

CONFERENCE CS FOR HOUSE BILL NO. 225

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE CONFERENCE COMMITTEE

Offered: 4/20/00

Sponsor(s): REPRESENTATIVES COWDERY, Kohring

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to election campaigns and legislative ethics; and providing for
2 an effective date."

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

4 * **Section 1.** AS 15.13.040 is amended by adding a new subsection to read:

5 (j) The results of a poll limited to issues and not mentioning any candidate
6 may not be considered a contribution unless the poll was requested by or designed
7 primarily to benefit the candidate.

8 * **Sec. 2.** AS 15.13.050(b) is amended to read:

9 (b) If a group intends to support only one candidate, or to contribute to or
10 expend on behalf of one candidate 33 1/3 percent or more of its funds, the name of
11 the candidate shall be a part of the name of the group. If the group intends to oppose
12 only one candidate [,] or to contribute its funds in opposition to or make expenditures
13 in opposition to a candidate, the group's name must clearly state that it opposes that
14 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. **More than one group may be registered by a candidate to support that candidate; however, multiple groups controlled by a single candidate shall be treated as a single group for purposes of the contribution limit in AS 15.13.070(b)(1).**

* Sec. 3. AS 15.13.074(c) is amended to read:

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

(1) to a candidate **for governor or lieutenant governor** or an individual who files with the commission the document necessary to permit that individual to incur certain election-related expenses as authorized by AS 15.13.100 **for governor or lieutenant governor** when the office is to be filled at a general election before **January 1 following** [THE DATE THAT IS 18 MONTHS BEFORE] the **last** general election **in which a governor was elected;**

(2) **to a candidate for the state legislature or municipal office or an individual who files with the commission the document necessary to permit that individual to incur certain election-related expenses for the state legislature or municipal office as authorized by AS 15.13.100 when the office is to be filled at a general election before the date that is 18 months before the general election;**

(3) to a candidate or an individual who files with the commission the document necessary to permit that individual to incur certain election-related expenses as authorized by AS 15.13.100 for an office that is to be filled at a special election or municipal election before the date that is 18 months before the date of the regular municipal election or that is before the date of the proclamation of the special election at which the candidate or individual seeks election to public office; or

(4) [(3)] to any candidate **after the earlier of December 31 of the year of the election or the 60th** [LATER THAN THE 45TH] day

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

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

(ii) is not opposed at the general election;

(B) after the date of the primary election if the candidate was

1 not nominated at the primary election; or

2 (C) after the date of the general election, or after the date of a
3 municipal or municipal runoff election, if the candidate was opposed at the
4 general, municipal, or municipal runoff election.

5 * **Sec. 4.** AS 15.13.074(f) is amended to read:

6 (f) A corporation, company, partnership, firm, association, organization,
7 business trust or surety, labor union, or publicly funded entity that does not satisfy the
8 definition of group in AS 15.13.400 may not make a contribution to a candidate or
9 group. **Notwithstanding the prohibition set out in this subsection, a corporation,**
10 **company, partnership, firm, association, organization, business trust or surety,**
11 **labor union, or publicly funded entity may pay not more than \$1,000 for**
12 **advertising, food, hall rental, and other actual costs of political party annual**
13 **dinner, meetings, conferences, and conventions.**

14 * **Sec. 5.** AS 15.13.116(a) is amended to read:

15 (a) A candidate who, after the date of the general, special, municipal, or
16 municipal runoff election or after the date the candidate withdraws as a candidate,
17 whichever comes first, holds unused campaign contributions shall distribute the amount
18 held within 90 days. The distribution may only be made to

19 (1) pay bills incurred for expenditures reasonably related to the
20 campaign and the winding up of the affairs of the campaign, including a victory or
21 thank you party, **thank you advertisements,** and thank you gifts to campaign
22 employees and volunteers, and to pay expenditures associated with post-election fund
23 raising that may be needed to raise funds to pay off campaign debts;

24 (2) make donations, without condition, to

25 (A) a political party;

26 (B) the state's general fund;

27 (C) a municipality of the state; or

28 (D) the federal government;

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

1 (4) repay loans from the candidate to the candidate's own campaign
2 under AS 15.13.078(b);

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

6 (A) to all contributors;

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

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

9 (6) establish a fund for, and from that fund to pay, attorney fees or
10 costs incurred in the prosecution or defense of an administrative or civil judicial action
11 that directly concerns a challenge to the victory or defeat of the candidate in the
12 election;

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

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

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

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

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

23 (8) transfer all or a portion of the unused campaign contributions to a
24 [PUBLIC OFFICE EXPENSE TERM ACCOUNT OR TO A] public office expense
25 term account reserve in accordance with AS 15.13.118 [(d) OF THIS SECTION; A
26 TRANSFER UNDER THIS PARAGRAPH IS SUBJECT TO THE FOLLOWING:

27 (A) THE AUTHORITY TO TRANSFER IS LIMITED TO
28 CANDIDATES WHO ARE ELECTED TO THE STATE LEGISLATURE;

