

COMMITTEE REPORT  
SENATE

*Did not receive  
Final Finance CS  
Delivered directly  
to En Fee. Office*

FURTHER:

3/17/86

Date 4/25/86

Mr. President

The Committee on FINANCE considered SB 356  
relating to election campaign financing; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 356 (Finance)
- new title
- same title and recommends DO PASS
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE  
SFC 4/25/86  
6135  
4/30/86
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

*Kentful* will offer and.

*Jensen*

*Archer*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS

*Paul Grish Note*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Jan Fisk*  
Co-Chairman  
*do pass*  
Chairman recommendation

April 25, 1986

ALASKA PUBLIC OFFICES COMMISSION

SB 356

LETTER OF INTENT

It is the intent of the Senate Finance Committee that candidates under this statute when contracting for public relations services give priority to Alaskan firms. If a candidate should choose a non Alaskan firm, a letter of explanation shall be provided to the Legislature. This includes contracts covering the creation and production of printed materials, such as type setting, photography and printing, creation of advertising materials, such as magazine advertisements and television commercials, as well as the media space and time for the appearance of these advertisements.

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : CSSB 356 (Fin)  
 Title : Act relating to election  
campaign financing and the  
Alaska Public Offices Commission  
 Sponsor : Senate State Affairs  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Dept. of Law  
 BRU : Legal Services  
 \_\_\_\_\_  
 Components : Legal Services Operations  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0

<b>CAPITAL</b>	0	0	0	0	0	0
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<b>REVENUE</b>	0	0	0	0	0	0
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

**POSITIONS :**

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

This fiscal note zeroes all previous fiscal note funding for the Dept. of Law.

Prepared by : \_\_\_\_\_  
 Division : Senator Jan Faiks, Co-chairman  
Senate Finance Committee

Phone : 465-4523  
 Date : April 30, 1986

Approved by Commissioner : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Date : \_\_\_\_\_

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date: 4-25-86

**REQUEST**

Bill/Resolution No.: CSSB-356 (Fin)  
 Title: relating to election  
campaign financing  
 Sponsor: State Affairs  
 Requestor: Senate Finance  
 Date of Request: 4-25-86

**FISCAL DETAIL**

Agency Affected: Dept. Administration  
 BRU: Alaska Public Offices  
Commission  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		410.4				
TRAVEL		32.5				
CONTRACTUAL		157.9				
SUPPLIES		8.7				
EQUIPMENT		4.0				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>613.5</b>				

CAPITAL						
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REVENUE						
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**FUNDING : (Thousands of Dollars)**

GENERAL FUND		610.5				
FEDERAL FUNDS						
OTHER		3.0				
<b>TOTAL</b>		<b>613.5</b>				

**POSITIONS :**

FULL-TIME		9.0				
PART-TIME		1.0				
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

Prepared by: Senate Finance Committee  
 Division: Legislature

Phone: 465-3753  
 Date: 4-25-86

Approved by Commissioner: Senator Sackett  
 Agency: Legislature

Date: 4-25-86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

4/25/86

AMENDMENTS (Reflect 4/24 Finance Meeting)

TO: CSSB 356 (C & RA)

By: Faiks

✓ Amendment #1 \*\*ADOPTED\*\*

Page 8, line 11, delete "\$100" and insert "\$250"

Page 9, line 10, delete "\$100" and insert "\$250"

Page 11, line 3, delete "\$100" and insert "\$250"

Page 12, line 3, delete "\$100" and insert "\$250"

✓ Amendment #2 <sup>ADMITTED</sup> \*\*REVISED\*\* FF - y - 20 5/1

Page 19, line 19, after "time", insert:

"An individual who is requested to solicit a contribution for a candidate shall be appointed by the candidate as a deputy campaign treasurer. An individual who is requested to solicit a contribution for a political action committee shall be appointed by the political action committee as a deputy campaign treasurer."

Amendment #3 \*\*REVISED\*\* J.F. HOLD to be revised

Page 16, after line 19, insert new subsection to read:

"(f) A shareholder of a corporation and the corporation may each make a contribution to a candidate or political action committee up to the limits provided in (a) and (b) of this section."

Page 18, after line 10, insert new subsection to read:

"(e) A candidate or political action committee may accept a contribution from a shareholder of a corporation not to exceed \$1000 in the aggregate during a year and may also accept a contribution from the corporation not to exceed \$1000 in the aggregate during that year."

Page 18, line 26, after "corporation" insert:

"and a contribution made by a shareholder of a corporation is not a contribution in the name of the corporation" unless

J.F. Am-Am

the shareholder owns the controlling majority of shares in that corporation"

Amendment #4 Adopted 4/24/68

Page 23, after line 20, insert a new subsection to read:

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

✓ Amendment #5 <sup>11/20/24</sup> \*\*REVISED AND ADOPTED\*\*

Page 2, line 16 - page 3, line 8, delete all material and insert:

"(c) The governor shall appoint four members of the commission. Each of the two political parties whose candidates for governor received the highest and the second highest number of votes for the office of governor at the most recent preceding gubernatorial election is, as vacancies occur, entitled to submit nominations of four individuals to the governor for two members of the

commission. The four members appointed by the governor under (d) of this section shall appoint, by a majority vote, the fifth member when a vacancy in that position occurs.

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

Reletter remaining subsections accordingly.

Page 4, line 10, delete "(h) and insert "(f)"

✓ Amendment #6 \*\*ADOPTED\*\*

Page 21, line 29 - page 2, line 1,

Delete: "30 days after the date of the election"

Insert: "by December 31 of that year"

Amendment #7 \*\*PENDING\*\*

HOLD (See Bradley rewrite for  
Am #7)

Page 15, lines 25 - 26, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 16, lines 22 - 23, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 17, lines 20 - 21, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 18, line 7, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 26, line 18, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 26, lines 26 - 27, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 27, lines 6 - 7, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 29, lines 27 - 28, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 30, line 3, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 30, lines 20 -21, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

✓ Amendment #8 <sup>ADMITTED</sup> \*\*PENDING\*\*

Page 24, line 6, insert new subsection to read:

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

Amendment #9 <sup>IF WITHDRAWN</sup> \*\*PENDING\*\*

Page 14, after line 7, insert a new section to read:

"Sec. 15.14.085. STATEMENT BY CANDIDATE OR POLITICAL ACTION COMMITTEE MAKING CONTRIBUTION OR EXPENDITURE. (a)

If a candidate makes a contribution in goods, services, or money or an expenditure from the campaign funds of the candidate that benefits another candidate directly, the candidate or the treasurer of the candidate making the contribution or expenditure shall make and file in the central or a district office of the commission a signed

statement on a form made available by the commission reporting the activity within 10 days after the contribution or expenditure is made.

