

Offered: 4/25/86  
Referred: Rules

Original sponsor: State Affairs  
Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

CS FOR SENATE BILL NO. 356 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to election campaign financing and  
the Alaska Public Offices Commission; and providing  
for an effective date."

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

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

11

CHAPTER 14. ELECTION CAMPAIGN FINANCING.

12

ARTICLE 1. ALASKA PUBLIC OFFICES COMMISSION.

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Sec. 15.14.010. APPLICABILITY. (a) This chapter applies in

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each election for governor, lieutenant governor, a member of the state  
legislature, a delegate to a constitutional convention, and a judge  
seeking electoral retention.

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(b) This chapter applies to each election for mayor, municipal

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governing body, and school board in a municipality with a population

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of more than 1,000 according to the latest estimates of population

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certified by the Department of Community and Regional Affairs under

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AS 29.60.020. A municipality may exempt its elections from the re-

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quirements of this chapter if a majority of the voters voting on the

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question at a regular election as defined by AS 29.71.800 or a special

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municipality-wide election called for that purpose vote to exempt its

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elections from the requirements of this chapter. The question of

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exemption from the requirements of this chapter may be submitted to

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the voters by initiative or by the city council or borough assembly by

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ordinance.

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(c) This chapter does not prohibit a municipality from

1 additional regulation of campaign contributions and expenditures by  
2 ordinance.

3 (d) Except as otherwise provided, this chapter applies to a  
4 contribution, an expenditure or a communication made by a candidate, a  
5 political action committee, a municipality, or a person for the pur-  
6 pose of influencing the outcome of a ballot proposition or question as  
7 well as that made to influence the nomination or election of a candi-  
8 date.

9 (e) This chapter does not apply to contributions or expenditures  
10 made for the sole purpose of acquiring signatures on a state or munic-  
11 ipal initiative or referendum petition.

12 Sec. 15.14.020. ALASKA PUBLIC OFFICES COMMISSION. (a) The  
13 Alaska Public Offices Commission is established in the Department of  
14 Administration.

15 (b) The commission consists of five members.

16 (c) The governor shall appoint four members of the commission.  
17 Each of the two political parties whose candidates for governor re-  
18 ceived the highest and the second highest number of votes for the  
19 office of governor at the most recent preceding gubernatorial election  
20 is, as vacancies occur, entitled to submit nominations of four indi-  
21 viduals to the governor for two members of the commission. The four  
22 members appointed by the governor under this subsection shall appoint,  
23 by a majority vote, the fifth member when a vacancy in that position  
24 occurs.

25 (d) In filling a vacancy that is subject to appointment by the  
26 governor, the governor shall make the appointment within 30 days after  
27 receiving the nominations of four names from the central committee or  
28 other governing body of the party. The governor shall make the ap-  
29 pointment from nominees submitted to the governor by the central

1 committee or other governing body of the party.

2 (e) The term of office for each member of the commission is five  
3 years and until a successor is appointed and qualifies. If a vacancy  
4 occurs before the expiration of a member's term, the member appointed  
5 to fill the vacancy serves for the remainder of the unexpired term. A  
6 commission member may not serve more than one term, but a person  
7 appointed to fill an unexpired term may be appointed to a successive  
8 full five-year term.

9 (f) A member of the commission, during tenure, may not

10 (1) hold or campaign for elective office;

11 (2) be an officer of a political party, political commit-  
12 tee, or political action committee;

13 (3) publicly support or oppose or make a contribution in  
14 support of or in opposition to a candidate or proposition or question  
15 that appears on a state, municipal or other ballot in the state;

16 (4) participate in an election campaign or participate in  
17 or contribute to a political party; or

18 (5) lobby, employ, or assist a lobbyist.

19 (g) Members of the commission are entitled to receive compen-  
20 sation of \$100 a day while attending commission meetings and are  
21 entitled to travel expenses and per diem authorized by law for state  
22 employees.

23 (h) The members of the commission shall elect a chairman. A  
24 majority of the commission constitutes a quorum. The affirmative vote  
25 of at least three members is required to take official action. A  
26 vacancy does not impair the power of the remaining members to exercise  
27 the powers of the commission.

28 (i) The commission may employ an executive director and other  
29 employees it considers necessary. The executive director and an

1 employee of the commission may not, during tenure,

2 (1) serve as a member of the commission;

3 (2) engage in an activity described in (f) of this section.

4 (j) The commission shall establish a central office and shall  
5 establish or designate a commission office in each election district  
6 of the state for the filing and public inspection of the reports,  
7 registrations, or statements required to be filed with the commission.  
8 Only one commission office may be established or designated in a  
9 municipality that contains more than one election district. A dis-  
10 trict office designated under this subsection may be a municipal or  
11 other public office.

12 (k) The forms and material required for compliance with this  
13 chapter shall be made available in each commission office to candi-  
14 dates, persons, and political action committees required to file  
15 reports under this chapter.

16 (l) The commission shall promptly forward a copy of each report  
17 filed by a statewide candidate to each district office and it shall  
18 promptly forward a copy of each report filed by a legislative candi-  
19 date to the district office in the election district where the candi-  
20 date is seeking office.

21 (m) The commission shall ensure that copies of each report filed  
22 by a candidate for municipal office are made available for public  
23 inspection in the municipality in which the candidate is seeking  
24 office.

25 Sec. 15.14.030. DUTIES OF THE COMMISSION. The commission shall

26 (1) develop and provide forms for the reports, registra-  
27 tions, and statements required under this chapter, AS 24.45, and  
28 AS 39.50;

29 (2) prepare and publish a manual setting out uniform

1 methods of bookkeeping and reporting for use by persons required to  
2 make reports, registrations, and statements under this chapter and  
3 otherwise assist candidates, political action committees, and persons  
4 in complying with this chapter;

5 (3) receive and hold open for public inspection reports,  
6 registrations, and statements required to be filed under this chapter  
7 and, upon request, furnish copies to an interested person at cost;

8 (4) compile and maintain a current list of each report,  
9 registration, and statement filed with the commission;

10 (5) prepare a summary of each report, registration, or  
11 statement filed under this chapter and make a copy of the summary  
12 available to an interested person at cost;

13 (6) notify, by registered or certified mail, each person  
14 whom the commission or its staff has probable cause to believe is  
15 delinquent in filing a report, registration, or statement required  
16 under this chapter;

17 (7) compile within 60 days after each election a list of  
18 the names of all persons, candidates, and political action committees  
19 who have failed to timely file a report, registration, or statement  
20 required under this chapter and make the list available to the public;

21 (8) examine, investigate, and compare reports, registra-  
22 tions, statements, and actions required by this chapter, AS 24.45, and  
23 AS 39.50;

24 (9) prepare and publish an annual report to the legislature  
25 concerning the activities of the commission, the effectiveness of this  
26 chapter, and recommendations and proposals for change;

27 (10) adopt regulations necessary to implement and clarify  
28 the provisions of this chapter, AS 24.45, and AS 39.50, subject to the  
29 provisions of the Administrative Procedure Act (AS 44.62).



1 lieutenant governor or with a municipal clerk.

2 (c) The registration of a political action committee is valid  
3 from the date of registration until the following January 31.

4 (d) A political action committee may not use or file with the  
5 commission a name that is the same as or materially similar to the  
6 name of a political action committee whose registration is then on  
7 file with the commission.

8 (e) If a political action committee intends to support or oppose  
9 only one candidate or to contribute to or expend more than 50 percent  
10 of its funds on behalf of or in opposition to one candidate, the name  
11 of the candidate must be part of the name of the political action  
12 committee. On receipt of the registration, the commission shall  
13 promptly notify the candidate of the political action committee's  
14 organization and its intent.

15 (f) A political action committee that makes expenditures or re-  
16 ceives contributions with the authorization or consent, express or  
17 implied, or under the control, direct or indirect, of a candidate is  
18 controlled by the candidate. A contribution to a political action  
19 committee controlled by a candidate is a contribution to the candi-  
20 date.

21 (g) A political action committee required to register under this  
22 section shall include with the registration the information required  
23 under AS 15.14.160 and shall designate the year of the election for  
24 which the campaign will be conducted or shall indicate that it antici-  
25 pates continuing existence.

26 Sec. 15.14.060. REPORTS BY CANDIDATES OF CONTRIBUTIONS, LOANS,  
27 AND EXPENDITURES. (a) A candidate shall make full reports upon a  
28 form prescribed by the commission of the contributions and loans  
29 received and the expenditures made by the candidate for the designated

1 election campaign, including

2 (1) for each individual, person, or political action com-  
3 mittee from which contributions in the aggregate amount of more than  
4 \$250 were received:

5 (A) the full name, complete address, principal occupa-  
6 tion, and employer of each individual;

7 (B) the full name, complete address, and principal  
8 business activity of each person other than an individual;

9 (C) the full name, complete address, and principal  
10 area of interest of each political action committee; and

11 (D) the date and amount of each contribution;

12 (2) for each person or political action committee that lent  
13 any amount to the candidate or that guaranteed or otherwise agreed to  
14 assume a financial obligation in any amount for or on behalf of a  
15 candidate,

16 (A) the full name, complete address, principal occupa-  
17 tion, and employer of each individual;

18 (B) the full name, complete address, and principal  
19 business activity of each person other than an individual;

20 (C) the full name, complete address, and principal  
21 area of interest of each political action committee;

22 (D) the purpose of the loan;

23 (E) the date and total value of the loan or financial  
24 obligation;

25 (F) the interest rate of the loan or financial obliga-  
26 tion;

27 (G) the date the loan or financial obligation is due;

28 and

29 (H) the security, if any, for the loan or financial

1 obligation;

2 (3) the total number and amount of all contributions re-  
3 ceived of \$250 or less;

4 (4) a total of all contributions received;

5 (5) the total of all expenditures made or obligated;

6 (6) the total amount of all funds that the candidate con-  
7 tributed or lent to the campaign of the candidate;

8 (7) the date, check number, the amount of the check, the  
9 full name of the payee, and the purpose of each expenditure; and

10 (8) for each fundraiser held under AS 15.14.155, the date  
11 and place of the fundraiser, the total number of paying participants  
12 at the fundraiser, the total cost of the fundraiser, and the amount of  
13 contributions received.

