

HOUSE BILL NO. 19

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE FINKELSTEIN

Introduced: 1/11/93

Referred: Labor & Commerce, State Affairs, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

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

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

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

6 (a) Each candidate shall make a full report, upon a form prescribed by the
7 commission, listing

8 (1) the date and amount of each expenditure [ALL EXPENDITURES]
9 made by the candidate;

10 (2) [,] the total amount of all contributions, including all funds
11 contributed by the candidate; [,] and

12 (3) for each contribution [ALL CONTRIBUTIONS] in excess of \$100
13 in the aggregate a year, the name, address, principal occupation, and employer of the
14 contributor and the date and amount contributed by each contributor. [THE REPORT

1 SHALL BE FILED IN ACCORDANCE WITH AS 15.13.110 AND SHALL BE
2 CERTIFIED CORRECT BY THE CANDIDATE OR CAMPAIGN TREASURER.]

3 * Sec. 2. AS 15.13.040(c) is amended to read:

4 (c) The reports [REPORT] required under (a) or (b) of this section shall be
5 filed in accordance with AS 15.13.110. A report required under (a) of this section
6 shall be certified as correct by the candidate or the candidate's campaign
7 treasurer. A report required under (b) of this section [AND] shall be certified as
8 correct by the group's campaign treasurer.

9 * Sec. 3. AS 15.13.040 is amended by adding a new subsection to read:

10 (g) The provisions of (a) of this section do not apply to a candidate if the
11 candidate

12 (1) indicates, on a form prescribed by the commission, an intent not to
13 raise and not to spend more than \$1,000 in seeking election;

14 (2) accepts contributions totaling \$1,000 or less; and

15 (3) makes expenditures totaling \$1,000 or less in seeking election.

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

17 Sec. 15.13.042. DISBURSEMENT OF CAMPAIGN ACCOUNTS. (a) The
18 provisions of this section apply to unexpended and unobligated funds held by a
19 candidate or a candidate's campaign committee

20 (1) after the date of the election; or

21 (2) at the time the candidate ceases to be a candidate.

22 (b) If a candidate or a candidate's campaign committee has unexpended and
23 unobligated funds, those funds shall, before the end of the calendar year of the
24 election, or within 60 days after the election, or within 60 days after the end of the
25 candidacy, whichever comes first, be

26 (1) used to retire bona fide loans supported by written documentation,
27 including loans made to a campaign by the candidate or a member of the candidate's
28 immediate family; however, the funds may be used to retire bona fide loans made to
29 a campaign by the candidate's immediate family only if all other outstanding loans are
30 paid first;

31 (2) used to pay for a victory or thank-you party, or to provide a gift of

1 less than \$300 to a campaign worker;
2 (3) returned to those who have made contributions;
3 (4) donated to the state or a municipality;
4 (5) donated to one or more organizations that qualify as charitable
5 organizations under 26 U.S.C. 501(c)(3) if the charity is not one that is controlled by
6 the candidate or a member of the candidate's immediate family;
7 (6) transferred to a new campaign account controlled by the candidate;
8 (7) transferred, by a candidate elected to the legislature, to that
9 candidate's legislative office account for expenditures qualifying as business expenses
10 under 26 U.S.C. 162;
11 (8) transferred to a political party with whom the candidate has
12 indicated an affiliation under AS 15.25.030; or
13 (9) transferred to a legal defense fund or election challenge fund
14 established under AS 15.13.044.
15 (c) By the date on which the candidate closes a campaign account under (e)
16 of this section, the candidate shall declare, on a form provided by the commission,
17 each retained nonmonetary asset that has a fair market value in excess of \$500.
18 (d) A candidate may retain nonmonetary assets with an aggregate fair market
19 value of up to \$2,500 after the candidate's campaign account is closed under (e) of this
20 section if the candidate is not a member of the legislature. Nonmonetary assets not
21 retained under this subsection shall be disbursed as described in (b) of this section by
22 the date on which the campaign account is closed under (e) of this section.
23 (e) A candidate shall close each campaign account within 60 days after the
24 election at which the candidate sought public office, or at the time the candidate
25 transfers funds under (b)(6) of this section to a new campaign account, whichever is
26 earlier.
27 (f) In this section,
28 (1) "funds" means cash and other nontangible liquid assets readily
29 converted to cash, including savings accounts, checking accounts, certificates of
30 deposit and stocks; and
31 (2) "nonmonetary assets" means tangible assets, including office

1 equipment and furniture.

