

Introduced: 4/30/79
Referred: State Affairs

BY THE STATE AFFAIRS COMMITTEE
BY REQUEST (for the Subcommittee
on Elections)

1 IN THE HOUSE

2 HOUSE BILL NO. 492

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns for the offices
7 of governor and lieutenant governor, authorizing public
8 financing of the campaigns; and providing for an
9 effective date."

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

11 * Section 1. LEGISLATIVE DETERMINATIONS. The legislature determines

12 (1) that the use of public funds to facilitate and enlarge public
13 discussion and participation in the electoral process is a goal vital to a
14 self-governing people;

15 (2) that the fund-raising process presently used by candidates for
16 the office of governor and lieutenant governor appears to and may in fact
17 inevitably either hamper the candidates in their efforts to raise campaign
18 contributions or may compromise their integrity;

19 (3) that it is in the public interest for the state to facilitate
20 communication between candidates for the office of governor and of lieutenant
21 governor and the electorate;

22 (4) that the general welfare will be enhanced by the reduction of
23 the deleterious effects that large contributions have on the state's
24 political process.

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

26 CHAPTER 14. GUBERNATORIAL ELECTION CAMPAIGNS.

27 ARTICLE 1. FINANCIAL ASSISTANCE.

28 Sec. 15.14.005. FINANCIAL ASSISTANCE PROGRAM ESTABLISHED. A
29 program of financial assistance to candidates for the office of governor

1 and lieutenant governor is established.

2 Sec. 15.14.010. GUBERNATORIAL ELECTION CAMPAIGN ACCOUNT. A
3 special account known as the gubernatorial election campaign account is
4 established in the general fund to be used for the purposes of this
5 chapter. The account may be funded by appropriation in accordance with
6 AS 43.20.041.

7 Sec. 15.14.015. ELECTION FUNDING: EXPENDITURE LIMITS. (a) A
8 candidate who accepts limits on campaign expenditures is eligible for
9 matching funds from the gubernatorial election campaign account if he
10 raises \$15,000 for his campaign from individuals residing in not less
11 than two-thirds of the election districts of the state.

12 (b) Only the first \$100 from each individual contributing to the
13 candidate may be counted under (a) of this section.

14 (c) To be eligible for matching the money raised under (a) of this
15 section must be raised on or after January 1 of the year in which the
16 election will be held.

17 (d) A candidate shall provide evidence to the commission that he
18 has satisfied the requirements of (a) - (c) of this section.

19 (e) A candidate certified by the commission as having satisfied
20 (d) of this section is entitled to matching money under this chapter
21 equal to the total contributions raised under (a) of this section,
22 excluding contributions from an individual which exceed \$100, until the
23 limitations in (f) and (g) of this section are reached.

24 (f) A candidate for governor who accepts limits on campaign expen-
25 ditures may not make campaign expenditures or permit campaign expendi-
26 tures to be made on his behalf in excess of the salary payable to the
27 incumbent governor during the current term. A candidate for lieutenant
28 governor who accepts limits on campaign expenditures may not make cam-
29 paign expenditures or permit campaign expenditures to be made on his

1 behalf in excess of the salary payable to the incumbent lieutenant
2 governor during the current term.

3 (g) Matching payments to a candidate from the gubernatorial elec-
4 tion campaign account may not exceed 50 per cent of the limit on cam-
5 paign expenditures established in (f) of this section.

6 (h) No later than 20 days after the closing date for the filing of
7 declarations of candidacy, the commission shall advise candidates who
8 have accepted the limits on campaign expenditures whether it will have
9 enough money from the gubernatorial election campaign account to make
10 payments under this section. If the commission certifies that it will
11 not have enough money to make payments in full under this section, it
12 shall withhold payments so that each candidate receives the pro rata
13 share of his entitlement.

14 (i) Unless both the candidate for governor and the candidate for
15 lieutenant governor of a single political party nominated at the primary
16 election accept limits on campaign expenditures, neither candidate may
17 apply for or receive money under this section after the primary elec-
18 tion. If both candidates do not accept limits on campaign expenditures,
19 neither candidate is limited in his campaign expenditures after the
20 primary and no contribution to either candidate after the primary is
21 eligible for a tax credit under AS 43.20.031(f).