14 (b) A report containing the information required under (a) of  
15 this section must list the contributions and loans received and the  
16 expenditures made during the period ending three days before the due  
17 date of the report and beginning on the last day covered by the most  
18 recent previous report. The report shall be filed in the central  
19 office or a district office of the commission at the following times:

20 (1) 30 days before the election unless the deadline for  
21 filing a nominating petition or declaration of candidacy is less than  
22 34 days before the election;

23 (2) seven days before the election.

24 (c) A candidate shall file a special contribution, loan, or  
25 expenditure report with the commission for each contribution, loan, or  
26 expenditure of more than \$250 that is received within the last 10 days  
27 before the election. The report must include the full name, complete  
28 address, principal occupation and employer of the contributor or  
29 lender and the date and amount of the contribution or loan, or the

1 purpose of the expenditure. The report shall be filed within 24 hours  
2 after the contribution or loan is received or the expenditure is made.

3 (d) A candidate shall file an annual report on or before Janu-  
4 ary 31 of each year, except that a candidate shall file a final report  
5 covering contributions and loans received and expenditures made during  
6 the year in which an election designated under AS 15.14.040(b) is  
7 held. The final report shall be filed no later than 30 days after the  
8 date on which the candidate must close campaign accounts under AS 15.-  
9 14.180. The annual report must include all of the information re-  
10 quired under (a) of this section for contributions and loans received  
11 and expenditures made between January 1 and December 31 of the immedi-  
12 ately preceding year, except that a final report covering the year in  
13 which an election designated under AS 15.14.040(b) is held

14 (1) need include only the contributions, loans, and expen-  
15 ditures that were not reported to the commission in the reports re-  
16 quired under (b) and (c) of this section;

17 (2) must include contributions and loans received and  
18 expenditures made through the date that a campaign account is required  
19 to be closed under AS 15.14.180; and

20 (3) must include the amount and the disposition of surplus  
21 funds.

22 Sec. 15.14.070. REPORTS BY POLITICAL ACTION COMMITTEES OF CON-  
23 TRIBUTIONS, LOANS, AND EXPENDITURES. (a) A political action commit-  
24 tee shall make a report on a form prescribed by the commission of  
25 contributions and loans received by the political action committee,  
26 including

27 (1) for each individual, person, or political action com-  
28 mittee from which contributions in the aggregate amount of more than  
29 \$250 were received:

1 (A) the full name, complete address, principal occupa-  
2 tion, and employer of each individual;  
3 (B) the full name, complete address, and principal  
4 business activity of each person other than an individual;  
5 (C) the full name, complete address, and principal  
6 area of interest of each political action committee; and  
7 (D) the date and amount of each contribution;  
8 (2) for each person or other political action committee  
9 that lent any amount to the reporting political action committee or  
10 that guaranteed or otherwise agreed to assume a financial obligation  
11 in any amount for or on behalf of the reporting political action  
12 committee,  
13 (A) the full name, complete address, principal occupa-  
14 tion, and employer of each individual;  
15 (B) the full name, complete address, and principal  
16 business activity of each person other than an individual;  
17 (C) the full name, complete address, and principal  
18 area of interest of each political action committee;  
19 (D) the purpose of the loan;  
20 (E) the date and total value of the loan or financial  
21 obligation;  
22 (F) the interest rate of the loan or financial obli-  
23 gation;  
24 (G) the date the loan or financial obligation is due;  
25 and  
26 (H) the security, if any, for the loan or financial  
27 obligation;  
28 (3) the total number and amount of all contributions re-  
29 ceived of \$250 or less;

- 1 (4) a total of all contributions received;
- 2 (5) a total of all expenditures made or obligated;
- 3 (6) the date, check number, the amount of the check, full  
4 name of each payee, and the purpose of each expenditure including
- 5 (A) for each expenditure that is a contribution to a  
6 candidate or a political action committee, the name of the candi-  
7 date or political action committee;
- 8 (B) for each expenditure that is an independent expen-  
9 diture, the name of the candidate or ballot proposition or ques-  
10 tion supported or opposed by the independent expenditure; and
- 11 (7) for each fundraiser held under AS 15.14.155, the date  
12 and place of the fundraiser, the total number of paying participants  
13 at the fundraiser, the total cost of the fundraiser, and the amount of  
14 contributions received.
- 15 (b) A report containing the information required under (a) of  
16 this section must list the contributions and loans received and expen-  
17 ditures made during the period ending three days before the due date  
18 of the report and beginning on the last day covered by the most recent  
19 previous report. The report shall be filed in the central office or a  
20 district office of the commission at the following times:
- 21 (1) 30 days before the election;
- 22 (2) seven days before the election.
- 23 (c) A political action committee shall file a special contribu-  
24 tion, loan, or expenditures report with the commission for each con-  
25 tribution, loan, or expenditure of more than \$250 that is received  
26 within the last 10 days before the election. The report must include  
27 the full name, complete address, principal occupation and employer of  
28 the contributor or lender and the date and amount of the contribution  
29 or loan or the purpose of the expenditure. The report shall be filed

1 within 24 hours after the contribution or loan is received or the  
2 expenditure is made.

3 (d) A political action committee shall file an annual report on  
4 or before January 31 of each year. The annual report must include all  
5 of the information required under (a) of this section for contribu-  
6 tions and loans received and expenditures made between January 1 and  
7 December 31 of the immediately preceding year, except that an annual  
8 report covering contributions and loans received and expenditures made  
9 during the year in which an election designated under AS 15.14.050(f)  
10 is held need include only those contributions, loans, and expenditures  
11 that were not reported to the commission in the reports required under  
12 (b) and (c) of this section. If the political action committee has  
13 not indicated a continuing existence under AS 15.14.050(g), the report  
14 filed under this section is the final report.

15 Sec. 15.14.080. STATEMENT BY PERSON MAKING CONTRIBUTION OR  
16 EXPENDITURE. (a) A person who makes contributions of more than \$250  
17 in the aggregate in goods, services, or money to a candidate or polit-  
18 ical action committee or who makes independent expenditures described  
19 in AS 15.14.090 with a value of more than \$250 in the aggregate to  
20 influence the election of a candidate or the passage of a ballot  
21 proposition or question shall make and file in the central or a dis-  
22 trict office of the commission a signed statement on a form made  
23 available by the commission reporting the activity within 10 days  
24 after the contribution or expenditure is made.

25 (b) The statement must list the name, address, principal occupa-  
26 tion, and employer of the person who paid for the contribution or  
27 expenditure and include the date, amount, payee, and purpose of the  
28 contribution or expenditure.

29 (c) The statement must include a certification by the person

1 making the statement that the contribution or expenditure consists of  
2 funds or property belonging to the contributor and that the funds have  
3 not been given or furnished by another person or political action  
4 committee.

5 (d) The person filing the statement shall furnish a copy of the  
6 statement to the candidate or the campaign treasurer of the political  
7 action committee at the time the statement is filed with the commis-  
8 sion.

9 Sec. 15.14.090. INDEPENDENT EXPENDITURE. (a) An independent  
10 expenditure is an expenditure by a person or political action commit-  
11 tee for a communication expressly advocating the election or defeat of  
12 a clearly identified candidate that is made without arrangement,  
13 coordination, or direction with or by the candidate or the agent of  
14 the candidate before the publication, distribution, display, or broad-  
15 cast of the communication. An expenditure is a contribution and not  
16 an independent expenditure if it is based on information about the  
17 candidate's plans, projects, or needs provided to the expending person  
18 or political action committee by the candidate or by an agent of the  
19 candidate with a view toward having an expenditure made.

20 (b) An expenditure is made in coordination with the candidate or  
21 the agent of the candidate if it is made by or in consultation with a  
22 person

23 (1) who is or within one year before the date of the expen-  
24 diture has been authorized by the candidate or by a campaign officer  
25 to raise or expend funds on behalf of the candidate;

26 (2) who is or within one year before the date of the expen-  
27 diture has been an officer of a campaign committee of the candidate;  
28 or

29 (3) who is or within one year before the date of the

1 expenditure has been receiving any form of compensation or reimburse-  
2 ment from the candidate or from campaign funds for professional ser-  
3 vices that require the exercise of discretion or judgment relating to  
4 the conduct of the campaign.