2 **Sec. 15.13.044. LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS.**

3 (a) A candidate, a person acting on behalf of the candidate, or the candidate's
4 campaign committee may establish a fund to assist with the payment of attorney fees
5 and other costs arising from the candidate's defense of a civil, criminal, or
6 administrative action brought against the candidate and directly related to acts or
7 omissions of the candidate while campaigning for elective office, or from the
8 prosecution or defense of an administrative or judicial action concerning a contested
9 election in which the candidate has run. Contributions to a fund under this section are
10 not subject to the restrictions of AS 24.60.080.

11 (b) A candidate, a person acting on behalf of the candidate, and the candidate's
12 campaign committee may not establish a fund under this section before the civil,
13 criminal, or administrative action is actually commenced by or against the candidate.

14 (c) The commission shall adopt regulations applicable to the use of a fund
15 established under this section. The regulations adopted under this section must address

- 16 (1) the methods of establishing a fund under this section;
17 (2) the accounting requirements for a fund;
18 (3) the uses for which money from a fund may be expended;
19 (4) the disposition of surplus money in a fund; and
20 (5) the maximum amount that a person may contribute to a fund.

21 * Sec. 5. AS 15.13 is amended by adding new sections to read:

22 **Sec. 15.13.075. PROHIBITED CAMPAIGN ACTIVITIES BY CANDIDATE**
23 **WITH RESPECT TO LOBBYISTS.** (a) A candidate for governor, for lieutenant
24 governor, or for the legislature may not solicit, or knowingly allow, a lobbyist to
25 engage in activities on behalf of the candidate that are prohibited by
26 AS 24.45.121(a)(8).

27 (b) A candidate for governor, for lieutenant governor, or for the legislature
28 may not seek to evade the purposes of this section by

- 29 (1) soliciting; or
30 (2) knowingly permitting an entity retained to lobby or an employee
31 of a lobbyist to perform fund-raising services.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

(c) In this section,

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

(2) "lobbyist"

(A) has the meaning given in AS 24.45.171;

(B) does not include

(i) a person described in AS 24.45.161(a); or

(ii) a representational lobbyist as defined in AS 24.45.171.

Sec. 15.13.077. USE OF PUBLIC FUNDS PROHIBITED. (a) Each of the following may not use public funds to support or oppose a ballot proposition or question or the election of a candidate:

(1) the state, its agencies, and its public corporations;

(2) the University of Alaska;

(3) municipalities;

(4) school districts and regional educational attendance areas; and

(5) other political subdivisions of the state.

(b) This section does not prohibit the expenditure of public funds to provide to the public factual information regarding a ballot proposition.

* Sec. 6. AS 15.13.090 is amended to read:

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

* Sec. 7. AS 15.13.100 is amended to read:

1 **Sec. 15.13.100. EXPENDITURES BEFORE FILING. (a) A person may not**
2 **accept a political contribution and a political campaign expenditure may not be**
3 **made or incurred by a person in an election or by a person or group with the person's**
4 **knowledge and on the person's behalf before the date upon which the person files for**
5 **nomination for the office which the person seeks,**

6 **(b) The provisions of this section barring campaign expenditures do not**
7 **apply to [, EXCEPT FOR] personal travel expenses or [FOR] opinion surveys or polls,**
8 **and these [. THESE] expenditures must be included in the first report required under**
9 **this chapter after filing for office.**

10 * Sec. 8. AS 15.13 is amended by adding new sections to read:

11 **Sec. 15.13.102. PROHIBITED USES OF CAMPAIGN FUNDS. A candidate,**
12 **a person acting on behalf of the candidate, and the candidate's campaign committee**
13 **may not**

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

19 (2) convert surplus campaign funds or interest earned on campaign
20 funds to personal income;

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

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

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

28 (6) use campaign funds to pay fines or other monetary penalties or
29 costs assessed against a candidate by a court or other body, unless the fine, penalty,
30 or cost is assessed as a result of proscribed actions by a member or employee of a
31 campaign committee or another person acting on behalf of the candidate under

1 circumstances where the candidate did not know of those actions.

