

Original sponsor: Croft, T. Miller,
Kerttula, et al

Offered: 3/14/74
Referred: Judiciary

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 388

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disclosure of information by
7 public officials and candidates for public office;
8 creating a public disclosure commission; and providing
9 for an effective date."

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

11 * Section 1. AS 15 is amended by adding a new chapter to read:

12 CHAPTER 56. CAMPAIGN EXPENDITURES, CONTRIBUTIONS

13 AND REPORTS.

14 Sec. 15.56.010. FINDINGS AND PURPOSE. (a) It is found and
15 declared by the legislature that

16 (1) private wealth should not be decisive in a democracy,
17 either in electing an official or in influencing public policy;

18 (2) the people have a right to be informed of the sources
19 of significant election campaign contributions and the manner in which
20 they are spent;

21 (3) serious abuses have resulted in the past from an
22 election system that is privately financed without limitation;

23 (4) the public's right to know of the information required
24 to be disclosed by this chapter is a compelling interest which outweighs
25 existing individual rights of privacy and all other interests in keeping
26 the information secret;

27 (5) the requirements of this chapter do not significantly
28 infringe upon a person's freedom of speech and association.

29 (b) The purposes of this chapter are to

1 (1) provide for elections that take place with the voters
2 fully informed of relevant facts regarding the candidates;

3 (2) encourage the financing of election campaigns through
4 small individual contributions and prevent abuses which may occur
5 because of large secret donations;

6 (3) develop public confidence in persons seeking or holding
7 elected office and enhance the dignity of the offices without signifi-
8 cantly affecting individual rights;

9 (4) prevent the outcome of elections from being unduly
10 influenced by the financial resources available to a candidate or to
11 the advocates of a particular position on a ballot proposition, the
12 source or origin of which is unknown to the electorate.

13 Sec. 15.56.020. APPLICABILITY. This chapter applies in every
14 election for governor, lieutenant governor, a member of the state
15 legislature, or as provided in sec. 180 of this chapter for a municipal
16 office. A municipality may exempt itself from the requirements of
17 this chapter if a majority of the voters at a general election vote to
18 exempt the municipality from the requirements of this chapter.

19 Sec. 15.56.030. ALASKA PUBLIC DISCLOSURE COMMISSION. (a) There
20 is created in the office of the lieutenant governor the Alaska Public
21 Disclosure Commission.

22 (b) The governor shall appoint two members of the commission who
23 may not be members of the same political party; the chief justice of
24 the supreme court shall appoint two members of the commission who may
25 not be members of the same political party and may not be employees or
26 officers of the court; and the four appointees shall select and appoint
27 one nonpartisan member of the commission. All appointees must be con-
28 firmed by the legislature in joint session by a majority of its members.
29 No member of the commission may be a member of the legislature. The

1 original members shall be appointed within 30 days after the effective
2 date of this Act.

3 (c) The term of each member shall be four years except that one
4 of the two original appointments by the governor shall serve a term of
5 two years, and one of the two original appointments by the chief justice
6 shall serve a term of two years. No member of the commission may serve
7 more than one term.

8 (d) No member of the commission, during tenure, may

- 9 (1) hold or campaign for elective office;
10 (2) be an officer of a political party or political committee;
11 (3) permit his name to be used, or make any contributions,
12 in support of or in opposition to a candidate;
13 (4) participate in any way in an election campaign;
14 (5) lobby or employ or assist a lobbyist; or
15 (6) be an employee of the state or of the municipality.

16 (e) A commissioner may be removed from office, for cause, by his
17 appointor or by impeachment by the legislature under art. II, sec. 20
18 of the Constitution of the State of Alaska. Cause includes but is not
19 limited to neglect of duty or misconduct in office. A commissioner
20 shall be given a copy of the charges against him, and afforded an
21 opportunity to be publicly heard in person or by counsel in his own
22 defense.

23 (f) Members of the commission shall receive compensation of \$100
24 a day and shall be entitled to necessary travel expenses and per diem.

25 (g) The members shall elect a chairman. Three members of the
26 commission constitutes a quorum. A vacancy does not impair the powers
27 of the remaining members to exercise all of the powers of the commis-
28 sion.

29 (h) A vacancy on the commission shall be filled by the appropriate

1 appointing officer within 30 days of the occurrence of the vacancy.
2 The appointee shall serve for the remaining term of his predecessor.

3 (i) The commission may employ an executive director and other
4 employees it considers necessary. Neither the executive director nor
5 an employee may have a vote.

6 Sec. 15.56.040. DUTIES OF THE COMMISSION. The commission shall

7 (1) publicize the requirements of this chapter so that persons
8 having duties under this chapter may be informed of the duties;

9 (2) develop and provide all forms for the reports and state-
10 ments required to be made under this chapter;

11 (3) prepare and publish a manual setting out uniform methods
12 of bookkeeping and reporting for use by persons required to make reports
13 and statements under this chapter and otherwise assist candidates and
14 groups in complying with the requirements of this chapter;

15 (4) promptly notify a candidate of political committees who
16 file organizational statements declaring their support for him;

17 (5) receive and hold open for public inspection reports and
18 statements required to be made under this chapter and, upon request,
19 furnish copies to interested persons;

20 (6) compile and maintain a current list of all filed reports
21 and statements;

22 (7) prepare and publish a summary of each report filed under
23 sec. 140 of this chapter; the summaries of the reports required by
24 sec. 90(a)(2) of this chapter shall be available not later than the
25 fourth day preceding an election;

26 (8) notify all persons who are delinquent in filing reports
27 and statements required to be made under this chapter;

28 (9) report within 60 days after the election the names of
29 all persons and groups who have failed to comply with any of the provi-

1 sions of this chapter to the office of the attorney general for enforce-
2 ment;

3 (10) investigate all reports, statements and actions required
4 by this chapter and report to the attorney general the names of all
5 persons or groups which the commission has substantial reason to believe
6 have violated this chapter;

7 (11) exercise the same investigative powers available to the
8 Department of Revenue under AS 43.05.040 to ascertain the correctness
9 of reports and to enforce the provisions of this chapter;

10 (12) prepare and publish an annual report to the legislature
11 concerning the activities of the commission, the effectiveness of this
12 chapter, its enforcement by the attorney general's office, and recom-
13 mendations and proposals for change;

14 (13) adopt regulations necessary to effectuate and clarify
15 the provisions of this chapter.

