

**HOUSE BILL NO. 317**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE FINKELSTEIN**

**Introduced: 4/21/95**

**Referred: State Affairs, Judiciary, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to election campaigns, election campaign financing, the oversight  
2 and regulation of election campaigns by the Alaska Public Offices Commission, the  
3 activities of lobbyists that relate to election campaigns, and the definitions of  
4 offenses of campaign misconduct; and providing for an effective date."

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

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

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

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

12 (3) organized special interests are responsible for raising a significant portion  
13 of all election campaign funds and may thereby gain an undue influence over election  
14 campaigns and elected officials, particularly incumbents;

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

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

7 (6) penalties for violations of the existing campaign finance laws are too  
8 lenient to deter misconduct.

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

12 \* **Sec. 2.** AS 15.13.010(a) is amended to read:

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

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

31 \* **Sec. 3.** AS 15.13.010 is amended by adding a new subsection to read:

1 (c) This chapter does not prohibit a municipality from regulating by ordinance  
2 election campaign contributions and expenditures in municipal elections, or from  
3 regulating election campaign contributions and expenditures in municipal elections  
4 when the regulation imposes a requirement or standard that is not less stringent than  
5 a requirement or standard provided in this chapter.

6 \* **Sec. 4.** AS 15.13.040(a) is amended to read:

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

15 \* **Sec. 5.** AS 15.13.040 is amended by adding a new subsection to read:

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

17 (1) indicates, on a form prescribed by the commission, an intent not to  
18 raise and not to expend more than \$1,000 in seeking election;

19 (2) accepts contributions totaling not more than \$1,000 in seeking  
20 election; and

21 (3) makes expenditures totaling not more than \$1,000 in seeking  
22 election.

23 \* **Sec. 6.** AS 15.13.050 is amended to read:

24 Sec. 15.13.050. **REGISTRATION BEFORE CONTRIBUTION OR**  
25 **EXPENDITURE** [GROUPS]. **Before** [EACH GROUP, BEFORE] making an  
26 expenditure **in support** [ON BEHALF] of [,] or in opposition to [,] a candidate or  
27 **before making an expenditure in support of or in opposition to a ballot**  
28 **proposition or question, each person, publicly-funded entity, or group** [A  
29 CONTRIBUTION TO A CANDIDATE,] shall register, on forms provided by the  
30 commission, with the commission. [IF THE GROUP INTENDS TO SUPPORT OR  
31 OPPOSE ONLY ONE CANDIDATE, OR TO CONTRIBUTE TO OR EXPEND ON

1 BEHALF OF, OR IN OPPOSITION TO, ONE CANDIDATE 50 PERCENT OR  
2 MORE OF ITS FUNDS, THE NAME OF THE CANDIDATE SHALL BE A PART  
3 OF THE NAME OF THE GROUP. PROMPTLY UPON RECEIVING THE  
4 REGISTRATION, THE COMMISSION SHALL NOTIFY THE CANDIDATE OF  
5 THE GROUP'S ORGANIZATION AND INTENT.]

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

7 Sec. 15.13.065. WHO MAY MAKE CONTRIBUTIONS. (a) Only an  
8 individual may make a contribution to a group.

9 (b) An individual or a group may make contributions to a candidate.

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

12 (1) the candidate;

13 (2) individuals who are registered under AS 15.13.050; and

14 (3) a group.

15 \* **Sec. 8.** AS 15.13.070 is repealed and reenacted to read:

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

20 (b) An individual may contribute

21 (1) not more than \$500 per year to a candidate, or to a person who  
22 conducts a write-in campaign as a candidate, for

23 (A) governor or lieutenant governor;

24 (B) the state legislature;

25 (C) delegate to a constitutional convention;

26 (D) judge seeking electoral confirmation; or

27 (E) municipal office;

28 (2) not more than \$250 per year to a group that is not a political party;

29 (3) not more than \$5,000 per year to a political party.

