

HOUSE CS FOR CS FOR SENATE BILL NO. 191(FIN) am H

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Amended: 5/5/96

Offered: 5/4/96

Sponsor(s): SENATORS KELLY, Phillips

REPRESENTATIVES James, Kohring, Therriault, B.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to election campaigns, election campaign financing, the
2 oversight and regulation of election campaigns, the activities of lobbyists that
3 relate to election campaigns, the definitions of offenses of campaign misconduct,
4 and to the use of the net proceeds of charitable gaming activities in election
5 campaigns; and providing for an effective date."

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 * **Section 1.** FINDINGS AND PURPOSE. (a) The legislature finds that, under existing
8 laws,

9 (1) campaigns for elective public office last too long, are often uninformative,
10 and are too expensive;

11 (2) highly qualified citizens are dissuaded from running for public office due
12 to the high cost of election campaigns;

13 (3) organized special interests are responsible for raising a significant portion

1 of all election campaign funds and may thereby gain an undue influence over election
2 campaigns and elected officials, particularly incumbents;

3 (4) incumbents enjoy a distinct advantage in raising money for election
4 campaigns, and many elected officials raise and carry forward huge surpluses from one
5 campaign to the next, to the disadvantage of challengers;

6 (5) because, under existing laws, candidates are completely free to convert
7 campaign funds to personal income, there is great potential for bribery and political
8 corruption; and

9 (6) penalties for violations of the existing campaign finance laws are far too
10 lenient to deter misconduct.

11 (b) It is the purpose of this Act to substantially revise Alaska's election campaign
12 finance laws in order to restore the public's trust in the electoral process and to foster good
13 government.

14 * **Sec. 2.** AS 05.15.150(a) is amended to read:

15 (a) The authority to conduct the activity authorized by this chapter is
16 contingent upon the dedication of the net proceeds of the charitable gaming activity
17 to the awarding of prizes to contestants or participants and to political, educational,
18 civic, public, charitable, patriotic, or religious uses in the state. "Political, educational,
19 civic, public, charitable, patriotic, or religious uses" means uses benefiting persons
20 either by bringing them under the influence of education or religion or relieving them
21 from disease, suffering, or constraint, or by assisting them in establishing themselves
22 in life, or by providing for the promotion of the welfare and well-being of the
23 membership of the organization within their own community, or through aiding
24 candidates for public office or groups that support candidates for public office, or by
25 erecting or maintaining public buildings or works, or lessening the burden on
26 government, but does not include

27 (1) the direct or indirect payment of any portion of the net proceeds of
28 a bingo or pull-tab game to a lobbyist registered under AS 24.45; [OR]

29 (2) the erection, acquisition, improvement, maintenance, or repair of
30 real, personal, or mixed property unless it is used exclusively for one or more of the
31 permitted uses; or

1 (3) the direct or indirect payment of any portion of the net
2 proceeds of a charitable gaming activity, except the proceeds of a raffle and
3 lottery,

4 (A) to aid candidates for public office or groups that
5 support or oppose candidates for public office;

6 (B) to a political party or to an organization affiliated with
7 a political party; or

8 (C) to a group, as that term is defined in AS 15.13.400, or
9 a political group, as that term is defined in AS 15.60, that seeks to
10 influence the outcome of an election.

11 * **Sec. 3.** AS 15.13.010(a) is amended to read:

12 (a) This chapter applies

13 (1) in every election for governor, lieutenant governor, a member of the
14 state legislature, a delegate to a constitutional convention, or judge seeking electoral
15 confirmation;

16 (2) [. IT ALSO APPLIES] to every candidate for election to a
17 municipal office in a municipality with a population of more than 1,000 inhabitants
18 according to the latest United States census figures or estimates of population certified
19 as correct for administrative purposes by the Department of Community and Regional
20 Affairs **unless the municipality has exempted itself from the provisions of this**
21 **chapter; a** [. A] municipality may exempt its elected municipal officers from the
22 requirements of this chapter if a majority of the voters voting on the question at a
23 regular election, as defined by AS 29.71.800(20), or a special municipality-wide
24 election called for that purpose, **votes** [VOTE] to exempt its elected municipal officers
25 from the requirements of this chapter; **the** [. THE] question of exemption from the
26 requirements of this chapter may be submitted by the governing body by ordinance or
27 by initiative election. [THIS CHAPTER DOES NOT PROHIBIT A MUNICIPALITY
28 FROM REGULATING BY ORDINANCE CAMPAIGN CONTRIBUTIONS AND
29 EXPENDITURES.]

30 * **Sec. 4.** AS 15.13.010 is amended by adding new subsections to read:

31 (c) This chapter does not prohibit a municipality from regulating by ordinance

1 election campaign contributions and expenditures in municipal elections, or from
2 regulating those campaign contributions and expenditures more strictly than provided
3 in this chapter.

4 (d) This chapter does not limit the authority of a person to make contributions
5 to influence the outcome of a voter proposition submitted to the public for a vote at
6 a municipal election. In this subsection, in addition to its meaning under
7 AS 15.13.065(c), "proposition" means a municipal reclassification, proposal to adopt
8 or amend a home rule charter, a unification proposal, a boundary change proposal, or
9 the approval of an ordinance when approval by public vote is a requirement for the
10 ordinance.

11 * **Sec. 5.** AS 15.13.040(a) is amended to read:

12 (a) **Except as provided in (g) of this section, each** [EACH] candidate shall
13 make a full report, upon a form prescribed by the commission, listing the date and
14 amount of all expenditures made by the candidate, the total amount of all
15 contributions, including all funds contributed by the candidate, and for all contributions
16 in excess of \$100 in the aggregate a year, the name, address, principal occupation, and
17 employer of the contributor and the date and amount contributed by each contributor.
18 The report shall be filed in accordance with AS 15.13.110 and shall be certified correct
19 by the candidate or campaign treasurer.

20 * **Sec. 6.** AS 15.13.040(d) is amended to read:

21 (d) Every individual, person, or group making a contribution or expenditure
22 shall make a full report, upon a form prescribed by the commission, of the following
23 contributions or expenditures:

24 (1) any contribution of cash, goods, or services valued at more than
25 \$250 a year to any group or candidate; or

26 (2) **unless exempted from reporting by (h) of this section,** any
27 expenditure whatsoever for advertising in newspapers **or other periodicals,** on radio,
28 or on television; or, for the publication, distribution, or circulation of brochures, flyers,
29 or other campaign material for any candidate or ballot proposition or question.

30 * **Sec. 7.** AS 15.13.040 is amended by adding new subsections to read:

31 (g) The provisions of (a) of this section do not apply if a candidate

(1) indicates, on a form prescribed by the commission, an intent not to raise and not to expend more than \$2,500 in seeking election to office, including both the primary and general elections;

(2) accepts contributions totaling not more than \$2,500 in seeking election to office, including both the primary and general elections; and

(3) makes expenditures totaling not more than \$2,500 in seeking election to office, including both the primary and general elections.