22 (j) The expenditure limit imposed by (f) of this section does not
23 include the amount of expenditures made between January 1, 1980 and
24 January 1, 1982 for goods consumed and services used before January 1,
25 1982.

26 Sec. 15.14.020. ACCEPTANCE OF LIMITS BY CANDIDATE. (a) As a
27 condition of receiving money from the gubernatorial election campaign
28 account, a candidate shall agree in writing to the commission that he
29 accepts the conditions and limits established in this chapter. The

1 agreement is in effect until the dissolution of the principal campaign
2 committee of the candidate or the opening of filings for the next elec-
3 tion to the office of governor and lieutenant governor, whichever occurs
4 first. Beginning January 1, 1982, money in the account of the principal
5 campaign committee of the candidate on January 1 of the election year
6 shall be considered contributions accepted by the candidate in that year
7 for the purposes of this subsection.

8 (b) The candidate shall submit the agreement required by (a) of
9 this section no later than the time at which he files his declaration of
10 candidacy or petition to appear on the ballot. The agreement may not be
11 rescinded after the date for filing the declaration or petition has
12 passed.

13 Sec. 15.14.025. IMPLICATION OF LIMITS FOR TAXPAYERS. An indivi-
14 dual may not claim a tax credit for a contribution to a candidate for
15 governor or lieutenant governor under AS 43.20.031(f) unless the contri-
16 bution is made to the principal campaign committee of the candidate and
17 the candidate has agreed under AS 15.14.020 to limit his campaign expen-
18 ditures at the time the contribution is made.

19 ARTICLE 2. CAMPAIGN CONTRIBUTIONS AND EXPENDITURES.

20 Sec. 15.14.030. CAMPAIGN EXPENDITURES. (a) An expenditure may
21 not be made by a political committee, political fund, or principal
22 campaign committee unless it is authorized by the treasurer or deputy
23 treasurer of that committee or fund.

24 (b) A person may not make an approved expenditure of more than \$20
25 without written authorization of the amount that may be spent and the
26 purpose of the expenditure from the treasurer of the principal campaign
27 committee of the candidate.

28 (c) The treasurer or deputy treasurer of the principal political
29 committee of a candidate may sign vouchers for petty cash of not more

1 than \$100 a week for miscellaneous expenditures.

2 (d) An individual, political committee, or political fund which
3 independently solicits or accepts contributions or makes independent
4 expenditures on behalf of a candidate shall publicly disclose that the
5 candidate has not approved the expenditure. All written communications
6 by an individual, political committee, or political fund with those from
7 whom contributions are independently solicited or accepted and all
8 independent expenditures made on behalf of the candidate shall contain a
9 statement in conspicuous type that the activity is not approved by the
10 candidate and the candidate is not responsible for it. Similar language
11 shall be included in all oral communications, in conspicuous type on the
12 front page of all literature and advertisements published or posted, and
13 at the end of all broadcast advertisements made by that individual,
14 political committee or political fund on the candidate's behalf.

15 (e) A person who knowingly violates the provisions of (b) or (d)
16 of this section or who falsely claims that the candidate has approved
17 the expenditure or activity is guilty of a class B misdemeanor.

18 (f) In a year in which an election is held for the office of
19 governor and lieutenant governor, no expenditures may be made by the
20 principal campaign committee of the candidate nor any approved expendi-
21 tures made on behalf of the candidate if the total of the expenditures
22 and approved expenditures exceed the limit set in AS 15.14.015(f).

23 Sec. 15.14.035. LIMITS ON CAMPAIGN CONTRIBUTIONS AND LOANS. (a)
24 Except as provided in (b) and (d) of this section, a candidate may not
25 permit his principal campaign committee to accept contributions from an
26 individual, a political committee, or a political fund in excess of
27 \$1,000.

28 (b) A candidate may not permit his principal campaign committee to
29 accept contributions or approved expenditures that total in excess of

1 \$5,000 from

2 (1) the state political party organization;

3 (2) the national political party organization;

4 (3) the political party organizations of either house of the
5 legislature; and

6 (4) the precinct committees of a political party.

7 (c) Nothing in this section limits independent expenditures on
8 behalf of a candidate.