16 Sec. 15.56.050. STATEMENT OF ORGANIZATION BY CANDIDATES AND
17 POLITICAL COMMITTEES. (a) Each candidate and each political committee
18 shall file a statement of organization with the commission at the time
19 of organization, or within 10 days of receiving the first contribution
20 or making the first expenditure.

21 (b) The statement of organization shall include

22 (1) the name and address of the candidate or committee;

23 (2) the names, addresses and titles of each officer of the
24 committee;

25 (3) the name and address of a treasurer for the candidate
26 or political committee, and the signature of the treasurer accepting an
27 appointment as treasurer;

28 (4) the date of organization, if a political committee;

29 (5) the date of accepting the first contribution or of making

1 the first expenditure, and the amount;

2 (6) the name of each candidate whom the political committee
3 is supporting or opposing, and if the committee is supporting the entire
4 ticket of a party, the name of the party;

5 (7) the ballot proposition concerned, if any, and
6 whether the committee is in favor or opposed to the ballot proposi-
7 tion;

8 (8) campaign assets and liabilities at the time of filing
9 the statement;

10 (9) the names and addresses of all related or affiliated
11 committees or other persons, and the nature of the relationship or
12 affiliation;

13 (10) the planned distribution of surplus funds in the event
14 of dissolution; and

15 (11) other information as may be prescribed by regulation
16 which is relevant to the purposes of this chapter.

17 Sec. 15.56.060. CAMPAIGN TREASURERS. (a) Each candidate and
18 political committee shall appoint a treasurer, the full name, address
19 and signature of whom shall be certified by the candidate or committee
20 to the commission in the statement of organization. A candidate may
21 be appointed treasurer.

22 (b) A candidate or political committee may remove his or its
23 treasurer. In case of the death, resignation or removal of a treasurer
24 before compliance with all the obligations of a treasurer under this
25 chapter, the candidate or political committee shall appoint a successor
26 as soon as practicable and certify the full name, address and signature
27 of the successor within 48 hours of appointment.

28 (c) After the appointment of the treasurer, no contribution may
29 be received or expenditure made by or on behalf of a candidate or

1 political committee without the approval of the treasurer of the candi-
2 date or political committee.

3 (d) Each treasurer shall maintain a record of each contribution
4 and expenditure, including the name and address of each person from
5 whom the contribution is received.

6 Sec. 15.56.070. CAMPAIGN EXPENDITURE LIMITATIONS. (a) The
7 total amount of expenditures, exclusive of the candidate's own living
8 and transportation expenses, made by a candidate and by all political
9 committees on behalf of the candidate may not exceed

10 (1) 40 cents times the total population of the state accord-
11 ing to the latest United States census figures if the candidacy is for
12 governor or lieutenant governor, of which amount no more than 40 per
13 cent may be spent in a primary election campaign;

14 (2) 55 cents times the total population of the geographical
15 area of the constituency according to the latest United States census
16 figures divided by the number of seats in the senate district if the
17 candidacy is for the state senate;

18 (3) 80 cents times the total population of the geographical
19 area of the constituency according to the latest United States census
20 figures divided by the number of seats in the house district if the
21 candidacy is for the state house of representatives.

22 (b) The expenditure limitations in (a) of this section include
23 expenditures for both a primary and a general election campaign, or
24 for a special election.

25 (c) Expenditures for advertising which does not identify a parti-
26 cular office or candidate are not attributable to a candidate's expendi-
27 ture limitations established by this section.

28 Sec. 15.56.080. MANNER OF MAKING CONTRIBUTIONS. (a) No contri-
29 bution may be made or accepted without identification of the contributor.

1 No person may make a payment to or on behalf of a candidate in any name
2 except his own. No person may make a contribution or expenditure in
3 support of or in opposition to a ballot proposition in any name except
4 his own.

5 (b) No person may transfer funds to another person to enable the
6 recipient to transfer or to contribute funds to a political committee
7 or candidate or attempt to influence the results of an election by
8 transferring funds in a manner that conceals the true source of the
9 funds.

10 Sec. 15.56.090. REPORTS. (a) The treasurer of each candidate
11 and each political committee shall file reports of contributions and
12 expenditures with the commission on forms prescribed by the commission.
13 The reports shall be filed

14 (1) not less than 25 days before the date of the election
15 covering all contributions and expenditures through the 31st day before
16 the election;

17 (2) not less than seven days before the date of election
18 covering all contributions and expenditures beginning with the 30th day
19 before the election through the eighth day before the election;

20 (3) not more than 16 days after the election covering all
21 contributions and expenditures beginning with the seventh day before
22 the election through the 10th day after the election; the last report
23 shall include a statement of any further contributions which the
24 treasurer expects to receive.

25 (b) The report required under (a)(2) of this section shall be
26 filed with both the commission and the clerk of the district court.
27 The clerk shall make the report available to the public, upon request.