(h) The provisions of (d)(2) of this section do not apply to one or more expenditures made by an individual acting independently of any group and independently of any other individual if the expenditures

(1) cumulatively do not exceed \$250 during a calendar year; and

(2) are made only for billboards, signs, or printed material concerning a ballot proposition as that term is defined by AS 15.13.065(c).

* **Sec. 8.** AS 15.13.050 is amended to read:

Sec. 15.13.050. **REGISTRATION BEFORE EXPENDITURE** [GROUPS].

(a) Before [EACH GROUP, BEFORE] making an expenditure **in support** [ON BEHALF] of [,] or in opposition to [,] a candidate or **before making an expenditure in support of or in opposition to a ballot proposition or question, each person other than an individual** [A CONTRIBUTION TO A CANDIDATE] shall register, on forms provided by the commission, with the commission.

(b) If a [THE] group intends to support [OR OPPOSE] only one candidate, or to contribute to or expend on behalf of [, OR IN OPPOSITION TO,] one candidate **33 1/3** [50] percent or more of its funds, the name of the candidate shall be a part of the name of the group. **If the group intends to oppose only one candidate, or to contribute its funds in opposition to or make expenditures in opposition to a candidate, the group's name must clearly state that it opposes that candidate by using a word such as "opposes", "opposing", "in opposition to", or "against", in the group's name.** Promptly upon receiving the registration, the commission shall notify the candidate of the group's organization and intent.

* **Sec. 9.** AS 15.13 is amended by adding new sections to read:

Sec. 15.13.065. **CONTRIBUTIONS.** (a) Individuals, groups, and political

1 parties may make contributions to a candidate. An individual or group may make a
2 contribution to a group or to a political party.

3 (b) A political party may contribute to a subordinate unit of the political party,
4 and a subordinate unit of a political party may contribute to the political party of
5 which it is a subordinate unit.

6 (c) Except for reports required by AS 15.13.040 and 15.13.110 and except for
7 the requirements of AS 15.13.050, 15.13.060, and 15.13.112 - 15.13.114, the provisions
8 of AS 15.13.010 - 15.13.116 do not apply to limit the authority of a person to make
9 contributions to influence the outcome of a ballot proposition. In this subsection, in
10 addition to its meaning in AS 15.60.010, "proposition" includes an issue placed on a
11 ballot to determine whether

- 12 (1) a constitutional convention shall be called;
- 13 (2) a debt shall be contracted;
- 14 (3) an advisory question shall be approved or rejected; or
- 15 (4) a municipality shall be incorporated.

16 Sec. 15.13.067. WHO MAY MAKE EXPENDITURES. Only the following
17 may make an expenditure in an election for candidates for elective office:

- 18 (1) the candidate;
- 19 (2) an individual; and
- 20 (3) a group that has registered under AS 15.13.050.

21 * **Sec. 10.** AS 15.13.070 is repealed and reenacted to read:

22 Sec. 15.13.070. LIMITATIONS ON AMOUNT OF POLITICAL
23 CONTRIBUTIONS. (a) An individual or group may make contributions, subject only
24 to the limitations of this chapter and AS 24.45, including the limitations on the
25 maximum amounts set out in this section.

26 (b) An individual may contribute not more than

- 27 (1) \$500 per year to a candidate, to an individual who conducts a write-
28 in campaign as a candidate, or to a group that is not a political party;
- 29 (2) \$5,000 per year to a political party.

30 (c) A group that is not a political party may contribute not more than \$1,000
31 per year

- 32 (1) to a candidate, or to an individual who conducts a write-in

1 campaign as a candidate; or

2 (2) to another group or to a political party.

3 (d) A political party may contribute to a candidate, or to an individual who
4 conducts a write-in campaign, for the following offices an amount not to exceed

5 (1) \$100,000 per year, if the election is for governor or lieutenant
6 governor;

7 (2) \$15,000 per year, if the election is for the state senate;

8 (3) \$10,000 per year, if the election is for the state house of
9 representatives; and

10 (4) \$5,000 per year, if the election is for

11 (A) delegate to a constitutional convention;

12 (B) judge seeking retention; or

13 (C) municipal office.

14 * **Sec. 11.** AS 15.13 is amended by adding new sections to read:

15 Sec. 15.13.072. RESTRICTIONS ON SOLICITATION AND ACCEPTANCE
16 OF CONTRIBUTIONS. (a) A candidate or an individual who has filed with the
17 commission the document necessary to permit that individual to incur election-related
18 expenses under AS 15.13.100 may not solicit or accept a contribution from

19 (1) a person not authorized by law to make a contribution;

20 (2) an individual who is not a resident of the state at the time the
21 contribution is made, except as provided in (e) of this section;

22 (3) a group organized under the laws of another state, resident in
23 another state, or whose participants are not residents of this state at the time the
24 contribution is made; or

25 (4) a person registered as a lobbyist if the contribution violates
26 AS 15.13.074(g) or AS 24.45.121(a)(8).

27 (b) A candidate or an individual who has filed with the commission the
28 document necessary to permit the individual to incur election-related expenses under
29 AS 15.13.100, or a group, may not solicit or accept a cash contribution that exceeds
30 \$100.

31 (c) An individual, or one acting directly or indirectly on behalf of that

individual, may not solicit or accept a contribution

(1) before the date for which contributions may be made as determined under AS 15.13.074(c); or

(2) later than the day after which contributions may not be made as determined under AS 15.13.074(c).

(d) A candidate or an individual who has filed with the commission the document necessary to permit that individual to incur election-related expenses under AS 15.13.100 may not solicit or accept a contribution if the legislature is convened in a regular or special legislative session, and the candidate or individual is a member of the legislature, or employed as a member of the legislator's staff or as a member of the staff of a legislative committee.

(e) A candidate or an individual who has filed with the commission the document necessary to permit that individual to incur election-related expenses under AS 15.13.100 may solicit or accept contributions from an individual who is not a resident of the state at the time the contribution is made if the amounts contributed by individuals who are not residents do not exceed

(1) \$20,000, if the candidate or individual is seeking the office of governor or lieutenant governor;

(2) \$5,000, if the candidate or individual is seeking the office of state senator;

(3) \$3,000, if the candidate or individual is seeking the office of state representative or municipal or other office.

(f) A group or political party may solicit or accept contributions from an individual who is not a resident of the state at the time the contribution is made, but the amounts accepted from individuals who are not residents may not exceed 10 percent of total contributions made to the group or political party during the calendar or group year in which the contributions are received.

Sec. 15.13.074. PROHIBITED CONTRIBUTIONS. (a) A person or group may not make a contribution if the making of the contribution would violate this chapter.

(b) A person or group may not make a contribution anonymously, using a

1 fictitious name, or using the name of another.

