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STATE OF ALASKA

ALASKA PUBLIC OFFICES COMMISSION

JAY S. HAMMOND, GOVERNOR

REPLY TO:

- 610 C STREET, SUITE 211
ANCHORAGE, ALASKA 99501-3598
(907) 276-4176
- JUNEAU BRANCH OFFICE
POUCH CO
JUNEAU, ALASKA 99811-0222
(907) 465-4864

April 15, 1982

House Judiciary Committee

Re: HCS CSSB 167(SA)

The Alaska Public Offices Commission opposes the provisions of the House Committee Substitute for Senate Bill 167 which abolish the Commission, assigning Campaign Disclosure to the Director of Elections and Conflict of Interest plus Regulation of Lobbying to the Commissioner of Administration. The Commission believes that the net effect of such a transfer would be to dilute the effectiveness of Alaska's disclosure laws by assignment to agencies with substantial workloads which are materially different from the duties of a disclosure agency.

The Commission, as organized presently, is committed solely to the process of disclosure including assisting those who are required to file as well as providing public access to the information on file. The suggestion has been made by those who initiated the plan to abolish the Commission that to do so will result in greater efficiency for candidates as well as a savings cost to the State. That statement overlooks two facts: State candidates will still have to deal with two entities since Conflict of Interest is to be administered by the Commissioner of Administration and budget reductions will bring reduced service in either public accessibility or in assistance to those subject to the laws. Reduced service is the inevitable result of having a professional staff whose workload is divided between disclosure and other responsibilities.

CSSB 167 as approved by the Senate contains numerous constructive amendments to the Campaign Disclosure Law. A substantial number of those amendments were formulated in 1981, with additional items developed and advocated by the Commission this year. The list dated February 15, 1982, summarizes those amendments and the Commission asks that you adopt CSSB 167 (RLS)(am) rather than the House State Affairs Committee substitute. The Commission believes that such an action holds the best hope for seeing that the amendments on the attached list are accomplished.

In making this request, there is one item which State Affairs added to this bill which deserves comment lest the Commission's opposition to other provisions of the House State Affairs version be misconstrued. On pages 17 & 18, section 38, a new paragraph (9) has been added which amends the definition of political party such that the Libertarian Party would be eligible for exemption from the contribution limitation. In 1981, the Commission considered adopting a regulation which would have accomplished the same thing, but following public testimony, concluded that the proposed regulation went beyond the scope of its authority and the issue would require Legislative action. The Commission continues to feel that Legislative action is the appropriate forum for such a decision.

In closing, I would like to emphasize the Commission strongly favors restoration of a four-year statute of limitations for violations of the Campaign Disclosure Law. The 1980 amendments to the Election Code established the requirement that prosecution be initiated within one year of the date of the election. Given the steadily increasing size and length of campaigns a one year statute of limitations is a serious loophole which should be closed.

ALASKA PUBLIC OFFICES COMMISSION
CHECKLIST OF CSSB 167(R1s) CHANGES IN AS 15.13, CAMPAIGN DISCLOSURE
February 15, 1982

- increasing the maximum annual contribution from \$1,000 to \$2,000;
- raising the threshold at which a contributor's name must be reported to over \$250;
- allowing expenditures of \$250 or less to be reported as a lump sum on each report;
- exempting candidates for service area boards from campaign disclosure requirements;
- allowing deputy treasurers, as well as treasurers and candidates, to certify reports;
- allowing candidates who plan to accept no more than \$250 in total contributions and to spend no more than \$250 to file one Campaign Exemption Report;
- allowing contributions which exceed \$100 in cash to be accepted if receipted;
- allowing candidates to use a "short form" of identification on political communications, i.e., "paid for by Pat Candidate;"
- allowing expenditures before filing;
- establishing January 10 as the due date for Year-end Reports;
- deleting the requirement to report expenditures on 24 Hour Reports as well as changing such to "48 hour" reports;
- specifying which violations of AS 15.13 may result in criminal penalties;
- eliminating the requirement to record and report contributions returned within 72 hours;
- deleting the requirement that suppliers of services file reports;
- restoring the four-year statute of limitations for AS 15.13;
- requiring that APOC hearing process regulations be promulgated;
- prohibiting new regulations from taking effect later than 30 days before the filing deadline.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HCSCCSB 167
 Title Composition and responsibilities of the Alaska Public Offices Commission
 Requested by House Judiciary Committee Date April 13, 1982