30 (c) A group that is not a political party may contribute not more than \$500 per  
31 year to a candidate, or to a person who conducts a write-in campaign as a candidate,

1 for

- 2 (1) governor or lieutenant governor;
- 3 (2) the state legislature;
- 4 (3) delegate to a constitutional convention;
- 5 (4) judge seeking electoral confirmation; or
- 6 (5) municipal office.

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

9 (1) \$50,000 per year, if the election is for governor or lieutenant  
10 governor; and

11 (2) \$5,000 per year, if the election is for

- 12 (A) the state legislature;
- 13 (B) delegate to a constitutional convention;
- 14 (C) judge seeking electoral confirmation; or
- 15 (D) municipal office.

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

17 Sec. 15.13.072. RESTRICTIONS ON SOLICITATION AND ACCEPTANCE  
18 OF CONTRIBUTIONS. (a) A candidate may not solicit or accept a contribution from

19 (1) an individual or group not authorized by law to make a  
20 contribution;

21 (2) an individual who is not a resident of the state at the time the  
22 contribution is made; or

23 (3) a group organized under the laws of another state or qualified to do  
24 business only under the laws of another state; however, the limitation of the paragraph  
25 does not apply to a group all of whose members are residents of this state at the time  
26 the contribution is made.

27 (b) A candidate or a group may not solicit or accept a cash contribution that  
28 exceeds \$25.

29 (c) A person, or a person acting directly or indirectly on behalf of that person,  
30 may not solicit or accept a contribution

31 (1) before the date that is the later of the date that

1 (A) the person  
2 (i) becomes a candidate; or  
3 (ii) files with the commission the document necessary  
4 to permit the person to incur certain election-related expenses as  
5 authorized by AS 15.13.100; or  
6 (B) is 11 months before the date of the general or regular  
7 municipal election or that is before the date of the proclamation of the special  
8 election at which the person seeks election to public office; or  
9 (2) later than the 30th day  
10 (A) after the date of a primary election if the person  
11 (i) has been nominated at the primary election or is  
12 running as a write-in candidate; and  
13 (ii) is not opposed at the general election; or  
14 (B) after the date of the general election, or after the date of a  
15 municipal or municipal runoff election, if the person was opposed at the  
16 general, municipal, or municipal runoff election.  
17 (d) A candidate or a person who has filed with the commission the document  
18 necessary to permit the person to incur election-related expenses under AS 15.13.100  
19 may not solicit or accept  
20 (1) a contribution if the legislature is convened in a regular or special  
21 legislative session, and the candidate or person is  
22 (A) the governor or lieutenant governor;  
23 (B) a member of the legislature; or  
24 (C) employed by  
25 (i) the governor or lieutenant governor as a member of  
26 the staff of their respective offices; or  
27 (ii) a legislator as a member of the legislator's staff or  
28 as a member of the staff of a legislative committee; or  
29 (2) an honorarium if, at the time the honorarium is offered or at the  
30 time of performance of the service for which the honorarium is tendered, the person  
31 is a state officer described in (1)(A) or (B) of this subsection.

1           Sec. 15.13.074. PROHIBITED CONTRIBUTIONS. (a) A person may not  
2 make a contribution or pay an honorarium if the making of the contribution or  
3 payment of the honorarium would violate this chapter.

4           (b) A person may not make a contribution anonymously, using a fictitious  
5 name, or using the name of another.

6           (c) A person may not make a contribution to a candidate

7                 (1) before the date that is the later of the date that

8                         (A) the person

9                                 (i) becomes a candidate; or

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

13                         (B) is 11 months before the date of the general or regular  
14 municipal election or that is before the date of the proclamation of the special  
15 election at which the person seeks election to public office; or

16                 (2) later than the 30th day

17                         (A) after the date of a primary election if the person

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

20                                (ii) is not opposed at the general election; or

21                         (B) after the date of the general election, or after the date of a  
22 municipal or municipal runoff election, if the person was opposed at the  
23 general, municipal, or municipal runoff election.

