

CS FOR SENATE BILL NO. 103(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 3/13/01
Referred: Finance

Sponsor(s): SENATE STATE AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

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

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

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

4 (b) If a group intends to support only one candidate [,] or to contribute to or
5 expend on behalf of one candidate 33 1/3 percent or more of its funds, the name of the
6 candidate shall be a part of the name of the group. If the group intends to oppose only
7 one candidate [,] or to contribute its funds in opposition to or make expenditures in
8 opposition to a candidate, the group's name must clearly state that it opposes that
9 candidate by using a word such as "opposes," "opposing," "in opposition to," or
10 "against" in the group's name. Promptly upon receiving the registration, the
11 commission shall notify the candidate of the group's organization and intent. A
12 candidate may register more than one group to support the candidate; however,
13 multiple groups controlled by a single candidate shall be treated as a single group
14 for purposes of the contribution limit in AS 15.13.070(b)(1).

15 *** Sec. 2.** AS 15.13.116(a) is amended to read:

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

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

10 (2) 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 (3) 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 (4) repay loans from the candidate to the candidate's own campaign
 19 under AS 15.13.078(b);

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

23 (A) to all contributors;

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

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

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

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

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

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

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

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

9 (8) transfer all or a portion of the unused campaign contributions to a
10 public office expense term account [OR TO A PUBLIC OFFICE EXPENSE TERM
11 ACCOUNT RESERVE IN ACCORDANCE WITH (d) OF THIS SECTION]; a
12 transfer under this paragraph is subject to the following:

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

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

18 (C) all amounts expended from the public office expense term
19 account shall be annually accounted for under AS 15.13.110(a)(4); [AND]

20 (D) a transfer under this paragraph is limited to \$10,000 for a
21 candidate for the house of representatives and \$20,000 for a candidate for
22 the senate; and

23 (E) at the end of the candidate's term of office, a balance in
24 the public office expense term account must be disposed of as provided in
25 this subsection but may not be disposed of as provided in (1), (4), or (6) -
26 (9) of this subsection [\$5,000 MULTIPLIED BY THE NUMBER OF YEARS
27 IN THE TERM TO WHICH THE CANDIDATE IS ELECTED]; and

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

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

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

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

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

8 * **Sec. 3.** AS 15.13.116(b) is amended to read:

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

16 **(1)** a candidate may **(A)** [(1)] retain a bulk mailing permit that was
 17 paid for with campaign funds, and **(B)** [(2)] use personal funds, campaign funds, or
 18 unused campaign contributions transferred to a public office expense term account
 19 under (a)(8) of this section to pay the continuing charges for the permit after the
 20 election; **money** [. MONEY] used to continue the life of the permit is not considered
 21 to be a contribution under this chapter; **in** [. IN] addition to any other use permitted
 22 under this chapter, during the candidate's term of office, the candidate may use the
 23 bulk mailing permit for mailings associated with service in the office to which the
 24 candidate was elected; **during** [. DURING] the candidate's term of office, if the
 25 candidate files a declaration of candidacy or **the document necessary to permit the**
 26 **candidate to incur election-related expenses under AS 15.13.100** [A LETTER OF
 27 INTENT TO BECOME A CANDIDATE] for the same or a different elective office,
 28 the candidate may also use the bulk mailing permit in that election campaign;

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

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

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

6 * **Sec. 4.** AS 15.13.145(b) is amended to read:

7 (b) Money held by an entity identified in (a)(1) - (3) of this section may be
 8 used to influence the outcome of an election concerning a ballot proposition or
 9 question **if the use is permitted under AS 24.60.030(a)(5)(G) or** [, BUT ONLY] if
 10 the funds have been specifically appropriated for that purpose by a state law or a
 11 municipal ordinance.

12 * **Sec. 5.** AS 15.13.400(3) is amended to read:

13 (3) "contribution"

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

22 (B) does not include

23 (i) services provided without compensation by
 24 individuals volunteering a portion or all of their time on behalf of a
 25 **political party,** candidate, or ballot proposition or question [, BUT IT
 26 DOES INCLUDE PROFESSIONAL SERVICES VOLUNTEERED
 27 BY INDIVIDUALS FOR WHICH THEY ORDINARILY WOULD
 28 BE PAID A FEE OR WAGE];

29 (ii) [SERVICES PROVIDED BY AN ACCOUNTANT
 30 OR OTHER PERSON TO PREPARE REPORTS AND
 31 STATEMENTS REQUIRED BY THIS CHAPTER; OR

1 (iii)] ordinary hospitality in a home;

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

6 **(iv) the results of a poll limited to issues and not**
 7 **mentioning any candidate, unless the poll was requested by or**
 8 **designed primarily to benefit the candidate or provided by an**
 9 **individual required to register as a lobbyist under AS 24.45;**

10 * **Sec. 6.** AS 15.13.400(4) is amended to read:

11 (4) "expenditure"

12 (A) means a purchase or a transfer of money or anything of
 13 value, or promise or agreement to purchase or transfer money or anything of
 14 value, incurred or made for the purpose of

15 (i) influencing the nomination or election of a candidate
 16 or of any individual who files for nomination at a later date and
 17 becomes a candidate;

18 (ii) use by a political party;

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

22 (iv) influencing the outcome of a ballot proposition or
 23 question;

24 (B) does not include

25 **(i) a candidate's filing fee or the cost of preparing**
 26 **reports and statements required by this chapter; or**

27 **(ii) communications with a value of \$500 or less on**
 28 **any subject made by a corporation to its stockholders and**
 29 **employees and their families or by a nonprofit corporation, labor**
 30 **organization, or unincorporated business or trade association to its**
 31 **employees and members and their families;**

1 * **Sec. 7.** 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

1 the space and equipment, other than utility costs and minimal wear and tear, or
 2 the legislator promptly reimburses the state for the cost; an office is considered
 3 a legislator's private office under this subparagraph if it is the primary space in
 4 the capital city reserved for use by the legislator, whether or not it is shared
 5 with others;

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

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

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

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

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

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

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

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

30 (A) limited use of state property and resources for personal
 31 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
5 public for nonlegislative purposes;

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

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

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

20 **(F) use by a legislator of photographs of that legislator; or**

21 **(G) use of governmental resources by a legislator or**
22 **legislative employee to support or oppose a proposed amendment to the**
23 **state or federal constitution; a legislator or legislative employee may**
24 **support or oppose a proposed constitutional amendment; however, a**
25 **legislator or legislative employee may not use governmental resources to**
26 **solicit contributions for a proposed constitutional amendment.**

27 * **Sec. 8.** AS 15.13.116(d) is repealed.

28 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 TRANSITIONAL PROVISION. A candidate for the state legislature who was elected
31 to the state legislature before the effective date of this Act and who holds funds in a public

- 1 office expense term account reserve shall transfer those funds to a public office expense term
- 2 account before January 1, 2002.