29 (B) THE PUBLIC OFFICE EXPENSE TERM ACCOUNT
30 ESTABLISHED UNDER THIS PARAGRAPH MAY BE USED ONLY FOR
31 EXPENSES ASSOCIATED WITH THE CANDIDATE'S SERVING AS A

MEMBER OF THE LEGISLATURE;

(C) ALL AMOUNTS EXPENDED FROM THE PUBLIC OFFICE EXPENSE TERM ACCOUNT SHALL BE ANNUALLY ACCOUNTED FOR UNDER AS 15.13.110(a)(4); AND

(D) A TRANSFER UNDER THIS PARAGRAPH IS LIMITED TO \$5,000 MULTIPLIED BY THE NUMBER OF YEARS IN THE TERM TO WHICH THE CANDIDATE IS ELECTED]; and

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

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

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

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

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

* **Sec. 6.** AS 15.13.116(b) is amended to read:

(b) After a general, special, municipal, or municipal runoff election, a candidate may retain the ownership of one computer and one printer and of personal property, except money, that was acquired by and for use in the campaign. The current fair market value of the property retained, exclusive of the computer and printer, may not exceed \$5,000 [\$2,500]. All other property shall be disposed of, or sold and the sale proceeds disposed of, in accordance with (a) or (c) of this section. Notwithstanding any other provision of this chapter,

(1) a candidate may (A) [(1)] retain a bulk mailing permit that was paid for with campaign funds, and (B) [(2)] use personal funds, campaign funds, or unused campaign contributions transferred to a public office expense term account under AS 15.13.118 [(a)(8) OF THIS SECTION] to pay the continuing charges for the permit after the election; money [. MONEY] used to continue the life of the permit

is not considered to be a contribution under this chapter; in [. IN] addition to any other use permitted under this chapter, during the candidate's term of office, the candidate may use the bulk mailing permit for mailings associated with service in the office to which the candidate was elected; during [. DURING] the candidate's term of office, if the candidate files a declaration of candidacy or the document necessary to permit the candidate to incur election-related expenses under AS 15.13.100 [A LETTER OF INTENT TO BECOME A CANDIDATE] for the same or a different elective office, the candidate may also use the bulk mailing permit in that election campaign;

(2) a candidate may retain campaign photographs and use the photographs for any purpose associated with service in the office to which the candidate was elected;

(3) a candidate may retain seasonal greeting cards purchased with campaign funds; and

(4) campaign signs prepared for an election that has already taken place have no monetary value and may be retained or disposed of at the candidate's discretion.

* **Sec. 7.** AS 15.13 is amended by adding a new section to read:

Sec. 15.13.118. Public office expense term accounts. (a) After a general or special election, a candidate who has been elected to the state legislature in that election may establish a public office expense term account reserve with unused campaign contributions. A candidate for the senate may transfer up to \$40,000 in unused campaign contributions into a public office expense term account reserve. A candidate for the house of representatives may transfer up to \$16,000 in unused campaign contributions to a public office expense term account reserve. The public office expense term account reserve may only be used to make transfers to a public office expense term account.

(b) A candidate elected to the senate may transfer up to \$10,000 each calendar year from a public office expense term account reserve to a public office expense term account. A candidate elected to the house may transfer up to \$8,000 each calendar year from a public office expense term account reserve to a public office expense term

1 account. A candidate elected to the legislature may also transfer any interest that has
 2 accrued in the candidate's public office expense term account reserve to a public office
 3 expense term account. If, during a calendar year, a candidate transfers less than the
 4 permitted amount from a public office expense term account reserve to a public office
 5 expense term account, the excess may be carried over in the reserve and transferred
 6 in a subsequent calendar year. At the end of the candidate's term of office, a balance
 7 in the public office expense term account reserve must be disposed of only as
 8 authorized by AS 15.13.116(a)(2), (3), or (5).

9 (c) A public office expense term account may be used only for expenses
 10 associated with the candidate's serving as a member of the legislature. Funds in a
 11 public office expense term account or public office expense term account reserve shall
 12 be annually accounted for under AS 15.13.110(a)(4).

13 * **Sec. 8.** AS 15.13.145(b) is amended to read:

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 **if the use is permitted under AS 24.60.030(a)(5)(H) or** [, BUT ONLY] if
 17 the funds have been specifically appropriated for that purpose by a state law or a
 18 municipal ordinance.

19 * **Sec. 9.** AS 15.13.400(3) is amended to read:

20 (3) "contribution"

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

29 (B) does not include

30 (i) services provided without compensation by
 31 individuals volunteering a portion or all of their time on behalf of a

political party, 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;

(iv) for purposes of the limitations on the amount of contributions in this chapter, professional legal or accounting services that are provided to a political party without compensation by an attorney or accountant; the nature or form of the entity under which the attorney or accountant conducts the attorney's or accountant's professional practice does not affect the exception; however, the value of services provided, calculated at the attorney's or accountant's customary rate, shall be reported as a contribution by the state or regional executive committee of the political party under this chapter; or

(v) mass mailings by each political party describing the party's slate of candidates for election, which may include photographs and biographies of the party's candidates;

* Sec. 10. AS 24.60.030(a) is amended to read:

(a) A legislator or legislative employee may not

(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions or the acceptance of a lawful gratuity under AS 24.60.080;