(b) If a political action committee makes a contribution in goods, services, or money or an expenditure from the campaign funds of the political action committee that benefits a candidate directly, the treasurer of the political action committee making the contribution shall make and file in the central or a district office of the commission a signed statement on a form made available by the commission reporting the activity within 10 days after the contribution or expenditure is made.

(c) The statement shall list the name, address of the candidate or political action committee that paid for the contribution or expenditure and include the date, amount,

4/24/86

TO: CSSB 356 (C & RA)

4/25/86  
By: Sackett 3  
M-

✓ Amendment #1

Page 21, delete line 6 and insert the following:

"the candidate knew or a reasonable person would have known"

Rationale: Amendment will require an objective test and would remove the potential of candidates avoiding responsibility for actions by using "Don't tell me" as an excuse for not knowing of improper acts.

TO: CSSB 356 (C & RA)

By: Sackett

4/25/86



✓ Amendment #2

Page 24, delete line 4 & 5

[(c) subsections (a) and (b) of this section do not apply to a public officer elected to office by popular vote.]

Rationale: Amendment will remove an advantage that an incumbent would have if only they could solicit contributions from public employees on the premises of a state or municipal office.

TO: CSSB 356 (C & PA)

By: Sackett

4/25/84

3-  
JL

Amendment #3

Page 33, delete lines 18 - 20 and insert the following:

"the complaint of the information reviewed and the fact that the Commission has terminated the investigation and will not be taking further action concerning the complaint."

Rationale: Amendment will remove any accusations of a cover-up and provide the public with the basis for determinations.

TO: CSSB 356 (C & RA)

By: Sackett

4/25/84

84-

Amendment #4

Page 38, line 17 add the following:

"accusation by the Commission, except as necessary for the Commission to conduct an investigation."

Rationale: Amendment will allow the Commission to subpoena former members of the Commission or a former employee in the course of an investigation."

4/25/86

AMENDMENTS

TO: CSSB 356 (C & RA)

By: Faiks

*Faiks Moved - ADOPTED  
(replaces former # 3)*

Amendment #1 **\*\*REVISED AND PENDING\*\***

Page 16, after line 19, insert new subsection to read:

"(f) A shareholder of a corporation and the corporation may each make a contribution to a candidate or political action committee up to the limits provided in (a) and (b) of this section unless the shareholder owns the controlling majority of shares in that corporation"

Page 18, after line 10, insert new subsection to read:

"(e) A candidate or political action committee may accept a contribution from a shareholder of a corporation not to exceed \$1000 in the aggregate during a year and may also accept a contribution from the corporation not to exceed \$1000 in the aggregate during that year unless the shareholder owns the controlling majority of shares in that corporation"

Page 18, line 26, after "corporation" insert:

"and a contribution made by a shareholder of a corporation is not a contribution in the name of the corporation unless the shareholder owns the controlling majority of shares in that corporation"

Amendment #2

*3. 1. 1. (Replaces Bradley language)*

Page 9, line 14, delete "and"

Page 9, line 16, after "expenditure" insert:

"; and

(8) for each fundraiser held under AS 15.14150(d), the date and place of the fundraiser, the total number of paying participants at the fundraiser, the total cost of the fundraiser, and the amount of contributions received"

Page 12, line 13, after "expenditure," insert:

"; and

(7) for each fundraiser held under AS 15.14.155, the date and place of the fundraiser, the total number of paying participants at the fundraiser, the total cost of the fundraiser, and the amount of contributions received"

Page 15, line 24, after "(a) delete "A" and insert:

"Except as provided in AS 15.14.155. a"

Page 15, lines 25 - 26, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 16, lines 22 - 23, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 17, line 17, after "(a)" delete "A" and insert:

"Except as provided in AS 15.14.155, a"

Page 17, lines 20 - 21, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 18, line 6, after "(2)" insert:

"except as provided in AS 15.14.155,"

Page 18, line 7, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 19, after line 10, insert a new bill section to read:

"Sec. 15.14.155. PERMITTED CASH CONTRIBUTIONS.

Notwithstanding the prohibition against the contribution in the form of a cash payment to a candidate or a political action committee, an individual may contribute and a candidate or a political action committee may accept cash at a fundraiser held by the candidate or the political action committee if food will be served at the fundraiser, if the contribution for admission to the fundraiser from any one individual is not in excess of \$25, and if there are 25 or more paying participants."

Page 26, line 18, delete:

"during the year of more than \$100 in the aggregate"

Page 26, lines 26 - 27, delete:

"during the year of more than \$100 in the aggregate"

Page 27, lines 6 - 7, delete:

"during the year of more than \$100 in the aggregate"

Page 29, lines 27 - 28, delete:

"during the year of more than \$100 in the aggregate"

Page 30, line 3, delete:

"during the year of more than \$100 in the aggregate"

Page 30, lines 20 - 21, delete:

"during the year of more than \$100 in the aggregate"

4/23/86 Adopted Faiks Amend. #1 (1st half) *split question*  
2) " " #4 *2nd half withdrawn*  
3) Halterd Amend. p. 23 line 15  
4) Faiks Amend. #5 (as amended)  
5) " " #6

Offered: 3/17/86  
Referred: Finance

Original sponsor: State Affairs  
Committee

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 356 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

11 CHAPTER 14. ELECTION CAMPAIGN FINANCING.

12 ARTICLE 1. ALASKA PUBLIC OFFICES COMMISSION.

13 Sec. 15.14.010. APPLICABILITY. (a) This chapter applies in  
14 each election for governor, lieutenant governor, a member of the state  
15 legislature, a delegate to a constitutional convention, and a judge  
16 seeking electoral retention.