9 (d) This section does not limit the amount which may be contri-
10 buted by a candidate to influence his own nomination or election. A
11 candidate who accepts the limits on campaign expenditures under AS 15.-
12 14.020 may not contribute more than \$100 to his own campaign.

13 (e) A candidate may not permit his principal campaign committee to
14 accept a loan from other than a financial institution for an amount in
15 excess of the contribution limits established by this section. A candi-
16 date may not permit his principal campaign committee to accept a loan
17 from a financial institution for which that financial institution may
18 hold an endorser of that loan liable to pay an amount in excess of the
19 amount that the endorser could contribute to the candidate under the
20 limits established in this section.

21 Sec. 15.14.040. PENALTY FOR EXCEEDING LIMITS. (a) A candidate
22 who accepts expenditure limits under this chapter who permits his prin-
23 cipal campaign committee to make expenditures or permits approved expen-
24 ditures to be made on his behalf in excess of the limit imposed by
25 AS 15.14.015(f) is subject to a civil fine of up to four times the
26 amount by which the limit was exceeded.

27 (b) A candidate who permits his principal campaign committee to
28 accept contributions in excess of the limits imposed by AS 15.14.035 is
29 subject to a civil fine of up to four times the amount by which the

1 limits were exceeded.

2 Sec. 15.14.045. EXEMPT POLITICAL PARTY EXPENDITURES. The follow-
3 ing expenditures by a state political party or a unit of a state poli-
4 tical party described in AS 15.14.035(b) are not contributions to or
5 expenditures on behalf of a candidate for the purpose of the limits
6 established in this chapter:

7 (1) advertising expenditures on behalf of candidates of the
8 party generally, which do not specifically refer to any of the candi-
9 dates in a published, posted, or broadcast advertisement;

10 (2) expenditures for the preparation, display, mailing or
11 other distribution of a copy of a general election ballot or a copy of a
12 ballot limited to the candidates of the party;

13 (3) expenditures for telephone conversations which include
14 discussions of three or more candidates including a candidate for
15 governor or lieutenant governor whose names are to appear on the ballot;
16 or

17 (4) expenditures for a political party fund-raising effort on
18 behalf of three or more candidates including a candidate for governor or
19 lieutenant governor.

20 ARTICLE 3. CAMPAIGN COMMITTEES AND POLITICAL FUNDS.

21 Sec. 15.14.050. PRINCIPAL CAMPAIGN COMMITTEE. (a) A candidate
22 for governor or lieutenant governor may not accept contributions from a
23 source other than himself in excess of \$100 in the aggregate or accept
24 money from the gubernatorial election campaign account until a single
25 campaign committee is formed under AS 15.14.065 which he designates his
26 principal campaign committee.

27 (b) A candidate may at any time remove and replace the chairman,
28 treasurer, deputy treasurer or any other officer of his principal cam-
29 paign committee.

1 Sec. 15.14.055. POLITICAL COMMITTEES. (a) Every political com-
2 mittee shall have a chairman and a treasurer. One individual may hold
3 both offices.

4 (b) No contribution may be accepted and no expenditure may be made
5 by or on behalf of a political committee at a time when there is a
6 vacancy in the office of treasurer.

7 (c) The treasurer of a political committee may appoint as many
8 deputy treasurers as necessary and shall be responsible for their
9 accounts.

10 (d) The treasurer of a political committee may designate not more
11 than two depositories in each municipality in which a campaign is con-
12 ducted.

13 (e) Funds of a political committee may not be commingled with the
14 personal funds of officers, members, or associates of the committee or
15 of another political committee.

16 (f) A person who violates a provision of this section is guilty of
17 a class B misdemeanor.

18 Sec. 15.14.060. POLITICAL FUNDS. (a) No association other than a
19 political committee shall transfer more than a total of \$100 in one year
20 to a candidate or to a political committee or make an approved or inde-
21 pendent expenditure unless the transfer or expenditure is made from a
22 political fund.

23 (b) The contents of a political fund may not be commingled with
24 other funds or with the personal funds of an officer or member of the
25 fund.

26 (c) An association which has a political fund shall select a
27 treasurer of the political fund.

28 (d) Contributions to a political fund may not be accepted and
29 expenditure or transfers from a political fund may not be made while the

1 office of treasurer of the political fund is vacant.