5 (c) In this section, an "agent of the candidate" means an indi-  
6 vidual

7 (1) who has actual oral or written authority, either ex-  
8 press or implied, to make or to authorize the making of an expenditure  
9 on behalf of a candidate; or

10 (2) who has been placed in a position within the campaign  
11 organization where it would reasonably appear that in the ordinary  
12 course of campaign related activities the individual may authorize an  
13 expenditure.

14 Sec. 15.14.100. CERTIFICATION OF REPORTS. Each report, regis-  
15 tration, or statement required under this chapter shall be certified  
16 as correct by the candidate or the campaign treasurer of the candi-  
17 date, by the campaign treasurer of the political action committee, or  
18 by the person making the report, registration, or statement. The  
19 report, registration, or statement must include or be accompanied by  
20 the following certification signed by the individual filing the re-  
21 port, registration, or statement:

22 "I certify that, to the best of my knowledge, this report  
23 is true, correct, and complete."

24 ARTICLE 3. CONTRIBUTIONS AND EXPENDITURES.

25 Sec. 15.14.110. CONTRIBUTIONS BY A PERSON. (a) Except as  
26 provided in AS 15.14.155, a person may not make a contribution in the  
27 form of a cash payment to a candidate or a political action committee.

28 (b) A person may not make a contribution in excess of \$1,000 in  
29 the aggregate during a calendar year in money, goods, or services to a

1 candidate.

2 (c) Except as provided in (d) of this section, a person may not  
3 make a contribution in excess of \$1,000 in the aggregate during a  
4 calendar year in money, goods, or services to a political action  
5 committee.

6 (d) Except as provided in (a) of this section, a person may  
7 contribute any amount in money, goods, or services

8 (1) to a political action committee formed solely for the  
9 purpose of sponsoring or opposing an initiative or referendum; or

10 (2) to a political party.

11 (e) An individual or person may not make a contribution in any  
12 amount to a candidate or political action committee in the form of a  
13 loan or loan guarantee. This subsection does not prohibit

14 (1) a contribution in the form of a loan by a candidate or  
15 the spouse, parent, or child of the candidate to the campaign of the  
16 candidate; or

17 (2) an extension of credit by a person providing goods or  
18 services in the normal course of business to a political action com-  
19 mittee, a candidate, or a candidate's campaign.

20 (f) A shareholder of a corporation and the corporation may each  
21 make a contribution to a candidate or political action committee up to  
22 the limits provided in (a) and (b) of this section unless the share-  
23 holder owns the controlling majority of shares in that corporation.

24 Sec. 15.14.120. CONTRIBUTIONS BY A POLITICAL ACTION COMMITTEE.

25 (a) A political action committee may not make a contribution in the  
26 form of a cash payment to a candidate or political action committee.

27 (b) Except as provided in (c) of this section, a political  
28 action committee may not contribute or make an expenditure, other than  
29 as an independent expenditure, of more than \$1,000 in the aggregate

1 during a year to a candidate or to a political action committee.

2 (c) Except as provided in (a) of this section, a political  
3 action committee may contribute any amount in money, goods, or ser-  
4 vices to

5 (1) a political action committee formed solely for the pur-  
6 pose of sponsoring or opposing an initiative or referendum; or

7 (2) a political party.

8 (d) A political action committee may not make a loan or a loan  
9 guarantee to a candidate or to another political action committee.

10 (e) Two or more political action committees sharing a majority  
11 of their officers are considered to be a single group for purposes of  
12 the contribution limitations under (a) and (b) of this section.

13 (f) An expenditure for a communication in support of the elec-  
14 tion of more than one candidate shall be prorated equally among the  
15 candidates for purposes of calculating the amount of the expenditure  
16 made on behalf of one of the candidates.

17 (g) A political party and its state, regional, and local subdi-  
18 visions are not subject to the limitations prescribed in this section,  
19 but each is subject to the reporting requirements of AS 15.14.070.

20 Sec. 15.14.130. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a)  
21 Except as provided in AS 15.14.135, a candidate, a campaign officer  
22 of a candidate, a political action committee, and an officer of a  
23 political action committee may not accept a contribution in the form  
24 of a cash payment from a person or a political action committee.

25 (b) A candidate and a campaign officer of a candidate may not  
26 accept a contribution in excess of \$1,000 in the aggregate during a  
27 calendar year in money, goods, or services from a person or a politi-  
28 cal action committee.

29 (c) Except as provided in this subsection, a political action

1 committee and an officer of a political action committee may not  
2 accept a contribution in excess of \$1,000 in the aggregate during a  
3 calendar year in money, goods, or services from a person or a politi-  
4 cal action committee. A political party or a political action com-  
5 mittee formed solely for the purpose of sponsoring or opposing an  
6 initiative or a referendum may

7 (1) accept any amount in money, goods, or services;

8 (2) except as provided in AS 15.14.155, not accept a con-  
9 tribution in the form of a cash payment from a person.

10 (d) A candidate and a political action committee may not accept  
11 a contribution in the form of a loan or a loan guarantee.

12 (e) A candidate or political action committee may accept a  
13 contribution from a shareholder of a corporation not to exceed \$1,000  
14 in the aggregate during a year and may also accept a contribution from  
15 the corporation not to exceed \$1,000 in the aggregate during that year  
16 unless the shareholder owns the controlling majority of shares in that  
17 corporation.

18 Sec. 15.14.140. EXPENDITURES. (a) A political party may make a  
19 contribution or expenditure of money, goods, or services without  
20 limitation as to amount or value.

21 (b) Except as provided under AS 15.14.170, a candidate may make  
22 expenditures of money, goods, or services on behalf of the candidate's  
23 own campaign without limitation as to amount or value.

24 (c) A person or political action committee may make an indepen-  
25 dent expenditure as defined in AS 15.14.090 of money, goods, or ser-  
26 vices without limitation as to amount or value on behalf of or in  
27 opposition to a candidate or ballot proposition.

28 Sec. 15.14.150. PROHIBITED CONTRIBUTIONS. (a) A contribution  
29 may not be made and an expenditure may not be made or incurred either

1 directly or indirectly in a fictitious name, anonymously, or by one  
2 person or political action committee in the name of another. A con-  
3 tribution made by a corporation is not a contribution in the name of a  
4 shareholder of the corporation and a contribution made by a share-  
5 holder of a corporation is not a contribution in the name of the  
6 corporation unless the shareholder owns the controlling majority of  
7 shares in that corporation for the purposes of this subsection.

8 (b) A contribution made by a person wishing to remain anonymous  
9 and received by a candidate or political action committee may not be  
10 accepted, but shall be returned to the donor if the identity of the  
11 donor is known. If the identity of the donor is not known, the con-  
12 tribution shall be donated to an organization that qualifies as a  
13 charitable organization under 26 U.S.C. 501(c).

14 (c) A candidate, a campaign officer of a candidate, political  
15 action committee, and a campaign officer of a political action commit-  
16 tee may not accept a contribution described in this section. A con-  
17 tribution under this section is accepted unless it is returned or  
18 donated under (b) of this section within 10 days after the candidate  
19 or political action committee knows or should have known that the con-  
20 tribution is prohibited under this section.

21 Sec. 15.14.155. PERMITTED CASH CONTRIBUTIONS. Notwithstanding  
22 the prohibition against the contribution in the form of a cash payment  
23 to a candidate or a political action committee, an individual may  
24 contribute and a candidate or a political action committee may accept  
25 cash at a fundraiser held by the candidate or the political action  
26 committee if food will be served at the fundraiser, if the contribu-  
27 tion for admission to the fundraiser from any one individual is not in  
28 excess of \$25, and if there are 25 or more paying participants.

29

1                   ARTICLE 4. CAMPAIGN CONDUCT AND ADMINISTRATION.  
2                   Sec. 15.14.160. CAMPAIGN OFFICERS. (a) Each candidate may and  
3 each political action committee shall appoint a campaign chairman.  
4 Each candidate and each political action committee shall appoint a  
5 campaign treasurer who is responsible for receiving, holding, and  
6 disbursing all contributions and expenditures, and for filing all  
7 reports and statements required by law. Each candidate and each  
8 political action committee may appoint deputy campaign treasurers at  
9 any time. An individual who is requested to solicit a contribution  
10 for a candidate shall be appointed by the candidate as a deputy cam-  
11 paign treasurer. An individual who is requested to solicit a contri-  
12 bution for a candidate shall be appointed by the candidate or a deputy  
13 campaign treasurer. An individual who is requested to solicit a  
14 contribution for a political action committee shall be appointed by  
15 the political action committee as a deputy campaign treasurer. A  
16 candidate may be a campaign treasurer.  
17                   (b) At the time a candidate registers with the commission under  
18 AS 15.14.040, the candidate shall file a statement in the central or a  
19 district office of the commission listing the name, address, and  
20 telephone number of the candidate's campaign treasurer. At the time a  
21 political action committee registers with the commission under AS 15.-  
22 14.050, the political action committee shall file a statement in the  
23 central or a district office of the commission listing the name,  
24 address, and telephone number of the political action committee's cam-  
25 paign treasurer. Each candidate who appoints a campaign chairman and  
26 each political action committee shall include in the statement the  
27 name, address, and telephone number of the campaign chairman.  
28                   (c) An individual may not act as the campaign chairman, campaign  
29 treasurer, or deputy campaign treasurer for a candidate or political

1 action committee until the name, address, and telephone number of the  
2 individual has been filed with the commission. The address of a  
3 candidate's campaign treasurer is the address of the candidate unless  
4 the candidate files a different mailing address with the commission.

