

CS FOR HOUSE BILL NO. 195 (JUDICIARY)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Offered: 4/30/92
Referred: Finance

Sponsor(s): REPRESENTATIVES FINKELSTEIN, Brown, Donley

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to election campaigns, regulation of lobbying, conflicts of interest, and
2 the Alaska Public Offices Commission; and providing for an effective date."

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

4 * Section 1. AS 15.13.040(a) is amended to read:

5 (a) Except for a candidate who accepts contributions totaling \$1,000 or less and
6 makes expenditures totaling \$1,000 or less in seeking election and indicates, on a form
7 prescribed by the commission, an intent not to raise or spend more than \$1,000, each
8 [EACH] candidate shall make a full report, upon a form prescribed by the commission, listing
9 the date and amount of each expenditure [ALL EXPENDITURES] made by the candidate, the
10 total amount of all contributions, including all funds contributed by the candidate, and for each
11 contribution [ALL CONTRIBUTIONS] in excess of \$100 in the aggregate a year, the name,
12 address, principal occupation, and employer of the contributor and the date and amount con-
13 tributed by each contributor. The report shall be filed in accordance with AS 15.13.110 and shall
14 be certified as correct by the candidate or campaign treasurer.

1 * **Sec. 2.** AS 15.13 is amended by adding new sections to read:

2 **Sec. 15.13.041. DISBURSEMENT OF CAMPAIGN ACCOUNTS.** (a) If a candidate
3 or a candidate's campaign committee has unexpended and unobligated funds after the date of the
4 election, or at the time the candidate ceases to be a candidate, those funds shall, before the end
5 of the calendar year, or within 60 days after the election, or within 60 days after the end of the
6 candidacy, whichever comes first, be

7 (1) used to retire bona fide loans supported by written documentation including
8 loans made to a campaign by the candidate or a member of the candidate's immediate family
9 provided that all other outstanding loans are paid first;

10 (2) used to pay for a victory or thank-you party or to provide a gift of less than
11 \$300 to a campaign worker;

12 (3) returned to those who have made contributions;

13 (4) donated to the state or a municipality;

14 (5) donated to one or more organizations that qualify as charitable organizations
15 under 26 U.S.C. 501(c)(3) provided that the charity is not one that is controlled by the candidate
16 or a member of the candidate's immediate family;

17 (6) transferred to a new campaign account controlled by the candidate;

18 (7) transferred, by a candidate elected to the legislature, to that candidate's
19 legislative office account for expenditures qualifying as business expenses under 26 U.S.C. 162;
20 or

21 (8) transferred to a political party with whom the candidate has indicated an
22 affiliation under AS 15.25.030; or

23 (9) transferred to a legal defense fund or election challenge fund established under
24 AS 15.13.042.

25 (b) By the date on which the candidate closes a campaign account under (d) of this
26 section, the candidate shall declare, on a form provided by the commission, each retained
27 nonmonetary asset that has a fair market value in excess of \$500.

28 (c) Nonmonetary assets with an aggregate fair market value of up to \$2,500 may be
29 retained by a candidate after the candidate's campaign account is closed under (d) of this section
30 if the candidate is not a member of the legislature. Nonmonetary assets not retained under this
31 subsection shall be disbursed as described in (a)(1) - (9) of this section by the date on which the

1 campaign account is closed under (d) of this section.

2 (d) A candidate shall close each campaign account within 60 days after the election at
3 which the candidate sought public office, or at the time the candidate transfers funds under (a)(6)
4 of this section to a new campaign account, whichever is earlier.

5 (e) In this section,

6 (1) "funds" means cash and other nontangible liquid assets readily converted to
7 cash, including savings accounts, checking accounts, certificates of deposit and stocks; and

8 (2) "nonmonetary assets" means tangible assets, including office equipment and
9 furniture.

10 Sec. 15.13.042. LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS. (a) A
11 candidate or another person on behalf of the candidate, including the candidate's campaign
12 committee, may establish a fund to assist with the payment of attorney fees and other costs
13 arising from the candidate's defense of a civil, criminal, or administrative action brought against
14 the candidate and directly related to acts or omissions of the candidate while campaigning for
15 elective office, or from the prosecution or defense of an administrative or judicial action
16 concerning a contested election in which the candidate has run. Contributions to a fund under
17 this section are not subject to the restrictions of AS 24.60.080.

18 (b) A candidate or another person on behalf of the candidate, including the candidate's
19 campaign committee, may not establish a fund under this section before the civil, criminal, or
20 administrative action is actually commenced by or against the candidate.

21 (c) If the candidate is subject to AS 24.60, a fund established by the candidate under this
22 section is the same fund as that established under AS 24.60.300.