2 (c) A person or group may not make a contribution

3 (1) to a candidate for governor or lieutenant governor or an individual
4 who files with the commission the document necessary to permit that individual to
5 incur certain election-related expenses as authorized by AS 15.13.100 for governor or
6 lieutenant governor, when the office is to be filled at a general election, before the
7 later of the following dates:

8 (A) the date the individual

9 (i) becomes a candidate; or

10 (ii) files with the commission the document necessary
11 to permit the individual to incur certain election-related expenses as
12 authorized by AS 15.13.100; or

13 (B) January 1 of the year of the general election;

14 (2) to a candidate for the state legislature or an individual who files
15 with the commission the document necessary to permit that individual to incur certain
16 election-related expenses as authorized by AS 15.13.100 for the state legislature, when
17 the office is to be filled at a general election, while the legislature is convened in its
18 regular legislative session and before the later of the following dates:

19 (A) the date the individual

20 (i) becomes a candidate; or

21 (ii) files with the commission the document necessary
22 to permit the individual to incur certain election-related expenses as
23 authorized by AS 15.13.100; or

24 (B) January 1 of the year of the general election;

25 (3) to a candidate or an individual who files with the commission the
26 document necessary to permit that individual to incur certain election-related expenses
27 as authorized by AS 15.13.100 for an office that is to be filled at a special election or
28 municipal election before the later of the following dates:

29 (A) the date the individual

30 (i) becomes a candidate; or

31 (ii) files with the commission the document necessary

1 to permit that individual to incur certain election-related expenses as
2 authorized by AS 15.13.100;

3 (B) is nine months before the date of the general or regular
4 municipal election or that is before the date of the proclamation of the special
5 election at which the candidate or individual seeks election to public office; or

6 (4) to any candidate later than the 45th day

7 (A) after the date of a primary election if the candidate

8 (i) has been nominated at the primary election or is
9 running as a write-in candidate; and

10 (ii) is not opposed at the general election;

11 (B) after the date of the primary election if the candidate was
12 not nominated at the primary election; or

13 (C) after the date of the general election, or after the date of a
14 municipal or municipal runoff election, if the candidate was opposed at the
15 general, municipal, or municipal runoff election.

16 (d) A person or group may not make a contribution to a candidate or a person
17 or group who is prohibited by AS 15.13.072(c) from accepting it.

18 (e) A person or group may not make a cash contribution that exceeds \$100.

19 (f) A corporation, company, partnership, firm, association, organization,
20 business trust or surety, labor union, or publicly funded entity that does not satisfy the
21 definition of group in AS 15.13.400 may not make a contribution to a candidate or
22 group.

23 (g) An individual required to register as a lobbyist under AS 24.45 may not
24 make a contribution to a candidate for the legislature at any time the individual is
25 subject to the registration requirement under AS 24.45 and for one year after the date
26 of the individual's initial registration or its renewal. However, the individual may
27 make a contribution under this section to a candidate for the legislature in a district in
28 which the individual is eligible to vote or will be eligible to vote on the date of the
29 election. An individual who is subject to the restrictions of this subsection shall report
30 to the commission, on a form provided by the commission, each contribution made
31 while required to register as a lobbyist under AS 24.45. This subsection does not

1 apply to a representational lobbyist as defined in regulations of the commission.

2 (h) Notwithstanding AS 15.13.070, a candidate for governor or lieutenant
3 governor and a group that is not a political party and that, under the definition of the
4 term "group," is presumed to be controlled by a candidate for governor or lieutenant
5 governor, may not make a contribution to a candidate for another office, to a person
6 who conducts a write-in campaign as a candidate for other office, or to another group
7 of amounts received by that candidate or controlled group as contributions between
8 January 1 and the date of the general election of the year of a general election for an
9 election for governor and lieutenant governor. This subsection does not prohibit

10 (1) the group described in this subsection from making contributions
11 to the candidates for governor and lieutenant governor whom the group supports; or

12 (2) the governor or lieutenant governor, or the group described in this
13 subsection, from making contributions under AS 15.13.116(a)(3)(A).

14 Sec. 15.13.076. AUTHORIZED RECIPIENTS OF CONTRIBUTIONS. A
15 contribution to a

16 (1) candidate may be received only by

17 (A) the candidate; or

18 (B) the candidate's campaign treasurer or a deputy campaign
19 treasurer;

20 (2) group may be received only by the group's campaign treasurer or a
21 deputy treasurer.

22 Sec. 15.13.078. CONTRIBUTIONS AND LOANS FROM THE CANDIDATE.

23 (a) The provisions of this chapter do not prohibit the individual who is a candidate from
24 giving any amount of the candidate's own money or other thing of value to the campaign
25 of the candidate. Donations made by the candidate to the candidate's own campaign
26 shall be reported as contributions in accordance with AS 15.13.040 and 15.13.110.

27 (b) The provisions of this chapter do not prohibit the individual who is a
28 candidate from lending any amount to the campaign of the candidate. Loans made by
29 the candidate shall be reported as contributions in accordance with AS 15.13.040 and
30 15.13.110. However, the candidate may not

31 (1) recover, under this section and AS 15.13.116(a)(5), the amount of a
32 loan made by the candidate to the candidate's own campaign that exceeds

1 (A) \$25,000, if the candidate ran for governor or lieutenant
2 governor;
3 (B) \$10,000, if the candidate ran for
4 (i) the legislature; or
5 (ii) delegate to a constitutional convention;
6 (C) \$10,000, if the candidate was a judge seeking retention;
7 (D) \$5,000, if the candidate ran in a municipal election; or
8 (2) repay a loan that the candidate has made to the candidate's own
9 campaign unless, within five days of making the loan, the candidate notifies the
10 commission, on a form provided by the commission, of the candidate's intention to repay
11 the loan under AS 15.13.116(a)(5).
12 (c) On and after the date determined under AS 15.13.110 as the last day of the
13 period ending three days before the due date of the report required to be filed under
14 AS 15.13.110(a)(1) and until the date of the election for which the report is filed, a
15 candidate may not give or loan to the candidate's campaign the candidate's money or
16 other thing of value of the candidate in an amount that exceeds \$5,000.
17 (d) The provisions of this section apply only to the individual who is a
18 candidate, as that term is defined by AS 15.13.400(1)(A), and do not apply to authorize
19 a contribution or loan under this section by an individual described in the definition of
20 the term "candidate" under AS 15.13.400(1)(B).
21 * **Sec. 12.** AS 15.13.074(c) is repealed and reenacted to read:
22 (c) A person or group may not make a contribution
23 (1) to a candidate or an individual who files with the commission the
24 document necessary to permit that individual to incur certain election-related expenses
25 as authorized by AS 15.13.100 when the office is to be filled at a general election
26 before the date that is 18 months before the general election;
27 (2) to a candidate or an individual who files with the commission the
28 document necessary to permit that individual to incur certain election-related expenses
29 as authorized by AS 15.13.100 for an office that is to be filled at a special election or
30 municipal election before the date that is 18 months before the date of the regular
31 municipal election or that is before the date of the proclamation of the special election
32 at which the candidate or individual seeks election to public office; or

1 (3) to any candidate later than the 45th day
2 (A) after the date of a primary election if the candidate
3 (i) has been nominated at the primary election or is
4 running as a write-in candidate; and
5 (ii) is not opposed at the general election;
6 (B) after the date of the primary election if the candidate was
7 not nominated at the primary election; or
8 (C) after the date of the general election, or after the date of a
9 municipal or municipal runoff election, if the candidate was opposed at the
10 general, municipal, or municipal runoff election.