28 (c) The reports made under this section shall be certified by
29 the treasurer as true and accurate under penalty of perjury under

1 AS 09.65.012.

2 Sec. 15.56.100. CONTENTS OF REPORTS. (a) The reports required
3 by sec. 90 of this chapter must include for the reporting period

4 (1) the total amount of all contributions for the reporting
5 period;

6 (2) in an election for municipal office, the amount
7 contributed by and the full name and address of each person who has
8 made a contribution the aggregate value of which is more than \$50; in
9 an election for state office, the amount contributed by and the full
10 name and address of each person who has made a contribution the aggregate
11 value of which is more than \$100;

12 (3) the total amount of contributions each of which is \$100
13 or less; and the treasurer must maintain and have available for inspec-
14 tion by the commission a list of names of all contributors in this
15 group and the amounts contributed;

16 (4) the date and place of, as well as the net amount of
17 contributions received from, and number of persons attending, each
18 dinner, dance or other gathering for which charge is made for the
19 purpose of raising funds for a candidate or political committee, and
20 when the ticket for admission to the gathering is in excess of \$20,
21 the name and address of each person who purchased a ticket;

22 (5) the total amount of anonymous contributions;

23 (6) the amount of each loan, promissory note or security
24 instrument to be used by or for the benefit of the candidate or political
25 committee and the full name and address of the lender and each person
26 liable directly, indirectly or contingently on the loan instrument;

27 (7) the total amount of expenditures made or liabilities
28 incurred for the reporting period;

29 (8) the amount and full name and address of each person to

1 whom an expenditure was made or a liability incurred in the aggregate
2 amount of more than \$50, and the purpose of the expenditure; and

3 (9) the surplus or deficit of contributions over expenditures.

4 (b) The commission may require by regulation that additional
5 information be included in the reports required by sec. 90 of this
6 chapter.

7 Sec. 15.56.110. SUPPLEMENTAL STATEMENTS. (a) If a report filed
8 under sec. 90(a)(3) of this chapter shows an expended balance of contri-
9 butions or an expenditure deficit, the treasurer of the candidate or
10 political committee shall file supplemental statements with the commis-
11 sion on a form prescribed by it. The first supplemental statement shall
12 be filed not more than 30 days after the deadline for filing the report
13 under sec. 90(a)(3) of this chapter. Thereafter an additional supple-
14 mental statement of contributions and expenditures shall be submitted
15 every 60 days until no unexpended balance of contributions or expendi-
16 tures deficit remains.

17 (b) The supplemental statements shall be certified as true and
18 accurate under penalty of perjury under AS 09.65.012.

19 (c) Supplemental statements under this section need not be filed
20 with respect to the primary campaign of a successful candidate by a
21 political committee supporting the candidate if the committee continues
22 to function in support of the candidate in the succeeding general elec-
23 tion campaign.

24 Sec. 15.56.120. ANONYMOUS CONTRIBUTIONS. Reasonable efforts shall
25 be made to ascertain the identity of persons making anonymous contri-
26 butions. If despite reasonable effort the donor is not identified, the
27 contribution escheats to the state or municipality and is payable at
28 the same time reports are due under sec. 90 of this chapter.

29 Sec. 15.56.130. OUT-OF-STATE CONTRIBUTIONS. A person who is not

1 a resident of Alaska who contributes an aggregate amount of over \$100
2 to an election campaign is subject to the personal jurisdiction of the
3 courts of this state for all matters relating to the enforcement of
4 this chapter.

5 Sec. 15.56.140. DISCLOSURE BY INDIVIDUAL CONTRIBUTORS. (a) A
6 person who makes a contribution or expenditure in an aggregate amount
7 in excess of \$100 shall file a disclosure statement with the commission
8 within seven days following the contribution or expenditure. For each
9 contribution or expenditure which exceeds \$100 and which is made within
10 seven days before an election, the statement shall be filed within 48
11 hours of the contribution or expenditure.

12 (b) The statement required by (a) of this section shall include

13 (1) the name and address of the person making the contribu-
14 tion or expenditure;

15 (2) the name of each candidate in whose behalf the contri-
16 bution or expenditure was made, or the ballot proposition involved;

17 (3) the amount contributed or expended;

18 (4) the name and address of each person to whom a contribution
19 or expenditure was made; and

20 (5) other information relevant to the purposes of this
21 chapter required by regulation.

22 Sec. 15.56.150. REPORTS BY COMMERCIAL ADVERTISERS. (a) A com-
23 mercial advertiser who accepts or provides political advertising for
24 an election campaign shall file with the commission not less than five
25 days before an election a report detailing the advertising provided
26 through the seventh day preceding the election. A second report shall
27 be filed not more than 10 days after an election covering the political
28 advertising provided from the sixth day preceding the election through
29 the election day.

1 (b) Each report required by this section must include

2 (1) the name and address of each person for whom political
3 advertising was provided, and the name of the political committee if
4 provided for a political committee;

5 (2) the exact nature and extent of the advertising services
6 rendered;

7 (3) the consideration and the manner of payment for the
8 advertising;

9 (4) other relevant information as required by regulation.

10 Sec. 15.56.160. CHARGES BY COMMERCIAL ADVERTISERS. (a) No com-
11 mercial advertiser may charge a candidate or political committee (1) a
12 higher charge than that which it requires other customers to pay for
13 comparable materials and services, or (2) a lower charge than that
14 which it requires other candidates to pay for comparable materials and
15 services.

16 (b) A commercial advertiser who violates this section is strictly
17 liable to the state or municipality for liquidated damages in the
18 amount of \$500 for each violation.

19 Sec. 15.56.170. REPORTS PUBLIC RECORDS. All reports which are
20 required to be filed under this chapter are public records.

21 Sec. 15.56.180. LOCAL ELECTIONS. Section 70 of this chapter
22 does not apply to municipal elections. Reports for municipal elections
23 shall be filed with the local government official responsible for
24 administering the election. Except for the power of promulgating
25 regulations and the duty of preparing uniform forms, the powers and
26 duties of the official receiving the reports are the same as for the
27 commission set out in sec. 40 of this chapter. Nothing in this chapter
28 may be construed as limiting the powers of municipalities to enact
29 ordinances which are not inconsistent with the provisions of this

1 chapter, or from exempting itself from the requirements of this chapter,
2 as is provided in sec. 20 of this chapter.