24           (d) A person may not make a contribution or offer or pay an honorarium to  
25 a candidate or a person who is prohibited by AS 15.13.072(d) from accepting it.

26           (e) A person may not make a cash contribution that exceeds \$25.

27           Sec. 15.13.076. AUTHORIZED RECIPIENTS OF CONTRIBUTIONS. A  
28 contribution to a

29                 (1) candidate may be received only by

30                         (A) the candidate; or

31                         (B) the candidate's campaign treasurer or a deputy campaign

1 treasurer;

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

4 Sec. 15.13.078. CONTRIBUTIONS AND LOANS FROM THE CANDIDATE  
5 AND THE CANDIDATE'S FAMILY MEMBERS. (a) The provisions of this chapter  
6 do not prohibit a candidate from giving any amount of the candidate's own money or  
7 other thing of value to the campaign of the candidate. Donations made by the  
8 candidate to the candidate's own campaign shall be reported as contributions in  
9 accordance with AS 15.13.040 and 15.13.110.

10 (b) The provisions of this chapter do not prohibit a candidate from lending any  
11 amount to the campaign of the candidate. Loans made by the candidate shall be  
12 reported as contributions in accordance with AS 15.13.040 and 15.13.110. However,  
13 a candidate may not

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

16 (A) \$25,000, if the candidate ran for governor or lieutenant  
17 governor;

18 (B) \$10,000, if the candidate ran for

19 (i) the legislature; or

20 (ii) delegate to a constitutional convention;

21 (C) \$10,000, if the candidate was a judge seeking electoral  
22 confirmation;

23 (D) \$5,000, if the candidate ran in a municipal election; or

24 (2) repay a loan that the candidate has made to the candidate's own  
25 campaign unless, within five days of making the loan, the candidate notifies the  
26 commission, on a form provided by the commission, of the candidate's intention to  
27 repay the loan under AS 15.13.116(a)(5).

28 (c) Each of the following may make loans to a candidate:

29 (1) the candidate's spouse;

30 (2) the candidate's parents;

31 (3) the candidate's children, including adoptive and stepchildren; and

1 (4) brothers and sisters of the candidate.

2 (d) When a person described in (c) of this section loans money to the election  
3 campaign of a candidate, the money loaned to the candidate is not reportable as a  
4 contribution if the

5 (1) total of all loans from a person described in (c) of this section does  
6 not exceed \$1,000 per year;

7 (2) money was not obtained from persons other than the makers of the  
8 loan under an agreement that the money be loaned to the candidate's campaign; and

9 (3) existence of the loan is put in writing when the money is received  
10 by the candidate's campaign, and a copy of the document is filed with the commission.

11 (e) A candidate may repay a loan received from a person described in (c) of  
12 this section if, within five days of receipt of the loan, the candidate notifies the  
13 commission, on a form provided by the commission, of the candidate's intention to  
14 repay the loan under AS 15.13.116(a)(5). However, a candidate may not repay to a  
15 person described in (c) of this section

16 (1) that portion of a loan or loans made by the person that exceeds  
17 \$1,000 per year; the amount of the excess shall be reported as a contribution in  
18 accordance with AS 15.13.040 and 15.13.110; or

19 (2) a loan or loans that have not been reported under this subsection  
20 or that do not qualify for treatment under (d) of this section.

21 \* **Sec. 10.** AS 15.13.080 is amended to read:

22 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. **(a) Each of the**  
23 **following shall file statements as required by (b) - (d) of this section:**

24 **(1) an individual who contributes to a candidate**

25 **(A) more than** [A PERSON OR GROUP CONTRIBUTING TO  
26 A CANDIDATE OVER] \$250; or

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

29 **(2) an individual who, during the period between the 90th day**  
30 **before an election and the date of the election, contributes to more than one group**  
31 **and whose contributions to all groups, in money or in the value of goods and**

1 services, or both, exceed \$1,000 per year [TO INFLUENCE THE ELECTION OF  
2 A CANDIDATE SHALL FURNISH THE COMMISSION A SIGNED STATEMENT,  
3 ON A FORM MADE AVAILABLE BY THE COMMISSION].