11 * Sec. 13. AS 15.13.080 is amended to read:

12 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. (a) Each of the
13 following shall file statements as required by this section:

14 (1) an individual who contributes to a candidate

15 (A) more than [A PERSON OR GROUP CONTRIBUTING TO
16 A CANDIDATE OVER] \$250; or

17 (B) [CONTRIBUTING] goods or services [TO A CANDIDATE]
18 with a value of more than \$250;

19 (2) an individual who, during the period between the 90th day before
20 an election and the date of the election, contributes to more than one group and
21 whose aggregate contributions to all groups, in money or in the value of goods and
22 services, or both, exceed \$1,000 per year [TO INFLUENCE THE ELECTION OF A
23 CANDIDATE SHALL FURNISH THE COMMISSION A SIGNED STATEMENT, ON
24 A FORM MADE AVAILABLE BY THE COMMISSION].

25 (b) An individual required to file a contributor's statement under (a) of this
26 section shall file on a form made available by the commission. The statement must

27 (1) identify the contributor and the candidate and all groups
28 receiving contributions;

29 (2) [SHALL] itemize the contributions and goods; and

30 (3) state that the contributor is not [A PERSON OR GROUP] prohibited
31 by law from contributing and that the contribution consists of funds or property
32 belonging to the contributor and has not been given or furnished by another person or

1 group.

2 (c) The contributor's statement shall be filed with the commission by the
3 contributor no later than 10 days after the contribution is made. [A COPY OF THE
4 STATEMENT SHALL BE FURNISHED THE CANDIDATE, CAMPAIGN
5 TREASURER, OR DEPUTY CAMPAIGN TREASURER AT THE TIME THE
6 CONTRIBUTION IS MADE.]

7 * Sec. 14. AS 15.13 is amended by adding new sections to read:

8 Sec. 15.13.082. LIMITATIONS ON EXPENDITURES. (a) A candidate or
9 group may not make an expenditure in cash that exceeds \$100 unless the candidate, or
10 the campaign treasurer or deputy campaign treasurer, obtains a written receipt from the
11 person to whom the expenditure is made.

12 (b) A candidate or group may not make an expenditure unless the source of the
13 expenditure has been disclosed as required by this chapter.

14 (c) If a candidate receives a contribution in the form of cash, check, money
15 order, or other negotiable instrument and is subject to being reported to the commission
16 under this chapter, the candidate may neither expend the contribution nor, in the case of
17 a negotiable instrument, convert it to cash unless the candidate, campaign treasurer, or
18 deputy campaign treasurer first records the following information for disclosure to the
19 commission:

20 (1) the name, address, principal occupation, and employer of the
21 contributor; and

22 (2) the date and amount of the contribution.

23 Sec. 15.13.084. PROHIBITED EXPENDITURES. A person may not make an
24 expenditure

25 (1) anonymously, unless the expenditure is

26 (A) paid for by an individual acting independently of any group
27 and independently of any other individual;

28 (B) made to influence the outcome of a ballot proposition as that
29 term is defined by AS 15.13.065(c); and

30 (C) made for

31 (i) a billboard or sign; or

32 (ii) printed material, other than an advertisement made in

1 a newspaper or other periodical;
2 (2) using a fictitious name or using the name of another.
3 Sec. 15.13.086. AUTHORIZED MAKERS OF EXPENDITURES. An
4 expenditure
5 (1) authorized by or in behalf of a candidate may be made only by
6 (A) the candidate; or
7 (B) the candidate's campaign treasurer or a deputy campaign
8 treasurer;
9 (2) authorized by AS 15.13.067(3) by or in behalf of a group may be
10 made only by the group's campaign treasurer.
11 * Sec. 15. AS 15.13.090 is amended by adding a new subsection to read:
12 (b) The provisions of (a) of this section do not apply when the advertisement
13 (1) is paid for by an individual acting independently of any group and
14 independently of any other individual;
15 (2) is made to influence the outcome of a ballot proposition as that term
16 is defined by AS 15.13.065(c); and
17 (3) is made for
18 (A) a billboard or sign; or
19 (B) printed material other than an advertisement made in a
20 newspaper or other periodical.
21 * Sec. 16. AS 15.13.110(a) is amended to read:
22 (a) Each candidate and group shall make a full report in accordance with
23 AS 15.13.040 for the period ending three days before the due date of the report and
24 beginning on the last day covered by the most recent previous report. If the report is a
25 first report, it shall cover the period from the beginning of the campaign to the date three
26 days before the due date of the report. If the report is a report due February 15, it shall
27 cover the period beginning on the last day covered by the most recent previous report
28 or on the day that the campaign started, whichever is later, and ending on December 31
29 of the prior year. The report shall be filed
30 (1) 30 days before the election; however, this report is not required if the
31 deadline for filing a nominating petition or declaration of candidacy is within 30 days
32 of the election;

- 1 (2) one week before the election;
2 (3) 10 days after the election; and
3 (4) February 15 for expenditures made and contributions received that
4 were not reported during the previous year, **including, if applicable, all amounts**
5 **expended from a legislative office account established under AS 15.13.116(a)(9) and**
6 **all amounts expended from a municipal office account under AS 15.13.116(a)(10),**
7 or when expenditures were not made or contributions were not received during the
8 previous year.

9 * **Sec. 17.** AS 15.13.110(b) is amended to read:

10 (b) Each contribution [OR EXPENDITURE] that exceeds \$250 and that is made
11 within nine days of the election shall be reported to the commission by date, amount, and
12 contributor [OR RECIPIENT] within 24 hours of receipt [OR EXPENDITURE] by the
13 candidate, **group,** [OR] campaign treasurer, **or deputy campaign treasurer.**

14 * **Sec. 18.** AS 15.13.110(c) is amended to read:

15 (c) [THE REPORTS OF CANDIDATES SHALL BE FILED WITH THE
16 COMMISSION'S CENTRAL OFFICE.] All reports required by this chapter **shall be**
17 **filed with the commission's central office and** shall be kept open to public inspection.
18 Within 30 days after each election, the commission shall prepare a summary of each
19 report which shall be made available to the public at cost upon request. Each summary
20 shall use uniform categories of reporting.

21 * **Sec. 19.** AS 15.13 is amended by adding new sections to read:

22 Sec. 15.13.112. USES OF CAMPAIGN CONTRIBUTIONS HELD BY
23 CANDIDATE OR GROUP. (a) Except as otherwise provided, campaign contributions
24 held by a candidate or group may be used only to pay the expenses of the candidate or
25 group, and the campaign expenses incurred by the candidate or group, that reasonably
26 relate to election campaign activities, and in those cases only as authorized by this
27 chapter.