II. FISCAL DETAIL Administration
 Agency Affected
 Program Category Affected General Government
 BRU, Program, Or Subprogram(s) Affected Commissioner's Office
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES		128.4	138.7	198.8	161.7	174.7
200 TRAVEL		1.0	1.1	1.2	1.3	1.4
300 CONTRACTUAL		40.7	43.9	47.4	51.2	55.3
400 COMMODITIES		3.5	3.8	4.1	4.4	4.8
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		173.6	187.5	202.5	218.6	236.2

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		173.6	187.5	202.5	218.6	236.2
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME		3.0	3.0	3.0	3.0	3.0
PART TIME		1.0	1.0	1.0	1.0	1.0
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

SEE ATTACHED

IV. DATE April 13, 1982 PREPARED BY Robert L. Rehfeld
 AGENCY Administration
 Original: Legislative Finance PHONE 465-2200
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Kelly
 33-001 (Rev. 12/81) House Judiciary
 Office of the Governor: Keith Specking

CRH
BK

Department of Administration
 Fiscal Impact: 24.45 and 39.50
 FY 83

Personal Services

Position	Salary	Benefits	Total
Executive Director	42.0	11.2	53.2
Adm. Assistant II	25.0	7.4	32.4
Secretary I	21.0	6.5	27.5
Clerk III (8ms)	11.5	3.8	<u>15.3</u>
			128.4

Travel

Two administrative trips: ANC-JNU-ANC = \$600
 Four days per diem @ \$80/day = 400

1.0

Contractual Services

Communications:	12.9	
Printing	7.5	
Ads	1.0	
Repair: 2 Memories	.9	
2 Selectrics	.3	
Pitney Bowes	.5	
Lexitron	1.8	
Misc.	.4	
Equipment Rental:		
Postage Meter	.2	
Xerox Share	3.0	
Lexitron	9.2	
Professional Services:		
Legal & Misc.	<u>3.0</u>	40.7

Supplies & Materials

Office Supplies	3.5	<u>3.5</u>
TOTAL		173.6

Assumptions: Retain Juneau Office for lobbying; Anchorage office is housed with other DOA offices for purposes of sharing xerox machine, etc.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCS CSSB 167 (SA) - "An Act relating to election campaigns & Title to the composition & responsibilities of the Alaska Public Offices Commission; Requested by House State Affairs Date 3/25/82 and providing for an effective date." /

II. FISCAL DETAIL

Agency Affected Office of the Governor
Program Category Affected Division of Elections
BRU, Program, Or Subprogram(s) Affected Division of Elections
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	17.5	117.8	101.5	113.7	127.3	142.6
200 TRAVEL	-0-	4.0	-0-	5.0	-0-	6.2
300 CONTRACTUAL	3.9	31.3	7.0	38.8	8.7	48.1
400 COMMODITIES	.2	2.5	.4	3.1	.5	3.8
500 EQUIPMENT	11.8	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	33.4	155.6	108.9	160.6	136.5	200.7

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	33.4	155.6	108.9	160.6	136.5	200.7
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

(In Man-Months)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	1.0	12.0	12.0	12.0	12.0	12.0
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	6.0	36.0	5.0	30.0	5.0	30.0

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assume:

- An effective date of June 1, 1982;
- 12% inflation;
- Only campaign disclosure responsibilities.
- That the current APOC Executive Director's services will be required through December 31, 1982.
- One temporary clerk in each office for 6 months each general election year and for one month during non-general election years.
- One-time equipment start-up costs (including microfiche-reader-printers in each of our 5 offices).

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155.6
173.6
339.2

IV. DATE 3/29/82

PREPARED BY Danith D. Arnoldt, Deputy Director
AGENCY Office of the Governor, Division of Elections

Original: Legislative Finance PHONE 586-6181
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY


POUCH Y - STATE CAPITAL
JUNEAU, ALASKA 99801
907-465-3800

MEMORANDUM

March 19, 1982

SUBJECT: Public Offices Commission
(HCS CSSB 167 (SA))

TO: Representative Ray H. Metcalfe
Chairman, House State Affairs Committee

FROM: Richard A. Bradley 
Legislative Counsel

You have requested a state affairs committee substitute for CSSB 167 (Rules) am.

Because it will not be possible to have a bill of this size (and complexity) prepared by 1:30 today, and because I gather that the committee has not completed its mark-up process, I decided that an analysis of what you have requested and my anticipated response to it would be useful to the committee.

I. Deletion of secs. 27 and 29 of SB 167. There are no particular difficulties with these deletions; these changes tie in with II, below.

