



Representative Sam Kito

Alaska State Legislature

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 House Labor &
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 House Health &
 Social Services

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 House Rules

Contact

Rep. Sam Kito
 Alaska State Capitol 403
 120 4th St
 Juneau, AK 99801

907-465-4766

Rep.Sam.Kito@akleg.gov

House Bill 91
 Sponsor Statement

"An Act relating to fees for certain persons filing disclosure statements or other reports with the Alaska Public Offices Commission; relating to a tax on legislative lobbyists; and providing for an effective date."

The Alaska Public Office Commission (APOC) was established in statute in 1976 to encourage the public's confidence in their elected and appointed officials by administering Alaska's disclosure statutes and publishing financial information regarding the activities of election campaigns, public officials, lobbyists, and lobbyist employers. APOC's role was ramped up in 2007 following a federal corruption investigation.

As a result of the recent decline in State revenue, funding for APOC has been reduced from \$1.3M in FY15 to \$866K in FY16. Funding at this level will lead to further staff reductions and an inability for APOC to adequately perform their statutorily required duties.

FY16 actuals show \$758K of the APOC budget was General Funds and \$107K was program receipts. In FY 17, the legislature increased the receipt authority to \$240K, however, APOC cannot collect the full authorized amount due to do existing statutory fee limits. APOC requires roughly \$200,000 in additional funds to operate at its current level, which includes budgeting for staff and contractual obligations, but not for supplies, equipment, or necessary travel. If the legislature increases the receipt authority accordingly, the increase in fees will reduce the general fund appropriation to APOC for the reporting and enforcement of lobbying activities.

The table below shows an estimate of revenue that could be collected by a variety of fees.

<i>Fee Description</i>	<i>Amount (based on 2016 data)</i>
\$50 per Public Official Financial Disclosure or Legislative Financial Disclosure	\$60,000
\$100 per Candidate Registration	\$14,800
\$100 per Group Registration	\$10,800
Lobbyist Registration based on 2.5% gross revenue	\$244,150
Total	\$329,750

Thank you for your consideration of this proposal to authorize APOC to collect fees that will allow them to continue operating and avoid reducing their critical role to our State.