4 (b) A person required to file a contributor's statement under (a) of this  
5 section shall file on a form made available by the commission. The statement must

6 (1) identify the contributor and the candidate and all groups  
7 receiving contributions;

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

9 (3) state that the contributor is not [A PERSON OR GROUP]  
10 prohibited by law from contributing and that the contribution consists of funds or  
11 property belonging to the contributor and has not been given or furnished by another  
12 person or group.

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

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

19 Sec. 15.13.082. LIMITATIONS ON EXPENDITURES. (a) A candidate or  
20 group may not make an expenditure in cash that exceeds \$100 unless the candidate,  
21 or the campaign treasurer or deputy campaign treasurer, obtains from the person to  
22 whom the expenditure is made a written receipt and files a copy of the receipt with  
23 the commission.

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

26 (c) If a candidate or group receives a contribution in the form of cash, check,  
27 money order, or other negotiable instrument and is subject to being reported to the  
28 commission under this chapter, the candidate or group may neither expend the  
29 contribution nor, in the case of a negotiable instrument, convert it to cash unless the  
30 candidate, campaign treasurer, or deputy campaign treasurer first records the following  
31 information for disclosure to the commission:

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

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

4 Sec. 15.13.084. PROHIBITED EXPENDITURES. A person may not make an  
5 expenditure anonymously, using a fictitious name, or using the name of another.

6 Sec. 15.13.086. AUTHORIZED MAKERS OF EXPENDITURES. An  
7 expenditure by or in behalf of

8 (1) a candidate may be made only by

9 (A) the candidate; or

10 (B) the candidate's campaign treasurer or a deputy campaign  
11 treasurer;

12 (2) a group may be made only by the group's campaign treasurer.

13 \* **Sec. 12.** AS 15.13.110(b) is amended to read:

14 (b) Each contribution or expenditure that exceeds \$250 and that is made within  
15 nine days of the election shall be reported to the commission by date, amount, and  
16 contributor or recipient within 24 hours of receipt or expenditure by the candidate,  
17 **group, [OR] campaign treasurer, or deputy campaign treasurer.**

18 \* **Sec. 13.** AS 15.13.110(c) is amended to read:

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

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

26 Sec. 15.13.112. USES OF CAMPAIGN CONTRIBUTIONS HELD BY  
27 CANDIDATE OR GROUP. (a) Campaign contributions held by a candidate or group  
28 may be used

29 (1) as authorized by this chapter; or

30 (2) to pay the expenses of the candidate or group, and the campaign  
31 expenses incurred by the candidate or group, that reasonably relate to election

1 campaign activities.

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

3 (1) used to give a personal benefit to the candidate or to another  
4 person;

5 (2) converted to personal income of the candidate;

6 (3) loaned to a person;

7 (4) knowingly used to pay more than the fair market value for goods  
8 or services purchased for the campaign;

9 (5) used to pay a criminal fine;

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

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

17 (B) the candidate, campaign treasurer, and deputy campaign  
18 treasurers cooperated in the revelation of the violation and in its immediate  
19 correction; or

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

21 Sec. 15.13.114. DISPOSITION OF PROHIBITED CONTRIBUTIONS. (a)  
22 A candidate or group that receives and accepts a contribution given in violation of  
23 AS 15.13.074 shall immediately, upon discovery that the contribution is prohibited,  
24 return it to the contributor. If the contribution cannot be returned in the same form,  
25 the equivalent value of the contribution shall be returned.

