

CONFERENCE CS FOR SENATE BILL NO. 103

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE CONFERENCE COMMITTEE

Offered: 5/6/01

Sponsor(s): SENATE STATE AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

"An Act relating to election campaigns and legislative ethics."

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

*** Section 1.** AS 15.13.050(b) is amended to read:

(b) If a group intends to support only one candidate [,] or to contribute to or expend on behalf of one candidate 33 1/3 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. **A candidate may register more than one group to support the 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. 2.** AS 15.13.070(b) is amended to read:

1 (b) An individual may contribute not more than

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

4 (2) \$5,000 per year to a political party **for the purpose of influencing**
5 **the nomination or election of a candidate or candidates.**

6 * **Sec. 3.** AS 15.13.080(a) is amended to read:

7 (a) An individual who contributes \$500, or goods or services with a value of
8 \$500, to a candidate shall file a contributor's statement as required by this section. **A**
9 **candidate who receives \$500, or goods or services of a value of \$500, may file a**
10 **contributor's statement as required under this section on behalf of the**
11 **contributor.**

12 * **Sec. 4.** AS 15.13.116(a) is amended to read:

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

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

22 (2) make donations, without condition, to

23 (A) a political party;

24 (B) the state's general fund;

25 (C) a municipality of the state; or

26 (D) the federal government;

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

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

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

4 (A) to all contributors;

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

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

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

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

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

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

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

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

21 (8) transfer all or a portion of the unused campaign contributions to a
 22 public office expense term account or to a public office expense term account reserve
 23 in accordance with (d) of this section; a transfer under this paragraph is subject to the
 24 following:

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

27 (B) the public office expense term account established under
 28 this paragraph may be used only for expenses associated with the candidate's
 29 serving as a member of the legislature;

30 (C) all amounts expended from the public office expense term
 31 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 **plus any accumulated interest**; 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. 5.** 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 (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. 6. AS 15.13.116(d) is amended to read:

(d) After a general or special election, a candidate for the state legislature who has been elected to the state legislature in that election may, from the amount retained in the public office expense term account reserve under this subsection, transfer to a public office expense term account not more than \$5,000 each calendar year for use only for expenses associated with the candidate's serving as a member of the legislature, except that a senator serving a two-year term may transfer not more than \$10,000 each calendar year. A candidate for the senate may transfer up to \$20,000 from unused campaign contributions to a public office expense term account reserve. A candidate for the house of representatives may transfer up to \$10,000 from 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 the public office expense term account. At the end of the candidate's term of office, a balance in the public office expense term account reserve must be disposed of as provided in (a) of this section but may not be disposed of as provided in (a)(1), (4), or (6) - (9) of this section. All amounts expended under this subsection shall be annually accounted for under AS 15.13.110(a)(4).

* Sec. 7. AS 15.13.400(3) is amended to read:

(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 **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;

(iii) two or fewer mass mailings before each election by each political party describing the party's slate of candidates for election, which may include photographs, biographies, and information about the party's candidates;

(iv) the results of a poll limited to issues and not mentioning any candidate, unless the poll was requested by or designed primarily to benefit the candidate; or

(v) any communication in the form of a newsletter from a legislator to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee;

1 * **Sec. 8.** AS 24.60.030(a) is amended to read:

2 (a) A legislator or legislative employee may not

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

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

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

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

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

20 (D) the legislative council, notwithstanding AS 24.05.190,
21 from designating a public facility for use by legislators and legislative
22 employees for health or fitness purposes; when the council designates a facility
23 to be used by legislators and legislative employees for health or fitness
24 purposes, it shall adopt guidelines governing access to and use of the facility;
25 the guidelines may establish times in which use of the facility is limited to
26 specific groups; [OR]

27 (E) a legislator from using the legislator's private office in the
28 capital city during a legislative session, and for the 10 [FIVE] days
29 immediately before and the 10 [FIVE] days immediately after a legislative
30 session, for nonlegislative purposes if the use does not interfere with the
31 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) a legislator from use of legislative employees to prepare and send out seasonal greeting cards;

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

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

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

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

(K) a legislator from sending any communication in the form of a newsletter to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee;

(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; or

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

* **Sec. 9.** AS 24.60.080(c) is amended to read:

(c) Notwithstanding (a) of this section, it is not a violation of this section for a legislator or legislative employee to accept

(1) hospitality, other than hospitality described in (4) of this subsection,

(A) with incidental transportation at the residence of a person;

1 however, a vacation home located outside the state is not considered a
2 residence for the purposes of this subparagraph; or

3 (B) at a social event or meal;

4 (2) discounts that are available

5 (A) generally to the public or to a large class of persons to
6 which the person belongs; or

7 (B) when on official state business, but only if receipt of the
8 discount benefits the state;

9 (3) food or foodstuffs indigenous to the state that are shared generally
10 as a cultural or social norm;

11 (4) travel and hospitality primarily for the purpose of obtaining
12 information on matters of legislative concern;

13 (5) gifts from the immediate family of the person;

14 (6) gifts that are not connected with the recipient's legislative status;

15 (7) a discount for all or part of a legislative session, including time
16 immediately preceding or following the session, or other gift to welcome a legislator
17 or legislative employee who is employed on the personal staff of a legislator or by a
18 standing or special committee to the capital city or in recognition of the beginning of a
19 legislative session if the gift or discount is available generally to all legislators and the
20 personal staff of legislators and staff of standing and special committees; this
21 paragraph does not apply to legislative employees who are employed by the
22 Legislative Affairs Agency, the office of the chief clerk, the office of the senate
23 secretary, the legislative budget and audit committee, or the office of the ombudsman;
24 [OR]

25 (8) a gift of legal services in a matter of legislative concern and a gift
26 of other services related to the provision of legal services in a matter of legislative
27 concern; **or**

28 **(9) a gift of transportation from a legislator to a legislator if the**
29 **transportation takes place in the state on or in an aircraft, boat, motor vehicle, or**
30 **other means of transport owned or under the control of the donor; this**
31 **paragraph does not apply to travel described in (4) of this subsection or travel for**

1 **political campaign purposes.**