2 (e) Notwithstanding (a) of this section, an association may, if
3 not prohibited by other law, deposit money from dues or membership fees
4 in its political fund. The treasurer of the political fund shall dis-
5 close the name of a member whose dues, membership fees, and contribu-
6 tions deposited in the political fund exceed \$50 in any one year.

7 Sec. 15.14.065. REGISTRATION OF POLITICAL COMMITTEES AND FUNDS.

8 (a) The treasurer of a political committee or a political fund shall
9 register with the commission by filing a statement of organization no
10 later than 14 days after the date on which the committee or fund has
11 received contributions in excess of \$100 or made expenditures in excess
12 of \$100.

13 (b) The statement of organization shall include

14 (1) the name and address of the political committee or poli-
15 tical fund;

16 (2) the name and address of any supporting association of a
17 political fund;

18 (3) the name and address of the chairman, treasurer, and any
19 deputy treasurers;

20 (4) a list of depositories or safety deposit boxes used;

21 (5) a statement as to whether the committee is a principal
22 campaign committee.

23 (c) A political party shall identify for the commission those
24 units described in AS 15.14.030(b) which may be required to report under
25 AS 15.14.075(b).

26 (d) The commission shall notify by certified mail or personal
27 service a treasurer who fails to file a statement required by this
28 section. If a treasurer fails to file a statement within seven days
29 after receiving a notice, the commission may impose a late filing fee of

1 \$5 per day, not to exceed \$100, beginning with the eighth day after the
2 treasurer receives notice. The commission shall further notify by
3 certified mail or personal service a treasurer who fails to file a
4 statement within 21 days after receiving a first notice that the
5 treasurer may be subject to a criminal penalty for failure to file the
6 statement. An individual who knowingly fails to file the statement
7 within seven days after receiving a second notice from the commission is
8 guilty of a class B misdemeanor.

9 Sec. 15.14.070. CONTRIBUTIONS TO POLITICAL COMMITTEES AND FUNDS.

10 (a) An anonymous contribution may not be retained by a political com-
11 mittee or political fund, but shall be forwarded to the commission and
12 deposited in the gubernatorial election campaign account.

13 (b) The treasurer of a principal campaign committee of a candidate
14 may not accept or deposit a contribution which on its face exceeds the
15 limit on contributions which may be made to the candidate under this
16 chapter unless, at the time of deposit, the treasurer issues a check to
17 the source refunding the amount of the excess.

18 (c) The treasurer of a political committee or political fund may
19 not accept a contribution of more than \$100 from a political committee
20 or political fund not registered in this state unless the contribution
21 is accompanied by a written statement which discloses the information
22 required by AS 15.14.065(b). This statement shall be certified as
23 correct by an officer of the contributing political committee or poli-
24 tical fund. The political committee or political fund which accepts the
25 contribution shall include a copy of the statement with the report which
26 discloses the contribution to the commission. This subsection does not
27 apply when a national political party transfers money to its affiliate
28 in this state.

29 (d) An individual violating the provisions of this section is

1 guilty of a class B misdemeanor.

2 Sec. 15.14.075. CAMPAIGN REPORTS. (a) The treasurer of the
3 principal campaign committee of a candidate shall file reports under
4 this section and not under AS 15.13.040 or 15.13.110.

5 (b) The treasurer of each political committee and political fund
6 shall file the reports required by this section in the first year it
7 receives contributions or makes expenditures in excess of \$100 and shall
8 continue to file the required reports until the committee or fund is
9 terminated.

10 (c) The reports required by this section shall be filed with the
11 commission on or before December 31 of each year. In each year in which
12 the name of the candidate being supported is on the ballot, additional
13 reports shall be filed 30 days before the election, seven days before
14 the election and 10 days after the election.