5 (d) In the case of the death, resignation, or removal of a  
6 campaign officer required to be appointed under this section, the  
7 candidate or political action committee shall file the name, address,  
8 and telephone number of the successor in the central or a district  
9 office of the commission within 10 days after the vacancy occurs.

10 (e) A candidate may receive contributions and make expenditures  
11 only in person or through a campaign chairman, a campaign treasurer,  
12 or a deputy campaign treasurer. A political action committee may re-  
13 ceive contributions and make expenditures only through the campaign  
14 chairman, campaign treasurer, or deputy campaign treasurer of the  
15 political action committee. A person does not receive or make a  
16 contribution under this section on behalf of a candidate or political  
17 action committee if

18 (1) the person transfers or delivers a contribution to a  
19 candidate or a campaign officer of a candidate or political action  
20 committee and discloses to the candidate or political action committee  
21 the identity of the contributor;

22 (2) the person does not exercise discretion or control as  
23 to the amount or as to the identity of the recipient of the contribu-  
24 tion; and

25 (3) the person is not a campaign officer of the candidate  
26 or political action committee ultimately receiving the contribution.

27 (f) The candidate is responsible for the performance of the  
28 campaign officers of the candidate. The campaign chairman of a polit-  
29 ical action committee is responsible for the performance of the other

1 officers of the political action committee. A default or violation by  
2 the officer is considered a default or violation by the candidate if  
3 the candidate knew or a reasonable person would have known of the  
4 default or violation. A default or violation by the officer of the  
5 political action committee is considered a default or violation by the  
6 campaign chairman of the political action committee if the campaign  
7 chairman knew or had reason to know of the default or violation.

8 Sec. 15.14.170. USE OF CAMPAIGN FUNDS. (a) Campaign funds  
9 received by a candidate or by a political action committee may be used  
10 only to

11 (1) influence or attempt to influence the actions of the  
12 voters for or against the election of a candidate or the passage or  
13 defeat of a ballot proposition or question; or

14 (2) repay a loan made to the campaign of the candidate.

15 (b) Campaign funds may not be used to repay a loan not timely  
16 reported as a loan under AS 15.14.060(a)(2).

17 (c) Surplus campaign funds shall be disposed of under AS 15.14.-  
18 190.

19 Sec. 15.14.180. TERMINATION OF CAMPAIGN ACTIVITY AND CLOSING OF  
20 CAMPAIGN ACCOUNTS. (a) A candidate shall close each campaign account  
21 relating to a designated election campaign on or before one of the  
22 following dates:

23 (1) for a statewide candidate in the general election, the  
24 date on which the successful candidate in the designated election is  
25 sworn into office;

26 (2) for a legislative candidate in the general election, by  
27 December 31 of that year;

28 (3) for a candidate in a municipal election, 30 days after  
29 the date of the election or, in the case of a run-off election, 30

1 days after the date of a run-off election;

2 (4) for a candidate who loses in a primary election, 30  
3 days after the date of the election;

4 (5) for a candidate who withdraws before an election, 30  
5 days after filing a notice of withdrawal; or

6 (6) for a candidate who withdraws after registering under  
7 AS 15.40.040 but before filing for office, 30 days after the deadline  
8 for filing a declaration of candidacy or a nominating petition;

9 (7) for a judicial candidate or a delegate to a constitu-  
10 tional convention, 30 days after the date of the election.

11 (b) A candidate and a campaign officer of a candidate may not  
12 solicit or accept a contribution for the designated election campaign  
13 after the date on which the candidate is required to close campaign  
14 accounts under (a) of this section.

15 (c) A candidate and a campaign officer of a candidate may not  
16 make expenditures of any kind, except for the disposition of surplus  
17 funds, after the date on which the candidate is required to close  
18 campaign accounts under (a) of this section for

19 (1) goods or services provided to the candidate with re-  
20 spect to the designated election campaign;

21 (2) the payment of campaign debts to an individual, person,  
22 or political action committee; or

23 (3) the payment of loans made by the candidate to the  
24 campaign of the candidate.

25 Sec. 15.14.190. SURPLUS CAMPAIGN FUNDS. (a) A candidate shall  
26 dispose of campaign funds that are not spent during the designated  
27 election campaign by

28 (1) donating the funds to an organization that qualifies as  
29 a charitable organization under 26 U.S.C. 501(c);

1           (2) donating the funds to the general fund of the state or  
2 of a municipality organized under AS 29;

3           (3) after registering with the commission under AS 15.14.-  
4 040, transferring the funds to a newly designated election campaign  
5 account for a designated state election to be held not more than four  
6 years after the election designated under AS 15.14.040(b);

7           (4) paying an individual who worked in the candidate's  
8 designated election campaign;

9           (5) transferring the funds to an account for the office, in  
10 the case of a successful candidate only, and using the funds only for  
11 communication with constituents and other voters in the state by  
12 telephone, newsletter, or personal contact;

13           (6) returning the funds to contributors on a pro rata  
14 basis.

15           (b) A candidate shall dispose of surplus funds under (a) of this  
16 section before the date on which a final report of expenditures is  
17 required to be filed under AS 15.14.070.

18           (c) A candidate who is a public official may at any time use  
19 funds raised for a campaign for a purpose described in (a)(5) of this  
20 section.

21           Sec. 15.14.200. SOLICITATION OF CONTRIBUTIONS. (a) A public  
22 officer or employee of the state or of a municipality of the state may  
23 not, while on the premises of a state or municipal office, solicit or  
24 request a contribution to a candidate, political action committee or  
25 political party.

26           (b) A person may not solicit or request a public officer or  
27 employee to contribute to a candidate, political action committee, or  
28 political party while the public officer or employee is on the prem-  
29 ises of a state or municipal office.

1 (c) A candidate, an officer of a candidate, a political action  
2 committee, and an officer of a political action committee may not  
3 knowingly accept a contribution obtained in violation of this section.

4 (d) Subsections (a) and (b) of this section do not apply to a  
5 scheduled meeting held by a labor union representing public employees  
6 of the state or of a municipality of the state if the meeting is held  
7 with the permission of the employer.

8 Sec. 15.14.210. IDENTIFICATION OF COMMUNICATION. (a) An adver-  
9 tisement, billboard, handbill, paid-for television or radio announce-  
10 ment, or other communication intended to influence the election of a  
11 candidate or the outcome of a ballot proposition or question shall be  
12 clearly identified by the words "paid for by" followed by the name and  
13 address of the candidate, political action committee, or the person or  
14 persons paying for the communication.

15 (b) A person or political action committee making an independent  
16 expenditure for an item described in (a) of this section shall, within  
17 the printed material or during a broadcast, state: "This communication  
18 was not authorized by any candidate."

19 (c) The information required under (a) and (b) of this section  
20 need not be included on an object used for a campaign advertisement,  
21 if the object is one that the commission, by regulation, has deter-  
22 mined is too small to practicably include the information.

23 ARTICLE 5. VIOLATIONS, CIVIL PENALTIES, AND PROCEDURES.

24 Sec. 15.14.220. CAMPAIGN FINANCING VIOLATIONS IN THE FIRST  
25 DEGREE. (a) A person who, with intent to avoid disclosure, fails to  
26 file a report of contributions, loans, or expenditures required to be  
27 filed 30 days or seven days before an election under AS 15.14.060(b)  
28 or fails to file a report within 24 hours after receiving a contribu-  
29 tion or making an expenditure under AS 15.14.060(c) is subject to a

1 civil penalty of not less than \$500 nor more than \$2,000 for each day  
2 that the report is due but not filed up to a maximum of \$25,000 for  
3 each report.

4 (b) A political action committee that, with intent to avoid  
5 disclosure, fails to file a report of contributions, loans, or expen-  
6 ditures required to be filed 30 days or seven days before an election  
7 under AS 15.14.070(b) or fails to file a report within 24 hours after  
8 receiving a contribution or making an expenditure under AS 15.14.-  
9 070(c) is subject to a civil penalty of not less than \$500 nor more  
10 than \$2,000 for each day that the report is due but not filed up to a  
11 maximum of \$25,000 for each report.

12 (c) A person who, with intent to avoid disclosure, files a  
13 report of contributions or expenditures containing a false or mislead-  
14 ing statement as to a contributor, contribution, loan, or expenditure  
15 required to be included in a report under AS 15.14.060(a) is subject  
16 to a civil penalty

17 (1) of not less than \$500 nor more than \$5,000 for each  
18 false or misleading statement; and

19 (2) not to exceed twice the amount of the contribution or  
20 expenditure involving the false or misleading statement.

21 (d) A political action committee that, with intent to avoid  
22 disclosure, files a report of contributions or expenditures containing  
23 a false or misleading statement as to a contributor, contribution,  
24 loan, or expenditure required to be included in a report under AS 15.-  
25 14.070(a) is subject to a civil penalty

26 (1) of not less than \$500 nor more than \$5,000 for each  
27 false or misleading statement; and

28 (2) not to exceed twice the amount of the contribution or  
29 expenditure involving the false or misleading statement.

