

Representative Sam Kito

Alaska State Legislature

House District 33

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Skagway
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Chair
House Labor &
Commerce

Chair Legislative Council

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> Member House Rules

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CS for House Bill 91(STA) Sponsor Statement

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

In 1976, by a vote of the people, the Alaska Public Office Commission (APOC) was established 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 has been ramped up over the last 40 years, most recently 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 the existing statutory fee limits.

HB 90 seeks to address this issue by removing the current \$250 lobbying registration fee and setting a fee of \$350 for a contract with a value of less than \$30,000; \$650 for a contract with a value of between \$30,000 and \$60,000; and \$850 for a contract with a value of over \$60,000. Additionally, a fee of \$50 will be placed on certain public official and legislative filings and a \$100 fee for candidates, groups, and non-group entities.

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

March 13, 2017 30-LS0067\J