17 (b) This chapter applies to each election for mayor, municipal  
18 governing body, and school board in a municipality with a population  
19 of more than 1,000 according to the latest estimates of population  
20 certified by the Department of Community and Regional Affairs under  
21 AS 29.60.020. A municipality may exempt its elections from the re-  
22 quirements of this chapter if a majority of the voters voting on the  
23 question at a regular election as defined by AS 29.71.800 or a special  
24 municipality-wide election called for that purpose vote to exempt its  
25 elections from the requirements of this chapter. The question of  
26 exemption from the requirements of this chapter may be submitted to  
27 the voters by initiative or by the city council or borough assembly by  
28 ordinance.

29 (c) This chapter does not prohibit a municipality from

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

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

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

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

15 (b) The commission consists of five members.

16 (c) The governor shall appoint two members from each of the two  
17 political parties whose candidates for governor received the highest  
18 and second highest number of votes in the most recent preceding gener-  
19 al election at which a governor was elected. The governor shall  
20 appoint each member from a party from a list of four names submitted  
21 to the governor by the central committee or other governing body of  
22 the party.

23 (d) The four members who were appointed by the governor from  
24 nominations submitted by political parties shall, by a majority vote,  
25 appoint the fifth member.

26 (e) The governor shall fill a vacancy or appoint a successor to  
27 a member appointed under (c) of this section within 30 days after  
28 receiving the nominations from the central committee or other govern-  
29 ing body of the party. An appointment may be made in anticipation of

1 an impending vacancy, and the appointment takes effect on the actual  
2 vacancy.

3 (f) When the term of the member appointed under (d) of this  
4 section expires or the position becomes vacant, a majority of the four  
5 members appointed under (c) of this section shall appoint a successor  
6 within 30 days after the position becomes vacant. An appointment may  
7 be made in anticipation of an impending vacancy, and the appointment  
8 takes effect on the actual vacancy.

9 (g) The term of office for each member of the commission is five  
10 years and until a successor is appointed and qualifies. If a vacancy  
11 occurs before the expiration of a member's term, the member appointed  
12 to fill the vacancy serves for the remainder of the unexpired term. A  
13 commission member may not serve more than one term, but a person  
14 appointed to fill an unexpired term may be appointed to a successive  
15 full five-year term.

16 (h) A member of the commission, during tenure, may not

17 (1) hold or campaign for elective office;

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

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

23 (4) participate in an election campaign or participate in  
24 or contribute to a political party; or

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

26 (i) Members of the commission are entitled to receive compen-  
27 sation of \$100 a day while attending commission meetings and are  
28 entitled to travel expenses and per diem authorized by law for state  
29 employees.

1           (j) The members of the commission shall elect a chairman. A  
2 majority of the commission constitutes a quorum. The affirmative vote  
3 of at least three members is required to take official action. A  
4 vacancy does not impair the power of the remaining members to exercise  
5 the powers of the commission.

6           (k) The commission may employ an executive director and other  
7 employees it considers necessary. The executive director and an  
8 employee of the commission may not, during tenure,

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

10                (2) engage in an activity described in (h) of this section.

11           (l) The commission shall establish a central office and shall  
12 establish or designate a commission office in each election district  
13 of the state for the filing and public inspection of the reports,  
14 registrations, or statements required to be filed with the commission.  
15 Only one commission office may be established or designated in a  
16 municipality that contains more than one election district. A dis-  
17 trict office designated under this subsection may be a municipal or  
18 other public office.

19           (m) The forms and material required for compliance with this  
20 chapter shall be made available in each commission office to candi-  
21 dates, persons, and political action committees required to file  
22 reports under this chapter.

23           (n) The commission shall promptly forward a copy of each report  
24 filed by a statewide candidate to each district office and it shall  
25 promptly forward a copy of each report filed by a legislative candi-  
26 date to the district office in the election district where the candi-  
27 date is seeking office.

28           (o) The commission shall ensure that copies of each report filed  
29 by a candidate for municipal office are made available for public

1 inspection in the municipality in which the candidate is seeking  
2 office.

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

4 (1) develop and provide forms for the reports, registra-  
5 tions, and statements required under this chapter, AS 24.45, and  
6 AS 39.50;

7 (2) prepare and publish a manual setting out uniform meth-  
8 ods of bookkeeping and reporting for use by persons required to make  
9 reports, registrations, and statements under this chapter and other-  
10 wise assist candidates, political action committees, and persons in  
11 complying with this chapter;

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

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

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

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

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

28 (8) examine, investigate, and compare reports, registra-  
29 tions, statements, and actions required by this chapter, AS 24.45, and

1 AS 39.50;

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

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

8 ARTICLE 2. REGISTRATION AND REPORTS.

9 Sec. 15.14.040. REGISTRATION BY CANDIDATES. (a) An individual  
10 shall register with the commission on a form prescribed by the commis-  
11 sion within 10 days after the individual either

12 (1) accepts contributions of \$1,000 or more in the aggre-  
13 gate from persons or from political action committees for the purpose  
14 of seeking elective office; or

15 (2) files for an elective office.

16 (b) The registration under (a) of this section must designate  
17 the office and the year of the election for which the campaign will be  
18 conducted, and designate whether the election is for a state or a  
19 municipal office.

20 (c) An individual required to register under this section shall  
21 include with the registration information required under AS 15.14.160.

22 Sec. 15.14.050. REGISTRATION BY POLITICAL ACTION COMMITTEES.

23 (a) A political action committee shall register with the commission  
24 on a form prescribed by the commission within 10 days after the polit-  
25 ical action committee either

26 (1) accepts contributions of \$1,000 in the aggregate; or

27 (2) makes

28 (A) a contribution to an individual who has registered  
29 with the commission under AS 15.14.040; or

1 (B) an expenditure in support of or in opposition to  
2 the election of an individual to an office covered by this chap-  
3 ter, or on behalf of or in opposition to a ballot proposition or  
4 question.