1 (e) A person who knowingly makes a contribution in excess of the  
2 limitation under AS 15.14.110(b) or (c) is subject to a civil penalty

3 (1) of not less than \$1,000 nor more than \$5,000; and

4 (2) not to exceed twice the amount that the contribution  
5 exceeds the limitation.

6 (f) A political action committee that knowingly makes a contri-  
7 bution in excess of the limitation under AS 15.14.120(b) is subject to  
8 a civil penalty

9 (1) of not less than \$1,000 nor more than \$5,000; and

10 (2) not to exceed twice the amount that the contribution  
11 exceeds the limitation.

12 (g) Except as provided in AS 15.14.130(c), a political action  
13 committee that knowingly accepts a contribution in excess of the  
14 limitation established in AS 15.14.130(c) is subject to a civil pen-  
15 alty

16 (1) of not less than \$1,000 nor more than \$5,000; and

17 (2) not to exceed twice the amount that the contribution  
18 exceeds the limitation.

19 (h) A person who knowingly makes a contribution in the form of  
20 cash in violation of AS 15.14.110(a) is subject to a civil penalty of

21 (1) not less than \$100 nor more than \$1,000 if the contri-  
22 bution is less than \$500, in the aggregate; and

23 (2) an additional civil penalty of not to exceed twice the  
24 amount of the cash contribution if it amounts to \$500 or more in the  
25 aggregate.

26 (i) A political action committee that knowingly makes a contri-  
27 bution in the form of cash in violation of AS 15.14.120(a) is subject  
28 to a civil penalty of

29 (1) not less than \$100 nor more than \$1,000 if the contri-

1           bution is less than \$500, in the aggregate; and

2                   (2) an additional civil penalty of not to exceed twice the  
3 amount of the cash contribution if it amounts to \$500 or more in the  
4 aggregate.

5           (j) A person or political action committee that knowingly ac-  
6 cepts a contribution in the form of cash in violation of AS 15.14.-  
7 130(a) is subject to a civil penalty of

8                   (1) not less than \$100 nor more than \$1,000 if the contri-  
9 bution is less than \$500, in the aggregate; and

10                   (2) an additional civil penalty of not to exceed twice the  
11 amount of the cash contribution if it amounts to \$500 or more in the  
12 aggregate.

13           (k) A person or political action committee that, with intent to  
14 avoid disclosure, makes or accepts a contribution in violation of  
15 AS 15.14.150(a) or (c) is subject to a civil penalty of

16                   (1) not less than \$500 nor more than \$5,000; and

17                   (2) if the contribution amounts to \$500 or more, an addi-  
18 tional civil penalty of not to exceed twice the amount of the contri-  
19 bution.

20           (1) A person or political action committee that knowingly ac-  
21 cepts a contribution obtained in violation of AS 15.56.025 through a  
22 threat of physical force, job discrimination, or financial reprisals  
23 is subject to a civil penalty of not less than \$1,000 nor more than  
24 \$10,000.

25           (m) A person or political action committee that intentionally  
26 solicits or requests a contribution from a public officer or employee  
27 of the state or a municipality of the state in a manner prohibited  
28 under AS 15.14.200(a) or (b) is subject to a civil penalty of not less  
29 than \$500 nor more than \$5,000.

1 (n) A person or political action committee that knowingly ac-  
2 cepts a contribution from a public officer or employee of the state or  
3 a municipality of the state in a manner prohibited under AS 15.14.-  
4 200(a) or (b) is subject to a civil penalty of not less than \$500 nor  
5 more than \$5,000.

6 Sec. 15.14.230. CAMPAIGN FINANCING VIOLATIONS IN THE SECOND  
7 DEGREE. (a) A person who fails to file a report of contributions or  
8 expenditures required to be filed 30 days or seven days before an  
9 election under AS 15.14.060(b) or fails to file a report within 24  
10 hours after receiving a contribution or making an expenditure under  
11 AS 15.14.060(c) is subject to a civil penalty of not less than \$25 nor  
12 more than \$100 for each day that the report is due but not filed up to  
13 a maximum of \$5,000 for each report.

14 (b) A political action committee that fails to file a report of  
15 contributions or expenditures required to be filed 30 days or seven  
16 days before an election under AS 15.14.070(b) or fails to file a  
17 report within 24 hours after receiving a contribution or making an  
18 expenditure under AS 15.14.070(c) is subject to a civil penalty of not  
19 less than \$25 nor more than \$100 for each day that the report is due  
20 but not filed up to a maximum of \$5,000 for each report.

21 (c) A person who fails to file a report, registration, or state-  
22 ment required to be filed under this chapter, other than a report  
23 described in (a) or (b) of this section, is subject to a civil penalty  
24 of not less than \$10 nor more than \$100 per day for each day that the  
25 report, registration, or statement is due but not filed, up to a  
26 maximum fine of \$3,000 for each report, registration, or statement.

27 (d) A person who files a report of contributions or expenditures  
28 containing a false or misleading statement as to a contributor, con-  
29 tribution, loan, or expenditure required to be included in a report

1 under AS 15.14.060(a) is subject to a civil penalty  
2 (1) of not less than \$50 nor more than \$500 for each false  
3 or misleading statement; and  
4 (2) not to exceed the amount of the contribution or expen-  
5 diture involving the false or misleading statement.  
6 (e) A political action committee that files a report of contri-  
7 butions or expenditures containing a false or misleading statement as  
8 to a contributor, contribution, loan, or expenditure required to be  
9 included in a report under AS 15.14.070(a) is subject to a civil  
10 penalty of  
11 (1) not less than \$50 nor more than \$500 for each false or  
12 misleading statement; and  
13 (2) not to exceed the amount of the contribution or expen-  
14 diture involving the false or misleading statement.  
15 (f) A person who makes a contribution in excess of the limita-  
16 tion under AS 15.14.110(b) or (c) is subject to a civil penalty  
17 (1) of not less than \$50 nor more than \$500; and  
18 (2) not to exceed the amount that the contribution exceeds  
19 the limitation.  
20 (g) A political action committee that makes a contribution in  
21 excess of the limitation under AS 15.14.120(b) is subject to a civil  
22 penalty  
23 (1) of not less than \$50 nor more than \$500; and  
24 (2) not to exceed the amount that the contribution exceeds  
25 the limitation.  
26 (h) A person who makes a contribution in the form of cash in  
27 violation of AS 15.14.110(a) is subject to a civil penalty of not to  
28 exceed the amount of the cash contribution.  
29 (i) A political action committee that makes a contribution in

1 the form of cash in violation of AS 15.14.120(a) is subject to a civil  
2 penalty of not to exceed the amount of the cash contribution.

3 (j) A candidate or an officer of a candidate that accepts a  
4 contribution in excess of the limitation under AS 15.14.130(b) is  
5 subject to a civil penalty

6 (1) of not less than \$50 nor more than \$500; and

7 (2) not to exceed the amount that the contribution exceeds  
8 the limitation.

9 (k) A political action committee that accepts a contribution in  
10 excess of the limitation under AS 15.14.130(c) is subject to a civil  
11 penalty

12 (1) of not less than \$50 nor more than \$500; and

13 (2) not to exceed the amount that the contribution exceeds  
14 the limitation.

15 (l) A candidate, an officer of a candidate, a political action  
16 committee, or an officer of a political action committee that accepts  
17 a contribution in the form of cash in violation of AS 15.14.130(a) is  
18 subject to a civil penalty of not to exceed the amount of the cash  
19 contribution.

20 (m) A candidate who fails to close a campaign account by the  
21 date established in AS 15.14.180(a) is subject to a fine of not less  
22 than \$25 nor more than \$100 per day for each day that the account  
23 should have been but was not closed, up to a maximum of \$2,000.

24 (n) A person who fails to dispose of surplus funds by the date  
25 established in AS 15.14.190(b) is subject to a civil penalty of not  
26 less than \$25 nor more than \$100 per day for each day that the surplus  
27 funds should have been but were not disposed of, up to a maximum of  
28 \$2,000.

29 (o) A person is subject to a civil penalty of not less than \$100

1 nor more than \$2,000 if the person

2 (1) solicits or accepts a contribution or makes an  
3 expenditure, other than a disposition of surplus funds, after the date  
4 that campaign accounts are required to be closed under AS 15.14.180;

5 (2) uses campaign funds for a purpose not permitted under  
6 AS 15.14.170;

7 (3) uses surplus funds for a purpose not permitted under  
8 AS 15.14.190;

9 (4) acts as a campaign officer at a time when the name of  
10 the person has not been filed with the commission; or

11 (5) fails to include in a communication intended to influ-  
12 ence the election of a candidate or the outcome of a ballot proposi-  
13 tion or question the information required under AS 15.14.210(a) or  
14 (b).

15 Sec. 15.14.240. PAYMENT OF CIVIL PENALTY. A civil penalty  
16 imposed by the commission under AS 15.14.220 or 15.14.230 may not be  
17 paid from campaign funds.