3 Sec. 15.56.190. VIOLATION AFFECTING AN ELECTION. If a
4 court finds that the wilful violation of a provision of this chapter
5 was committed by a candidate or a political committee with the knowledge
6 and consent of the candidate, the court shall nullify the election of
7 the candidate. A resulting vacancy shall be filled in the manner
8 provided by law for filling vacancies for that office. If the general
9 or special election for that office has not occurred, the violator may
10 not have his name placed on the general election ballot, but the party
11 of which he is a member may replace him under the procedures established
12 in AS 15.25.110 - 15.25.130.

13 Sec. 15.56.200. PENALTIES AND ENFORCEMENT. (a) A person may
14 bring an action to enforce the civil remedy provisions of this chapter.

15 (b) Unless provided otherwise, a person who fails to file a re-
16 port required by this chapter is strictly liable in a civil action to the
17 state or municipality for liquidated damages not to exceed \$10,000.

18 (c) A person who files a report required under this chapter without
19 including required information known to the person or who knowingly files
20 false or misleading information is guilty of a misdemeanor and upon
21 conviction is punishable by imprisonment for not more than one year, or
22 by a fine of not less than \$1,000 but not more than \$5,000, or by both.

23 (d) A candidate who wilfully violates sec. 70 of this chapter by
24 exceeding the limits for expenditures is guilty of a misdemeanor if
25 the excess is less than 15 per cent of the maximum expenditure amount
26 allowed. A candidate is guilty of a felony if he wilfully exceeds by
27 15 per cent or more the maximum expenditure amount allowed. In
28 addition, a candidate convicted under this section is strictly liable
29 to the state or municipality for liquidated damages of twice the

1 amount above the maximum.

2 (e) A violation of the provisions of this chapter which is not
3 otherwise provided for is a misdemeanor, punishable by imprisonment
4 for not more than one year, or by a fine of not more than \$10,000, or
5 by both.

6 Sec. 15.56.210. DEFINITIONS. In this chapter

7 (1) "candidate" means an individual who seeks election to
8 public office by receiving a contribution or making an expenditure or
9 publicly announcing his candidacy, or filing for office;

10 (2) "commercial advertiser" means a person who sells the
11 service of communicating messages or producing printed material for
12 broadcast or distribution to the general public or segments of the
13 general public, whether through use of newspapers, magazines, televi-
14 sion and radio stations, billboard companies, printing companies, or
15 otherwise;

16 (3) "commission" means the Alaska Public Disclosure Commis-
17 sion;

18 (4) "contribution" means purchase, payment, promise or
19 obligation to pay, loan, advance deposit, transfer, or gift of money,
20 goods or professional services for which charge is ordinarily made and
21 which is made for the purpose of supporting or opposing a political com-
22 mittee, a ballot proposition or the nomination or election of a candi-
23 date, including the payment for, by a person other than a candidate or
24 political party, or compensation of, the professional services of another
25 person which are rendered to the candidate or political party;

26 (5) "expenditure" means a payment, loan, deposit or gift
27 of money or anything of value in exchange for goods, services, facili-
28 ties or anything of value in support of or in opposition to a candidate,
29 political committee or ballot proposition and the word includes a pro-

1 mise or contract whether or not legally enforceable, to make an
2 expenditure;

3 (6) "political committee" means a combination of two or more
4 persons, the primary or incidental purpose of which is to support or
5 oppose a candidate or ballot proposition.

6 * Sec. 2. AS 15 is amended by adding a new chapter to read:

7 CHAPTER 57. ELECTION PAMPHLETS.

8 ARTICLE 1. CANDIDATE PAMPHLET.

9 Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor
10 shall mail to all voters of the state before each state general election
11 a candidate pamphlet containing photographs and campaign statements of
12 eligible nominees who desire to participate in the pamphlet.

13 Sec. 15.57.020. STATEMENT AND PHOTOGRAPH TO BE FILED BY NOMINEE.
14 Not later than 50 days before the applicable state election, each
15 nominee for the office of United States senator, United States repre-
16 sentative, governor, lieutenant governor, judicial officer, state
17 senator and state representative may file with the lieutenant governor
18 a typewritten statement advocating his candidacy. The statement may
19 not exceed 350 words and may be accompanied by a photograph not more than
20 five years old and suitable for reproduction.

21 Sec. 15.57.030. REJECTION OF STATEMENTS. The lieutenant governor
22 shall, within 10 days after receipt, reject any statement offered for
23 filing, which, in the opinion of the state attorney general, contains
24 defamatory matter or language, or matter the circulation of which
25 through the mails is prohibited by federal law, and shall immediately
26 notify the candidate.

27 Sec. 15.57.040. PUBLICATION AND CONSOLIDATION WITH VOTER PAMPHLET
28 The statements and photographs of nominees, as set out in secs. 10 and
29 20 of this chapter, shall be published by the lieutenant governor as a

1 candidate pamphlet. The overall dimensions of the pamphlet shall be the
2 same as the voter pamphlet containing the text of state measures to be
3 voted upon, as set out in sec. 170 of this chapter, and whenever possible
4 shall be combined with the voter pamphlet as a single publication.
5 When a consolidation is possible, the candidate portion of the text shall
6 follow the text relating to the state measures.

7 Sec. 15.57.050. CHARGES TO NOMINEES FOR SPACE. (a) Nominees
8 shall pay for one page of space in the candidate pamphlet as follows:

9 (1) United States senator, United States representative and
10 all nominees for state offices voted upon throughout the state, \$100
11 each;

12 (2) judicial officers other than supreme court justices, \$50
13 each;

14 (3) state senator, \$50 each;

15 (4) state representative, \$50 each.