28 (b) Campaign contributions held by a candidate or group may not be

- 29 (1) used to give a personal benefit to the candidate or to another person;
30 (2) converted to personal income of the candidate;
31 (3) loaned to a person;
32 (4) knowingly used to pay more than the fair market value for goods or

1 services purchased for the campaign;

2 (5) used to pay a criminal fine;

3 (6) used to pay civil penalties; however, campaign contributions held by
4 a candidate or group may be used to pay a civil penalty assessed under this chapter if
5 authorized by the commission or a court after it first determines that

6 (A) the candidate, campaign treasurer, and deputy campaign
7 treasurer did not cause or participate in the violation for which the civil penalty
8 is imposed and exercised a reasonable level of oversight over the campaign; and

9 (B) the candidate, campaign treasurer, and deputy campaign
10 treasurers cooperated in the revelation of the violation and in its immediate
11 correction; or

12 (7) used to make contributions to another candidate or to a group.

13 Sec. 15.13.114. DISPOSITION OF PROHIBITED CONTRIBUTIONS. (a) A
14 candidate or group that receives and accepts a contribution given in violation of
15 AS 15.13.072 or 15.13.074 shall immediately, upon discovery that the contribution is
16 prohibited, return it to the contributor. A candidate or group that receives and accepts
17 a contribution in excess of the limitation on contributions set out in AS 15.13.070 shall
18 immediately, upon discovery of the prohibited excess contribution, return the excess to
19 the contributor. If the contribution or excess amount cannot be returned in the same
20 form, the equivalent value of the contribution or excess amount shall be returned.

21 (b) An anonymous contribution is forfeited to the state unless the contributor
22 is identified within five days of its receipt. Money that forfeits to the state under this
23 subsection shall be delivered immediately to the Department of Revenue for deposit
24 in the general fund.

25 Sec. 15.13.116. DISBURSEMENT OF CAMPAIGN ASSETS AFTER
26 ELECTION. (a) A candidate who, after the date of the general, special, municipal,
27 or municipal runoff election or after the date the candidate withdraws as a candidate,
28 whichever comes first, holds unused campaign contributions shall distribute the amount
29 held within 90 days. The distribution may only be made to

30 (1) pay bills incurred for expenditures reasonably related to the
31 campaign and the winding up of the affairs of the campaign, and to pay expenditures
32 associated with post-election fund raising that may be needed to raise funds to pay off

1 campaign debts;

2 (2) pay for a victory or a thank you party costing less than \$500, or to
3 give a thank you gift of a value of less than \$50 to a campaign employee or volunteer;

4 (3) make donations, without condition, to

5 (A) a political party;

6 (B) the state's general fund;

7 (C) a municipality of the state; or

8 (D) the federal government;

9 (4) make donations, without condition, to organizations qualified as
10 charitable organizations under 26 U.S.C. 501(c)(3), provided the organization is not
11 controlled by the candidate or a member of the candidate's immediate family;

12 (5) repay loans from the candidate to the candidate's own campaign
13 under AS 15.13.078(b);

14 (6) repay contributions to contributors, but only if repayment of the
15 contribution is made pro rata in approximate proportion to the contributions made
16 using one of the following, as the candidate determines:

17 (A) to all contributors;

18 (B) to contributors who have contributed most recently; or

19 (C) to contributors who have made larger contributions;

20 (7) establish a fund for, and from that fund to pay, attorney fees or
21 costs incurred in the prosecution or defense of an administrative or civil judicial action
22 that directly concerns a challenge to the victory or defeat of the candidate in the
23 election;

24 (8) transfer all or a portion of the unused campaign contributions to an
25 account for a future election campaign; a transfer under this paragraph is limited to

26 (A) \$50,000, if the transfer is made by a candidate for governor
27 or lieutenant governor;

28 (B) \$10,000, if the transfer is made by a candidate for the state
29 senate;

30 (C) \$5,000, if the transfer is made by a candidate for the state
31 house of representatives; and

1 (D) \$5,000, if the transfer is made by a candidate for an office
2 not described in (A) - (C) of this paragraph;

3 (9) transfer all or a portion of the unused campaign contributions to a
4 legislative office account; a transfer under this paragraph is subject to the following:

5 (A) the authority to transfer is limited to candidates who are
6 elected to the state legislature;

7 (B) the legislative office account established under this
8 paragraph may be used only for expenses associated with the candidate's
9 serving as a member of the legislature;

10 (C) all amounts expended from the legislative office account
11 shall be annually accounted for under AS 15.13.110(a)(4); and

12 (D) a transfer under this paragraph is limited to \$5,000
13 multiplied by the number of years in the term to which the candidate is elected;
14 and

15 (10) transfer all or a portion of the unused campaign contributions to
16 a municipal office account; a transfer under this paragraph is subject to the following:

17 (A) the authority to transfer is limited to candidates who are
18 elected to municipal office, including a municipal school board;

19 (B) the municipal office account established under this
20 paragraph may be used only for expenses associated with the candidate's
21 serving as mayor or as a member of the assembly, city council, or school
22 board;

23 (C) all amounts expended from the municipal office account
24 shall be annually accounted for under AS 15.13.110(a)(4); and

25 (D) a transfer under this paragraph is limited to \$5,000.

26 (b) After a general, special, municipal, or municipal runoff election, a candidate
27 may retain the ownership of one computer and one printer and of personal property,
28 except money, that was acquired by and for use in the campaign. The current fair
29 market value of the property retained, exclusive of the computer and printer, may not
30 exceed \$2,500. All other property shall be disposed of, or sold and the sale proceeds
31 disposed of, in accordance with (a) or (c) of this section.

32 (c) Property remaining after disbursements are made under (a) - (b) of this

1 section is forfeited to the state. Within 30 days, the candidate shall deliver the property
2 to the Department of Revenue. The Department of Revenue shall deposit any money
3 received into the general fund and dispose of any other property in accordance with law.

4 * **Sec. 20.** AS 15.13.120(d) is repealed and reenacted to read:

5 (d) A member of the commission, the commission's executive director, or a
6 person who believes a violation of this chapter or a regulation adopted under this chapter
7 has occurred or is occurring may file an administrative complaint with the commission
8 within four years of the date of the alleged violation. If a member of the commission
9 has filed the complaint, that member may not participate as a commissioner in any
10 proceeding of the commission with respect to the complaint. If the commission accepts
11 the complaint and opens a preliminary investigation, it shall do so within 90 days of the
12 filing date of the complaint and shall investigate the complaint. After affording the
13 respondent notice and an opportunity to be heard, if the commission finds that the
14 respondent has engaged in or is about to engage in an act or practice that constitutes or
15 will constitute a violation of this chapter or a regulation adopted under it, the commission
16 shall enter an order requiring the violation to be ceased or to be remedied, and shall
17 assess civil penalties under AS 15.13.125. A commission order may be appealed to the
18 superior court by either the complainant or respondent within 30 days. The commission
19 or the commission's executive director shall promptly report to the attorney general
20 concerning any acts or practices that may constitute violations of this chapter or
21 regulations adopted under this chapter, or concerning the violation of any order of the
22 commission.