23 (d) The commission shall adopt regulations consistent with the policies established by
24 the Select Committee on Legislative Ethics under AS 24.60.300.

25 (e) The commission shall adopt regulations relating to the methods of establishing a fund
26 under this section, the accounting requirements for a fund, the uses for which money from a fund
27 may be expended, the disposition of surplus money in a fund, and the maximum amount that a
28 person may contribute to a fund.

29 * Sec. 3. AS 15.13 is amended by adding new sections to read:

30 Sec. 15.13.075. PROHIBITED CAMPAIGN ACTIVITIES BY CANDIDATE WITH
31 RESPECT TO LOBBYISTS. (a) A candidate for governor, for lieutenant governor, or for the

1 legislature may not solicit, or knowingly allow, a lobbyist to engage in activities on behalf of the
2 candidate that are prohibited by AS 24.45.121(a)(9).

3 (b) A candidate may not seek to evade the purposes of this section by soliciting, or
4 knowingly permitting an entity retained to lobby or an employee of a lobbyist to perform
5 fund-raising services.

6 (c) In this section,

7 (1) "entity retained to lobby" means a firm, corporation, other business entity, or
8 nonprofit entity that is retained for the primary purpose of influencing legislative or
9 administrative action;

10 (2) "lobbyist" has the meaning given in AS 24.45.171, but does not include a
11 person described in AS 24.45.161(a) or a representational lobbyist as defined in AS 24.45.171.

12 Sec. 15.13.077. USE OF PUBLIC FUNDS PROHIBITED. A municipality, the state,
13 agencies of the state, public corporations of the state, the University of Alaska, and other political
14 subdivisions of the state, including school districts and regional educational attendance areas may
15 not use public funds to support or oppose a ballot proposition or the election of a candidate. This
16 section does not prohibit the expenditure of public funds to provide to the public factual
17 information regarding a ballot proposition.

18 * Sec. 4. AS 15.13.090 is amended to read:

19 Sec. 15.13.090. IDENTIFICATION OF COMMUNICATION. All advertisements,
20 billboards, handbills, paid-for television and radio announcements, and other communications
21 intended to influence the election of a candidate or outcome of a ballot proposition or question
22 shall have their source [BE] clearly identified. The commission may adopt regulations to
23 implement this section [BY THE WORDS "PAID FOR BY" FOLLOWED BY THE NAME
24 AND ADDRESS OF THE CANDIDATE, GROUP OR INDIVIDUAL PAYING FOR THE
25 ADVERTISING. IN ADDITION, CANDIDATES AND GROUPS MUST IDENTIFY THE
26 NAME OF THEIR CAMPAIGN CHAIRMAN].

27 * Sec. 5. AS 15.13.100 is amended to read:

28 Sec. 15.13.100. EXPENDITURES BEFORE FILING. A person may not accept a
29 political contribution and a political campaign expenditure may not be made or incurred by a
30 person in an election or by a person or group with the person's knowledge and on the person's
31 behalf before the date upon which the person files for nomination for the office which the person

1 seeks, except for personal travel expenses or for opinion surveys or polls. These expenditures
2 must be included in the first report required under this chapter after filing for office.

3 * Sec. 6. AS 15.13 is amended by adding new sections to read:

4 Sec. 15.13.102. PROHIBITED USES OF CAMPAIGN FUNDS. A candidate or another
5 person on behalf of the candidate, including the candidate's campaign committee, may not

6 (1) use funds raised and designated as campaign funds for the personal benefit
7 of the candidate or another person, or for payment of attorney fees and other legal expenses
8 arising from civil, criminal, or administrative actions based on conduct not directly related to the
9 campaign or official duties; this paragraph does not prohibit a gift of less than \$300 to a
10 campaign worker;

11 (2) convert surplus campaign funds or interest earned on campaign funds to
12 personal income;

13 (3) borrow from campaign funds or loan them to another person or group;

14 (4) knowingly pay more than the fair market value for goods or services
15 purchased for the campaign;

16 (5) knowingly pay campaign funds to a member of the candidate's immediate
17 family for goods or services provided to the campaign unless the amounts paid do not exceed the
18 fair market value of the goods or services provided; or

19 (6) use campaign funds to pay fines or other monetary penalties or costs assessed
20 against a candidate by a court or other body, unless the fine, penalty, or cost is assessed as a
21 result of proscribed actions by a member or employee of a campaign committee or another
22 person acting on behalf of the candidate under circumstances where the candidate did not know
23 of those actions.