15 (d) Each report under this section shall disclose

16 (1) the assets on hand at the beginning of the reporting
17 period;

18 (2) the name, address and employer, or occupation if self-
19 employed, of each individual, political committee or political fund who
20 within the year has made one or more contributions to the political
21 committee or political fund, including the purchase of tickets for
22 fund-raising efforts, which in the aggregate exceed \$100, together with
23 the amount and date of each contribution, and the total amount of con-
24 tributions within the year from each source disclosed. Contributions in
25 the form of donations in kind shall be disclosed at fair market value.
26 An approved expenditure shall be reported as a donation in kind. The
27 names of contributors shall be listed in alphabetical order;

28 (3) the sum of contributions to the political committee or
29 political fund during the reporting period;

1 (4) each loan made or received by the political committee or
2 political fund within the reporting period in excess of \$100 in the
3 aggregate, reported until the loan is repaid or forgiven, together with
4 the name, address, occupation and the principal place of business, if
5 any, of the lender and any endorser and the date and amount of the loan;
6 if a loan made to the principal campaign committee of a candidate is
7 forgiven at or repaid by a person other than that principal campaign
8 committee, it shall be reported as a contribution for the year in which
9 the loan was made;

10 (5) each receipt in excess of \$100 not otherwise listed under
11 (2) - (4) of this section;

12 (6) the sum of all receipts of the political committee or
13 political fund during the reporting period;

14 (7) the name and address of each individual or association to
15 whom aggregate expenditures, including approved expenditures, have been
16 made by or on behalf of the political committee or political fund within
17 the reporting period in excess of \$100, together with the amount, date
18 and purpose of each expenditure and the name and address of, and office
19 sought by, each candidate on whose behalf the expenditure was made and,
20 in the case of independent expenditures made in opposition to a candi-
21 date, the name address and office sought for each such candidate;

22 (8) the sum of all expenditures made by or on behalf of the
23 political committee or political fund during the reporting period;

24 (9) the amount and nature of any advance of credit obtained
25 by the political committee or political fund, continuously reported
26 until the advance is paid or forgiven; if an advance of credit obtained
27 by the principal campaign committee of a candidate is forgiven by the
28 creditor or paid by any person other than that principal campaign com-
29 mittee, it shall be reported as a donation in kind for the reporting

1 period in which the advance of credit was obtained;

2 (10) the name and address of each political committee, poli-
3 tical fund, or principal campaign committee to which aggregate contri-
4 butions in excess of \$100 have been made within the year, together with
5 the amount and date of each contribution;

6 (11) the sum of all contributions made by the political
7 committee, political fund, or principal campaign committee during the
8 reporting period;

9 (12) for principal campaign committees only, the sum of
10 non-campaign disbursements made by category listed in AS 15.13.150(9)
11 during the reporting period; and

12 (13) the sum of all non-campaign disbursements made by the
13 political committee, political fund, or principal campaign committee
14 during the reporting period.

15 (e) A treasurer required to file reports under this section shall
16 list all contributions from the same source under the name of that
17 source.

18 (f) An individual who makes independent expenditures in excess of
19 \$100 in the aggregate in a year shall file with the commission a report
20 containing the information required by (d) of this section. Reports
21 required by this subsection shall be filed on the dates on which reports
22 by political committees and political funds are filed.

23 (g) An individual, political committee or political fund filing a
24 report disclosing an independent expenditure under (d) or (f) of this
25 section shall file with that report a sworn statement that the indepen-
26 dent expenditure was not made with the authorization or expressed or
27 implied consent of, or in cooperation with, or at the request or sugges-
28 tion of a candidate, his principal campaign committee or his agent.

29 (h) If the report required to be filed with the commission on or

1 before December 31 in the year in which the candidate's name appears on
2 the ballot indicates that the amount received by the candidate from the
3 gubernatorial election campaign account is greater than the amount
4 authorized under AS 15.14.015(f) and is inconsistent with limitations
5 established by AS 15.14.035, the treasurer of his principal campaign
6 committee shall return to the commissioner of revenue an amount equal to
7 the difference. The return in the form of a check or money order shall
8 be submitted with the report, and the commission shall forward the
9 return to the commissioner of revenue for deposit in the general fund.

10 (i) If no contribution is received or expenditure made by or on
11 behalf of a candidate, political fund or political committee during a
12 reporting period, the treasurer of the committee or fund shall file with
13 the commission at the time required by this section a statement to that
14 effect.