16 (b) All payments shall be made to the lieutenant governor when the
17 statement is offered to him for filing and shall be deposited in the
18 general fund.

19 (c) Nominees for president and vice-president are each entitled to
20 one page without charge and each political party nominating a presiden-
21 tial candidate is entitled to one page without charge.

22 (d) Political parties may each purchase one additional page for
23 \$500.

24 Sec. 15.57.060. DISTRIBUTION. (a) Not less than 30 days before
25 the election the lieutenant governor shall transmit by mail, to every
26 voter in the state whose address he can with reasonable diligence as-
27 certain, one copy of the pamphlet. When practical, the lieutenant
28 governor may have the pamphlets printed so that no candidate's picture
29 or statement is included in the copy of the pamphlet going to a district

1 where the candidate's election is not to be voted upon.

2 (b) Additional copies of the pamphlet may be obtained from the
3 office of the lieutenant governor at cost.

4 Sec. 15.57.070. ORDER OF APPEARANCE. The candidates' photographs
5 and statements shall appear in the pamphlet in alphabetical order within
6 each category of office, in the sequence the offices sought appear on
7 the state general election ballot.

8 ARTICLE 2. VOTER PAMPHLET.

9 Sec. 15.57.080. CONTENTS. Not later than 45 days before the
10 applicable state election the lieutenant governor shall have the voter
11 pamphlet printed. The pamphlet shall contain, as to each initiative
12 proposition, referendum proposition, issue submitted to the voters by
13 the legislature and constitutional amendment to be voted upon, the
14 following in the order listed:

15 (1) On the top portion of the first two opposing pages
16 relating to the measure and not exceeding one-third of the total print-
17 ing area shall appear

18 (A) the legal identification of the measure;

19 (B) the official ballot title of the measure;

20 (C) a brief statement explaining the law as it presently
21 exists;

22 (D) a brief statement explaining the effect of the pro-
23 posed measure should it be approved as law and, if substantial
24 costs are involved an estimate of construction, personnel, reloca-
25 tion and other costs of the measure;

26 (E) the total number of votes cast for and against the
27 measure in both the state senate and house of representatives if
28 the measure has been passed by the legislature;

29 (F) a heavy double ruled line across both pages to

1 clearly set apart the above items from the remaining text.

2 (2) On the lower portion of the left page of the two facing
3 pages shall appear an argument advocating the voters' approval of the
4 measure.

5 (3) On the lower portion of the right hand page of the two
6 facing pages shall appear an argument advocating the voters' rejection
7 of the measure.

8 (4) Following each argument, each member of the committee
9 advocating approval or rejection of a measure shall be listed by name
10 and address to the end that the public shall be fully apprised of the
11 advocate's identity.

12 (5) At the conclusion of the pamphlet the full text of each
13 of the measures shall appear. The text of the proposed constitutional
14 amendments shall be set out in the form provided for in sec. 140 of
15 this chapter.

16 Sec. 15.57.090. EXPLANATORY STATEMENT BY ATTORNEY GENERAL. The
17 attorney general shall prepare the explanatory statements required to
18 be presented on the top portion of the two facing pages relating to
19 each measure. These statements shall be prepared in clear and concise
20 language and shall avoid the unnecessary use of legal and other technical
21 terms.

22 Sec. 15.57.100. ARGUMENTS BY COMMITTEES. Arguments advocating
23 voter approval or rejection of a measure shall be prepared and submitted
24 for printing by the committees created under secs. 110 and 120 of this
25 chapter. These arguments are the official arguments and no other
26 arguments may appear in the pamphlet with regard to the measure.
27 Arguments may contain graphs and charts, supported by factual statistical
28 data and pictures or other illustrations, but cartoons or caricatures
29 are not permitted.

1 Sec. 15.57.110. COMMITTEE ADVOCATING APPROVAL OF MEASURE. Argu-
2 ments advocating voter approval of a proposed constitutional amendment,
3 issue submitted by the legislature, initiative proposition, or referendum
4 proposition shall be composed and submitted for printing by a committee
5 created as follows: the presiding officer of the state senate shall
6 appoint one state senator known to favor the measure and the presiding
7 officer of the house of representatives shall appoint one state repre-
8 sentative known to favor the measure. The two persons appointed shall
9 appoint a third member to the committee who may or may not be a member
10 of the legislature.

11 Sec. 15.57.120. COMMITTEE ADVOCATING REJECTION OF MEASURE. Argu-
12 ments advocating voter rejection of a proposed constitutional amendment,
13 issue submitted by the legislature, initiative proposition, or referendum
14 proposition shall be composed and submitted for printing by a committee
15 created as follows: the presiding officer of the state senate shall
16 appoint one state senator and the presiding officer of the house of
17 representatives shall appoint one state representative. Whenever
18 possible, the two persons appointed shall be known to have opposed the
19 measure and they shall appoint a third member to the committee who may
20 or may not be a member of the legislature. If no legislators agree to
21 serve on the committee, persons other than legislators may be selected
22 to serve.

23 Sec. 15.57.130. COMMITTEE CHAIRMAN, ADVISORY MEMBERS, AND VACAN-
24 CIES. (a) Committees created under secs. 110 or 120 of this chapter
25 shall elect from their members a chairman to conduct the business of the
26 committee. Each committee may name other persons, not to exceed five,
27 to serve as advisory committee members without vote.

28 (b) If a vacancy occurs in one of the committees, the remaining
29 committee members shall fill the vacancy by appointment. If a vacancy

1 is not filled within 15 days after it first occurs, the lieutenant
2 governor shall fill the vacancy by appointment.