18 Sec. 15.14.250. REMOVAL FROM OFFICE. (a) If, after being sworn  
19 into office, a person who was a successful candidate is found to have  
20 committed a violation in the first degree under AS 15.14.220, proceed-  
21 ings shall be held and appropriate action taken under

22 (1) art. II, sec. 12, Constitution of the State of Alaska,  
23 if the candidate is a candidate for the state legislature;

24 (2) art. II, sec. 20, Constitution of the State of Alaska,  
25 if the candidate is a candidate for governor or lieutenant governor;

26 (3) AS 29.20.170, if the candidate is a candidate for  
27 borough assembly;

28 (4) AS 29.20.280, if the candidate is a candidate for  
29 borough mayor;

1 (5) AS 29.20.170, if the candidate is a candidate for city  
2 council;

3 (6) AS 29.20.280(a), if the candidate is a candidate for  
4 city mayor;

5 (7) the provisions of the call for the constitutional  
6 convention, if the candidate is a candidate for constitutional conven-  
7 tion delegate;

8 (8) art. IV., sec. 10, Constitution of the State of Alaska,  
9 if the candidate is a candidate for judicial retention.

10 (b) Information developed by the commission under AS 15.14.270  
11 shall be considered during a proceeding under (a) of this section.

12 (c) When, after being sworn into office, a successful candidate  
13 is charged with a violation in the first degree under AS 15.14.220(a),  
14 the commission shall promptly hear the matter and accord it a pre-  
15 ferred position for purposes of argument and decision so as to assure  
16 a speedy disposition of the matter.

17 Sec. 15.14.260. LIMITATIONS ON ACTIONS. (a) A proceeding  
18 alleging a violation of AS 15.14.220 must be commenced within four  
19 years from the date of the alleged violation.

20 (b) A proceeding alleging a violation of AS 15.14.230 must be  
21 commenced within two years from the date of the alleged violation.

22 (c) For the purposes of this section, a violation involving the  
23 failure to file a report, statement, or registration is considered to  
24 have been committed on the day after the report, statement or regis-  
25 tration was due.

26 Sec. 15.14.270. INVESTIGATIONS. (a) The commission may inves-  
27 tigate a violation of AS 15.14.220, 15.14.230, AS 24.50 and AS 39.50  
28 on its own motion or upon receiving a signed and sworn complaint from  
29 any person.

1 (b) If an investigation is commenced by a signed and sworn  
2 complaint by a person other than a member of the commission or its  
3 employees, the commission shall, within five days after receiving the  
4 complaint, mail a copy of the complaint to each person named in the  
5 complaint.

6 (c) If, after an investigation, the commission determines that  
7 there is probable cause to believe that a person has committed a  
8 violation, the commission may commence violation proceedings by filing  
9 and serving an accusation on the person alleged to have committed the  
10 violation. The commission shall serve an accusation in the manner  
11 provided by court rules for serving a complaint in a civil action.

12 (d) If the commission terminates an investigation without filing  
13 an accusation, the commission shall, within five days after terminat-  
14 ing the investigation, inform the complainant and each person named in  
15 the complaint of the information reviewed and that the commission has  
16 terminated the investigation and will not be taking further action  
17 concerning the complaint.

18 Sec. 15.14.280. ACCUSATIONS. (a) The accusation must be a  
19 written statement of the charges setting out in ordinary and concise  
20 language the acts or omissions with which the respondent is charged,  
21 so that the respondent is able to prepare a defense. The accusation  
22 must also specify the statute or regulation that the respondent is  
23 alleged to have violated, and the maximum penalty provided for the  
24 violation. The accusation may not consist merely of charges phrased  
25 in the language of the statute and regulation.

26 (b) The commission shall include in or with the accusation a  
27 statement in substantially the following form:

28 "To the Respondent: Unless you deliver or mail a written  
29 request for a hearing signed by you or on your behalf to

1 the commission within 15 days after this accusation was  
2 personally served on you or mailed to you, the commission  
3 may proceed upon the accusation without further notice to  
4 you. You may request a hearing by delivering or mailing  
5 the enclosed form entitled 'Notice of Defense,' or by  
6 delivering or mailing a notice of defense under AS 15.14.290  
7 to the commission at its central office address (insert central  
8 office address)."

9 (c) The commission shall include with the accusation served upon  
10 the respondent a post card or other form entitled, "Notice of Defense"  
11 that, when signed by or on behalf of the respondent and returned to  
12 the commission constitutes a notice of defense under AS 15.14.290.

13 Sec. 15.14.290. NOTICE OF DEFENSE. (a) Within 15 days after  
14 service upon the respondent of the accusation, the respondent may file  
15 with the commission a notice of defense. In the notice the respondent  
16 may

17 (1) deny the accusation in whole or in part and request a  
18 hearing;

19 (2) object to the accusation on the ground that it does not  
20 state acts or omissions upon which the commission may proceed;

21 (3) object to the form of the accusation on the ground that  
22 it is so indefinite or uncertain that the respondent cannot identify  
23 the transaction or prepare a defense;

24 (4) present new matter by way of defense;

25 (5) admit or plead no contest to the accusation in whole or  
26 in part, and present material in mitigation of penalty.

27 (b) Within the time specified in (a) of this section, the re-  
28 spondent may file one or more notices of defense upon any or all of  
29 the grounds set out in (a) of this section but all of the notices must

1 be filed within the period unless the commission in its discretion  
2 authorizes the filing of a later notice.

3 (c) The respondent is entitled to a hearing on the merits if the  
4 respondent files a notice of defense. The notice of defense is con-  
5 sidered a specific denial of all parts of the accusation not expressly  
6 admitted. Failure to file a notice of defense within the time spec-  
7 ified in (a) of this section constitutes a waiver of the respondent's  
8 right to a hearing, but the commission in its discretion may neverthe-  
9 less grant a hearing. Unless objection is taken as provided in (a)(3)  
10 of this section, all objections to the form of the accusation are  
11 waived.

12 (d) The notice of defense must be in writing, signed by or on  
13 behalf of the respondent, and must state the respondent's address.  
14 The notice of defense need not be verified or follow a particular  
15 form.

16 Sec. 15.14.300. HEARINGS. (a) If a respondent requests a  
17 hearing on a contested accusation or, in the absence of a request, the  
18 commission in its discretion decides to hold a hearing, the commission  
19 shall mail or deliver a notice of hearing to the respondent at least  
20 10 days before the hearing. The hearing may not be held before the  
21 expiration of the time within which the respondent is entitled to file  
22 a notice of defense. The notice to respondent must be consistent with  
23 the form for notice of hearing under AS 44.62.420.

24 (b) The commission shall conduct its hearings under AS 44.62.-  
25 440 - 44.62.500, except that

26 (1) the commission may, but is not required to, appoint a  
27 hearing officer under AS 44.62.350; and

28 (2) if a hearing officer is not appointed, the chairman of  
29 the commission, or the commission member designated by the chairman,

1 shall preside at the hearing, and the attorney general shall assign an  
2 assistant attorney general to the commission to advise it on matters  
3 of law during the hearing.

4 (c) A hearing under this section shall be open to the public  
5 except that a respondent may request and the hearing officer or the  
6 presiding commission member may order that the hearing be closed if  
7 one or more of the requirements for holding an executive session under  
8 AS 44.62.310(c) is met.

9 Sec. 15.14.310. IMPOSITION OF PENALTY. (a) The commission may  
10 impose the penalty provided by law for the violation only if the  
11 accused person, having been advised of the right to a hearing, admits  
12 or pleads no contest to the allegations contained in the accusation,  
13 or if the commission

14 (1) holds a hearing at which the person accused is afforded  
15 the right to appear, with or without counsel, the right to present  
16 witnesses or other evidence and the right to cross examine witnesses;  
17 and

18 (2) following the hearing, determines by clear and convinc-  
19 ing evidence that the person has committed the violation of which the  
20 person was accused.

21 (b) The executive director of the commission may not formally or  
22 informally make a recommendation to the commission as to a particular  
23 penalty in a pending matter or make a commitment to the respondent to  
24 make a particular recommendation to the commission in the future until  
25 after the respondent has admitted or pleaded no contest to the accusa-  
26 tion or until after a hearing and a final determination by the com-  
27 mission that the respondent has committed the acts charged in the  
28 accusation.

29 (c) Before the executive director of the commission may make a

1 recommendation to the commission for the imposition of a particular  
2 penalty in a matter, the respondent must first be given notice of the  
3 recommendation and afforded an opportunity to respond to the recom-  
4 mendation in person or in writing.

5 (d) In imposing a penalty, the commission shall consider

6 (1) the seriousness of the violation in terms of the extent  
7 to which the violation has impeded public disclosure of information  
8 required to be filed with the commission as to the amount and source  
9 of contributions that are large enough to be of significant interest  
10 to voters; and

11 (2) the extent to which the respondent's conduct, including  
12 prior violations of this chapter, AS 24.50, AS 39.50, or of former  
13 AS 15.13 shows a continuing disregard for the law.

14 Sec. 15.14.320. SUMMARY DISPOSITION OF VIOLATIONS. (a) Not-  
15 withstanding the provisions of AS 15.14.280 - 15.14.310, the commis-  
16 sion may establish by regulation the violations under AS 15.14.230  
17 that are amenable to summary disposition without formal accusation or  
18 hearing and may establish a schedule of fines, not to exceed \$500, for  
19 each violation.