5 (b) A political action committee formed solely for the purpose  
6 of sponsoring an initiative, a referendum or a recall shall register  
7 with the commission within 30 days after it files a petition with the  
8 lieutenant governor or with a municipal clerk.

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

11 (d) A political action committee may not use or file with the  
12 commission a name that is the same as or materially similar to the  
13 name of a political action committee whose registration is then on  
14 file with the commission.

15 (e) If a political action committee intends to support or oppose  
16 only one candidate or to contribute to or expend more than 50 percent  
17 of its funds on behalf of or in opposition to one candidate, the name  
18 of the candidate must be part of the name of the political ac on  
19 committee. On receipt of the registration, the commission shall  
20 promptly notify the candidate of the political action committee's  
21 organization and its intent.

22 (f) A political action committee that makes expenditures or re-  
23 ceives contributions with the authorization or consent, express or  
24 implied, or under the control, direct or indirect, of a candidate is  
25 controlled by the candidate. A contribution to a political action  
26 committee controlled by a candidate is a contribution to the candi-  
27 date.

28 (g) A political action committee required to register under this  
29 section shall include with the registration the information required

1 under AS 15.14.160 and shall designate the year of the election for  
2 which the campaign will be conducted or shall indicate that it antici-  
3 pates continuing existence.

4 Sec. 15.14.060. REPORTS BY CANDIDATES OF CONTRIBUTIONS, LOANS,  
5 AND EXPENDITURES. (a) A candidate shall make full reports upon a  
6 form prescribed by the commission of the contributions and loans  
7 received and the expenditures made by the candidate for the designated  
8 election campaign, including

9 (1) for each individual, person, or political action com-  
10 mittee from which contributions in the aggregate amount of more than  
11 \$100 were received:

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

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

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

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

19 (2) for each person or political action committee that lent  
20 any amount to the candidate or that guaranteed or otherwise agreed to  
21 assume a financial obligation in any amount for or on behalf of a  
22 candidate,

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

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

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

29 (D) the purpose of the loan;

1 (E) the date and total value of the loan or financial  
2 obligation;

3 (F) the interest rate of the loan or financial obliga-  
4 tion;

5 (G) the date the loan or financial obligation is due;  
6 and

7 (H) the security, if any, for the loan or financial  
8 obligation;

9 (3) the total number and amount of all contributions re-  
10 ceived of \$100 or less;

11 (4) a total of all contributions received;

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

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

15 (7) the date, check number, the amount of the check, the  
16 full name of the payee, and the purpose of each expenditure.

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

23 (1) 30 days before the election unless the deadline for  
24 filing a nominating petition or declaration of candidacy is less than  
25 34 days before the election;

26 (2) seven days before the election.

27 (c) A candidate shall file a special contribution, loan, or  
28 expenditure report with the commission for each contribution, loan, or  
29 expenditure of more than \$250 that is received within the last 10 days

1 before the election. The report must include the full name, complete  
2 address, principal occupation and employer of the contributor or  
3 lender and the date and amount of the contribution or loan, or the  
4 purpose of the expenditure. The report shall be filed within 24 hours  
5 after the contribution or loan is received or the expenditure is made.

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

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

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

23 (3) must include the amount and the disposition of surplus  
24 funds.

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

1           (1) for each individual, person, or political action com-  
2 mittee from which contributions in the aggregate amount of more than  
3 \$100 were received:

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

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

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

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

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

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

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

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

22          (D) the purpose of the loan;

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

25          (F) the interest rate of the loan or financial obli-  
26 gation;

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

28          and

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

1            obligation;

2            (3) the total number and amount of all contributions re-

3            ceived of \$100 or less;

4            (4) a total of all contributions received;

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

6            (6) the date, check number, the amount of the check, full

7            name of each payee, and the purpose of each expenditure including

8                    (A) for each expenditure that is a contribution to a

9                    candidate or a political action committee, the name of the candi-

10                   date or political action committee; and

11                   (B) for each expenditure that is an independent expen-

12                   diture, the name of the candidate or ballot proposition or ques-

13                   tion supported or opposed by the independent expenditure.

14            (b) A report containing the information required under (a) of

15            this section must list the contributions and loans received and expen-

16            ditures made during the period ending three days before the due date

17            of the report and beginning on the last day covered by the most recent

18            previous report. The report shall be filed in the central office or a

19            district office of the commission at the following times:

20                    (1) 30 days before the election;

21                    (2) seven days before the election.

22            (c) A political action committee shall file a special contribu-

23            tion, loan, or expenditures report with the commission for each con-

24            tribution, loan, or expenditure of more than \$250 that is received

25            within the last 10 days before the election. The report must include

26            the full name, complete address, principal occupation and employer of

27            the contributor or lender and the date and amount of the contribution

28            or loan or the purpose of the expenditure. The report shall be filed

29            within 24 hours after the contribution or loan is received or the

1 expenditure is made.

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

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

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

28 (c) The statement must include a certification by the person  
29 making the statement that the contribution or expenditure consists of

1 funds or property belonging to the contributor and that the funds have  
2 not been given or furnished by another person or political action  
3 committee.

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

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

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

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

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

28 (3) who is or within one year before the date of the expen-  
29 diture has been receiving any form of compensation or reimbursement

1 from the candidate or from campaign funds for professional services  
2 that require the exercise of discretion or judgment relating to the  
3 conduct of the campaign.

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

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

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

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

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

23 ARTICLE 3. CONTRIBUTIONS AND EXPENDITURES.

24 Sec. 15.14.110. CONTRIBUTIONS BY A PERSON. (a) A person may  
25 not make a contribution in the form of a cash payment in excess of  
26 \$100 in the aggregate during a calendar year to a candidate or a  
27 political action committee.

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

1 candidate.

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

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

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

10 (2) to a political party.

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

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

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

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

21 (a) A political action committee may not make a contribution in the  
22 form of a cash payment in excess of \$100 in the aggregate during a  
23 calendar year to a candidate or political action committee.

24 (b) Except as provided in (c) of this section, a political  
25 action committee may not contribute or make an expenditure, other than  
26 as an independent expenditure, of more than \$1,000 in the aggregate  
27 during a year to a candidate or to a political action committee.