3 Sec. 15.57.140. MANNER AND STYLE OF PRINTING PROPOSED CONSTITU-
4 TIONAL AMENDMENTS IN PAMPHLETS. (a) A proposed constitutional amendment
5 which changes an existing part of the constitution shall be set out in
6 the following form: all deleted matter shall be set in capital letters
7 and enclosed in brackets and all new material shall be underlined. There
8 shall appear in boldface between the caption and the body of the
9 amendment, the following statement: "All words printed in capital letters
10 are in the constitution at the present time and are being taken out by
11 this amendment. All words underlined do not appear in the constitution
12 as it now is written but will be put in if this amendment is adopted."
13 If, in the opinion of the lieutenant governor, the proposed amendment is
14 so extensive that the foregoing method is not practical, the section of
15 the constitution as it stands at the time of the election and the con-
16 stitution as it will appear if amended shall be printed on facing pages
17 headed in boldface by the words "the constitution as it is before
18 amendment" and "the constitution as it will be if amended".

19 (b) A proposed constitutional amendment which adds a new provision
20 to the constitution, rather than merely changes an existing one, shall
21 be clearly identified as adding language which does not appear in the
22 constitution at the time of the election.

23 Sec. 15.57.150. REJECTION OF ARGUMENTS. (a) The lieutenant
24 governor shall reject a statement offered for filing, which, in his
25 opinion, contains defamatory matter or language, or matter the circula-
26 tion of which through the mails is prohibited by federal law.

27 (b) Within five days after a rejection, the committee submitting
28 the argument for filing may appeal to a board of review consisting of
29 the governor, the attorney general and the lieutenant governor. The

1 decision of the board is final upon the acceptance or rejection of the
2 matter in controversy.

3 Sec. 15.57.160. ORDER IN WHICH PROPOSITIONS AND ARGUMENTS PRINTED.

4 All propositions and arguments shall be printed in the following order:

- 5 (1) those proposed by initiative;
- 6 (2) those proposed by referendum;
- 7 (3) amendments to the constitution;
- 8 (4) issues submitted by the legislature.

9 Sec. 15.57.170. PRINTING SPECIFICATIONS AND MAKEUP OF PROPOSITIONS
10 AND ARGUMENTS IN PAMPHLETS. (a) All propositions and arguments shall
11 be printed and bound in a single pamphlet according to the following
12 specifications:

- 13 (1) the pages of the pamphlet shall be not larger than eight
14 and one-half by 11 inches in size;
- 15 (2) the outside measurement of the printed matter of each
16 page shall be not less than six by nine inches, including running head;
- 17 (3) it shall be printed in clear readable type;
- 18 (4) the pamphlet shall be printed on a quality and weight of
19 paper which in the judgment of the lieutenant governor best serves the
20 voters.

21 (b) The lieutenant governor shall publish in the pamphlets a table
22 of contents and a brief alphabetical index of subjects.

23 Sec. 15.57.180. DISTRIBUTION TO VOTERS. Not less than 30 days
24 before an election at which initiative propositions, referendum propo-
25 sitions, or constitutional amendments are to be submitted to the people,
26 the lieutenant governor shall transmit by mail to every voter in the
27 state whose address he can with reasonable diligence ascertain, one copy
28 of the pamphlet.

29 ARTICLE 3. MISCELLANEOUS PROVISIONS.

1 Sec. 15.57.190. REGULATIONS. The lieutenant governor may issue
2 regulations necessary to effectuate and clarify the provisions of this
3 chapter.

4 * Sec. 3. AS 39.10 is amended by adding new sections to read:

5 ARTICLE 2. CONFLICT OF INTEREST.

6 Sec. 39.10.020. FINDINGS AND PURPOSE. (a) It is found and
7 declared by the legislature that

8 (1) public office is a public trust which should be free
9 from the danger of conflict of interest;

10 (2) the public has a right to know of the financial and
11 business interests of persons who seek or hold public office;

12 (3) a compelling state interest requires that candidates
13 for office and office holders disclose their personal and business
14 financial interests; and

15 (4) reasonable disclosure requirements do not violate an
16 individual's right to privacy where the individual seeks or holds public
17 office and a compelling state interest in the disclosure exists.

18 (b) The purposes of secs. 20 - 130 of this chapter are to

19 (1) discourage public officials from acting upon a private
20 interest in the performance of a public duty;

21 (2) assure that public officials in their official acts are
22 free of the influence of undisclosed private interests;

23 (3) develop public confidence in persons seeking or holding
24 public office, enhance the dignity of the offices and make them attrac-
25 tive to citizens who are motivated to public service; and

26 (4) develop accountability in government by permitting public
27 access to information necessary to judge the credentials and performance
28 of those who seek and hold public office.

29 Sec. 39.10.030. REPORT OF FINANCIAL INTERESTS. The governor,

1 the lieutenant governor, each legislator, each judicial officer, each
2 full-time member of a state commission or board and each person appointed
3 as head of a principal department in the executive branch shall file
4 with the commission a financial statement, under oath and on penalty of
5 perjury, within 30 days of the time he first is appointed or assumes
6 his duties. Each candidate for state elective office shall file a
7 financial statement at the time of filing a declaration of candidacy or
8 within 20 days of the filing of a nominating petition, or within 20 days
9 of becoming a candidate by other means. An additional statement shall
10 be filed no later than April 15 in each year following the first filing.

11 Sec. 39.10.040. CONTENTS OF FINANCIAL STATEMENTS. (a) Each
12 financial statement shall be a fair representation of the financial
13 affairs of the public official or candidate. No item of income under
14 \$100 need be reported, nor any asset or liability under \$500. Household
15 goods and personal effects need not be identified. Individual items
16 may be reported by category of amount.