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

30 Sec. 15.13.116. DISBURSEMENT OF CAMPAIGN ASSETS AFTER  
31 ELECTION. (a) A candidate who, after the date of the general, special, municipal,

1 or municipal runoff election or after the date the candidate withdraws as a candidate,  
2 whichever comes first, holds unused campaign contribution shall distribute the amount  
3 held within 60 days. The distribution may only be made to

4 (1) pay bills incurred for expenditures reasonably related to the  
5 campaign and the winding up of the affairs of the campaign, and to pay expenditures  
6 associated with post-election fund raising that may be needed to raise funds to pay off  
7 campaign debts;

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

10 (3) make donations, without condition, to

11 (A) a political party;

12 (B) the state's general fund;

13 (C) a municipality of the state; or

14 (D) the federal government;

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

18 (5) repay loans

19 (A) from the candidate to the candidate's own campaign under  
20 AS 15.13.078(b); or

21 (B) from immediate family members made under  
22 AS 15.13.078(c); or

23 (6) establish a fund for, and, from that fund, to pay attorney fees or  
24 costs incurred in, the prosecution or defense of an administrative or civil judicial action  
25 that directly concerns a challenge to the victory or defeat of the candidate in the  
26 election.

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

1 (c) Property remaining after disbursements are made under (a) - (b) of this  
2 section is forfeited to the state. Within 30 days, the candidate shall deliver the  
3 property to the Department of Revenue. The Department of Revenue shall deposit any  
4 money received into the general fund and dispose of any other property in accordance  
5 with law.

6 \* **Sec. 15.** AS 15.13.120(d) is repealed and reenacted to read:

7 (d) A person who believes a violation of this chapter or a regulation adopted  
8 under this chapter has occurred or is occurring may file an action in superior court  
9 seeking injunctive relief and civil penalties under AS 15.13.125, or may file an  
10 administrative complaint with the commission under (e) of this section. An action may  
11 not be commenced under this subsection after two years have elapsed from the date  
12 of the alleged violation. The plaintiff in a superior court action shall serve the attorney  
13 general and the commission with a copy of the summons and complaint. The  
14 commission, represented by the attorney general, may intervene in the action.

15 \* **Sec. 16.** AS 15.13.120(e) is repealed and reenacted to read:

16 (e) A member of the commission, the commission's executive director, or a  
17 person who believes a violation of a provision of this chapter or a regulation adopted  
18 under this chapter has occurred, may file an administrative complaint with the  
19 commission. The commission shall expeditiously make an investigation of the  
20 complaint. If a member of the commission has filed the complaint, then the member  
21 may not participate as a commissioner in any proceeding of the commission with  
22 respect to the complaint. After affording a person notice and an opportunity for  
23 hearing, if the commission finds that the person has engaged in or is about to engage  
24 in an act or practice that constitutes or will constitute a violation of a provision of this  
25 chapter or a regulation adopted under this chapter, the commission shall enter an order  
26 requiring the violation to cease and to be remedied, and shall assess civil penalties  
27 under AS 15.13.125. An action may not be commenced by the commission under this  
28 subsection after four years have elapsed from the date of the alleged violation. The  
29 commission's exercise of jurisdiction under this subsection is not exclusive. A person  
30 who files a complaint under this subsection may withdraw it at any time and, unless  
31 more than two years have elapsed since the date of the alleged violation, proceed

1 under (d) of this section.

2 \* **Sec. 17.** AS 15.13.125 is repealed and reenacted to read:

3 Sec. 15.13.125. CIVIL PENALTIES. (a) A person who violates a provision  
4 of this chapter or a regulation adopted under this chapter

5 (1) is subject to a minimum civil penalty of not less than

6 (A) \$1 nor more than \$10 per day for the 1st through the 10th  
7 day of a violation;

8 (B) \$10 nor more than \$50 per day for the 11th through the  
9 20th day of a violation; and

10 (C) \$50 per day for each day a violation continues more than  
11 20 days;

12 (2) that continues more than 20 days is subject to a maximum civil  
13 penalty for each

14 (A) negligent or reckless violation of not more than \$250 per  
15 violation per day; and

16 (B) knowing or intentional violation of not more than \$500 per  
17 violation per day.