II. Add in provisions of HB 89 am. Add references applying to school boards and charter commissions.

These changes present no particular policy problems. It is necessary to amend the provisions twice: first amending existing law and then amending provisions of the anticipated municipal code, with conditional effective dates.

III. Change \$250 to \$500 on page 5 of SB 167. No particular problem.

IV. Make the bill consistent with a one year statute of limitations. The committee asked that lines 1 - 5 on page 15 of SB 167 be deleted. If the committee wants to

Representative Ray H. Metcalfe
Page 2
March 19, 1982

make the statute of limitations for all offenses possible under the election code (AS 15, including AS 15.13), it will also be necessary to amend AS 15.13.120(e) down from its present four years to one year.

This is necessary because the existing provisions of AS 15.-56.130 are inconsistent with the existing provisions of AS 15.13.120(e). One provision or the other needs affirmative amendment to resolve the inconsistency.

V. Add in the provisions of HB 796 transferring the responsibilities of the APOC to the director of elections (as to AS 15.13) and to the commissioner of administration (as to AS 24.45 and AS 39.50). The merger of SB 167 and HB 796 will eliminate a number of sections in the earlier part of SB 167; sections that I anticipate deleting include secs. 2 - 5. I assume that the substantive changes accomplished in SB 167 in sec. 6 and following are to be incorporated into the provisions of HB 796 transferring the responsibilities out of APOC. The result is that each section in each bill needs careful review to see how these mergers are to be accomplished consistently.

I regret that it was not possible to prepare a bill of this complexity in the time permitted.

RAB:ljb

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 24, 1962

SUBJECT: APOC amendments
(HCS CSSB 167 (SA))

TO: Representative Ray H. Metcalfe
Chairman, House State Affairs
Committee

FROM: Richard A. Bradley *B*
Legislative Counsel

You have requested a draft of an amendment that removes the requirement to report income derived from occupants of single or multi-family units that are owned solely by the candidate.

In preparation of the amendment, I assumed that you would also wish the amendment to apply to the others required to report under AS 39.50 beyond a "candidate": for example, (existing) public officials and municipal public officials.

I have not taken your request that the units be owned "solely" by the candidate (or public official) literally. Thus, the amendment follows the style of AS 39.50.030 that usually treats property owned by a spouse or by a spouse and dependent child no differently for reporting purposes than that owned by the reporting official or candidate. Under the amendment you requested, if a spouse owned the units and the reporting official had no ownership interests in the units, the reporting official would have to report the interests owned by the spouse assuming the property was otherwise required to be reported under AS 39.50. Since this seems inconsistent with the logic of your request, I have dealt with this asset consistently with the other provisions of AS 39.50.030.

I suggest the following language:

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

(d) If a public official, a candidate for state elective office, or a candidate for elective municipal office or the spouse or dependent child of a public official, a candidate for state elective office, or a candidate for elective municipal office or a combination of them are the sole owners of a single or multi-family residential unit, the public official, a candidate for state elective office, or a candidate for elective municipal office is not required to report the income received from residential occupants of the unit.

I must also add that I doubt that this amendment which deals with the substantive aspects of the conflict of interest/financial disclosure requirements of AS 39.50 comes within the subject of the bill which is election campaigns and a reassignment of the responsibilities of the public offices commission.

If I may assist further, please advise.

RAB:ljb

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 29, 1982

SUBJECT: Election campaigns and APOC
(HCS CSSB 167 (SA))

TO: Representative Ray H. Metcalfe
Chairman, House State Affairs
Committee

FROM: Richard A. Bradley 
Legislative Counsel

At your request, I have not requested that HCS CSSB 167 (SA) be prepared in final form and delivered to you because I have been advised that the committee may be considering additional amendments.

At this time, I would like to call to your attention some defects in the clean draft of HCS CSSB 167 (SA) that I provided to you on March 25th. Further review brought the need for these changes to the light and they will be incorporated into the bill when it is prepared in final form.

In Sec. 1 of the bill there is a reference to a provision of AS 29: "at any regular election, as defined by AS 29.78.-010(14), . . ." It is clear that the new municipal code, if adopted this year, will render the reference obsolete.

But in our view, the phrase could be simplified and the reference obliterated without loss: "at any regular municipal election [, AS DEFINED BY AS 29.78.010(4),]". As the quote suggests, I want to delete the definitional phrase and add the term "municipal".

Sec. 7 of the draft provided to you last week has been deleted.

In explanation of the deletion, let me state that I was uncertain at first how to combine the provisions of SB 167

and HB 796. In places, both amend the same section of AS 15.13. I have understood that you wished the substantive changes requested in SB 167 (which is a reform bill proposed by the commission) with the elimination of the commission as the contribution received from HB 796. To the extent that HB 796 made policy changes to AS 15.13, I have not incorporated them into the resulting HCS CSSB 167 (SA).