24 Sec. 15.13.104. TIME LIMITATIONS ON FUND RAISING FOR CANDIDATES. (a)
25 Except as provided in (d) of this section, a candidate for the legislature may not, either directly,
26 through a campaign committee, or by other means, solicit or accept a campaign contribution or
27 a promise or pledge to make a contribution except from June 1 through December 31 of the year
28 preceding the election and from June 1 of the year of the election through the date of the
29 election.

30 (b) Except as provided in (d) of this section, a candidate for governor or lieutenant
31 governor may not, either directly, through a campaign committee, or by other means, solicit or

1 accept a campaign contribution or a promise or pledge to make a contribution except from June 1
2 of the year preceding the election through the date of the election.

3 (c) Except as provided in (d) of this section, a candidate for municipal office may not,
4 either directly or through a campaign committee, or by other means, solicit or accept a campaign
5 contribution or a promise or pledge to make a contribution except from a date one year before
6 the date of the election through the date of the election.

7 (d) A candidate in an election may solicit or accept campaign contributions, pledges, or
8 promises, either directly, through a campaign committee, or by other means from a date one day
9 after the election through December 31 of the year of the election, if liabilities exceed assets in
10 the candidate's campaign treasury.

11 (e) This section applies to all candidates, including those who are defeated in an election
12 and those who withdraw their candidacies or have their names removed from the ballot before
13 the date of the election.

14 (f) Transfers of surplus campaign funds to a new campaign account under
15 AS 15.13.041(a)(6) are not subject to this section.

16 * Sec. 7. AS 15.13.110(a) is amended to read:

17 (a) Each candidate and group shall make a full report in accordance with AS 15.13.040
18 for [DURING] the period ending three days before the due date of the report and beginning on
19 the last day covered by the most recent previous report. **If the report is a first report, it shall**
20 **cover the period from the beginning of the campaign to the date [, OR, IF A FIRST**
21 **REPORT, ALL CONTRIBUTIONS RECEIVED AND EXPENDITURES MADE BEFORE]** three
22 days before the due date of the report. **If the report is a report due February 15, it shall**
23 **cover the period beginning on the last day covered by the most recent previous report or**
24 **on the day that the campaign started, whichever is later, and ending on December 31 of the**
25 **prior year.** The report shall be filed [AT THE FOLLOWING TIMES:]

26 (1) 30 days before the election; however, this report is not required if the deadline
27 for filing a nominating petition or declaration of candidacy is within 30 days of the election;

28 (2) one week before the election;

29 (3) 10 [TEN] days after the election; and

30 (4) February 15 [DECEMBER 31 OF EACH YEAR] for expenditures made and
31 contributions received that [WHICH] were not reported during the previous [THAT] year or

1 when no expenditures were made or contributions received during the previous year.

2 * Sec. 8. AS 15.13.110(b) is amended to read:

3 (b) Each contribution or expenditure that [WHICH] exceeds \$250 and that [WHICH]
4 is made within nine days [ONE WEEK] of the election shall be reported to the commission by
5 date, amount, and contributor or recipient within 24 hours of receipt or expenditure by the
6 candidate or campaign treasurer.

7 * Sec. 9. AS 15.13.125 is amended to read:

8 Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIRED
9 REPORTS]. A person who fails to file a properly completed and certified report within the time
10 required by AS 15.13.040(e). 15.13.080. 15.13.110(a)(1), (3), (4), or 15.13.110(d) is subject to
11 a civil penalty of not more than \$10 a day for each day the delinquency continues as determined
12 by the commission [SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT]. A
13 person who fails to file a properly completed and certified report within the time required by
14 AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not more than \$50 a day for
15 each day the delinquency continues as determined by the commission [SUBJECT TO RIGHT OF
16 APPEAL TO THE SUPERIOR COURT. AN AFFIDAVIT STATING FACTS IN MITIGATION
17 MAY BE SUBMITTED TO THE COMMISSION BY A PERSON AGAINST WHOM A CIVIL
18 PENALTY IS ASSESSED. HOWEVER, THE IMPOSITION OF THE PENALTIES
19 PRESCRIBED IN THIS SECTION OR IN AS 15.13.120 DOES NOT EXCUSE THAT PERSON
20 FROM FILING REPORTS REQUIRED BY THIS CHAPTER].

21 * Sec. 10. AS 15.13.125 is amended by adding new subsections to read:

22 (b) A person who violates a provision of this chapter other than a provision for which
23 a penalty is prescribed by (a) of this section is subject to a civil penalty of not more than \$20,000
24 for each offense or twice the amount gained by the misconduct that resulted in a violation,
25 whichever is greater, as determined by the commission. The commission may also assess a
26 person subject to a penalty under this subsection with the costs of investigating and adjudicating
27 the violation on which the penalty is based. The costs of investigation and adjudication shall be
28 determined by the commission.