28 (c) Except as provided in (a) of this section, a political  
29 action committee may contribute any amount in money, goods, or

1 services to

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

4 (2) a political party.

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

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

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

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

17 Sec. 15.14.130. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
18 candidate, a campaign officer of a candidate, a political action  
19 committee, and an officer of a political action committee may not  
20 accept a contribution in the form of a cash payment in excess of \$100  
21 in the aggregate during a year from a person or a political action  
22 committee.

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

27 (c) Except as provided in this subsection, a political action  
28 committee and an officer of a political action committee may not  
29 accept a contribution in excess of \$1,000 in the aggregate during a

1 calendar year in money, goods, or services from a person or a politi-  
2 cal action committee. A political party or a political action com-  
3 mittee formed solely for the purpose of sponsoring or opposing an  
4 initiative or a referendum may

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

6 (2) not accept a contribution in the form of a cash payment  
7 in excess of \$100 in the aggregate during a calendar year from a  
8 person.

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

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

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

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

21 Sec. 15.14.150. PROHIBITED CONTRIBUTIONS. (a) A contribution  
22 may not be made and an expenditure may not be made or incurred either  
23 directly or indirectly in a fictitious name, anonymously, or by one  
24 person or political action committee in the name of another. A con-  
25 tribution made by a corporation is not a contribution in the name of a  
26 shareholder of the corporation for the purposes of this subsection.

27 (b) A contribution made by a person wishing to remain anonymous  
28 and received by a candidate or political action committee may not be  
29 accepted, but shall be returned to the donor if the identity of the

1 donor is known. If the identity of the donor is not known, the con-  
2 tribution shall be donated to an organization that qualifies as a  
3 charitable organization under 26 U.S.C. 501(c).

4 (c) A candidate, a campaign officer of a candidate, political  
5 action committee, and a campaign officer of a political action commit-  
6 tee may not accept a contribution described in this section. A con-  
7 tribution under this section is accepted unless it is returned or  
8 donated under (b) of this section within 10 days after the candidate  
9 or political action committee knows or should have known that the con-  
10 tribution is prohibited under this section.

11 ARTICLE 4. CAMPAIGN CONDUCT AND ADMINISTRATION.

12 Sec. 15.14.160. CAMPAIGN OFFICERS. (a) Each candidate may and  
13 each political action committee shall appoint a campaign chairman.  
14 Each candidate and each political action committee shall appoint a  
15 campaign treasurer who is responsible for receiving, holding, and  
16 disbursing all contributions and expenditures, and for filing all  
17 reports and statements required by law. Each candidate and each  
18 political action committee may appoint deputy campaign treasurers at  
19 any time. A candidate may be a campaign treasurer.

20 (b) At the time a candidate registers with the commission under  
21 AS 15.14.040, the candidate shall file a statement in the central or a  
22 district office of the commission listing the name, address, and  
23 telephone number of the candidate's campaign treasurer. At the time a  
24 political action committee registers with the commission under AS 15.-  
25 14.050, the political action committee shall file a statement in the  
26 central or a district office of the commission listing the name,  
27 address, and telephone number of the political action committee's cam-  
28 paign treasurer. Each candidate who appoints a campaign chairman and  
29 each political action committee shall include in the statement the

1 name, address, and telephone number of the campaign chairman.

2 (c) An individual may not act as the campaign chairman, campaign  
3 treasurer, or deputy campaign treasurer for a candidate or political  
4 action committee until the name, address, and telephone number of the  
5 individual has been filed with the commission. The address of a  
6 candidate's campaign treasurer is the address of the candidate unless  
7 the candidate files a different mailing address with the commission.

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

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

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

25 (2) the person does not exercise discretion or control as  
26 to the amount or as to the identity of the recipient of the contribu-  
27 tion; and

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

1           (f) The candidate is responsible for the performance of the  
2 campaign officers of the candidate. The campaign chairman of a polit-  
3 ical action committee is responsible for the performance of the other  
4 officers of the political action committee. A default or violation by  
5 the officer is considered a default or violation by the candidate if  
6 the candidate knew or had reason to know of the default or violation.  
7 A default or violation by the officer of the political action commit-  
8 tee is considered a default or violation by the campaign chairman of  
9 the political action committee if the campaign chairman knew or had  
10 reason to know of the default or violation.

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

14                   (1) influence or attempt to influence the actions of the  
15 voters for or against the election of a candidate or the passage or  
16 defeat of a ballot proposition or question; or

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

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

20           (c) Surplus campaign funds shall be disposed of under AS 15.14.-  
21 190.

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

26                   (1) for a statewide candidate in the general election, the  
27 date on which the successful candidate in the designated election is  
28 sworn into office;

29                   (2) for a legislative candidate in the general election, 30

1 days after the date of the election;

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

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

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

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

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

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

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

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

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

26 (3) the payment of loans made by the candidate to the  
27 campaign of the candidate.

28 Sec. 15.14.190. SURPLUS CAMPAIGN FUNDS. (a) A candidate shall  
29 dispose of campaign funds that are not spent during the designated

1 election campaign by

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

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

6 (3) after registering with the commission under AS 15.14.-  
7 040, transferring the funds to a newly designated election campaign  
8 account for a designated state election to be held not more than four  
9 years after the election designated under AS 15.14.040(b);

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

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

16 (6) returning the funds to contributors on a pro rata  
17 basis.

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

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

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

4/24/86  
Holford  
Amend.  
Adopted

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

4 (d) Subsections (a) and (b) of this section do not apply to a  
5 public officer elected to office by popular vote.

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

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

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

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

22 Sec. 15.14.220. CAMPAIGN FINANCING VIOLATIONS IN THE FIRST  
23 DEGREE. (a) A person who, with intent to avoid disclosure, fails to  
24 file a report of contributions, loans, or expenditures required to be  
25 filed 30 days or seven days before an election under AS 15.14.060(b)  
26 or fails to file a report within 24 hours after receiving a contribu-  
27 tion or making an expenditure under AS 15.14.060(c) is subject to a  
28 civil penalty of not less than \$500 nor more than \$2,000 for each day  
29 that the report is due but not filed up to a maximum of \$25,000 for

1 each report.