20 (b) If an investigation by the commission discloses that a  
21 person has committed a violation included in the schedule of fines  
22 established under (a) of this section, the commission may, in lieu of  
23 serving an accusation on the person, mail a notice of fine to the  
24 person indicating the circumstances of the violation and the amount of  
25 the fine established in the schedule for the violation. The person to  
26 whom the notice is directed may pay the fine within 15 days after  
27 receiving the notice or may file a notice of defense under AS 15.14.-  
28 290.

29 (c) If the person does not pay the fine under (b) of this sec-

1 tion, the notice of fine constitutes an accusation under AS 15.14.280  
2 and the commission shall proceed against the person under  
3 AS 15.14.280 - 15.14.310 and, upon determining that the person commit-  
4 ted the violation, may impose a penalty for the violation not to  
5 exceed the maximum provided for the violation under AS 15.14.230.

6 Sec. 15.14.330. CONFIDENTIALITY. (a) An investigation by the  
7 commission under AS 15.14.270 is confidential unless and until the  
8 investigation results in the filing of an accusation under AS 15.-  
9 14.280.

10 (b) A member or a former member of the commission and an em-  
11 ployee or a former employee of the commission may not divulge the fact  
12 of or any particular concerning a pending, past, or contemplated  
13 investigation by the commission unless and until the filing of an  
14 accusation by the commission except as is necessary for the commission  
15 to conduct an investigation.

16 (c) Knowing violation of the provisions of (b) of this section  
17 is a class A misdemeanor.

18 Sec. 15.14.340. JUDICIAL REVIEW. Judicial review of a final  
19 order of the commission may be had by filing a notice of appeal under  
20 applicable rules of court governing appeals from administrative agen-  
21 cies.

22 Sec. 15.14.350. POWERS OF THE COMMISSION. (a) In connection  
23 with an investigation or hearing under AS 15.14.270 - 15.14.310,  
24 AS 24.45, or AS 39.50, the commission may compel the attendance of  
25 witnesses and production of papers, books, records, accounts, docu-  
26 ments, and testimony, and may have the depositions of witnesses taken  
27 in a manner prescribed by court rule or law for the taking of depo-  
28 sitions in civil actions when consistent with the powers and duties  
29 assigned to the commission by law.

1 (b) The commission may examine the papers, books, records,  
2 accounts and documents of a person subject to this chapter to  
3 determine the correctness of a report filed with the commission or in  
4 conjunction with an investigation or inspection conducted under (a) of  
5 this section.

6 (c) Subpoenas may be issued and shall be served in the manner  
7 prescribed by AS 44.62.430 and court rule. The failure, refusal, or  
8 neglect to obey a subpoena is punishable as contempt in the manner  
9 prescribed by law or court rule. The superior court may compel obedi-  
10 ence to the commission's subpoena in the same manner as prescribed for  
11 obedience to a subpoena issued by the court.

12 Sec. 15.14.360. LEGAL COUNSEL. (a) The attorney general is  
13 legal counsel for the commission. The attorney general shall advise  
14 the commission in legal matters arising out of the discharge of its  
15 duties and represent the commission in actions to which it is a party.

16 (b) When the public interest warrants, and if the attorney  
17 general concurs, the commission may employ temporary legal counsel  
18 from time to time in matters in which the commission is involved.

19 ARTICLE 6. GENERAL PROVISIONS.

20 Sec. 15.14.900. DEFINITIONS. In this chapter

21 (1) "candidate" means an individual who

22 (A) files for election to the state legislature, for  
23 governor, for lieutenant governor, for municipal office, for  
24 retention in judicial office, or for constitutional delegate;

25 (B) campaigns as a write-in candidate for an elective  
26 office; or

27 (C) accepts contributions totalling \$1,000 or more in  
28 the aggregate from another person or political action committee  
29 for the purpose of seeking elective office or retention in judi-

1           cial office;

2           (2) "contribution"

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

12                   (B) does not include

13                           (i) services provided without compensation by an  
14           individual volunteering on behalf of a candidate or ballot  
15           proposition or question, unless the services are volunteered  
16           by an individual who would ordinarily be paid a fee or wage  
17           for the services;

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

21                           (iii) services provided by an attorney relating to  
22           AS 15;

23                           (iv) ordinary hospitality in a home;

24           (3) "expenditure"

25                   (A) means a purchase or a transfer of money or any-  
26           thing of value or a promise or agreement to purchase or transfer  
27           money or anything of value, incurred or made for the purpose of

28                           (i) influencing the nomination or election of a  
29           candidate or of any individual who files for nomination at a

1 later date and becomes a candidate;  
2 (ii) influencing the outcome of a ballot  
3 proposition or question; or  
4 (iii) providing payment of compensation for the  
5 personal services of another person that are rendered to a  
6 candidate or political party;  
7 (B) does not include a candidate's filing fee or the  
8 cost of preparing reports and statements required by this chap-  
9 ter;  
10 (4) "individual" means a natural person;  
11 (5) "municipality" has the meaning given by AS 01.10.-  
12 060(4);  
13 (6) "person" has the meaning given in AS 01.10.060 but does  
14 not include an entity organized to influence an election;  
15 (7) "political action committee" means a person or combina-  
16 tion of persons, including a political party and its state, regional,  
17 or local subdivisions that accepts contributions for the purpose of  
18 influencing an election and exercises discretion over the expenditure  
19 of the contributions;  
20 (8) "political party"  
21 (A) means a group of organized voters that  
22 (i) claims to represent a political program; and  
23 (ii) nominated a candidate for governor who re-  
24 ceived at least five percent of the total vote cast at the  
25 preceding general election for governor;  
26 (B) does not include the campaign committee of a  
27 candidate.  
28 \* Sec. 2. AS 11.56.130 is amended to read:  
29 Sec. 11.56.130. DEFINITION. In AS 11.56.100 - 11.56.130, "bene-

1 fit" has the meaning given [ASCRIBED TO IT] in AS 11.81.900 but does  
2 not include

3 (1) political campaign contributions reported under AS 15.-  
4 14 [IN ACCORDANCE WITH AS 15.13];

5 (2) concurrence in official action in the cause of legiti-  
6 mate compromise between public servants; or

7 (3) support, including a vote, solicited by a public ser-  
8 vant or offered by any person in an election.

9 \* Sec. 3. AS 15.56 is amended by adding a new section to read:

10 Sec. 15.56.025. UNLAWFUL SOLICITATION OF CONTRIBUTIONS. (a) A  
11 person commits the crime of unlawful solicitation of campaign contri-  
12 butions if the person intentionally solicits a campaign contribution  
13 through a threat of physical force, job discrimination, or financial  
14 reprisal.

15 (b) Unlawful solicitation of campaign contributions is a class C  
16 felony.

17 \* Sec. 4. AS 24.45.021(a) is amended to read:

18 (a) This chapter shall be administered by the Alaska Public  
19 Offices Commission established [CREATED] under AS 15.14.020 [AS 15.-  
20 13.020(a)].

21 \* Sec. 5. AS 24.45.091 is amended to read:

22 Sec. 24.45.091. PUBLICATION OF REPORTS. Copies of the state-  
23 ments and reports filed under this chapter shall be made available to  
24 the public at the commission's central office, the office of the  
25 lieutenant governor, the legislative reference library of the Legisla-  
26 tive Affairs Agency, and at the commission's district offices [PRE-  
27 SCRIBED IN AS 15.13.020(j)] as soon as practicable after each re-  
28 porting period.

29 \* Sec. 6. AS 24.60.080 is amended to read:

1           Sec. 24.60.080. GIFTS. Unless otherwise provided for under  
2 AS 24.60.030, a person to whom this chapter applies may not solicit a  
3 gift in any amount, or accept or receive, directly or indirectly, a  
4 gift, whether in the form of money, services, a loan, travel, enter-  
5 tainment, hospitality, or other form, if the gift was intended as a  
6 reward or inducement for an official action by the person. A gift of  
7 travel and hospitality within the state received by a member of the  
8 legislature in obtaining information on matters of legislative concern  
9 is not prohibited by this section, nor are political contributions  
10 received and reported under AS 15.14 [AS 15.13.040].

11 \* Sec. 7. AS 29.20.170 is amended to read:

12           Sec. 29.20.170. VACANCIES. The governing body may provide by  
13 ordinance the manner in which a vacancy occurs in any elected office  
14 except the office of mayor or school board member. Unless otherwise  
15 provided by ordinance, the governing body shall declare an elective  
16 office, other than the office of mayor or school board member, vacant  
17 when the person elected

18           (1) fails to qualify or take office within 30 days after  
19 election or appointment;

20           (2) is physically absent from the municipality for 90  
21 consecutive days unless excused by the governing body;

22           (3) resigns and the resignation is accepted;

23           (4) is physically or mentally unable to perform the duties  
24 of office as determined by two-thirds vote of the governing body;

25           (5) is convicted of a felony or of an offense involving a  
26 violation of the oath of office;

27           (6) is convicted of a felony or misdemeanor described in  
28 AS 15.56 and two-thirds of the members of the governing body concur in  
29 expelling the person elected;

1 (7) is convicted of a misdemeanor under former [VIOLATION  
2 OF] AS 15.13 or is found to have committed a violation in the first  
3 degree under AS 15.14.220;

4 (8) no longer physically resides in the municipality and  
5 the governing body by two-thirds vote declares the seat vacant; or

6 (9) if a member of the governing body, misses three con-  
7 secutive regular meetings and is not excused.