29 (c) An affidavit stating facts in mitigation may be submitted to the commission by a
30 person against whom a civil penalty is assessed.

31 (d) A determination of the commission under this section is subject to right of appeal to

1 the superior court.

2 (e) The imposition of the penalties prescribed in this section or in AS 15.13.120 does not
3 excuse the person from filing reports required by this chapter.

4 * Sec. 11. AS 24.45.031(b) is amended to read:

5 (b) The commission may

6 (1) hold hearings and conduct investigations into compliance with the provisions
7 of this chapter;

8 (2) in conjunction with (1) of this subsection, issue subpoenas, compel the
9 attendance and testimony of witnesses, administer oaths and affirmations, and require the
10 production of books, papers, records, documents, or other items material to the commission's
11 duties or powers under this chapter;

12 (3) prepare, publish, and make available to the public semi-annual [, PERIODIC,
13 BUT AT LEAST QUARTERLY AND ANNUALLY,] summaries of the statements and reports
14 received; these summaries shall list separately individual lobbyists and employers of lobbyists.

15 * Sec. 12. AS 24.45.041(e) is amended to read:

16 (e) Within 45 days after the convening of each regular session of the legislature, the
17 commission shall publish a directory of registered lobbyists, containing the information prescribed
18 in (b) of this section for each lobbyist [AND THE PHOTOGRAPH, IF ANY, FURNISHED BY
19 A LOBBYIST UNDER (c) OF THIS SECTION]. From time to time thereafter the commission
20 shall publish those supplements to the directory that in the commission's judgment may be
21 necessary. The directory shall be made available to public officials and to the public at the
22 following locations: a public place adjacent to the legislative chambers in the state capitol
23 building, [THE OFFICE OF THE LIEUTENANT GOVERNOR, THE LEGISLATIVE
24 REFERENCE LIBRARY OF] the Legislative Affairs Agency, and the commission's central
25 office.

26 * Sec. 13. AS 24.45.061(a) is repealed and reenacted to read:

27 (a) A person who employs, retains, or contracts for the services of a lobbyist shall sign
28 that portion of the lobbyist's registration statement verifying the person's employment of,
29 retention of, or contract for lobbying services with the lobbyist.

30 * Sec. 14. AS 24.45.061(b) is amended to read:

31 (b) A person who employs, retains, or who contracts for the services of one or more

1 lobbyists, whether independently or jointly with other persons, and who directly or indirectly
2 makes payments to influence legislative or administrative action shall file an annual [A
3 QUARTERLY] report containing

4 (1) the full name, complete business address, and telephone number of the person
5 making the report;

6 (2) information sufficient to identify the nature and interests of the person making
7 the report;

8 (3) the total amount of payments made to influence legislative or administrative
9 action during the period, and the name and address of each person to whom these payments have
10 been made during the period by the maker of the report, together with the date and amount;

11 (4) the date and nature of any gift exceeding \$100 in value made to any public
12 official and the full name and official position of the recipient of each gift;

13 (5) a general description of the legislative or administrative action which the
14 person making the report has attempted to influence;

15 (6) the name of each lobbyist employed or retained by the person making the
16 report, together with the total amount paid to each lobbyist and the portion of that amount, if any,
17 that [WHICH] was paid for specific purposes, including salary, fees, and reimbursement for
18 expenses; and

19 (7) a notice of termination if the person filing a report has ceased employing or
20 retaining a lobbyist registered under this chapter and if this report constitutes the final report of
21 the lobbyist's activities on behalf of the maker of the report.

22 * Sec. 15. AS 24.45.081 is amended to read:

23 Sec. 24.45.081. REPORTING PERIODS. Lobbyist reports [REPORTS] required under
24 this chapter shall be filed during the calendar month following each calendar month during any
25 part of which the legislature was in session and during the month following each calendar quarter
26 when the legislature was not in session. However, if a lobbyist registered under this chapter has
27 declared that the lobbyist seeks only to influence administrative action and not legislative action,
28 the lobbyist need only file a report required under this chapter for each calendar quarter. The
29 period covered shall be the calendar month or the calendar quarter, as applicable, and shall in any
30 event cover the period from the date of the last report filed under this chapter to the date of the
31 end of the calendar month or quarter, as applicable, for which the report is being filed. The

1 period covered shall not include any months covered in previous reports filed by the same person.
2 When total amounts are required to be reported, totals shall be stated both for the period covered
3 by the statement and for the entire calendar year to date.

4 * Sec. 16. AS 24.45.081 is amended by adding a new subsection to read:

5 (b) Annual employer reports required under this chapter shall be filed within 30 days
6 after all lobbying activities on behalf of the employer in a calendar year are terminated or, if
7 lobbying activities on behalf of the employer do not terminate before the end of a calendar year,
8 on or before January 30 of the following year.