23 * **Sec. 21.** AS 15.13.120(e) is repealed and reenacted to read:

24 (e) If the commission does not open a preliminary investigation within 90 days
25 of the filing date of the complaint or complete action on the complaint within 180 days
26 of the filing, the complainant may file a complaint in superior court alleging a violation
27 of this chapter by a respondent in the administrative complaint. The complainant may
28 provide copies of the complaint filed in the superior court to the commission and the
29 attorney general. The state may intervene in a timely manner. A complaint may not be
30 filed in superior court under this subsection if more than two years have elapsed from
31 the date of the alleged violation. This subsection does not create a private cause of
32 action against the commission.

1 * **Sec. 22.** AS 15.13.125 is amended to read:

2 Sec. 15.13.125. CIVIL PENALTY: LATE FILING OF REQUIRED REPORTS.

3 A person who **fails to register when required by AS 15.13.050(a) or who** fails to file
4 a properly completed and certified report within the time required by **AS 15.13.040(d) -**
5 **(f), 15.13.060(b) - (d), 15.13.080(c)** [AS 15.13.040(f)], 15.13.110(a)(1), (3), or (4), **(e),**
6 **or (f)** [OR 15.13.110(f)] is subject to a civil penalty of not more than **\$50** [\$10] a day
7 for each day the delinquency continues as determined by the commission subject to right
8 of appeal to the superior court. A person who fails to file a properly completed and
9 certified report within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject
10 to a civil penalty of not more than **\$500** [\$50] a day for each day the delinquency
11 continues as determined by the commission subject to right of appeal to the superior
12 court. **A person who violates a provision of this chapter, except a provision**
13 **requiring registration or filing of a report within a time required as otherwise**
14 **specified in this subsection, is subject to a civil penalty of not more than \$50 a day**
15 **for each day the violation continues as determined by the commission, subject to**
16 **right of appeal to the superior court.** An affidavit stating facts in mitigation may be
17 submitted to the commission by a person against whom a civil penalty is assessed.
18 However, the imposition of the penalties prescribed in this section or in AS 15.13.120
19 does not excuse that person from **registering or** filing reports required by this chapter.

20 * **Sec. 23.** AS 15.13.125 is amended by adding new subsections to read:

21 (b) When an administrative complaint has been filed under AS 15.13.120(d), the
22 commission shall give the respondent due notice and an opportunity to be heard. If, at
23 the conclusion of the hearing, the commission determines that the respondent engaged
24 in the alleged violation, the commission shall assess

- 25 (1) civil penalties under (a) of this section;
26 (2) the commission's costs of investigation and adjudication; and
27 (3) reasonable attorney fees.

28 (c) The commission's determination under (b) of this section may be appealed
29 to the superior court under AS 44.62 (Administrative Procedure Act).

30 (d) When an action has been filed in the superior court under AS 15.13.120(e),
31 upon proof of the violation, the court shall enter a judgment in the amount of the civil
32 penalty authorized to be collected by (a) of this section.

(e) If the commission or superior court finds that the violation was not a repeat violation or was not part of a series or pattern of violations, was inadvertent, was quickly corrected, and had no adverse effect on the campaign of another, the commission or the court may

(1) suspend imposition of the penalties; and

(2) order the penalties set aside if the person does not engage in a similar violation for a period of one year.

(f) A party who has filed a civil action under AS 15.13.120(e)

(1) is not entitled to trial by jury on the civil action;

(2) is not entitled to be represented by legal counsel at public expense.

* **Sec. 24.** AS 15.13 is amended by adding new sections to read:

Sec. 15.13.135. INDEPENDENT EXPENDITURES FOR OR AGAINST CANDIDATES. (a) Only an individual or group may make an independent expenditure supporting or opposing a candidate for election to public office. An independent expenditure supporting or opposing a candidate for election to public office shall be reported in accordance with AS 15.13.040 and 15.13.100 - 15.13.110 and other requirements of this chapter.

(b) An individual or group who makes independent expenditures for a mass mailing, for distribution of campaign literature of any sort, for a television, radio, newspaper or magazine advertisement, or any other communication that supports or opposes a candidate for election to public office

(1) shall comply with AS 15.13.090; and

(2) shall place the following statement in the mailing, literature, advertisement, or other communication so that it is readily and easily discernible:

This NOTICE TO VOTERS is required by Alaska law. (I/we) certify that this (mailing/literature/advertisement) is not authorized, paid for, or approved by the candidate.

Sec. 15.13.140. INDEPENDENT EXPENDITURES FOR OR AGAINST BALLOT PROPOSITION OR QUESTION. (a) This chapter does not prohibit a person from making independent expenditures in support of or in opposition to a ballot proposition or question.

(b) An independent expenditure for or against a ballot proposition or question

1 (1) shall be reported in accordance with AS 15.13.040 and 15.13.100 -
2 15.13.110 and other requirements of this chapter; and

3 (2) may not be made if the expenditure is prohibited by AS 15.13.145.
4 Sec. 15.13.145. MONEY OF THE STATE AND ITS POLITICAL
5 SUBDIVISIONS. (a) Except as provided in (b) and (c) of this section, each of the
6 following may not use money held by the entity to influence the outcome of the
7 election of a candidate to a state or municipal office:

- 8 (1) the state, its agencies, and its corporations;
9 (2) the University of Alaska and its Board of Regents;
10 (3) municipalities, school districts, and regional educational attendance
11 areas, or another political subdivision of the state; and
12 (4) an officer or employee of an entity identified in (1) - (3) of this
13 subsection.

14 (b) Money held by an entity identified in (a)(1) - (3) of this section may be
15 used to influence the outcome of an election concerning a ballot proposition or
16 question, but only if the funds have been specifically appropriated for that purpose by
17 a state law or a municipal ordinance.

18 (c) Money held by an entity identified in (a)(1) - (3) of this section may be
19 used

20 (1) to disseminate information about the time and place of an election
21 and to hold an election;

22 (2) to provide the public with nonpartisan information about a ballot
23 proposition or question or about all the candidates seeking election to a particular
24 public office.

25 (d) When expenditure of money is authorized by (b) or (c) of this section and
26 is used to influence the outcome of an election, the expenditures shall be reported to
27 the commission in the same manner as an individual is required to report under
28 AS 15.13.040.

29 Sec. 15.13.150. ELECTION EDUCATIONAL ACTIVITIES NOT
30 PROHIBITED. This chapter does not prohibit a person from engaging in educational
31 election-related communications and activities, including

- 1 (1) the publication of the date and location of an election;
2 (2) the education of students about voting and elections;
3 (3) the sponsorship of open candidate debate forums;
4 (4) participation in get-out-the-vote or voter registration drives that do
5 not favor a particular candidate, political party, or political position;
6 (5) the dissemination of the views of all candidates running for a
7 particular office.