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

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

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

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

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

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

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

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

1 (1) of not less than \$1,000 nor more than \$5,000; and  
2 (2) not to exceed twice the amount that the contribution  
3 exceeds the limitation.

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

7 (1) of not less than \$1,000 nor more than \$5,000; and  
8 (2) not to exceed twice the amount that the contribution  
9 exceeds the limitation.

10 (g) Except as provided in AS 15.14.130(c), a political action  
11 committee that knowingly accepts a contribution in excess of the  
12 limitation established in AS 15.14.130(c) is subject to a civil  
13 penalty

14 (1) of not less than \$1,000 nor more than \$5,000; and  
15 (2) not to exceed twice the amount that the contribution  
16 exceeds the limitation.

17 (h) A person who knowingly makes a contribution in the form of  
18 cash during the year of more than \$100 in the aggregate in violation  
19 of AS 15.14.110(a) is subject to a civil penalty of

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

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

25 (i) A political action committee that knowingly makes a contri-  
26 bution in the form of cash during the year of more than \$100 in the  
27 aggregate in violation of AS 15.14.120(a) is subject to a civil penal-  
28 ty of

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

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

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

5 (j) A person or political action committee that knowingly ac-  
6 cepts a contribution in the form of cash during the year of more than  
7 \$100 in the aggregate in violation of AS 15.14.130(a) is subject to a  
8 civil penalty of

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

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

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

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

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

21 (l) A person or political action committee that knowingly ac-  
22 cepts a contribution obtained in violation of AS 15.56.025 through a  
23 threat of physical force, job discrimination, or financial reprisals  
24 is subject to a civil penalty of not less than \$1,000 nor more than  
25 \$10,000.

26 (m) A person or political action committee that intentionally  
27 solicits or requests a contribution from a public officer or employee  
28 of the state or a municipality of the state in a manner prohibited  
29 under AS 15.14.200(a) or (b) is subject to a civil penalty of not less

1 than \$500 nor more than \$5,000.

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

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

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

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

28 (d) A person who files a report of contributions or expenditures  
29 containing a false or misleading statement as to a contributor,

1 contribution, loan, or expenditure required to be included in a report  
2 under AS 15.14.060(a) is subject to a civil penalty

3 (1) of not less than \$50 nor more than \$500 for each false  
4 or misleading statement; and

5 (2) not to exceed the amount of the contribution or expendi-  
6 ture involving the false or misleading statement.

7 (e) A political action committee that files a report of contri-  
8 butions or expenditures containing a false or misleading statement as  
9 to a contributor, contribution, loan, or expenditure required to be  
10 included in a report under AS 15.14.070(a) is subject to a civil  
11 penalty of

12 (1) not less than \$50 nor more than \$500 for each false or  
13 misleading statement; and

14 (2) not to exceed the amount of the contribution or expendi-  
15 ture involving the false or misleading statement.

16 (f) A person who makes a contribution in excess of the limita-  
17 tion under AS 15.14.110(b) or (c) is subject to a civil penalty

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

19 (2) not to exceed the amount that the contribution exceeds  
20 the limitation.

21 (g) A political action committee that makes a contribution in  
22 excess of the limitation under AS 15.14.120(b) is subject to a civil  
23 penalty

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

25 (2) not to exceed the amount that the contribution exceeds  
26 the limitation.

27 (h) A person who makes a contribution in the form of cash during  
28 the year of more than \$100 in the aggregate in violation of AS 15.14.-  
29 110(a) is subject to a civil penalty of not to exceed the amount of

1 the cash contribution.

2 (i) A political action committee that makes a contribution in  
3 the form of cash during the year of more than \$100 in the aggregate in  
4 violation of AS 15.14.120(a) is subject to a civil penalty of not to  
5 exceed the amount of the cash contribution.

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

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

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

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

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

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

18 (l) A candidate, an officer of a candidate, a political action  
19 committee, or an officer of a political action committee that accepts  
20 a contribution in the form of cash during the year of more than \$100  
21 in the aggregate in violation of AS 15.14.130(a) is subject to a civil  
22 penalty of not to exceed the amount of the cash contribution.

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

27 (n) A person who fails to dispose of surplus funds by the date  
28 established in AS 15.14.190(b) is subject to a civil penalty of not  
29 less than \$25 nor more than \$100 per day for each day that the surplus

1 funds should have been but were not disposed of, up to a maximum of  
2 \$2,000.

3 (o) A person is subject to a civil penalty of not less than \$100  
4 nor more than \$2,000 if the person

5 (1) solicits or accepts a contribution or makes an expendi-  
6 ture, other than a disposition of surplus funds, after the date that  
7 campaign accounts are required to be closed under AS 15.14.180;

8 (2) uses campaign funds for a purpose not permitted under  
9 AS 15.14.170;

10 (3) uses surplus funds for a purpose not permitted under  
11 AS 15.14.190;

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

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

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

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

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

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

29 (3) AS 29.20.170, if the candidate is a candidate for

1 borough assembly;

2 (4) AS 29.20.280, if the candidate is a candidate for  
3 borough mayor;

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

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

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

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

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

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

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

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

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

29 Sec. 15.14.270. INVESTIGATIONS. (a) The commission may

1 investigate a violation of AS 15.14.220, 15.14.230, AS 24.50 and  
2 AS 39.50 on its own motion or upon receiving a signed and sworn  
3 complaint from any person.

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

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

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

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

29 (b) The commission shall include in or with the accusation a

1 statement in substantially the following form:

2 "To the Respondent: Unless you deliver or mail a written  
3 request for a hearing signed by you or on your behalf to  
4 the commission within 15 days after this accusation was  
5 personally served on you or mailed to you, the commission  
6 may proceed upon the accusation without further notice to  
7 you. You may request a hearing by delivering or mailing  
8 the enclosed form entitled 'Notice of Defense,' or by  
9 delivering or mailing a notice of defense under AS 15.14.290  
10 to the commission at its central office address (insert central  
11 office address)."