9 * Sec. 17. AS 24.45.121(a) is amended to read:

10 (a) A lobbyist may not

11 (1) engage in any activity as a lobbyist before registering under AS 24.45.041;

12 (2) do anything with the intent of placing a public official under personal
13 obligation to the lobbyist or to the lobbyist's employer;

14 (3) intentionally deceive or attempt to deceive any public official with regard to
15 any material fact pertinent to pending or proposed legislative or administrative action;

16 (4) cause or influence the introduction of a legislative measure for the purpose
17 of thereafter being employed to secure its defeat;

18 (5) cause a communication to be sent to a public official in the name of any
19 fictitious person or in the name of any real person, except with the consent of that person;

20 (6) accept or agree to accept any payment in any way contingent upon the defeat,
21 enactment or outcome of any proposed legislative or administrative action;

22 (7) serve as a member of a state board [,] or commission [,] if the lobbyist's
23 employer may receive direct economic benefit from a decision of that board or commission;

24 **(8) use state property or resources in the conduct of the lobbyist's business**
25 **unless the use is nominal and the use is available to members of the general public;**

26 **(9) serve as a campaign manager or director, serve as a campaign treasurer**
27 **or deputy campaign treasurer on a finance or fund-raising committee, host a fund-raising**
28 **event, or otherwise actively engage in the fund-raising activity of a legislative campaign if**
29 **the lobbyist has registered during the calendar year; this paragraph does not apply to a**
30 **representational lobbyist and does not prohibit a lobbyist from making personal**
31 **contributions to or personally advocating on behalf of a candidate.**

1 * Sec. 18. AS 24.45.141 is amended to read:

2 Sec. 24.45.141. CIVIL PENALTIES [PENALTY: LATE REGISTRATION, FILING OF
3 REQUIRED STATEMENTS OR REPORTS]. A person who fails to register or file the
4 properly completed and certified statement required under AS 24.45.041 within the time
5 required by this chapter is subject to a civil penalty of not more than \$50 a day for each
6 day the delinquency continues as determined by the commission. A person who fails to
7 register or to file a properly completed and certified report or statement, as applicable, other
8 than the statement required under AS 24.45.041, within the time required by this chapter is
9 subject to a civil penalty of not more than \$10 a day for each day the delinquency continues as
10 determined by the commission [SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR
11 COURT. AN AFFIDAVIT STATING FACTS IN MITIGATION MAY BE SUBMITTED TO
12 THE COMMISSION BY A PERSON AGAINST WHOM A CIVIL PENALTY IS ASSESSED.
13 HOWEVER, THE IMPOSITION OF THE PENALTIES PRESCRIBED IN THIS SECTION OR
14 IN AS 24.45.151 DOES NOT EXCUSE THE LOBBYIST OR EMPLOYER OF A LOBBYIST
15 FROM FILING STATEMENTS OR REPORTS REQUIRED BY THIS CHAPTER].

16 * Sec. 19. AS 24.45.141 is amended by adding new subsections to read:

17 (b) A person who violates a provision of this chapter other than a provision for which
18 a penalty is prescribed by (a) of this section is subject to a civil penalty of not more than \$20,000
19 for each offense or twice the amount gained by the misconduct that resulted in a violation,
20 whichever is greater, as determined by the commission. The commission may also assess a
21 person subject to a penalty under this subsection with the costs of investigating and adjudicating
22 the violation on which the penalty is based. The costs of investigation and adjudication shall be
23 determined by the commission.

24 (c) An affidavit stating facts in mitigation may be submitted to the commission by a
25 person against whom a civil penalty is assessed under this section.

26 (d) A determination of the commission under this section is subject to right of appeal to
27 the superior court.

28 (e) The imposition of penalties prescribed in this section or in AS 24.45.151 does not
29 excuse the person from filing reports required under this chapter.

30 * Sec. 20. AS 24.45.171 is amended by adding a new paragraph to read:

31 (13) "representational lobbyist" means an individual who is not employed by the

1 person or group on whose behalf the individual is lobbying and who does not receive for the
2 lobbying a salary, fee, retainer, or other economic consideration except for reimbursement of
3 travel and personal living expenses.

