

**SENATE BILL NO. 243**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE SPECIAL COMMITTEE ON ETHICS REFORM**

**Introduced: 4/8/91**  
**Referred: ETR, Judiciary, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to election campaign financing, to restrictions on election campaign  
2 material, and to the Alaska Public Offices Commission."

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

4 \* Section 1. AS 15.13.030 is amended by adding a new paragraph to read:

5 (11) issue an advisory opinion to a person affected by this chapter regarding the  
6 interpretation of this chapter within 30 days of the request for the opinion or within an additional  
7 period of time that the person requesting the opinion may agree to; the advisory opinion issued  
8 is binding on the commission in a subsequent proceeding concerning the facts and circumstances  
9 set out in the request for an advisory opinion, unless material facts were omitted or misstated in  
10 the request.

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

12 Sec. 15.13.041. **PROHIBITED SOLICITATION OF CONTRIBUTIONS.** (a) A public  
13 officer or employee of the state or of a municipality may not, while on the premises of a state  
14 or municipal building, solicit or request a contribution to a candidate, group, or political party.

1 (b) A person may not solicit or request a public officer to contribute to a candidate,  
2 group, or political party while the public officer or employee is on the premises of a state or  
3 municipal building.

4 (c) A candidate, a candidate's campaign treasurer or deputy campaign treasurer, a group,  
5 or an officer of a group may not accept a contribution that the candidate, campaign treasurer,  
6 deputy campaign treasurer, group, or officer of a group knows was obtained in violation of this  
7 section. A person who violates this subsection is guilty of a class A misdemeanor and may be  
8 fined an amount provided in AS 12.55.035 or an amount equal to four times the amount of the  
9 illegal contribution, whichever is greater.

10 Sec. 15.13.043. USE OF PUBLIC OFFICE OR AGENCY FACILITIES IN A  
11 CAMPAIGN. (a) A person may not use or authorize the use of public funds or property, or the  
12 time of a public officer or employee, to influence the outcome of an election.

13 (b) A person may not use or authorize the use of public funds or property, or the time  
14 of a public officer or employee, to produce, print, publish, broadcast, or otherwise disseminate  
15 material designed and timed to influence the results of an election, regardless of the lack of  
16 specific reference to the election.

17 (c) A person may not solicit, verbally or in writing, or receive a contribution on behalf  
18 of a candidate or group in a facility ordinarily used for the conduct of public business.

19 (d) A person may not deliver a contribution, or cause a contribution to be delivered, in  
20 a facility ordinarily used for the conduct of public business, other than a postal facility.

21 (e) A person may not distribute or post, or cause to be distributed or posted, a  
22 communication designed to influence the outcome of an election in a public building.

23 (f) Nothing in this section prohibits

24 (1) the division of elections from preparing and distributing the voter election  
25 pamphlet under AS 15.58;

26 (2) nonpartisan voter registration activities;

27 (3) action taken at a public meeting by members of the legislature, of a committee  
28 of the legislature, or of a state or municipal board or commission, expressing a collective decision  
29 or voting on a motion, proposal, bill, resolution, ordinance, or order;

30 (4) action by an elected public official of the state or of a municipality in support  
31 of or in opposition to a ballot proposition or question at an open press conference or in response

1 to a specific inquiry.

2 \* Sec. 3. AS 15.13.050 is amended by adding a new subsection to read:

3 (b) Two or more groups, other than political parties and subdivisions of political parties,  
4 in which two or more persons hold office in each group are considered to be a single group for  
5 purposes of the contribution limitations of this chapter.

6 \* Sec. 4. AS 15.13.060 is amended by adding a new subsection to read:

7 (g) A person may not serve as a campaign treasurer or deputy campaign treasurer during  
8 a calendar year in which the person was required to register as a lobbyist under AS 24.45, unless  
9 the person acted only as a representational lobbyist as defined in the regulations of the  
10 commission.

11 \* Sec. 5. AS 15.13.070(a) is amended to read:

12 (a) A person or group, including but not limited to all political committees, businesses,  
13 corporations, and labor unions, may not contribute to or expend more than \$1,000 in a calendar  
14 year, whether in money, goods, or services, or a combination of money, goods, and services,  
15 on behalf of or in opposition to the competing candidates for each elective office. Political  
16 parties and their subdivisions are not subject to the limitation prescribed in this subsection, but  
17 they are subject to the reporting requirements prescribed by AS 15.13.040(b) and 15.13.110. This  
18 chapter does not prohibit

19 (1) a candidate from contributing more than \$1,000 of the candidate's own money  
20 to the candidate's own campaign; or

21 (2) individuals or groups, including but not limited to all political committees,  
22 businesses, corporations, and labor unions, from contributing to or expending on behalf of a  
23 ballot proposition or question more than \$1,000 a year; however, these contributions and  
24 expenditures shall be reported in accordance with AS 15.13.040 and 15.13.110.