18 (b) In establishing the appropriate level of penalties under (a) of this section,  
19 the commission or superior court may consider

20 (1) as aggravating factors, whether

21 (A) the violator recklessly, knowingly, or intentionally caused  
22 or participated in the violation;

23 (B) the violation was a repeat violation or part of a series or  
24 pattern of violations in the same or past campaigns; and

25 (C) the violation may have caused any damage to the election  
26 campaign of another; and

27 (2) as mitigating factors, whether

28 (A) the violator corrected the violation within five days after it  
29 occurred; and

30 (B) the violator's remedial conduct, if any, taken to correct the  
31 violation before the election and taken to prevent future violations.

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

5 (1) suspend imposition of the penalties; and

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

8 (d) When an administrative complaint has been filed under AS 15.13.120(e),  
9 the commission shall give the person against whom the complaint has been filed due  
10 notice and an opportunity to be heard. If, at the conclusion of the hearing, the  
11 commission determines that the person against whom the complaint was filed engaged  
12 in the alleged violation, the commission shall assess

13 (1) civil penalties under (a) of this section;

14 (2) the commission's costs of investigation and adjudication; and

15 (3) reasonable attorney fees.

16 (e) The commission's determination under this subsection may be appealed to  
17 the superior court under AS 44.62 (Administrative Procedure Act).

18 (f) When an action has been filed in the superior court under AS 15.13.120(d),  
19 upon proof of the violation,

20 (1) if the court finds that, in committing the violation, the person  
21 against whom the action was brought acted knowingly and did not take action to  
22 correct the violation within five days after it occurred, the court shall enter a judgment  
23 in the amount of three times the amount of the civil penalty authorized to be collected  
24 by (a) of this section;

25 (2) unless the court finds that, in committing the violation, the person  
26 against whom the action was brought, acted knowingly and did not take action to  
27 correct the violation within five days after it occurred, the court shall enter a judgment  
28 in the amount of the civil penalty authorized by (a) of this section;

29 (3) shall award reasonable attorney fees and costs to the prevailing  
30 party.

31 (g) A person who filed a civil action under AS 15.13.120(d), upon proof of

1 the violation by the person against whom the action was filed, may recover reasonable  
2 attorney fees and costs.

3 (h) In this section, when a provision prescribes a culpable mental state, the  
4 culpable mental state that must be proven are the culpable mental states defined in  
5 AS 11.81.900(a).

6 \* **Sec. 18.** AS 15.13 is amended by adding new sections to read:

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

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

17 (1) shall comply with AS 15.13.090; and

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

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

23 Sec. 15.13.137. RESTRICTIONS ON CONTRIBUTIONS TO INDIVIDUALS  
24 MAKING INDEPENDENT EXPENDITURES FOR OR AGAINST CANDIDATES.  
25 An individual who makes an independent expenditure supporting or opposing a  
26 candidate may not accept a contribution to help pay for the expenditure from another  
27 individual or group that exceeds the amount an individual may contribute to a group  
28 under AS 15.13.070(b)(2).

29 Sec. 15.13.140. INDEPENDENT EXPENDITURES FOR OR AGAINST  
30 BALLOT PROPOSITION OR QUESTION. (a) This chapter does not prohibit a  
31 person, or a publicly funded entity, from making independent expenditures in support

1 of or in opposition to a ballot proposition or question.

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

3 (1) shall be reported in accordance with AS 15.13.040 and 15.13.100 -  
4 15.13.110 and other requirements of this chapter; and

5 (2) may not be made if the expenditure is prohibited by AS 15.13.084.