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

8 (b) Except as provided in (d) of this section, a candidate for governor or
9 lieutenant governor may not, either directly, through a campaign committee, or by
10 other means, solicit or accept a campaign contribution or a promise or pledge to make
11 a contribution except from June 1 of the year preceding the election through the date
12 of the election.

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

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

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

26 (f) Transfers of surplus campaign funds to a new campaign account under
27 AS 15.13.042(b)(6) are not subject to this section.

28 * Sec. 9. AS 15.13.110(a) is amended to read:

29 (a) Each candidate and group shall make a full report in accordance with
30 AS 15.13.040 for [DURING] the period ending three days before the due date of the
31 report and beginning on the last day covered by the most recent previous report. If

1 the report is a first report, it must cover the period from the beginning of the
2 campaign to the date [, OR, IF A FIRST REPORT, ALL CONTRIBUTIONS
3 RECEIVED AND EXPENDITURES MADE BEFORE] three days before the due date
4 of the report. If the report is a report due February 15, it must cover the period
5 beginning on the last day covered by the most recent previous report or on the
6 day that the campaign started, whichever is later, and ending on December 31 of
7 the prior year. The report shall be filed [AT THE FOLLOWING TIMES:]

8 (1) 30 days before the election; however, this report is not required if
9 the deadline for filing a nominating petition or declaration of candidacy is within 30
10 days of the election;

11 (2) one week before the election;

12 (3) 10 [TEN] days after the election; and

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

17 * Sec. 10. AS 15.13.110(b) is amended to read:

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

22 * Sec. 11. AS 15.13.125 is amended to read:

23 Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF
24 REQUIRED REPORTS]. A person who fails to file a properly completed and certified
25 report within the time required by AS 15.13.040(e), 15.13.080, 15.13.110(a)(1), (3),
26 (4), or 15.13.110(d) is subject to a civil penalty of not more than \$10 a day for each
27 day the delinquency continues as determined by the commission [SUBJECT TO
28 RIGHT OF APPEAL TO THE SUPERIOR COURT]. A person who fails to file a
29 properly completed and certified report within the time required by AS 15.13.110(a)(2)
30 or 15.13.110(b) is subject to a civil penalty of not more than \$50 a day for each day
31 the delinquency continues as determined by the commission [SUBJECT TO RIGHT

1 OF APPEAL TO THE SUPERIOR COURT. AN AFFIDAVIT STATING FACTS IN
2 MITIGATION MAY BE SUBMITTED TO THE COMMISSION BY A PERSON
3 AGAINST WHOM A CIVIL PENALTY IS ASSESSED. HOWEVER, THE
4 IMPOSITION OF THE PENALTIES PRESCRIBED IN THIS SECTION OR IN
5 AS 15.13.120 DOES NOT EXCUSE THAT PERSON FROM FILING REPORTS
6 REQUIRED BY THIS CHAPTER].

7 * Sec. 12. AS 15.13.125 is amended by adding new subsections to read:

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

16 (c) A person against whom a civil penalty is assessed may submit to the
17 commission an affidavit stating facts in mitigation.

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

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

22 * Sec. 13. AS 15.13.130 is amended by adding a new paragraph to read:

23 (8) "commission" means the Alaska Public Offices Commission.