25 \* Sec. 6. AS 15.13.070(c) is amended to read:

26 (c) An expenditure over \$100 may not be made in cash [OR BY CASH PAYMENT  
27 UNLESS A WRITTEN RECEIPT IS OBTAINED AND FILED WITH THE COMMISSION].

28 \* Sec. 7. AS 15.13.070(d) is amended to read:

29 (d) A contribution may not be made, and an expenditure may not be made or incurred,  
30 directly or indirectly, anonymously, in a fictitious name, or by one person or group in the name  
31 of another, to influence the election of a candidate in an election. A contribution made by a

1 person wishing to remain anonymous, and received by a candidate, campaign treasurer or deputy  
2 campaign treasurer, may not be used or expended, but shall be returned within 10 days to the  
3 donor, if the donor's identity is known, and if no donor is found, the contribution escheats to the  
4 state if not donated by the candidate to the charity of the candidate's choice. A contribution  
5 from a minor under the age of 18, other than a minor who has been emancipated or who  
6 is married, is considered to have been made by a parent or guardian of the individual  
7 under the age of 18, and shall be counted toward the contribution limit established by this  
8 section.

9 \* Sec. 8. AS 15.13.070 is amended by adding new subsections to read:

10 (i) A candidate or a group controlled by a candidate may not make a contribution to  
11 another candidate, except that a candidate may make a contribution to another candidate from  
12 the candidate's own personal funds.

13 (j) An individual or a group may not make a loan to a candidate or to a group, or  
14 guarantee a loan made by another to a candidate or to a group. This subsection does not prohibit

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

17 (2) an extension of credit by a person made in the person's regular course of  
18 business to a candidate or a group; or

19 (3) a loan by a regulated financial institution to a candidate or group on the same  
20 terms as would apply to a loan by the financial institution to a similarly situated member of the  
21 public.

22 (k) A person may not act as an intermediary to transmit contributions to a candidate or  
23 group from a person or group. In this section, "intermediary" does not include a candidate, a  
24 treasurer, deputy treasurer, or other campaign officer, a financial institution, or a person  
25 voluntarily hosting a fund-raising event at the person's home.

26 (l) A member of the legislature running for any office, and a nonincumbent candidate for  
27 the legislature, may not

28 (1) solicit or accept a contribution during a legislative session; or

29 (2) accept money from an event held during a legislative session if a substantial  
30 purpose of the event is either to raise money on behalf of the member for campaign purposes or  
31 to raise money for state legislative political purposes.

1 (m) A municipality or a school district, or an officer or employee of a municipality or  
2 a school district, acting in an official capacity, may not make a contribution to a candidate or to  
3 a group.

4 \* Sec. 9. AS 15.13 is amended by adding new sections to read:

5 Sec. 15.13.072. PERSONAL USE PROHIBITED. A candidate for public office may not  
6 use campaign funds for personal purposes, convert campaign funds into personal income, or  
7 convert goods purchased with campaign funds for personal use.

8 Sec. 15.13.074. DISBURSEMENT OF CAMPAIGN ACCOUNTS. (a) If a candidate  
9 for public office or a group has unexpended and unobligated funds after the date of the election,  
10 the candidate or group shall, no later than January 15 of the year following the election,

11 (1) transfer the funds to a new account for a future election campaign;

12 (2) donate the funds to an organization that qualifies as a charitable organization  
13 under 26 U.S.C. 501(c), or to the state or a municipality;

14 (3) return the funds on a pro rata basis to the contributors to the candidate or  
15 group; or

16 (4) transfer the funds to a legislative office account for expenditures qualifying  
17 as business expenses under 26 U.S.C. 162.

18 (b) In addition to the uses listed in (a) of this section, a candidate may, no later than  
19 January 15 of the year following the election, use unexpended and unobligated funds remaining  
20 after the election to repay the candidate's contributions to the candidate's campaign.