4 • Sec. 21. AS 39.50.020 is amended to read:

5 Sec. 39.50.020. REPORT OF FINANCIAL AND BUSINESS INTERESTS. (a) A
6 judicial officer, commissioner, chairman or member of a state commission or board specified in
7 AS 39.50.200(b), a person hired or appointed as head or deputy head of, or director of a division
8 within, a department in the executive branch, a person appointed as assistant to the governor,
9 [AND] a municipal officer, and a legislative director shall file a statement giving income
10 sources and business interests, under oath and on penalty of perjury, within 30 days after taking
11 office as a public official. Candidates for state elective office shall file such a statement with
12 the director of elections at the time of filing a declaration of candidacy or within 30 days of the
13 filing of any nominating petition, or within 30 days of becoming a candidate by any other means.
14 Candidates for elective municipal office shall file such a statement at the time of filing a
15 nominating petition, declaration of candidacy, or other required filing for the elective municipal
16 office. Refusal or failure to file within the time prescribed shall require that the candidate's
17 filing fees, if any, and filing for office be refused or that a previously accepted filing fee be
18 returned and the candidate's name removed from the filing records. A statement shall also be
19 filed by public officials no later than April 15 or 15 days after the person files a federal income
20 tax return in each following year, whichever comes first. [PERSONS WHO, ON OR AFTER
21 DECEMBER 11, 1974, WERE MEMBERS OF BOARDS OR COMMISSIONS NOT NAMED
22 IN AS 39.50.200(b) ARE NOT REQUIRED TO FILE FINANCIAL STATEMENTS.]

23 (b) The governor, lieutenant governor, members of the legislature, a legislative director,
24 a judicial officer [OFFICERS], each commissioner, head or deputy head of, or director of a
25 division within, a department in the executive branch, assistant to the governor or chairman or
26 member of a commission or board required to report under this chapter, shall file the statement
27 with the Alaska Public Offices Commission. Candidates for the office of governor, lieutenant
28 governor, and the legislature shall file the statement under AS 15.25.030 or 15.25.180. Municipal
29 officers, and candidates for elective municipal office, shall file with the municipal clerk or other
30 municipal official designated to receive their filing for office. All statements required to be filed
31 under this chapter are public records.

1 * Sec. 22. AS 39.50.030(a) is amended to read:

2 (a) Each statement shall be an accurate representation of the financial affairs of the public
3 official or candidate and shall contain the same information for each member of the person's
4 family, as specified in (b) of this section, to the extent that it is ascertainable by the public
5 official or candidate. [AN ASSET OR LIABILITY UNDER \$500, HOUSEHOLD GOODS,
6 AND PERSONAL EFFECTS NEED NOT BE IDENTIFIED.]

7 * Sec. 23. AS 39.50.030(b) is amended to read:

8 (b) Each statement filed by a public official or candidate under this chapter shall include
9 the following:

10 (1) the source of all income over \$100 during the preceding calendar year,
11 including taxable and nontaxable capital gains, received by the person, the person's spouse or
12 dependent child, or a nondependent child of the person who is living with that person; a
13 legislator, candidate for the legislature, or legislative director stating a source of income
14 received as compensation for personal services shall also state the name and address of the
15 source of the income, the nature of the services performed, and if the source of income is
16 known or reasonably should be known to have a substantial interest in legislative,
17 administrative, or political action, the amount of income received by the source;

18 (2) the identity, by name and address, of each business in which the person, the
19 person's spouse or dependent child, or a nondependent child of the person who is living with that
20 person was a stockholder, owner, officer, director, partner, proprietor, or employee during the
21 preceding calendar year;

22 (3) the identity and nature of each interest owned in any business during the
23 preceding calendar year by the person, the person's spouse or dependent child, or a nondependent
24 child of the person who is living with that person;

25 (4) the identity and nature of each interest in real property, including an option
26 to buy, owned at any time during the preceding calendar year by the person, the person's spouse
27 or dependent child, or a nondependent child of the person who is living with that person;

28 (5) the identity of each trust or other fiduciary relation in which the person, the
29 person's spouse or dependent child, or a nondependent child of the person who is living with that
30 person held a beneficial interest exceeding \$1,000 during the preceding calendar year, a
31 description and identification of the property contained in each trust or relation, and the nature

1 and extent of the beneficial interest in it;

2 (6) any loan or loan guarantee made to the person, the person's spouse or
3 dependent child, or a nondependent child of the person who is living with that person, and the
4 identity of the maker of the loan or loan guarantor and the identity of each creditor to whom the
5 person, the person's spouse or dependent child, of a nondependent child of the person who lives
6 with that person owed more than \$500; a legislator, candidate for the legislature, or
7 legislative director stating a loan or loan guarantee from a source with a substantial interest
8 in legislative, administrative, or political action shall also state the name and address of the
9 person making the loan or the guarantee, the amount of the loan, the terms and conditions
10 under which the loan or guarantee was given, the amount outstanding at the time of filing,
11 and whether or not a written loan agreement exists [\$500 OR MORE];