8 Sec. 15.13.155. RESTRICTIONS ON EARNED INCOME AND
9 HONORARIA. (a) A candidate for the state legislature, for governor, or for
10 lieutenant governor, including an individual campaigning as a write-in candidate for
11 the office, may not

12 (1) seek or accept compensation for personal services that involves
13 payments that are not commensurate with the services rendered taking into account the
14 higher rates generally charged by specialists in a profession; or

15 (2) accept a payment of anything of value, except for actual and
16 necessarily incurred travel expenses, for an appearance or speech; this paragraph does
17 not apply to the salary paid to the candidate for making an appearance or speech as
18 part of the candidate's normal course of employment.

19 (b) Notwithstanding (a) of this section, a candidate for the state legislature, for
20 governor, or for lieutenant governor, including an individual campaigning as a write-in
21 candidate for the office, may accept a payment for an appearance or speech if the
22 appearance or speech is not connected with the individual's status as a state official or
23 as a candidate.

24 Sec. 15.13.400. DEFINITIONS. In this chapter,

25 (1) "candidate"

26 (A) means an individual who files for election to the state
27 legislature, for governor, for lieutenant governor, for municipal office, for
28 retention in judicial office, or for constitutional convention delegate, or who
29 campaigns as a write-in candidate for any of these offices; and

30 (B) when used in a provision of this chapter that limits or
31 prohibits the donation, solicitation, or acceptance of campaign contributions, or

limits or prohibits an expenditure, includes

(i) a candidate's campaign treasurer and a deputy campaign treasurer;

(ii) a member of the candidate's immediate family;

(iii) a person acting as agent for the candidate;

(iv) the candidate's campaign committee; and

(v) a group that makes expenditures or receives contributions with the authorization or consent, express or implied, or under the control, direct or indirect, of the candidate;

(2) "commission" means the Alaska Public Offices Commission;

(3) "contribution"

(A) means a purchase, payment, promise or obligation to pay, loan or loan guarantee, deposit or gift of money, goods, or services for which charge is ordinarily made and that is made for the purpose of influencing the nomination or election of a candidate, and in AS 15.13.010(b) for the purpose of influencing a ballot proposition or question, including the payment by a person other than a candidate or political party, or compensation for the personal services of another person, that are rendered to the candidate or political party;

(B) does not include

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or ballot proposition or question, but it does include professional services volunteered by individuals for which they ordinarily would be paid a fee or wage;

(ii) services provided by an accountant or other person to prepare reports and statements required by this chapter; or

(iii) ordinary hospitality in a home;

(4) "expenditure"

(A) means a purchase or a transfer of money or anything of value, or promise or agreement to purchase or transfer money or anything of

1 value, incurred or made for the purpose of

2 (i) influencing the nomination or election of a candidate
3 or of any individual who files for nomination at a later date and
4 becomes a candidate;

5 (ii) use by a political party;

6 (iii) the payment by a person other than a candidate or
7 political party of compensation for the personal services of another
8 person that are rendered to a candidate or political party; or

9 (iv) influencing the outcome of a ballot proposition or
10 question;

11 (B) does not include a candidate's filing fee or the cost of
12 preparing reports and statements required by this chapter;

13 (5) "group" means

14 (A) every state and regional executive committee of a political
15 party; and

16 (B) any combination of two or more individuals acting jointly
17 who organize for the principal purpose to influence the outcome of one or more
18 elections and who take action the major purpose of which is to influence the
19 outcome of an election; a group that makes expenditures or receives
20 contributions with the authorization or consent, express or implied, or under the
21 control, direct or indirect, of a candidate shall be considered to be controlled
22 by that candidate; a group whose major purpose is to further the nomination,
23 election, or candidacy of only one individual, or intends to expend more than
24 50 percent of its money on a single candidate, shall be considered to be
25 controlled by that candidate and its actions done with the candidate's
26 knowledge and consent unless, within 10 days from the date the candidate
27 learns of the existence of the group the candidate files with the commission,
28 on a form provided by the commission, an affidavit that the group is operating
29 without the candidate's control; a group organized for more than one year
30 preceding an election and endorsing candidates for more than one office or
31 more than one political party is presumed not to be controlled by a candidate;

1 however, a group that contributes more than 50 percent of its money to or on
2 behalf of one candidate shall be considered to support only one candidate for
3 purposes of AS 15.13.070, whether or not control of the group has been
4 disclaimed by the candidate;

5 (6) "immediate family" means the spouse, parents, children, including
6 a stepchild and an adoptive child, and siblings of an individual;

7 (7) "independent expenditure" means an expenditure that is made
8 without the direct or indirect consultation or cooperation with, or at the suggestion or
9 the request of, or with the prior consent of, a candidate, a candidate's campaign
10 treasurer or deputy campaign treasurer, or another person acting as a principal or agent
11 of the candidate;

12 (8) "individual" means a natural person;

13 (9) "person" has the meaning given in AS 01.10.060, and includes a
14 labor union and a group;

15 (10) "political party" means

16 (A) an organized group of voters that represents a political
17 program and that nominated a candidate for governor who received at least
18 three percent of the total votes cast at any one of the last five preceding general
19 elections for governor; and

20 (B) a subordinate unit of the organized group of voters
21 qualifying as a political party under (A) of this paragraph if, consistent with the
22 rules or bylaws of the political party, the unit conducts or supports campaign
23 operations in a municipality, neighborhood, election district, or precinct;

24 (11) "publicly funded entity" means a person, other than an individual,
25 that receives half or more of the money on which it operates during a calendar year
26 from government, including a public corporation.

27 * **Sec. 25.** AS 15.56 is amended by adding new sections to read:

28 Sec. 15.56.012. CAMPAIGN MISCONDUCT IN THE FIRST DEGREE. (a)
29 Except as provided in AS 15.56.014 and 15.56.016, a person commits the crime of
30 campaign misconduct in the first degree if the person knowingly engages in conduct
31 that violates a provision of AS 15.13 or a regulation adopted under authority of

AS 15.13.

(b) Violation of this section is a corrupt practice.

(c) Campaign misconduct in the first degree is a class A misdemeanor.

Sec. 15.56.014. CAMPAIGN MISCONDUCT IN THE SECOND DEGREE.

(a) A person commits the crime of campaign misconduct in the second degree if the person

(1) knowingly circulates or has written, printed or circulated a letter, circular, or publication relating to an election, to a candidate at an election, or an election proposition or question without the name and address of the author appearing on its face;

(2) except as provided by AS 15.13.090(b), knowingly prints or publishes an advertisement, billboard, placard, poster, handbill, paid-for television or radio announcement or other communication intended to influence the election of a candidate or outcome of a ballot proposition or question without the words "paid for by" followed by the name and address of the candidate, group or individual paying for the advertising or communication and, if a candidate or group, with the name of the campaign chair;

(3) knowingly writes or prints and circulates, or has written, printed and circulated, a letter, circular, bill, placard, poster or advertisement in a newspaper, on radio or television

(A) containing false factual information relating to a candidate for an election;

(B) that the person knows to be false; and

(C) that would provoke a reasonable person under the circumstances to a breach of the peace or that a reasonable person would construe as damaging to the candidate's reputation for honesty, integrity, or the candidate's qualifications to serve if elected to office.