Thus since SB 167 repealed AS 15.13.040(f), I have deleted the amendment to sec. 40(f) from the bill and added AS 15.-13.040(f) to the repealer section.

I have proposed several changes to AS 15.13.115, a section added to AS 15.13 in this bill. The source of this section is existing AS 15.13.120(d); the section is minimally changed for clarity.

Further changes have been made since it was last provided to you. Sec. 115(b) suggests that a "determination" is a conclusion by the commission (or director under this bill) that there has been actual violation. The suggestion in (c) that only such a "determination" is reported to the complainant is undoubtedly inadequate to the complainant. The complainant wants to know what the results of the investigation were, whether or not a determination under (b) that a violation was found to exist has occurred.

As I say this, I am aware that the commission has not interpreted the provisions of existing law this way; they have sought to give meaning to an ambiguous law. But this is the time to clear up ambiguities.

And finally, I have deleted sec. 115(d). The decision of the commission (or director) should be a final administrative decision, just like the results of other administrative investigations are final.

If the determination is that a violation has occurred, the matter is transferred to the attorney general and it is unclear what the nature of an "appeal" by the person against whom a violation has occurred might mean; in that situation, the complainant would not ordinarily be appealing. If the determination is that a violation has not occurred, it is again unclear what it means to appeal the decision. The commission has discretion to refer a case to the attorney

Representative Ray H. Metcalfe
Page 3
March 29, 1982

general or not. That decision is not and should not be subject to review if the decision is to close a case.

HB 796 deleted AS 15.13.125: Civil Penalties. SB 167 did not; I have replaced the section in the bill and amended it consistently with the pattern of the bill.

And finally, I am uncertain that the amendment relating to residential units that you requested achieves your goal. As written, the Mendenhall Apartments, for example, would not qualify for the exclusion you seek because it is not (exclusively) a residential unit. I am continuing to work on the amendment and I believe that I will be able to achieve your request.

RAB:ljb

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

April 1, 1982

SUBJECT: Election campaigns and APOC
(HCS CSSB 167 (SA))

TO: Representative Ray H. Metcalfe
Chairman, House State Affairs
Committee

FROM: Richard A. Bradley *B*
Legislative Counsel

The bill requested is enclosed.

As I advised Ann Krekelberg yesterday, I have incorporated into the bill the amendments proposed in my recent amendment to you which corrected earlier defects in the bill.

And as I advised, in my opinion the amendments to AS 39.50.-030 at bill sec. 64 do not come within the subject of the bill.

RAB:ljb

Enclosure

TELEPHONES
(907) 586-1325
586-6526

Alaska
MUNICIPAL
League

204 N FRANKLIN ST.
JUNEAU, ALASKA 99901

March 19, 1982

To: All members of the House State Affairs Committee

From: Ginny Chitwood, Executive Director
Alaska Municipal League

Re: HB 796 (now being incorporated into SB 167)

The Alaska Municipal League is an association of municipalities throughout Alaska. One of the services we provide our members is lobbying following a policy statement voted on at the annual conference each year. We have a staff of three, all of whom register with the Alaska Public Offices Commission and we report all expenditures involved in our lobbying activities according to the rules and regulations.

We are not protesting the provisions of HB 796 on our behalf. However, on the last page of HB 796, Section 47 calls for the repeal of AS 24.45.161(a)(2), which is the exemption provision for municipal elected and appointed officers. If this section was repealed, every mayor, council or assembly member, manager and other appointed official would have to register as a lobbyist and report under APOC regulations when working on behalf of their municipality unless specifically invited by a committee to address a particular subject.

Since all salaries, travel expenses, expense accounts, etc. of municipal elected and appointed officials are a matter of public record, we feel this is a duplication of time and effort. This would be the same as if the Federal government required state senators and representatives to report all travel expenses, etc. when visiting Alaska's Congressional Delegation. If you took your Congressman to lunch you would have to register and report all expenses involved. Since state government is an extension of Federal government, we feel there would be no need for this. By the same token, since local government is an extension of state government, we feel there is no need to subject municipal elected and appointed officials to the same regulations as a paid lobbyist. Some of our municipalities have paid lobbyists and these lobbyists register and report. I don't know of a single case where a paid lobbyist has not complied with the rules.

I respectfully ask that the reference to AS 24.45.161(a)(2) in line 16, page 20 of HB 796 be deleted.

Thank you.