15 (j) The commission shall notify by certified mail or personal
16 service any individual who fails to file a report required by this
17 section. If an individual fails to file a report due December 31 within
18 seven days after receiving a notice, the commission may impose a late
19 filing fee of \$5 a day, not to exceed \$100, beginning on the eighth day
20 after the individual receives notice. If an individual fails to file a
21 report due before a primary or general election within three days after
22 the date due, the commission may impose a late filing fee of \$50 a day,
23 not to exceed \$500, beginning on the fourth day after the date the
24 report was due. The commission shall further notify by certified mail
25 or personal service an individual who fails to file a report within 14
26 days after receiving a first notice from the commission that he may be
27 subject to a criminal penalty for failure to file the report. An indi-
28 vidual who knowingly fails to file the report within seven days after
29 receiving a second notice from the commission is guilty of a class B

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

misdemeanor.

Sec. 15.14.080. VIOLATION OF REPORT REQUIREMENTS. (a) A report or statement required by this chapter to be filed by a treasurer of a political committee or political fund, or by any other individual, shall be signed and certified as true by the individual required to file the report. An individual who signs and certifies to be true a report which he knows contains false information or who knowingly omits required information is guilty of a class A misdemeanor.

(b) A material change in information previously submitted and corrections to a report or statement shall be reported in writing to the commission within 10 days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. A person who wilfully fails to report a material change or correction is guilty of a class A misdemeanor.

Sec. 15.14.085. RECORDS REQUIRED TO BE MAINTAINED. (a) The treasurer of a political committee or political fund shall keep an account of

- (1) all contributions made to the political committee or political fund except for a donation in kind valued at less than \$20;
- (2) the name and address of each source of a transfer made to the political committee or political fund in excess of \$20, together with the date and amount of each;
- (3) the name and address of each source of a donation in kind valued in excess of \$20, together with the date and amount;
- (4) each expenditure made by the committee or fund, together with the date and amount;
- (5) each approved expenditure made on behalf of the committee

1 or fund, together with the date and amount;

2 (6) the name and address of each political committee or
3 political fund to which transfers in excess of \$20 have been made,
4 together with the date and amount.

5 (b) An individual who violates a provision of (a) of this section
6 is guilty of a class B misdemeanor.

7 (c) The treasurer shall obtain a receipted bill, stating the
8 particulars, for every expenditure in excess of \$100 made by, or ap-
9 proved expenditure in excess of \$100 made on behalf of, a political
10 committee or a political fund, and for any expenditure or approved
11 expenditure in a lesser amount if the aggregate amount of lesser expen-
12 diture and approved expenditure made to the same individual or associa-
13 tion during any year exceeds \$100. The treasurer shall preserve all
14 receipted bills and the accounts required to be kept by this section for
15 four years.

16 (d) A person required to file a report or statement under this
17 chapter shall maintain records on the matters required to be reported,
18 including vouchers, cancelled checks, bills, invoices, worksheets, and
19 receipts, which will provide in sufficient detail the necessary infor-
20 mation from which the filed reports and statements may be verified,
21 clarified and checked for accuracy and completeness. The records shall
22 be kept available for audit, inspection, or examination by the commis-
23 sion or its authorized representatives for four years from the date of
24 filing of the reports or statements or of changes or corrections to
25 them. A person who knowingly violates this subsection is guilty of a
26 class B misdemeanor.

27 Sec. 15.14.090. DISSOLUTION AND TERMINATION. A political commit-
28 tee or political fund may not dissolve until it has settled all of its
29 debts and disposed of all its assets in excess of \$100 and filed a

1 termination report with the commission. The termination report may be
2 made at any time and shall include the information required under
3 AS 15.14.090.

4 ARTICLE 4. GENERAL PROVISIONS.

5 Sec. 15.14.095. CIRCUMVENTION PROHIBITED. An attempt by an indi-
6 vidual or association to circumvent the provisions of this chapter by
7 redirecting funds through, or contributing funds on behalf of, another
8 individual or association is a class A misdemeanor.

9 Sec. 15.14.100. BILLS RENDERED WHEN DUE. A person who has a bill,
10 charge, or claim against a political committee or political fund for an
11 expenditure shall submit it in writing to the treasurer of the committee
12 or fund within 60 days after the material or service is provided.
13 Failure to present the bill, charge, or claim is a class B misdemeanor.