6 Sec. 15.13.145. MONEY OF THE STATE AND ITS POLITICAL  
7 SUBDIVISIONS. (a) Except as provided in (b) and (c) of this section, each of the  
8 following may not use money held by the entity to influence the outcome of the  
9 election of a candidate to a state, municipal, municipal runoff, or federal office:

10 (1) the state, its agencies, and its corporations;

11 (2) the University of Alaska and its Board of Regents;

12 (3) municipalities, school districts, and regional educational attendance  
13 areas, or another political subdivision of the state; and

14 (4) an officer or employee of an entity identified in (1) - (3) of this  
15 subsection.

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

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

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

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

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

31 Sec. 15.13.150. ELECTION EDUCATIONAL ACTIVITIES NOT

1 PROHIBITED. This chapter does not prohibit a person from engaging in educational  
2 election related communications and activities, including

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

10 Sec. 15.13.199. DEFINITIONS. In this chapter,

11 (1) "candidate"

12 (A) means a person who

13 (i) files for election under AS 15.25.030 - 15.25.130 or  
14 under AS 15.25.140 - 15.25.200 for the state legislature, for governor,  
15 or for lieutenant governor;

16 (ii) files for municipal office;

17 (iii) files for retention in judicial office;

18 (iv) files for constitutional convention delegate; or

19 (v) campaigns as a write-in candidate for an office  
20 described in (i) - (iv) of this subparagraph; and

21 (B) when used in a provision of this chapter that limits or  
22 prohibits the donation, solicitation, or acceptance of campaign contributions, or  
23 limits or prohibits an expenditure, includes

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

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

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

28 (iv) the candidate's campaign committee; and

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

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

2 (3) "contribution"

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

11 (B) does not include

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

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

19 (iii) ordinary hospitality in a home;

20 (4) "expenditure"

21 (A) means a purchase or a transfer of money or anything of  
22 value, or promise or agreement to purchase or transfer money or anything of  
23 value, incurred or made for the purpose of

24 (i) influencing the nomination or election of a candidate  
25 or of any individual who files for nomination at a later date and  
26 becomes a candidate;

27 (ii) use by a political party;

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

31 (iv) influencing the outcome of a ballot proposition or

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question;

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

(5) "group" means

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

(B) any combination of two or more individuals acting jointly who organize for the principal purpose to influence the outcome of one or more elections and who take action the major purpose of which is to influence the outcome of an election; a group that makes expenditures or receives contributions with the authorization or consent, express or implied, or under the control, direct or indirect, of a candidate shall be considered to be controlled by that candidate; a group whose major purpose is to further the nomination, election, or candidacy of only one person, or intends to expend more than 50 percent of its money on a single candidate, shall be considered to be controlled by that candidate and its actions done with the candidate's knowledge and consent unless, within 10 days from the date the candidate learns of the existence of the group the candidate files with the commission, on a form provided by the commission, an affidavit that the group is operating without the candidate's control; a group organized for more than one year preceding an election and endorsing candidates for more than one office or more than one political party is presumed not to be controlled by a candidate; however, a group that contributes more than 50 percent of its money to or on behalf of one candidate shall be considered to support only one candidate for purposes of AS 15.13.070, whether or not control of the group has been disclaimed by the candidate;

(6) "honorarium"

(A) means a payment of money or anything of value by any person to a public official or to any other individual as consideration for an appearance, speech, or article made in connection with the duties of the public official or because of the individual's candidacy for a public office;

1 (B) does not include the payment of a salary or an expense  
2 reimbursement to which the recipient might otherwise be entitled as an  
3 employee of the person;

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

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

11 (9) "individual" means a natural person;

12 (10) "person" has the meaning given in AS 01.10.060, and includes a  
13 labor union;

14 (11) "publicly-funded entity" means a person that receives any public  
15 money.