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and

1 either the cost or value related to the use is nominal or the legislator or
 2 legislative employee reimburses the state for the cost of the use;

3 (B) the use of mailing lists, computer data, or other information
 4 lawfully obtained from a government agency and available to the general public
 5 for nonlegislative purposes;

6 (C) telephone or facsimile use that does not carry a special
 7 charge;

8 (D) the legislative council, notwithstanding AS 24.05.190, from
 9 designating a public facility for use by legislators and legislative employees for
 10 health or fitness purposes; when the council designates a facility to be used by
 11 legislators and legislative employees for health or fitness purposes, it shall
 12 adopt guidelines governing access to and use of the facility; the guidelines may
 13 establish times in which use of the facility is limited to specific groups; [OR]

14 (E) a legislator from using the legislator's private office in the
 15 capital city during a legislative session, and for the 10 [FIVE] days
 16 immediately before and the 10 [FIVE] days immediately after a legislative
 17 session, for nonlegislative purposes if the use does not interfere with the
 18 performance of public duties and if there is no cost to the state for the use of
 19 the space and equipment, other than utility costs and minimal wear and tear,
 20 or the legislator promptly reimburses the state for the cost; an office is
 21 considered a legislator's private office under this subparagraph if it is the
 22 primary space in the capital city reserved for use by the legislator, whether or
 23 not it is shared with others;

24 **(F) a legislator from use of legislative employees to prepare**
 25 **and send out seasonal greeting cards;**

26 **(G) a legislator from using state resources to transport**
 27 **computers or other office equipment owned by the legislator but primarily**
 28 **used for a state function;**

29 **(H) use by a legislator of photographs of that legislator;**

30 **(I) reasonable use of the Internet by a legislator or a**
 31 **legislative employee except if the use is for election campaign purposes; or**

(J) a legislator from soliciting, accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable organization in a state facility;

(3) knowingly seek, accept, use, allocate, grant, or award public funds for a purpose other than that approved by law, or make a false statement in connection with a claim, request, or application for compensation, reimbursement, or travel allowances from public funds;

(4) require a legislative employee to perform services for the private benefit of the legislator or employee at any time, or allow a legislative employee to perform services for the private benefit of a legislator or employee on government time; it is not a violation of this paragraph if the services were performed in an unusual or infrequent situation and the person's services were reasonably necessary to permit the legislator or legislative employee to perform official duties;

(5) use or authorize the use of state funds, facilities, equipment, services, or another government asset or resource for the purpose of political fund raising or campaigning; this paragraph does not prohibit

(A) limited use of state property and resources for personal purposes if the use does not interfere with the performance of public duties and either the cost or value related to the use is nominal or the legislator or legislative employee reimburses the state for the cost of the use;

(B) the use of mailing lists, computer data, or other information lawfully obtained from a government agency and available to the general public for nonlegislative purposes;

(C) telephone or facsimile use that does not carry a special charge;

(D) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office; [OR]

(E) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 [FIVE] days immediately before and the 10 [FIVE] days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the

performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(F) use by a legislator of photographs of that legislator;

(G) reasonable use of the Internet by a legislator or a legislative employee except if the use is for election campaign purposes; or

(H) use of governmental resources, including paid staff time, to support or oppose a proposed initiative or an amendment to the state or federal constitution; a legislator or legislative employee may support or oppose a proposed initiative or constitutional amendment; however, a legislator or legislative employee may not use governmental resources to solicit contributions for or gather signatures on an initiative petition; a legislative employee may not, on government time, accept or receive contributions relating to a proposed constitutional amendment or initiative.

* Sec. 11. AS 24.60.090 is repealed and reenacted to read:

Sec. 24.60.090. Nepotism. (a) An individual who is related to a member of the legislature may not be employed for compensation

(1) during the legislative session in the house in which the legislator is a member;

(2) by an agency of the legislature established under AS 24.20; or

(3) in either house during the interim between sessions.

(b) An individual who is related to a member of the legislature may not be employed by the committee, whether for compensation or not.

(c) An individual who is related to a legislative employee may not be employed in a position over which the employee has supervisory authority.

(d) Notwithstanding (a)(3) of this section, an individual who is related to a member of the legislature may be employed in the other house of the legislature during the interim between sessions if, while the individual was disqualified from employment

1 in either house of the legislature during the interim under (a)(3) of this section, the
2 individual worked for at least 100 days during each of four regular legislative sessions.

3 (e) In this section,

4 (1) "an individual who is related to" means a member of the legislator's
5 or legislative employee's immediate family or a person who is living together in a
6 conjugal relationship not a legal marriage with the legislator or legislative employee;

7 (2) "interim between sessions" means the period beginning on the
8 eighth day after the legislature adjourns from a regular or special session and ending
9 eight days before the date that the legislature next convenes in regular session under
10 AS 24.05.090 or in special session under AS 24.05.100;

11 (3) "other house of the legislature" means the house in which the
12 individual's relation is not a member.

13 * **Sec. 12.** AS 15.13.116(d) is repealed.

14 * **Sec. 13.** This Act takes effect January 1, 2001.