14 Sec. 15.14.105. CONCILIATION BY THE COMMISSION. (a) If the
15 commission finds that there is reason to believe that excess expendi-
16 tures have been made or excess contributions accepted in violation of
17 the provisions of this chapter, the commission shall attempt for not
18 less than 14 days after its finding to correct the matter by informal
19 methods of conference and conciliation and to enter a conciliation
20 agreement with the candidate. A conciliation agreement made under this
21 subsection is a matter of public record. Unless violated, a concilia-
22 tion agreement bars a civil proceeding under AS 15.14.040.

23 (b) If the commission is unable after a reasonable time to correct
24 by informal methods any matter which constitutes probable cause to
25 believe that excess expenditures have been made or excess contributions
26 accepted contrary to the provisions of this chapter, the commission
27 shall make a public finding of probable cause in the matter. After
28 making a public finding, the commission shall transmit the finding to
29 the attorney general who shall bring an action to impose a civil fine as

1 prescribed by AS 15.14.040.

2 Sec. 15.14.150. DEFINITIONS. For the purposes of this chapter,

3 (1) "approved expenditure" means an expenditure made on
4 behalf of a candidate by a person other than the principal campaign
5 committee of the candidate, which is made with the authorization or
6 expressed or implied consent of, or in cooperation with, or at the
7 request or suggestion of the candidate, his principal campaign committee
8 or his agent; an approved expenditure is a contribution to the candi-
9 date.

10 (2) "association" means a business, corporation, firm,
11 partnership, committee, labor organization, club, or any other group of
12 two or more persons, which includes more than an immediate family,
13 acting in concert;

14 (3) "candidate" means an individual who seeks nomination or
15 election to the office of governor or lieutenant governor;

16 (4) "campaign expenditure" or "expenditure" means a purchase
17 or payment of money or anything of value, or an advance of credit, made
18 or incurred to influence the nomination or election of a candidate; an
19 expenditure is made in the year in which the goods or services for which
20 it is made are used or consumed; "expenditure" does not include

21 (A) non-campaign disbursements;

22 (B) transfers;

23 (C) services provided without compensation by an indi-
24 vidual volunteering his time on behalf of a political candidate,
25 political committee, or political fund;

26 (D) publishing or broadcasting of news items or edito-
27 rial comments by members of the news media;

28 (5) "commission" means the Alaska Public Offices Commission;

29 (6) "contribution" means a transfer of money or a donation in

1 kind; "contribution" includes a loan or advance of credit to a political
2 committee, political fund, or principal campaign committee, if the loan
3 or advance of credit is (A) forgiven, or (B) paid by an entity other
4 than the political committee, political fund, or principal campaign
5 committee to which the loan or advance of credit is made; a contribution
6 made for the purpose of defeating a candidate is considered made for the
7 purpose of influencing the nomination or election of that candidate or
8 an opponent of that candidate; "contribution" does not include services
9 provided without compensation by an individual volunteering his time on
10 behalf of a candidate, political committee, or political fund, or the
11 publishing or broadcasting of news items or editorial comments by
12 members of the news media;

13 (7) "donation in kind" means anything of value other than
14 money or negotiable instruments given to a political committee, politi-
15 cal fund, or principal campaign committee for the purpose of influencing
16 the nomination or election of a candidate; "donation in kind" includes
17 an approved expenditure;

18 (8) "independent expenditure" means an expenditure made to
19 expressly advocate the election or defeat of a candidate, which is made
20 without the express or implied consent, authorization, or cooperation of
21 the candidate, his principal campaign committee, or his agent and which
22 is not made in concert with or at the request or suggestion of the
23 candidate, his principal campaign committee or his agent; an "independ-
24 ent expenditure" is not a contribution;

25 (9) "non-campaign disbursement" means a purchase or payment
26 of money or anything of value made, or an advance of credit incurred, by
27 a political committee, political fund, or principal campaign committee
28 for a purpose other than to influence the nomination or election of a
29 candidate; "non-campaign disbursement" includes

- 1 (A) payment for accounting and legal services;
2 (B) return of a contribution to the source;
3 (C) repayment of a loan made to a political committee,
4 political fund, or principal campaign committee by that committee
5 or fund;
6 (D) return of money to the gubernatorial election cam-
7 paign account;
8 (E) payment for food and beverages consumed at a fund-
9 raising event;
10 (F) services for a constituent performed by the governor
11 or lieutenant governor from the beginning of the term of office to
12 the adjournment sine die of the legislature in the election year
13 for the office held;

