about November 16, 2004, in the same recorded conversation in ANDERSON's legislative office, when CS-1 responded that Lobbyist A might become estranged if ANDERSON kept the entire \$8,000 third payment and suggested that CS-1 could instead provide ANDERSON with additional money instead, ANDERSON told CS-1 that "if there's a way you can think of that, that would be nice."

58. On or about December 21, 2004, ANDERSON met with CS-1 and accepted a \$2,000 check from CS-1. The check was made payable to ANDERSON.

59. Between in or about July 2004 and March 2005, in the District of Alaska and elsewhere, the defendant,

**THOMAS T. ANDERSON,**

an elected member of the Alaska State Legislature, did knowingly attempt to obstruct, delay and affect in any way and degree commerce and the movement of articles and commodities in interstate commerce by extortion, as those terms are defined in Title 18, United States Code, Section 1951; that is, ANDERSON unlawfully obtained from CS-1 with his consent under color of official right

|| ||

|| ||

|| ||

|| ||

\$2,000 not due ANDERSON or his office in agreement that ANDERSON would perform official acts in exchange for the monetary payments from CS-1.

All in violation of Title 18, United States Code, Sections 1951(a) and 2.

A TRUE BILL.

s/ Grand Jury Foreperson  
GRAND JURY FOREPERSON

s/ Edward C. Nucci per NAM  
EDWARD C. NUCCI  
Acting Chief, Public Integrity Section

NICHOLAS A. MARSH  
EDWARD P. SULLIVAN  
Trial Attorneys  
Public Integrity Section  
United States Department of Justice  
1400 New York Ave. NW, 12th Floor  
Washington, DC 20005  
(202) 514-1412

JOSEPH W. BOTTINI  
JAMES E. GOEKE  
Assistant U.S. Attorneys  
Federal Building & U.S. Courthouse  
222 West Seventh Avenue, #9, Room 253  
Anchorage, Alaska 99513-7567  
Phone: (907) 271-5071  
Fax: (907) 271-1500

DATED: 12/6/06