24 * Sec. 14. AS 24.45.031(b) is amended to read:

25 (b) The commission may

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

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

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

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

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

17 * Sec. 16. AS 24.45.061(a) is repealed and reenacted to read:

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

21 * Sec. 17. AS 24.45.061(b) is amended to read:

22 (b) A person who employs, retains, or who contracts for the services of one
23 or more lobbyists, whether independently or jointly with other persons, and who
24 directly or indirectly makes payments to influence legislative or administrative action
25 shall file an annual [A QUARTERLY] report containing

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

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

30 (3) the total amount of payments made to influence legislative or
31 administrative action during the period, and the name and address of each person to

1 whom these payments have been made during the period by the maker of the report,
2 together with the date and amount;

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

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

7 (6) the name of each lobbyist employed or retained by the person
8 making the report, together with the total amount paid to each lobbyist and the portion
9 of that amount, if any, that was paid for specific purposes, including salary, fees, and
10 reimbursement for expenses; and

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

15 * Sec. 18. AS 24.45.081 is amended to read:

16 Sec. 24.45.081. REPORTING PERIODS. Lobbyist reports [REPORTS]
17 required under this chapter shall be filed during the calendar month following each
18 calendar month during any part of which the legislature was in session and during the
19 month following each calendar quarter when the legislature was not in session.
20 However, if a lobbyist registered under this chapter has declared that the lobbyist seeks
21 only to influence administrative action and not legislative action, the lobbyist need
22 only file a report required under this chapter for each calendar quarter. The period
23 covered shall be the calendar month or the calendar quarter, as applicable, and shall
24 in any event cover the period from the date of the last report filed under this chapter
25 to the date of the end of the calendar month or quarter, as applicable, for which the
26 report is being filed. The period covered shall not include any months covered in
27 previous reports filed by the same person. When total amounts are required to be
28 reported, totals shall be stated both for the period covered by the statement and for the
29 entire calendar year to date.

30 * Sec. 19. AS 24.45.081 is amended by adding a new subsection to read:

31 (b) Annual employer reports required under this chapter shall be filed within

1 30 days after all lobbying activities on behalf of the employer in a calendar year are
2 terminated or, if lobbying activities on behalf of the employer do not terminate before
3 the end of a calendar year, on or before January 30 of the following year.

4 * Sec. 20. AS 24.45.121(a) is amended to read:

5 (a) A lobbyist may not

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

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

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

13 (4) cause or influence the introduction of a legislative measure solely
14 for the purpose of thereafter being employed to secure its passage or its defeat;

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

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

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

23 (8) serve as a campaign manager or director, serve as a campaign
24 treasurer or deputy campaign treasurer on a finance or fund-raising committee, host a
25 fund-raising event, or otherwise actively engage in the fund-raising activity of a
26 legislative campaign if the lobbyist has registered during the calendar year; this
27 paragraph does not apply to a representational lobbyist as defined in the regulations
28 of the Alaska Public Offices Commission, and does not prohibit a lobbyist from
29 making personal contributions to or personally advocating on behalf of a candidate;

30 (9) offer, solicit, initiate, facilitate, or provide to or on behalf of a
31 person covered by AS 24.60, during a legislative session, a gift, other than food or

1 beverage for immediate consumption;

2 (10) make or offer a gift or a campaign contribution whose acceptance
3 by the person to whom it is offered would violate AS 24.60;

4 (11) use state property or resources in the conduct of the lobbyist's
5 business unless the use is nominal and the use is available to members of the
6 general public.

7 * Sec. 21. AS 24.45.141 is amended to read:

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

24 * Sec. 22. AS 24.45.141 is amended by adding new subsections to read:

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

1 commission.

2 (c) A person against whom a civil penalty is assessed under this section may
3 submit to the commission an affidavit stating facts in mitigation.

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

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

8 * Sec. 23. AS 24.45.171 is amended by adding a new paragraph to read:

9 (13) "representational lobbyist" means an individual who is not
10 employed by the person or group on whose behalf the individual is lobbying and who
11 does not receive for the lobbying a salary, fee, retainer, or other economic
12 consideration except for reimbursement of travel and personal living expenses.