14 (10) "political committee" means an association whose major
15 purpose is to influence the nomination or election of a candidate and
16 includes the principal political committee of a candidate;

17 (11) "political fund" means an accumulation of dues or volun-
18 tary contributions by an association other than a political committee,
19 which accumulation is collected or spent to influence the nomination or
20 election of a candidate;

21 (12) "transfer" means money or negotiable instruments given by
22 an individual or association to a political committee, political fund,
23 or principal campaign committee for the purpose of influencing the
24 nomination or election of a candidate.

25 * Sec. 3. AS 43.20.031(f) is amended to read:

26 (f) A natural person is entitled to a tax credit not to exceed \$50
27 for the amount of political campaign contributions made within the tax
28 year, including but not limited to a contribution or gift to a person or
29 organization for use exclusively (1) for political campaigns for candi-

1 dates for President or Vice President of the United States, whether or
2 not they will be voted on in a primary election in Alaska; United States
3 senator from Alaska; United States Representative from Alaska; a prin-
4 cipal campaign committee of a candidate for governor or lieutenant
5 governor of Alaska who has agreed to limit his campaign expenditures
6 under AS 15.14; the Alaska legislature; delegate to an Alaska constitu-
7 tional convention; electoral confirmation as a judge or justice of a
8 court in Alaska; and municipal office in Alaska; (2) for groups seeking
9 to influence the outcome of a ballot proposition or question; or dues to
10 a nonprofit organization organized primarily for the purpose of influ-
11 encing elections. The credit allowed by this subsection is in place of
12 the credit allowed by sec. 41 of the Internal Revenue Code and the
13 deduction allowed by sec. 218 of the Internal Revenue Code for contri-
14 bution to candidates for public office.

15 * Sec. 4. AS 43.20 is amended by adding a new section to Article 1 to
16 read:

17 Sec. 43.20.041. DESIGNATION OF INCOME TAX PAYMENTS. (a) Effec-
18 tive with the tax year beginning after December 31, 1979, every indi-
19 vidual who files a tax return with the department may designate that up
20 to \$3 shall be part of the gubernatorial election campaign account
21 established in the general fund by AS 15.14.010. A husband and wife
22 filing a joint return may each designate up to \$3. The designation does
23 not change the income tax liability or reduce the overpayment of a
24 taxpayer.

25 (b) The commissioner shall on the first page of the income tax
26 return notify each taxpayer of his right to designate up to \$3 as pro-
27 vided in (a) of this section.

28 (c) The amounts designated by individuals for the gubernatorial
29 election campaign account shall be retained by the commissioner in the

1 gubernatorial election campaign account in the general fund. The com-
2 missioner shall advise the legislature within the first 10 days of the
3 legislative session in the year in which a gubernatorial election will
4 be held of the amount in the account which has been designated by tax-
5 payers, and the governor shall submit to the legislature at the same
6 time an appropriation bill appropriating the amount designated for the
7 gubernatorial election campaign account to that time.

8 * Sec. 5. The limits prescribed in AS 15.14.015 do not apply to an ex-
9 penditure or approved expenditure made before January 1, 1982 unless the
10 goods or services for which they were made are consumed or used after
11 January 1, 1982.

12 * Sec. 6. AS 15.13.040 is amended by adding a new subsection to read:

13 (g) A candidate for governor or lieutenant governor shall report
14 under the provisions of AS 15.14 and not under this section.

15 * Sec. 7. AS 15.13.110 is amended by adding a new subsection to read:

16 (f) Reports from a candidate for governor or lieutenant governor
17 are due at the times specified in AS 15.14 and not at the times speci-
18 fied in this section.

19 * Sec. 8. AS 15.13.130(1) is amended to read:

20 (1) "candidate" means a person who files for election to the
21 state legislature, [FOR GOVERNOR, FOR LIEUTENANT GOVERNOR,] for munici-
22 pal office, for retention in judicial office, or for constitutional
23 convention delegate, or who campaigns as a write-in candidate for any of
24 these offices;

25 * Sec. 9. This Act takes effect January 1, 1980.
26
27
28
29