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

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

20 (1) deny the accusation in whole or in part and request a  
21 hearing;

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

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

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

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

1 (b) Within the time specified in (a) of this section, the re-  
2 spondent may file one or more notices of defense upon any or all of  
3 the grounds set out in (a) of this section but all of the notices must  
4 be filed within the period unless the commission in its discretion  
5 authorizes the filing of a later notice.

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

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

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

27 (b) The commission shall conduct its hearings under AS 44.62.-  
28 440 - 44.62.500, except that

29 (1) the commission may, but is not required to, appoint a

1 hearing officer under AS 44.62.350; and

2 (2) if a hearing officer is not appointed, the chairman of  
3 the commission, or the commission member designated by the chairman,  
4 shall preside at the hearing, and the attorney general shall assign an  
5 assistant attorney general to the commission to advise it on matters  
6 of law during the hearing.

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

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

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

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

24 (b) The executive director of the commission may not formally or  
25 informally make a recommendation to the commission as to a particular  
26 penalty in a pending matter or make a commitment to the respondent to  
27 make a particular recommendation to the commission in the future until  
28 after the respondent has admitted or pleaded no contest to the accusa-  
29 tion or until after a hearing and a final determination by the

1 commission that the respondent has committed the acts charged in the  
2 accusation.

3 (c) Before the executive director of the commission may make a  
4 recommendation to the commission for the imposition of a particular  
5 penalty in a matter, the respondent must first be given notice of the  
6 recommendation and afforded an opportunity to respond to the recom-  
7 mendation in person or in writing.

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

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

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

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

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

1 receiving the notice or may file a notice of defense under AS 15.14.-  
2 290.

3 (c) If the person does not pay the fine under (b) of this sec  
4 tion, the notice of fine constitutes an accusation under AS 15.14.280  
5 and the commission shall proceed against the person under AS 15.14.-  
6 280 - 15.14.310 and, upon determining that the person committed the  
7 violation, may impose a penalty for the violation not to exceed the  
8 maximum provided for the violation under AS 15.14.230.

9 Sec. 15.14.330. CONFIDENTIALITY. (a) An investigation by the  
10 commission under AS 15.14.270 is confidential unless and until the  
11 investigation results in the filing of an accusation under AS 15.-  
12 14.280.

13 (b) A member or a former member of the commission and an em-  
14 ployee or a former employee of the commission may not divulge the fact  
15 of or any particular concerning a pending, past, or contemplated  
16 investigation by the commission unless and until the filing of an  
17 accusation by the commission.

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

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

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

1 depositions in civil actions when consistent with the powers and  
2 duties assigned to the commission by law.

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

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

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

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

21 ARTICLE 6. GENERAL PROVISIONS.

22 Sec. 15.14.900. DEFINITIONS. In this chapter

23 (1) "candidate" means an individual who

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

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

29 (C) accepts contributions totalling \$1,000 or more in

1 the aggregate from another person or political action committee  
2 for the purpose of seeking elective office or retention in judi-  
3 cial office;

4 (2) "contribution"

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

14 (B) does not include

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

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

23 (iii) services provided by an attorney relating to  
24 AS 15;

25 (iv) ordinary hospitality in a home;

26 (3) "expenditure"

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

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

1 \* Sec. 2. AS 11.56.130 is amended to read:

2 Sec. 11.56.130. DEFINITION. In AS 11.56.100 - 11.56.130, "bene-  
3 fit" has the meaning given [ASCRIBED TO IT] in AS 11.81.900 but does  
4 not include

5 (1) political campaign contributions reported under AS 15.-  
6 14 [IN ACCORDANCE WITH AS 15.13];

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

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

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

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

17 (b) Unlawful solicitation of campaign contributions is a class C  
18 felony.

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

20 (a) This chapter shall be administered by the Alaska Public  
21 Offices Commission established [CREATED] under AS 15.14.020 [AS 15.-  
22 13.020(a)].

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

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

1 reporting period.

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

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

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

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

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

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

24 (3) resigns and the resignation is accepted;

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

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

29 (6) is convicted of a felony or misdemeanor described in

1 AS 15.56 and two-thirds of the members of the governing body concur in  
2 expelling the person elected;

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

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

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

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

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

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

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

17 (3) resigns and the resignation is accepted;

18 (4) is physically or mentally unable to perform the duties  
19 of office;

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

22 (6) is convicted of a felony or misdemeanor described in  
23 AS 15.56;

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

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

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

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

2 (a) The Alaska Public Offices Commission es<sup>a</sup>ablished [CREATED]  
3 under AS 15.14.020 [AS 15.13.020(a)] shall administer the provisions  
4 of this chapter. The commission shall prepare and keep available for  
5 distribution, standardized forms on which the reports required by this  
6 chapter shall be filed.

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

8 (a) In this chapter:

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

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

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

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

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

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

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

1           (8) "public official" means a judicial officer, a member  
2 of the legislature, the fiscal analyst of the legislative finance  
3 division, the legislative auditor of the legislative audit division,  
4 the executive director of the Legislative Affairs Agency and the  
5 directors of the divisions within the Legislative Affairs Agency, the  
6 governor, the lieutenant governor, a person hired or appointed as the  
7 head or deputy head of, or director of a division within, a department  
8 in the executive branch, and assistant to the governor, chairman or  
9 member of a state commission or board, and each appointed or elected  
10 municipal officer;

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

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

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

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

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

28           (3) Alaska Commercial Fisheries Entry Commission (AS 16.-  
29 43.020);