13 * Sec. 24. AS 39.50.020 is amended to read:

14 Sec. 39.50.020. REPORT OF FINANCIAL AND BUSINESS INTERESTS.

15 (a) A judicial officer, commissioner, chair or member of a state commission or board
16 specified in AS 39.50.200(b), a person hired or appointed as head or deputy head of,
17 or director of a division within, a department in the executive branch, a person
18 appointed as assistant to the governor, a state investment officer and the state
19 comptroller in the Department of Revenue, [AND] a municipal officer, and a
20 legislative director shall file a statement giving income sources and business interests,
21 under oath and on penalty of perjury, within 30 days after taking office as a public
22 official. Candidates for state elective office other than a candidate who is subject to
23 AS 24.60 shall file such a statement with the director of elections at the time of filing
24 a declaration of candidacy or within 30 days of the filing of a nominating petition, or
25 within 30 days of becoming a candidate by any other means. Candidates for elective
26 municipal office shall file such a statement at the time of filing a nominating petition,
27 declaration of candidacy, or other required filing for the elective municipal office.
28 Refusal or failure to file within the time prescribed shall require that the candidate's
29 filing fees, if any, and filing for office be refused or that a previously accepted filing
30 fee be returned and the candidate's name removed from the filing records. A statement
31 shall also be filed by public officials no later than April 15 or 15 days after the person

1 files a federal income tax return in each following year, whichever comes first.
2 [PERSONS WHO, ON OR AFTER DECEMBER 11, 1974, WERE MEMBERS OF
3 BOARDS OR COMMISSIONS NOT NAMED IN AS 39.50.200(b) ARE NOT
4 REQUIRED TO FILE FINANCIAL STATEMENTS.]

5 (b) The governor, lieutenant governor, a legislative director, a judicial officer
6 [OFFICERS], each commissioner, head or deputy head of, or director of a division
7 within, a department in the executive branch, assistant to the governor, state investment
8 officers and the state comptroller in the Department of Revenue, or chair or member
9 of a commission or board required to report under this chapter, shall file the statement
10 with the Alaska Public Offices Commission. Candidates for the office of governor and
11 lieutenant governor and, if the candidate is not subject to AS 24.60, the legislature
12 shall file the statement under AS 15.25.030 or 15.25.180. Municipal officers, and
13 candidates for elective municipal office, shall file with the municipal clerk or other
14 municipal official designated to receive their filing for office. All statements required
15 to be filed under this chapter are public records.

16 * Sec. 25. AS 39.50.030(a) is amended to read:

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

23 * Sec. 26. AS 39.50.030(b) is amended to read:

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

26 (1) the source of all income over \$100 during the preceding calendar
27 year, including taxable and nontaxable capital gains, received by the person, the
28 person's spouse or dependent child, or a nondependent child of the person who is
29 living with that person; a legislator, candidate for the legislature, or legislative
30 director stating a source of income received as compensation for personal services
31 shall also state the name and address of the source of the income, the nature of

1 **the services performed, and if the source of income is known or reasonably should**
2 **be known to have a substantial interest in legislative, administrative, or political**
3 **action, the amount of income received by the source:**

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

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

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

15 (5) the identity of each trust or other fiduciary relation in which the
16 person, the person's spouse or dependent child, or a nondependent child of the person
17 who is living with that person held a beneficial interest **exceeding \$1,000** during the
18 preceding calendar year, a description and identification of the property contained in
19 each trust or relation, and the nature and extent of the beneficial interest in it;

20 (6) any loan or loan guarantee made to the person, the person's spouse
21 or dependent child, or a nondependent child of the person who is living with that
22 person, and the identity of the maker of the loan or loan guarantor and the identity of
23 each creditor to whom the person, the person's spouse or dependent child, of a
24 nondependent child of the person who lives with that person owed **more than \$500;**
25 **a legislator, candidate for the legislature, or legislative director stating a loan or**
26 **loan guarantee from a source with a substantial interest in legislative,**
27 **administrative, or political action shall also state the name and address of the**
28 **person making the loan or the guarantee, the amount of the loan, the terms and**
29 **conditions under which the loan or guarantee was given, the amount outstanding**
30 **at the time of filing, and whether or not a written loan agreement exists [\$500 OR**
31 **MORE];**

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

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

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

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

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

23 * Sec. 27. AS 39.50.030 is amended by adding new subsections to read:

24 (d) In this section, a person has a substantial interest in legislative,
25 administrative, or political action if the person

26 (1) is not a natural person and will be directly and substantially affected
27 financially by a legislative, administrative, or political action;

28 (2) is a natural person and will be directly and substantially affected
29 financially by a legislative, administrative, or political action in a way that is greater
30 than the effect on a substantial class of persons to which the person belongs as a
31 member of a profession, occupation, industry, or region;

1 (3) has or seeks contracts in excess of \$10,000 annually for goods or
2 services with the legislature or with an agency of the state; or

3 (4) is required to register under AS 24.45.041 and is described under
4 AS 24.45.171(8)(A), but is not a volunteer lobbyist described in AS 24.45.161(a)(1)
5 or a representational lobbyist as defined in AS 24.45.171.