16 \* **Sec. 19.** AS 15.56 is amended by adding new sections to read:

17 Sec. 15.56.012. CAMPAIGN MISCONDUCT IN THE FIRST DEGREE. (a)  
18 A person commits the crime of campaign misconduct in the first degree if the person  
19 intentionally violates a provision of AS 15.13 or a regulation adopted under authority  
20 of AS 15.13.

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

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

23 Sec. 15.56.014. CAMPAIGN MISCONDUCT IN THE SECOND DEGREE.

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

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

30 (2) knowingly prints or publishes an advertisement, billboard, placard,  
31 poster, handbill, paid-for television or radio announcement or other communication

1 intended to influence the election of a candidate or outcome of a ballot proposition or  
2 question without the words "paid for by" followed by the name and address of the  
3 candidate, group or individual paying for the advertising or communication and, if a  
4 candidate or group, with the name of the campaign chair;

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

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

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

11 (C) that would provoke a reasonable person under the  
12 circumstances to a breach of the peace or damages the candidate's reputation  
13 for honesty, integrity, or the candidate's qualifications to serve if elected to  
14 office; or

15 (4) knowingly violates a provision of AS 15.13 or a regulation adopted  
16 under AS 15.13.

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

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

19 Sec. 15.56.016. CAMPAIGN MISCONDUCT IN THE THIRD DEGREE. (a)  
20 A person commits the crime of campaign misconduct in the third degree

21 (1) if the person recklessly or with criminal negligence violates a  
22 provision of AS 15.13 or a regulation adopted under AS 15.13; or

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

28 (A) violates AS 15.15.170; or

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

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

2 Sec. 15.56.018. APPLICABILITY OF CAMPAIGN MISCONDUCT  
3 PROVISIONS. (a) For purposes of AS 15.56.012(a), 15.56.015(a)(4), and  
4 15.56.016(a)(1), each day a violation continues constitutes a separate offense.

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

9 Sec. 15.56.019. DEFINITIONS. In AS 15.56.012 - 15.56.018, the terms  
10 "intentionally," "knowingly," "recklessly," and "with criminal negligence" have the  
11 meanings given in AS 11.81.900(a).

12 \* **Sec. 20.** AS 24.45.121(a) is amended to read:

13 (a) A lobbyist may not

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

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

18 (3) intentionally deceive or attempt to deceive any public official with  
19 regard to any material fact pertinent to pending or proposed legislative or  
20 administrative action;

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

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

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

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

31 (8) serve as a campaign manager or director, serve as a campaign

1 treasurer or deputy campaign treasurer on a finance or fund-raising committee, host a  
2 fund-raising event, directly or indirectly collect contributions for, or deliver  
3 contributions to, a candidate or otherwise [ACTIVELY] engage in the fund-raising  
4 activity of a legislative campaign if the lobbyist has registered, or is required to  
5 register as a lobbyist, under this chapter, during the calendar year; this paragraph  
6 does not apply to a representational lobbyist as defined in the regulations of the Alaska  
7 Public Offices Commission, and does not prohibit a lobbyist from making personal  
8 contributions to a candidate as authorized by AS 15.13 or personally advocating on  
9 behalf of a candidate;

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

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

15 \* **Sec. 21.** AS 24.60.031(b) is amended to read:

16 (b) In this section, "contribution" has the meaning given in AS 15.13.199  
17 [AS 15.13.130].

18 \* **Sec. 22.** AS 15.13.120(a), 15.13.130; AS 15.56.010, and 15.56.020 are repealed.

19 \* **Sec. 23.** CONSTRUCTION AND APPLICATION. Each provision of this Act shall be  
20 construed to avoid a conflict with any federal law that, under the supremacy clause of art. VI  
21 of the United States Constitution, prevails over the state provision.

22 \* **Sec. 24.** APPLICABILITY OF AS 15.13 TO PERSONS OTHER THAN INDIVIDUALS.

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

26 \* **Sec. 25.** This Act takes effect immediately under AS 01.10.070(c).