17 (b) Each financial statement shall include the source of each
18 item of income by category of amount during the preceding calendar
19 year in excess of an aggregate amount of \$100 from any one source. It
20 shall include all capital gains above \$100, whether or not taxable.
21 It shall also include the sources of all income by category of amount,
22 which is attributable to the official or candidate under the Internal
23 Revenue Code of the United States in effect on the effective date of
24 secs. 20 - 130 of this chapter. If a primary source of income is a
25 partnership or professional corporation in which the official or
26 candidate is a partner, officer, or director, or received income from
27 the partnership or corporation other than on a fixed salary basis with
28 no relation to profits, the statement shall include the identity of
29 each person from whom the partnership or corporation received a fee in

1 excess of an aggregate amount of \$1,000 during the calendar year. If,
2 however, the official rendered personal services as a licensed physician
3 or licensed psychologist during the year, then as for those services,
4 the official need only disclose the total amount of income received.

5 (c) Each financial statement shall also include

6 (1) the identity by name and address of each business in
7 which he or a member of his household was an officer, director, partner,
8 proprietor or employee during the preceding calendar year;

9 (2) the identity, nature, and amount of each interest owned
10 by him in any business during the preceding calendar year and as of
11 the date of filing;

12 (3) the identity, nature, and amount of each interest in
13 real property, including an option to buy, owned by him or by any entity
14 in which he is a partner, officer or director, at any time during the
15 preceding calendar year and as of the date of filing;

16 (4) the identity of each trust or other fiduciary relation
17 in which he held a beneficial interest during the preceding calendar
18 year, a description and identification of the property contained in each
19 trust or relation, and the nature and extent of the beneficial interest
20 therein;

21 (5) the identity of each creditor to whom he is indebted for
22 an aggregate amount in an excess of \$1,000 as of the date of filing,
23 except those debts which are incurred as commercial trade accounts in
24 the normal course of a wholesale, retail or manufacturing business;

25 (6) a list of all contracts and offers to contract with
26 the state or an instrumentality of the state by the official or candi-
27 date, or by a business in which the official or candidate is a partner,
28 officer or director, during the preceding calendar year;

29 (7) a list and description of all mineral and oil leases or

1 lease offers during the preceding calendar year, in which the official
2 or candidate held a financial interest; and

3 (8) the source, nature and value of each gift, the value of
4 which is in excess of \$100, which is received by him or by his household.

5 (d) For purposes of this section, "primary source of income" means
6 a source which provides at least 25 per cent of the official's or candi-
7 date's income.

8 (e) In this section, "category of amount" means categories of

9 (1) less than \$1,000;

10 (2) over \$1,000 but less than \$5,000;

11 (3) over \$5,000 but less than \$10,000;

12 (4) over \$10,000 but less than \$25,000; and

13 (5) over \$25,000.

14 (f) In this section, "gift" means anything of value, including
15 services, real or personal property or use of it, which is given, loaned,
16 promised or obligated for no consideration.

17 Sec. 39.10.050. BLIND TRUSTS. (a) A public official may transfer
18 all or a portion of his assets to a blind trust for the duration of his
19 service in public office. Those assets which are in a blind trust need
20 not be listed in the financial statement filed under sec. 30 of this
21 chapter, but the instrument creating the blind trust must be included
22 with the statement.

23 (b) For a trust to qualify under this section

24 (1) assets transferred to the trust must be marketable;

25 (2) the trustee must be a bank or other institutional
26 fiduciary;

27 (3) the trustee must have full authority to manage the trust,
28 including the purchase, sale and exchange of its assets in accordance
29 with fiduciary principles;

1 (4) information regarding the identity and the nature of its
2 assets shall be confidential from the trustor for the duration of the
3 trust; and

4 (5) the trustee must be required to report any known breach
5 of confidentiality or the termination of the trust to the office where
6 the trustor is required to file financial statements under sec. 30 of
7 this chapter.

8 Sec. 39.10.060. ALASKA PUBLIC DISCLOSURE COMMISSION. (a) There
9 is created in the office of the lieutenant governor the Alaska Public
10 Disclosure Commission.

11 (b) The governor shall appoint two members of the commission
12 who may not be members of the same political party; the chief justice
13 of the supreme court shall appoint two members of the commission who
14 may not be members of the same political party and may not be employees
15 or officers of the court; and the four appointees shall select and
16 appoint one nonpartisan member of the commission. All appointees must
17 be confirmed by the legislature in joint session by a majority vote of
18 its members. No member of the commission may be a member of the
19 legislature. The original members shall be appointed within 30 days
20 after the effective date of this Act.

21 (c) The term of each member shall be four years except that one
22 of the two original appointments by the governor shall serve a term of
23 two years, and one of the two original appointments by the chief justice
24 shall serve a term of two years. No member of the commission may serve
25 more than one term.

26 (d) No member of the commission, during tenure, may

- 27 (1) hold or campaign for elective office;
28 (2) be an officer of a political party or political committee;
29 (3) permit his name to be used, or make any contributions,

1 in support of or in opposition to a candidate;

2 (4) participate in any way in an election campaign;

3 (5) lobby or employ or assist a lobbyist; or

4 (6) be an employee of the state or of the municipality.

5 (e) A commissioner may be removed from office, for cause, by his
6 appointor or by impeachment by the legislature under art. II, sec. 20
7 of the Constitution of the State of Alaska. Cause includes but is not
8 limited to neglect of duty or misconduct in office. A commissioner shall
9 be given a copy of the charges against him and afforded an opportunity
10 to be publicly heard in person or by counsel in his own defense.

11 (f) Members of the commission shall receive compensation of \$100
12 a day while attending meetings and shall be entitled to necessary travel
13 expenses and per diem.

14 (g) The members shall elect a chairman. Three members of the
15 commission constitutes a quorum. A vacancy does not impair the powers
16 of the remaining members to exercise all of the powers of the commis-
17 sion.

18 (h) A vacancy on the commission shall be filled by the appropriate
19 appointing officer within 30 days of the occurrence of the vacancy.
20 The appointee shall serve for the remaining term of his predecessor.

21 (i) The commission may employ an executive director and other
22 employees it considers necessary. Neither the executive director nor
23 an employee may have a vote.