21 (c) Equipment owned by a candidate or group shall, no later than January 15 of the year  
22 following the election, be disposed of as provided in (a)(1) and (2). If the equipment was  
23 purchased solely with funds provided by a candidate personally, the candidate may convert the  
24 equipment to the candidate's personal use.

25 (d) A candidate or group that transfers campaign funds to an account for a future election  
26 under (a)(1) of this section in the year following the election shall file an annual report with the  
27 commission under AS 15.13.110(a)(4), even if the candidate or group makes no expenditures or  
28 receives no contributions during that year.

29 (e) Funds transferred to a new account under (a)(1) of this section may, even after the  
30 transfer, be disbursed as provided in (a) and (b) of this section. Equipment transferred to a new  
31 account under (c) of this section may, even after the transfer, be distributed as provided by that

1 subsection.

2 (f) Candidates and groups shall close each campaign account no later than January 15  
3 of the year following the year of the election.

4 (g) This section does not apply to a group that is organized to influence elections on an  
5 ongoing basis.

6 Sec. 15.13.076. RESPONSIBILITY FOR VIOLATIONS. A candidate is responsible for  
7 violations of this chapter by officers of the candidate's campaign committee, and the head of a  
8 group is responsible for violations of this chapter by other officers of a group. Penalties assessed  
9 against a candidate's campaign committee or against a group may be assessed directly against  
10 the candidate or the head of the group.

11 Sec. 15.13.078. MUNICIPAL SPENDING PROHIBITED. (a) An officer or employee  
12 of a state agency, a municipality, or a school district acting in an official capacity may not  
13 expend state funds or municipal or school district funds, or authorize the expenditure of state  
14 funds or municipal or school district funds, to influence the outcome of an election for a public  
15 office or on a ballot proposition.

16 (b) This section does not prohibit the expenditure of state funds or municipal or school  
17 district funds to provide to the public neutral information regarding the dates of an election and  
18 the candidates and ballot propositions appearing on the ballot.

19 \* Sec. 10. AS 15.13.120(d) is amended to read:

20 (d) A person who believes a violation of this chapter has occurred may file a complaint  
21 with the commission. The complaint must include a statement, made under oath, that the  
22 factual statements in the complaint are true, to the best of the complainant's knowledge.  
23 If the commission determines there is substantial reason to believe that a violation has occurred,  
24 it shall expeditiously make an investigation, which may also include an investigation of reports  
25 and statements filed by the complainant if the complainant is a candidate, of the matter  
26 complained of. When, in the judgment of the commission, after affording due notice and an  
27 opportunity for a hearing, a person has engaged or is about to engage in any acts or practices  
28 which constitute or will constitute a violation of a provision of this chapter, or a regulation or  
29 order issued under it, it shall promptly report the information to the attorney general for  
30 appropriate action. The commission shall report its determination and recommendation to the  
31 person who filed the complaint with the commission within 45 [60] days of receiving the

1 complaint unless circumstances require additional time to make an adequate investigation. The  
2 finding of the commission may be appealed to the superior court.

3 \* Sec. 11. AS 15.13.120 is amended by adding new subsections to read:

4 (i) Proceedings of the commission relating to complaints before it under this section are  
5 confidential until the commission determines that there is probable cause to believe that a  
6 violation of this chapter has occurred. The complaint and all documents produced or disclosed  
7 as a result of the commission's investigation are confidential and not subject to inspection by the  
8 public. All meetings of the commission relating to the complaint are closed to the public before  
9 the determination of probable cause is made. The confidentiality provisions of this subsection  
10 may be waived by the subject of the complaint.

11 (j) Except as provided in (i) of this section, meetings of the commission relating to a  
12 complaint are governed by AS 44.62.310 - 44.62.312 (Open Meetings Act), and records in the  
13 possession of the commission relating to the complaint are subject to AS 09.25.110 - 09.25.125.

14 \* Sec. 12. AS 15.13.130 is amended by adding new paragraphs to read:

15 (8) "commission" means the Alaska Public Offices Commission created in  
16 AS 15.13.020;

17 (9) "school district" means a municipal school district or a regional educational  
18 attendance area established under AS 14.08;

19 (10) "state agency" means a department, agency, instrumentality, or corporate  
20 authority of the state, whether in the executive, legislative, or judicial branch, and includes the  
21 University of Alaska.

22 \* Sec. 13. AS 24.60.030(f) and 24.60.030(g) are repealed.