8 \* Sec. 8. AS 29.20.280(a) is amended to read:

9 (a) The governing body shall, by two-thirds concurring vote,  
10 declare the office of mayor vacant only when the person elected

11 (1) fails to qualify or take office within 30 days after  
12 election or appointment;

13 (2) unless excused by the governing body, is physically  
14 absent for 90 consecutive days;

15 (3) resigns and the resignation is accepted;

16 (4) is physically or mentally unable to perform the duties  
17 of office;

18 (5) is convicted of a felony or of an offense involving a  
19 violation of the oath of office;

20 (6) is convicted of a felony or misdemeanor described in  
21 AS 15.56;

22 (7) is convicted of a misdemeanor under former [VIOLATION  
23 OF] AS 15.13 or is found to have committed a violation in the first  
24 degree under AS 15.14.220;

25 (8) no longer physically resides in the municipality; or

26 (9) if a member of the governing body in a second class  
27 city, misses three consecutive regular meetings and is not excused.

28 \* Sec. 9. AS 39.50.050(a) is amended to read:

29 (a) The Alaska Public Offices Commission established [CREATED]

1 under AS 15.14.020 [AS 15.13.020(a)] shall administer the provisions  
2 of this chapter. The commission shall prepare and keep available for  
3 distribution, standardized forms on which the reports required by this  
4 chapter shall be filed.

5 \* Sec. 10. AS 39.50.200(a) is amended to read:

6 (a) In this chapter:

7 (1) "assistant to the governor" includes any executive,  
8 legislative, special, administrative or press assistant to the gover-  
9 nor, and any person similarly employed;

10 (2) "child" includes a biological child, an adoptive  
11 child, and a stepchild;

12 (3) "commission" means the Alaska Public Offices Commis-  
13 sion established [CREATED] under AS 15.14.020 [AS 15.13.020(a)];

14 (4) "instrumentality of the state" means a state depart-  
15 ment or agency, whether in the legislative, judicial, or executive  
16 branch, including such entities as the University of Alaska and the  
17 Alaska State Housing Authority;

18 (5) "judicial officer" means a person appointed as a  
19 justice to the supreme court or as a judge to the court of appeals,  
20 superior court, district court, or magistrate court;

21 (6) "mother or father" includes a biological parent, an  
22 adoptive parent, and a step-parent;

23 (7) "municipal officer" includes a borough or city mayor,  
24 borough assemblyman, city councilman, school board member, elected  
25 utility board member, city or borough manager, members of a city or  
26 borough planning or zoning commission within a home rule or general  
27 law city or borough, or a unified municipality;

28 (8) "public official" means a judicial officer, a member  
29 of the legislature, the fiscal analyst of the legislative finance

1 division, the legislative auditor of the legislative audit division,  
2 the executive director of the Legislative Affairs Agency and the  
3 directors of the divisions within the Legislative Affairs Agency, the  
4 governor, the lieutenant governor, a person hired or appointed as the  
5 head or deputy head of, or director of a division within, a department  
6 in the executive branch, and assistant to the governor, chairman or  
7 member of a state commission or board, and each appointed or elected  
8 municipal officer;

9 (9) "source of income" means the entity for which service  
10 is performed or which is otherwise the origin of payment; if the  
11 person whose income is being reported is employed by another, the  
12 employer is the source of income; but if the person is self-employed  
13 by means of a sole proprietorship, partnership, professional corpora-  
14 tion, or a corporation in which the person, the person's spouse or  
15 children, or a combination of them, hold a controlling interest, the  
16 "source" is the client or customer of the proprietorship, partnership  
17 or corporation, but if the entity which is the origin of payment is  
18 not the same as the client or customer for whom the service is per-  
19 formed, both are considered the source;

20 \* Sec. 11. AS 39.50.200(b) is repealed and reenacted to read:

21 (b) In this chapter "state commission or board" means the

22 (1) Agricultural Revolving Loan Fund Board (created admin-  
23 istratively to assist in administration of AS 03.10);

24 (2) Alaska Coastal Policy Council members and their alter-  
25 nates (AS 44.19.155);

26 (3) Alaska Commercial Fisheries Entry Commission (AS 16.-  
27 43.020);

28 (4) Alaska Commission on Postsecondary Education (AS 14.-  
29 42.015);

- 1 (5) Alaska Energy Center (AS 46.12);
- 2 (6) Alaska Housing Finance Corporation (AS 18.56.010 -
- 3 18.56.210);
- 4 (7) Alaska Judicial Council (art. IV, sec. 8, Alaska Con-
- 5 stitution);
- 6 (8) Alaska Medical Facility Authority (AS 18.26.010 -
- 7 18.26.900);
- 8 (9) Alaska Municipal Bond Bank Authority (AS 44.85.020);
- 9 (10) Alaska Power Authority public directors (AS 44.83.030);
- 10 (11) Alaska Oil and Gas Conservation Commission (AS 31.05.-
- 11 005 - 31.05.170);
- 12 (12) Alaska Public Broadcasting Commission (AS 44.21.256);
- 13 (13) Alaska Public Offices Commission, including the execu-
- 14 tive director and employees of the commission (AS 15.14.020);
- 15 (14) Alaska Public Utilities Commission (AS 42.05.010);
- 16 (15) Alaska Resources Corporation (AS 37.12.010);
- 17 (16) Alaska Royalty Oil and Gas Development Advisory Board
- 18 (AS 38.06.020);
- 19 (17) Alaska Seafood Marketing Institute (AS 16.51.010);
- 20 (18) Alaska State Council on the Arts (AS 44.27.040);
- 21 (19) Alaska State Housing Authority (AS 18.55.020);
- 22 (20) Alaska Teachers' Retirement Board (AS 14.25.035);
- 23 (21) Alcoholic Beverage Control Board (AS 04.06.010);
- 24 (22) Board of Education (AS 14.07.075);
- 25 (23) Board of Fisheries (AS 16.05.221(a));
- 26 (24) Board of Game (AS 16.05.221(b));
- 27 (25) Board of Parole (AS 33.16.020);
- 28 (26) Board of Trustees and executive director of the Alaska
- 29 Permanent Fund Corporation (AS 37.13.040);

- 1 (27) Commission on Judicial Conduct (art. IV, sec. 10,  
2 Alaska Constitution);  
3 (28) Council on Domestic Violence and Sexual Assault  
4 (AS 18.66.010);  
5 (29) Employment Security Advisory Council (AS 23.20.025);  
6 (30) Fishermen's Fund Advisory and Appeals Council (AS 23.-  
7 35.010);  
8 (31) Governor's Commission on the Administration of Justice  
9 (AS 44.19.110);  
10 (32) Local Boundary Commission (AS 44.47.565);  
11 (33) Occupational Safety and Health Review Board (AS 18.60.-  
12 057);  
13 (34) Public Employees' Retirement Board (AS 39.35.030);  
14 (35) State Assessment Review Board (AS 43.56.040);  
15 (36) State Commission for Human Rights (AS 18.80.010);  
16 (37) State Personnel Board (AS 39.25.060);  
17 (38) University of Alaska Board of Regents (AS 14.40.120);  
18 (39) Workers' Compensation Board (AS 23.30.005).

19 (b) Unlawful solicitation of campaign contributions is a class C  
20 felony.

21 \* Sec. 12. AS 44.62.330(a)(39) is amended to read:

22 (39) Alaska Public Offices Commission except to the extent  
23 that AS 44.62.350 - 44.62.630 is inconsistent with AS 15.14.270 -  
24 15.14.350

25 \* Sec. 13. AS 15.13 and AS 15.56.010(1) and (2) are repealed.

26 \* Sec. 14. Alaska Public Office Commission members serving on the  
27 effective date of this Act continue to serve out their terms as provided  
28 under AS 15.13.020, repealed in sec. 13 of this Act. Vacancies occurring  
29 on or after January 1, 1987, shall be filled in accordance with AS 15.14.-

1 020 enacted in sec. 1 of this Act.

2 \* Sec. 15. Notwithstanding AS 15.14.010(b) as enacted in sec. 1 of this  
3 Act, the election of a municipality held under former AS 15.13.010(a) to  
4 exempt its officers from the application of AS 15.13 is confirmed as an  
5 exemption from the application of AS 15.14.

6 \* Sec. 16. In accordance with AS 15.14.180 as enacted in sec. 1 of this  
7 Act, a candidate shall, no later than January 31, 1987, close each campaign  
8 account relating to a campaign for an election held before January 1, 1987,  
9 unless the campaign has outstanding debts. If the campaign has outstanding  
10 debts, the candidate may keep campaign accounts open after January 31,  
11 1987, but shall close each campaign account within 30 days after all debts  
12 have been paid and in no event later than January 1, 1988, whether or not  
13 there are outstanding debts remaining on that date. During the time that  
14 an account remains open under this section, contributions may be solicited  
15 and accepted and expenditures made only for the purpose of retiring out-  
16 standing debts of a campaign for an election held before January 1, 1987.  
17 An outstanding campaign debt remaining on January 1, 1988, becomes the  
18 personal debt of the candidate.

19 \* Sec. 17. This Act applies to election campaign activities that take  
20 place after January 1, 1987.

21 \* Sec. 18. This Act takes effect January 1, 1987.