12 (7) a list of all contracts and offers to contract with the state or an instrumentality
13 of the state during the preceding calendar year held, bid, or offered by the person, the person's
14 spouse or dependent child, a nondependent child of the person who is living with that person,
15 a partnership or professional corporation of which the person is a member or shareholder
16 [THE PERSON'S MOTHER OR FATHER], or a corporation in which the person or the person's
17 spouse or children, or a combination of them, hold a controlling interest; [AND]

18 (8) a list of all mineral, timber, oil, or any other natural resource lease held, or
19 lease offer made, during the preceding calendar year by the person, the person's spouse, the
20 person's dependent child, a nondependent child of the person who is living with that person,
21 [THE PERSON'S MOTHER OR FATHER,] a partnership or professional corporation of which
22 the person is a member, or a corporation in which the person or the person's spouse or children,
23 or a combination of them, holds a controlling interest; and

24 (9) the source of a gift, other than an inheritance, received during the
25 preceding calendar year by the person, the person's spouse or dependent child, or a
26 nondependent child of the person who is living with the person, if the amount of the gift
27 exceeds

28 (A) \$100 and is received from a person who is not a member of the
29 recipient's family; or

30 (B) \$10,000 per year and is received from a family member of the
31 recipient.

1 * **Sec. 24.** AS 39.50.030 is amended by adding a new subsection to read:

2 (d) In this section, a person has a substantial interest in legislative, administrative, or
3 political action if the person: (1) is not a natural person and will be directly and substantially
4 affected financially by a legislative, administrative, or political action; (2) is a natural person and
5 will be directly and substantially affected financially by a legislative, administrative, or political
6 action in a way that is greater than the effect on a substantial class of persons to which the
7 person belongs as a member of a profession, occupation, industry, or region; (3) has or seeks
8 contracts in excess of \$10,000 annually for goods or services with the legislature or with an
9 agency of the state; or (4) is required to register under AS 24.45.041 and is described under
10 AS 24.45.171(8)(A), but is not a volunteer lobbyist described in AS 24.45.161(a)(1) or a
11 representational lobbyist as defined in AS 24.45.171. For the purpose of this subsection, the
12 state, the federal government, and an agency, corporation, or other entity of or owned by the state
13 or federal government do not have a substantial interest in legislative, administrative, or political
14 action.

15 * **Sec. 25.** AS 39.50.050(d) is amended to read:

16 (d) To facilitate the filing of reports under AS 24.45 (Regulation of Lobbying) and the
17 information required to be provided under AS 24.45.051(4) [AND (5)], the commission shall
18 publish copies of the reports required under this chapter not later than the convening of each
19 regular session of the legislature. Copies of this publication shall be provided on request;
20 however, the commission may make a charge for the publication that may not exceed the actual
21 cost of printing, postage and handling.

22 * **Sec. 26.** AS 39.50.050 is amended by adding a new subsection to read:

23 (e) The Alaska Public Offices Commission shall examine, investigate, and compare all
24 reports and statements required under AS 39.50.020.

25 * **Sec. 27.** AS 39.50.135 is amended to read:

26 Sec. 39.50.135. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIRED
27 REPORTS]. A person who fails to file a properly completed and certified report within the time
28 required by this chapter is subject to a civil penalty of not more than \$10 a day for each day the
29 delinquency continues as the commission determines [SUBJECT TO APPEAL TO THE
30 SUPERIOR COURT. AN AFFIDAVIT STATING FACTS IN MITIGATION MAY BE
31 SUBMITTED TO THE COMMISSION BY A PERSON AGAINST WHOM A CIVIL

1 PENALTY IS ASSESSED. HOWEVER, THE IMPOSITION OF THE PENALTIES
2 PRESCRIBED IN THIS SECTION OR IN AS 39.50.060 - 39.50.130 DOES NOT EXCUSE
3 THAT PERSON FROM FILING REPORTS REQUIRED BY THIS CHAPTER.]

4 * Sec. 28. AS 39.50.135 is amended by adding new subsections to read:

5 (b) In addition to other penalties prescribed in this chapter, a person who violates a
6 provision of this chapter other than a provision for which a penalty is prescribed in (a) of this
7 section is subject to a civil penalty of not more than \$20,000 for each offense or twice the
8 amount gained by the misconduct that resulted in a violation, whichever is greater, as determined
9 by the commission. The commission may also assess a person subject to a penalty under this
10 subsection with the costs of investigating and adjudicating the violation on which the penalty is
11 based. The costs of investigation and adjudication shall be determined by the commission.

12 (c) An affidavit stating facts in mitigation may be submitted to the commission by a
13 person against whom a civil penalty is assessed under this section.

