

HOUSE CS FOR CS FOR SENATE BILL NO. 103(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/11/01

Referred: Today's Calendar

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 15.13.080(a) is amended to read:

1 (a) An individual who contributes \$500, or goods or services with a value of
 2 \$500, to a candidate shall file a contributor's statement as required by this section. A
 3 candidate who receives \$500, or goods or services of a value of \$500, may file a
 4 contributor's statement as required under this section on behalf of the
 5 contributor.

6 * **Sec. 3.** AS 15.13.116(a) is amended to read:

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

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

16 (2) make donations, without condition, to

17 (A) a political party;

18 (B) the state's general fund;

19 (C) a municipality of the state; or

20 (D) the federal government;

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

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

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

29 (A) to all contributors;

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

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

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

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

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

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

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

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

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

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

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

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

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

29 **(E) at the end of the candidate's term of office, a balance in**
 30 **the public office expense term account must be disposed of as provided in**
 31 **this subsection but may not be disposed of as provided in (1), (4), or (6) -**

1 **(9) of this subsection** [\$5,000 MULTIPLIED BY THE NUMBER OF YEARS
2 IN THE TERM TO WHICH THE CANDIDATE IS ELECTED]; and

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

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

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

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

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

14 * **Sec. 4.** AS 15.13.116(b) is amended to read:

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

22 **(1)** a candidate may **(A)** [(1)] retain a bulk mailing permit that was
23 paid for with campaign funds, and **(B)** [(2)] use personal funds, campaign funds, or
24 unused campaign contributions transferred to a public office expense term account
25 under (a)(8) of this section to pay the continuing charges for the permit after the
26 election; **money** [. MONEY] used to continue the life of the permit is not considered
27 to be a contribution under this chapter; **in** [. IN] addition to any other use permitted
28 under this chapter, during the candidate's term of office, the candidate may use the
29 bulk mailing permit for mailings associated with service in the office to which the
30 candidate was elected; **during** [. DURING] the candidate's term of office, if the
31 candidate files a declaration of candidacy or **the document necessary to permit the**

1 **candidate to incur election-related expenses under AS 15.13.100** [A LETTER OF
 2 INTENT TO BECOME A CANDIDATE] for the same or a different elective office,
 3 the candidate may also use the bulk mailing permit in that election campaign;

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

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

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

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 does
 26 include professional services, **other than legal or accounting services,**
 27 volunteered by individuals for which they ordinarily would be paid a
 28 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, biographies, and**
 5 **information about the party's candidates;**

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; or**

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

15 * **Sec. 6.** AS 24.60.030(a) is amended to read:

16 (a) A legislator or legislative employee may not

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

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

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

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

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

3 (D) the legislative council, notwithstanding AS 24.05.190,
4 from designating a public facility for use by legislators and legislative
5 employees for health or fitness purposes; when the council designates a facility
6 to be used by legislators and legislative employees for health or fitness
7 purposes, it shall adopt guidelines governing access to and use of the facility;
8 the guidelines may establish times in which use of the facility is limited to
9 specific groups; [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) a legislator from use of legislative employees to prepare**
21 **and send out seasonal greeting cards;**

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

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

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

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

31 **(K) a legislator from sending any communication in the**

1 form of a newsletter to the legislator's constituents, except a
 2 communication expressly advocating the election or defeat of a candidate
 3 or a newsletter or material in a newsletter that is clearly only for the
 4 private benefit of a legislator or a legislative employee;

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

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

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

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

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

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

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

29 (E) a legislator from using the legislator's private office in the
 30 capital city during a legislative session, and for the 10 [FIVE] days
 31 immediately before and the 10 [FIVE] days immediately after a legislative

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

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

9 **(G) incidental use of governmental resources by a legislator**
 10 **or legislative employee to support or oppose a proposed amendment to the**
 11 **state or federal constitution; a legislator or legislative employee may**
 12 **support or oppose a proposed constitutional amendment; however, a**
 13 **legislator or legislative employee may not use governmental resources to**
 14 **solicit or receive contributions for a proposed constitutional amendment.**

15 * Sec. 7. AS 24.60.080(c) is amended to read:

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

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

20 (A) with incidental transportation at the residence of a person;
 21 however, a vacation home located outside the state is not considered a
 22 residence for the purposes of this subparagraph; or

23 (B) at a social event or meal;

24 (2) discounts that are available

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

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

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

31 (4) travel and hospitality primarily for the purpose of obtaining

1 information on matters of legislative concern;

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

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

4 (7) a discount for all or part of a legislative session, including time
5 immediately preceding or following the session, or other gift to welcome a legislator
6 or legislative employee who is employed on the personal staff of a legislator or by a
7 standing or special committee to the capital city or in recognition of the beginning of a
8 legislative session if the gift or discount is available generally to all legislators and the
9 personal staff of legislators and staff of standing and special committees; this
10 paragraph does not apply to legislative employees who are employed by the
11 Legislative Affairs Agency, the office of the chief clerk, the office of the senate
12 secretary, the legislative budget and audit committee, or the office of the ombudsman;
13 [OR]

14 (8) a gift of legal services in a matter of legislative concern and a gift
15 of other services related to the provision of legal services in a matter of legislative
16 concern; or

17 **(9) a gift of transportation from a legislator to a legislator if the**
18 **transportation takes place in the state on or in an aircraft, boat, motor vehicle, or**
19 **other means of transport owned or under the control of the donor; this**
20 **paragraph does not apply to travel described in (4) of this subsection or travel for**
21 **political campaign purposes.**

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

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

25 TRANSITIONAL PROVISION. A candidate for the state legislature who was elected
26 to the state legislature before the effective date of this Act and who holds funds in a public
27 office expense term account reserve shall transfer those funds to a public office expense term
28 account before January 1, 2002.