6 (e) For the purpose of (d) of this section, the state, the federal government, and
7 an agency, corporation, or other entity of or owned by the state or federal government
8 do not have a substantial interest in legislative, administrative, or political action.

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

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

16 * Sec. 29. AS 39.50.050 is amended by adding a new subsection to read:

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

19 * Sec. 30. AS 39.50.135 is amended to read:

20 Sec. 39.50.135. CIVIL PENALTIES [PENALTY: LATE FILING OF
21 REQUIRED REPORTS]. A person who fails to file a properly completed and certified
22 report within the time required by this chapter is subject to a civil penalty of not more
23 than \$10 a day for each day the delinquency continues as the commission determines
24 [SUBJECT TO APPEAL TO THE SUPERIOR COURT. AN AFFIDAVIT STATING
25 FACTS IN MITIGATION MAY BE SUBMITTED TO THE COMMISSION BY A
26 PERSON AGAINST WHOM A CIVIL PENALTY IS ASSESSED. HOWEVER, THE
27 IMPOSITION OF THE PENALTIES PRESCRIBED IN THIS SECTION OR IN
28 AS 39.50.060 - 39.50.130 DOES NOT EXCUSE THAT PERSON FROM FILING
29 REPORTS REQUIRED BY THIS CHAPTER].

30 * Sec. 31. AS 39.50.135 is amended by adding new subsections to read:

31 (b) In addition to other penalties prescribed in this chapter, a person who

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

8 (c) A person against whom a civil penalty is assessed under this section may
9 submit to the commission an affidavit stating facts in mitigation.

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

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

14 * Sec. 32. AS 39.50 is amended by adding a new section to read:

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

20 * Sec. 33. AS 39.50.200(a) is amended to read:

21 (a) In this chapter,

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

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

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

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

31 (5) "instrumentality of the state" means a state department or agency,

1 whether in the legislative, judicial, or executive branch, including the University of
2 Alaska;

3 (6) [(5)] "judicial officer" means a person appointed as a justice to the
4 supreme court or as a judge to the court of appeals, superior court, district court, or
5 magistrate court;

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

10 (8) [(6)] "mother or father" includes a biological parent, an adoptive
11 parent, and 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,
14 city or borough manager, members of a city or borough planning or zoning
15 commission within a home rule or general law city or borough, or a unified
16 municipality;

17 (10) [(8)] "public official" means a judicial officer, a legislative
18 director, the governor, the lieutenant governor, a person hired or appointed as the head
19 or deputy head of, or director of a division, a department in the executive branch, an
20 assistant to the governor, chair or member of a state commission or board, state
21 investment officers and the state comptroller in the Department of Revenue, the
22 executive director of the Alaska Tourism Marketing Council, and each appointed or
23 elected municipal officer;

24 (11) [(9)] "source of income" means the entity for which service is
25 performed or which is otherwise the origin of payment; if the person whose income
26 is being reported is employed by another, the employer is the source of income; but
27 if the person whose income is being reported is self-employed by means of a [SOLE
28 PROPRIETORSHIP, PARTNERSHIP, PROFESSIONAL CORPORATION, OR A]
29 corporation in which the person, the person's spouse or children, or a combination of
30 them has [, HOLD] a controlling interest, or is self-employed by means of a sole
31 proprietorship, an interest in a partnership, or an interest in a professional

1 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
3 same as the client or customer for whom the service is performed, both are considered
4 the source, [;]

5 * Sec. 34. AS 24.45.041(c), 24.45.051(5), and 24.45.116 are repealed.

6 * Sec. 35. This Act takes effect January 1, 1995.