14 (d) A determination of the commission under this section is subject to right of appeal to
15 the superior court.

16 (e) The imposition of penalties prescribed in this section or elsewhere in this chapter does
17 not excuse the person from filing reports required under this chapter.

18 * Sec. 29. AS 39.50 is amended by adding a new section to read:

19 Sec. 39.50.147. APPLICABILITY OF CHAPTER. This chapter does not apply to a
20 municipal officer in a municipality with a population under 1,000 according to the latest United
21 States census figures or according to population estimates that are certified correct for
22 administrative purposes by the Department of Community and Regional Affairs.

23 * Sec. 30. AS 39.50.200(a) is amended to read:

24 (a) In this chapter

25 (1) "assistant to the governor" includes any executive, legislative, special,
26 administrative or press assistant to the governor, and any person similarly employed;

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

28 (3) "commission" means the Alaska Public Offices Commission created under
29 AS 15.13.020(a);

30 (4) "income" means assets that are received, regardless of whether they are
31 earned or unearned; inheritances and other gifts are not income;

1 (5) "instrumentality of the state" means a state department or agency, whether in
2 the legislative, judicial, or executive branch, including such entities as the University of Alaska
3 and the Alaska State Housing Authority;

4 (6) [(5)] "judicial officer" means a person appointed as a justice to the supreme
5 court or as a judge to the court of appeals, superior court, district court, or magistrate court;

6 (7) "legislative director" means the fiscal analyst of the legislative finance
7 division, the legislative auditor of the legislative audit division, the executive director of the
8 legislative affairs agency, and the directors of the divisions within the legislative affairs
9 agency;

10 (8) [(6)] "mother or father" includes a biological parent, an adoptive parent, and
11 a step-parent;

12 (9) [(7)] "municipal officer" includes a borough or city mayor, borough
13 assemblyman, city councilman, school board member, elected utility board member, city or
14 borough manager, members of a city or borough planning or zoning commission within a home
15 rule or general law city or borough, or a unified municipality;

16 (10) [(8)] "public official" means a judicial officer, a member of the legislature,
17 a legislative director, [THE FISCAL ANALYST OF THE LEGISLATIVE FINANCE
18 DIVISION, THE LEGISLATIVE AUDITOR OF THE LEGISLATIVE AUDIT DIVISION, THE
19 EXECUTIVE DIRECTOR OF THE LEGISLATIVE AFFAIRS AGENCY AND THE
20 DIRECTORS OF THE DIVISIONS WITHIN THE LEGISLATIVE AFFAIRS AGENCY,] the
21 governor, the lieutenant governor, a person hired or appointed as the head or deputy head of, or
22 director of a division within a department in the executive branch, an assistant to the governor,
23 chairman or member of a state commission or board, the executive director of the Alaska
24 Tourism Marketing Council, and each appointed or elected municipal officer;

25 (11) [(9)] "source of income" means the entity for which service is performed or
26 which is otherwise the origin of payment; if the person whose income is being reported is
27 employed by another, the employer is the source of income; but if the person whose income is
28 being reported is self-employed by means of a [SOLE PROPRIETORSHIP, PARTNERSHIP,
29 PROFESSIONAL CORPORATION, OR A] corporation in which the person, the person's spouse
30 or children, or a combination of them has [, HOLD] a controlling interest, or is self-employed
31 by means of a sole proprietorship, an interest in a partnership, or an interest in a

- 1 **professional corporation**, the "source of income" is the client or customer of the proprietorship,
2 partnership or corporation, but if the entity which is the origin of payment is not the same as the
3 client or customer for whom the service is performed, both are considered the source;
- 4 * Sec. 31. AS 24.45.041(c), 24.45.051(5), and 24.45.116 are repealed.
- 5 * Sec. 32. AS 15.13.042(c) and (d), added by sec. 2 of this Act, take effect only if the Seventeenth
6 Alaska State Legislature enacts an Act entitled "An Act relating to conduct of legislators, legislative
7 employees, former legislators, former legislative employees, and lobbyists, and to the Select Committee
8 on Legislative Ethics; and providing for an effective date," and that Act takes effect and includes a
9 provision in AS 24.60 that is substantially similar to AS 15.13.042.
- 10 * Sec. 33. AS 15.13.042(e), added by sec. 2 of this Act, takes effect only if the Seventeenth Alaska
11 State Legislature does not enact an Act entitled "An Act relating to conduct of legislators, legislative
12 employees, former legislators, former legislative employees, and lobbyists, and to the Select Committee
13 on Legislative Ethics; and providing for an effective date," that includes a provision in AS 24.60 that
14 is substantially similar to AS 15.13.042.
- 15 * Sec. 34. This Act takes effect January 1, 1993.