24 Sec. 39.10.070. DUTIES OF THE COMMISSION. (a) The commission
25 shall prepare and keep available for distribution forms on which the
26 reports required by secs. 30 and 40 of this chapter may be filed.

27 (b) The commission shall receive and hold open for public inspec-
28 tion reports filed under secs. 30 and 40 of this chapter for at least
29 six years.

1 (c) The commission shall send to the district court located in
2 the candidate's district a copy of the report made under secs. 30 and
3 40 of this chapter by a candidate for elective office, where it shall
4 be publicly posted for 30 days.

5 (d) The commission may exercise the same investigative powers
6 available to the Department of Revenue under AS 43.05.040 to ascertain
7 the correctness of reports and to enforce the provisions of secs. 20 -
8 110 of this chapter.

9 (e) The commission shall report evidence of probable violations
10 to the attorney general.

11 (f) The commission may promulgate regulations to implement and
12 interpret the provisions of secs. 20 - 100 of this chapter.

13 Sec. 39.10.080. VIOLATION OF DISCLOSURE REQUIREMENTS. A person
14 required to file a report of financial interests under secs. 30 and 40
15 of this chapter who knowingly fails to disclose required information,
16 or who knowingly provides false or misleading information is guilty of
17 a misdemeanor and upon conviction is punishable by a fine up to \$5,000,
18 or by imprisonment for up to one year, or by both.

19 Sec. 39.10.090. FAILURE TO REPORT BY DEPARTMENT HEADS. A person
20 appointed as the head of a principal department in the executive branch
21 who fails to file a report of financial interests required under secs.
22 30 and 40 of this chapter when due may not assume office and may not
23 receive or accrue any salary or benefits after the due date until he
24 complies.

25 Sec. 39.10.100. FAILURE TO REPORT BY COMMISSION MEMBER. A person
26 appointed as a full-time member of a state commission or board who
27 fails to file a report of financial interests required under secs. 30
28 and 40 of this chapter when due may not assume office and may not
29 receive or accrue any salary or benefits after the due date until he

1 complies.

2 Sec. 39.10.110. PROHIBITED ACTS. (a) No public official may
3 use his official position or office to obtain financial gain for himself,
4 a member of his household or business with which he is associated.

5 (b) No person may offer or pay to a public official and no public
6 official may solicit or receive money for legislative advice or assis-
7 tance, or for advice or assistance given in the course of the public
8 official's employment or relating to his employment.

9 (c) No public official may represent a client before a state
10 regulatory agency for a fee.

11 (d) Violation of this section is a misdemeanor, punishable by a
12 fine up to \$5,000 or imprisonment up to one year.

13 Sec. 39.10.120. ENFORCEMENT BY PRIVATE CITIZENS. Any Alaska
14 resident may bring a civil action to enforce secs. 20 - 110 of this
15 chapter.

16 Sec. 39.10.130. DEFINITIONS. In secs. 20 - 110 of this chapter

17 (1) "commission" means the Alaska Public Disclosure Commis-
18 sion;

19 (2) "judicial officer" means a person appointed as a justice
20 to the supreme court or as a judge to the superior court or district
21 court;

22 (3) "public official" means a judicial officer, a member of
23 the legislature, the governor, the lieutenant governor, a person
24 appointed as the head of a principal department in the executive branch,
25 a person appointed as a full-time member of any commission, board, or
26 council of the state government, members of the Alaska State Housing
27 Authority, members of the Alcoholic Beverage Control Board, and a person
28 who becomes a candidate for state elective office.

29 * Sec. 4. AS 22.20 is amended by adding a new section to read:

1 Sec. 22.20.015. REPORT OF FINANCIAL INTERESTS. Each judicial
2 officer as defined in AS 39.10.120 shall file reports of financial
3 interests required by AS 39.10.030 and 39.10.040. A judicial officer
4 who fails to file a report when it is due may not assume office and
5 may not receive or accrue any salary or benefits after the due date
6 until he complies.

7 * Sec. 5. AS 24.05 is amended by adding a new section to read:

8 Sec. 24.05.035. REPORT OF FINANCIAL INTERESTS. (a) Each legis-
9 lator shall file the reports of financial interests required by AS 39.-
10 10.030 and 39.10.040. A legislator who fails to file the report when
11 due forfeits his salary and per diem and travel expenses after the due
12 date and until he complies.

13 * Sec. 6. AS 44.19 is amended by adding a new section to read:

14 Sec. 44.19.055. REPORT OF FINANCIAL INTEREST. (a) The governor
15 and lieutenant governor shall each file a report of financial interests
16 required by AS 39.10.030 and 39.10.040. If the governor or lieutenant
17 governor fails to file the report when due, he forfeits his salary and
18 per diem and travel expenses after the due date and until he complies.

19 * Sec. 7. Every person who is a public official as defined in AS 39.10.120
20 on the effective date of this Act shall file the financial statement required
21 by AS 39.10.030 - 39.10.040 within 60 days of the effective date of this Act.

22 * Sec. 8. AS 43.20.010(c)(2)(C)(ii) is amended to read:

23 (ii) if the contributions or gifts were made within
24 the tax year to the state or to a political subdivision of
25 the state for use exclusively for public purposes in the state
26 or to a nonprofit corporation or association formed or located
27 in the state or to a person or organization for use exclusively
28 for political campaigns or dues to a nonprofit organization
29 organized primarily for the purpose of influencing elections.

1 * Sec. 9. AS 43.20.010(c) is amended by adding a new paragraph to read:

2 (10) In computing his taxable income under this section, a
3 natural person is entitled to a tax credit not to exceed \$50 for the
4 amount of political campaign contributions made within the tax year.

5 * Sec. 10. This Act takes effect on the day after its passage and approval
6 or on the day it becomes law without approval.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29