(b) Violation of this section is a corrupt practice.

(c) Campaign misconduct in the second degree is a class B misdemeanor.

Sec. 15.56.016. CAMPAIGN MISCONDUCT IN THE THIRD DEGREE. (a)

A person commits the crime of campaign misconduct in the third degree if

1 (1) the person violates a provision of AS 15.13 or a regulation adopted
2 under AS 15.13; or

3 (2) during the hours the polls are open and after election judges have
4 posted warning notices as required by AS 15.15.170 or at the required distance in the
5 form and manner prescribed by the chief municipal elections official in a local
6 election, the person is within 200 feet of an entrance to a polling place, and

7 (A) violates AS 15.15.170; or

8 (B) circulates cards, handbills, or marked ballots, or posts
9 political signs or posters relating to a candidate at an election or election
10 proposition or question.

11 (b) Campaign misconduct in the third degree is a violation.

12 Sec. 15.56.018. APPLICABILITY OF CAMPAIGN MISCONDUCT
13 PROVISIONS. (a) For purposes of AS 15.56.012(a) and 15.56.016(a)(1), each day
14 a violation continues constitutes a separate offense.

15 (b) When a person is convicted of violating AS 15.56.012, in addition to
16 imposition of a sentence as authorized by AS 12.55.015, notwithstanding
17 AS 12.55.015(c), the court shall order suspension, for a period of one year, of any
18 license held by the defendant that allows the defendant to do business in the state.

19 Sec. 15.56.019. DEFINITION. In AS 15.56.012 - 15.56.018, the term
20 "knowingly" has the meaning given in AS 11.81.900(a).

21 * **Sec. 26.** AS 24.45.121(a) is amended to read:

22 (a) A lobbyist may not

23 (1) engage in any activity as a lobbyist before registering under
24 AS 24.45.041;

25 (2) do anything with the intent of placing a public official under
26 personal obligation to the lobbyist or to the lobbyist's employer;

27 (3) intentionally deceive or attempt to deceive any public official with
28 regard to any material fact pertinent to pending or proposed legislative or
29 administrative action;

30 (4) cause or influence the introduction of a legislative measure solely
31 for the purpose of thereafter being employed to secure its passage or its defeat;

1 (5) cause a communication to be sent to a public official in the name
2 of any fictitious person or in the name of any real person, except with the consent of
3 that person;

4 (6) accept or agree to accept any payment in any way contingent upon
5 the defeat, enactment, or outcome of any proposed legislative or administrative action;

6 (7) serve as a member of a state board, or commission, if the lobbyist's
7 employer may receive direct economic benefit from a decision of that board or
8 commission;

9 (8) serve as a campaign manager or director, serve as a campaign
10 treasurer or deputy campaign treasurer on a finance or fund-raising committee, host a
11 fund-raising event, directly or indirectly collect contributions for, or deliver
12 contributions to, a candidate or otherwise [ACTIVELY] engage in the fund-raising
13 activity of a legislative campaign or campaign for governor or lieutenant governor
14 if the lobbyist has registered, or is required to register as a lobbyist, under this
15 chapter, during the calendar year; this paragraph does not apply to a representational
16 lobbyist as defined in the regulations of the Alaska Public Offices Commission, and
17 does not prohibit a lobbyist from making personal contributions to a candidate as
18 authorized by AS 15.13 or personally advocating on behalf of a candidate;

19 (9) offer, solicit, initiate, facilitate, or provide to or on behalf of a
20 person covered by AS 24.60, during a legislative session, a gift, other than food or
21 beverage for immediate consumption;

22 (10) make or offer a gift or a campaign contribution whose acceptance
23 by the person to whom it is offered would violate AS 24.60.

24 * **Sec. 27.** AS 24.60.031(b) is amended to read:

25 (b) In this section, "contribution" has the meaning given in AS 15.13.400
26 [AS 15.13.130].

27 * **Sec. 28.** AS 15.13.120(a), 15.13.130; AS 15.56.010, and 15.56.020 are repealed.

28 * **Sec. 29.** CONSTRUCTION AND APPLICATION. Each provision of this Act shall be
29 construed to avoid a conflict with any federal law that, under the United States Constitution,
30 prevails over the state provision.

31 * **Sec. 30.** APPLICABILITY OF AS 15.13 TO PERSONS OTHER THAN INDIVIDUALS.

1 If a court determines that, under the federal or state constitutions, persons who are not
2 individuals must be allowed to contribute to candidates or groups, then the requirements,
3 monetary limitations, and restrictions of AS 15.13 are applicable to those persons.

4 * **Sec. 31.** SEVERABILITY. Under AS 01.10.030, if any provision of this Act, or the
5 application thereof to any person or circumstance, is held invalid, the remainder of this Act
6 and the application to other persons or circumstances is not affected thereby.

7 * **Sec. 32.** CAMPAIGN ASSET BALANCE HELD ON EFFECTIVE DATE OF THIS
8 SECTION. A person who was a candidate as that term is defined by AS 15.13.400, added
9 by sec. 24 of this Act, and who, on the effective date of this section, holds unused campaign
10 contributions obtained while the person was a candidate and before the effective date of this
11 section may, notwithstanding AS 15.13.116, added by sec. 19 of this Act, retain those unused
12 campaign contributions for a future election campaign. The person's use of the campaign
13 contribution balance in a future election campaign makes those unused campaign contributions
14 subject to the provisions of AS 15.13.010 - 15.13.400 relating to the use of campaign
15 contributions, including AS 15.13.116, added by sec. 19 of this Act, relating to disbursement
16 of campaign assets after election at the conclusion of that future election campaign.

17 * **Sec. 33.** TAKING EFFECT OF ACT MADE CONDITIONAL. (a) Sections 1 - 32 of
18 this Act take effect only if, under art. XI, sec. 4, Constitution of the State of Alaska, and
19 AS 15.45.210, the lieutenant governor determines that secs. 1 - 32 of this Act are substantially
20 the same as the law proposed to be enacted by the Initiative entitled "An Initiative relating to
21 election campaign financing and the Alaska Public Offices Commission; and providing for an
22 effective date," identified by the division of elections as Initiative Petition 95 CFPO, filed with
23 the lieutenant governor by the Initiative sponsors under AS 15.45.140 on December 15, 1995.

24 (b) In addition to the requirements of (a) of this section, sec. 12 of this Act takes
25 effect only if a court order is entered and becomes final declaring that the dates set out in
26 AS 15.13.074(c), as enacted by sec. 11 of this Act, as the dates before which campaign
27 contributions may not be accepted, are unconstitutional.

28 * **Sec. 34.** If sec. 12 of this Act takes effect, it takes effect on the day after the date a court
29 order described in sec. 33(b) of this Act becomes final.

30 * **Sec. 35.** If secs. 1 - 11 and 13 - 32 of this Act take effect, they take effect January 1,
31 1997.

1 * Sec. 36. Section 33 of this Act takes effect immediately under AS 01.10.070(c).