- 1 (4) Alaska Commission on Postsecondary Education (AS 14.
- 2 42.015);
- 3 (5) Alaska Energy Center (AS 46.12);
- 4 (6) Alaska Housing Finance Corporation (AS 18.56.010 -
- 5 18.56.210);
- 6 (7) Alaska Judicial Council (art. IV, sec. 8, Alaska Con-
- 7 stitution);
- 8 (8) Alaska Medical Facility Authority (AS 18.26.010 -
- 9 18.26.900);
- 10 (9) Alaska Municipal Bond Bank Authority (AS 44.85.020);
- 11 (10) Alaska Power Authority public directors (AS 44.83.030)
- 12 (11) Alaska Oil and Gas Conservation Commission (AS 31.05.-
- 13 005 - 31.05.170);
- 14 (12) Alaska Public Broadcasting Commission (AS 44.21.256);
- 15 (13) Alaska Public Offices Commission, including the execu-
- 16 tive director and employees of the commission (AS 15.14.020);
- 17 (14) Alaska Public Utilities Commission (AS 42.05.010);
- 18 (15) Alaska Resources Corporation (AS 37.12.010);
- 19 (16) Alaska Royalty Oil and Gas Development Advisory Board
- 20 (AS 38.06.020);
- 21 (17) Alaska Seafood Marketing Institute (AS 16.51.010);
- 22 (18) Alaska State Council on the Arts (AS 44.27.040);
- 23 (19) Alaska State Housing Authority (AS 18.55.020);
- 24 (20) Alaska Teachers' Retirement Board (AS 14.25.035);
- 25 (21) Alcoholic Beverage Control Board (AS 04.06.010);
- 26 (22) Board of Education (AS 14.07.075);
- 27 (23) Board of Fisheries (AS 16.05.221(a));
- 28 (24) Board of Game (AS 16.05.221(b));
- 29 (25) Board of Parole (AS 33.16.020);

- 1 (26) Board of Trustees and executive director of the Alaska  
2 Permanent Fund Corporation (AS 37.15.040);
- 3 (27) Commission on Judicial Conduct (art. IV, sec. 10,  
4 Alaska Constitution);
- 5 (28) Council on Domestic Violence and Sexual Assault  
6 (AS 18.66.010);
- 7 (29) Employment Security Advisory Council (AS 23.20.025);
- 8 (30) Fishermen's Fund Advisory and Appeals Council (AS 23.-  
9 35.010);
- 10 (31) Governor's Commission on the Administration of Justice  
11 (AS 44.19.110);
- 12 (32) Local Boundary Commission (AS 44.47.565);
- 13 (33) Occupational Safety and Health Review Board (AS 18.60.-  
14 057);
- 15 (34) Public Employees' Retirement Board (AS 39.35.030);
- 16 (35) State Assessment Review Board (AS 43.56.040);
- 17 (36) State Commission for Human Rights (AS 18.80.010);
- 18 (37) State Personnel Board (AS 39.25.060);
- 19 (38) University of Alaska Board of Regents (AS 14.40.120);
- 20 (39) Workers' Compensation Board (AS 23.30.005).

21 (b) Unlawful solicitation of campaign contributions is a class C  
22 felony.

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

24 (39) Alaska Public Offices Commission except to the extent  
25 that AS 44.62.350 - 44.62.630 is inconsistent with AS 15.14.270 -  
26 15.14.350

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

28 \* Sec. 14. Alaska Public Office Commission members serving on the  
29 effective date of this Act continue to serve out their terms as provided

1 under AS 15.13.020, repealed in sec. 13 of this Act. Vacancies occurring  
2 on or after January 1, 1987, shall be filled in accordance with AS 15.14.-  
3 020 enacted in sec. 1 of this Act.

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

8 \* Sec. 16. In accordance with AS 15.14.180 as enacted in sec. 1 of this  
9 Act, a candidate shall, no later than January 31, 1987, close each campaign  
10 account relating to a campaign for an election held before January 1, 1987,  
11 unless the campaign has outstanding debts. If the campaign has outstanding  
12 debts, the candidate may keep campaign accounts open after January 31,  
13 1987, but shall close each campaign account within 30 days after all debts  
14 have been paid and in no event later than January 1, 1988, whether or not  
15 there are outstanding debts remaining on that date. During the time that  
16 an account remains open under this section, contributions may be solicited  
17 and accepted and expenditures made only for the purpose of retiring  
18 outstanding debts of a campaign for an election held before January 1,  
19 1987. An outstanding campaign debt remaining on January 1, 1988, becomes  
20 the personal debt of the candidate.

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

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

TO: CSSB 356 (C & RA)

By: Faiks

Amendment #1 *Sackett moved & split 7:*

*1st half of*

Page 8, line 11, delete "\$100" and insert "\$250"

Page 9, line 10, delete "\$100" and insert "\$250"

Page 9, line 29, delete "\$250" and insert "\$500"

Page 11, line 3, delete "\$100" and insert "\$250"

Page 12, line 3, delete "\$100" and insert "\$250"

~~Page 12, line 24, delete "\$250" and insert "\$500"~~

~~Page 13, line 15, delete "\$250" and insert "\$500"~~

~~Page 13, line 18, delete "\$250" and insert "\$500"~~

*2-5  
P. Fischer  
approved*

*Faiks  
withdrawn  
- E*

Amendment #2

*Sackett - withdrawn (incorrect wording)*

Page 19, line 19, after "time", insert:

"An individual who receives a contribution for a candidate shall be appointed by the candidate as a deputy campaign treasurer. An individual who receives a contribution for a political action committee shall be appointed by the political action committee as a deputy campaign treasurer."

Amendment #3

*Sackett - withdrawn  
see 3 on 34.*

Page 18, after line 10, insert new subsection to read:

"(e) Notwithstanding (b) and (c) of this section, a contribution from a <sup>shareholder</sup> corporation does not violate this section because a ~~parent, subsidiary, or related~~ <sup>the</sup> corporation had <sup>already</sup> made the maximum contribution permitted by law."

Amendment #4

*Sackett - 04. (5) 04*

Page 23, after line 20, insert a new subsection to read:

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

*Insert Halford Amend p. 23 line 15 side 10*

Amendment #5

*Fail - 3 on 45 2011*

*04*

Page 2, line 16 - page 3, line 8, delete all material and insert:

"(c) The governor shall appoint four members of the commission. Each of the two political parties whose candidates for governor received the highest and the second highest number of votes for the office of governor at the most recent preceding gubernatorial election is, as vacancies occur, entitled to submit nominations of four ~~or more~~ individuals to the governor for two members of the

commission. The four members appointed by the governor under (d) of this section shall appoint, by a majority vote, the fifth member when a vacancy in that position occurs.

(d) In filling a vacancy that is subject to appointment by the governor, the governor shall make the appointment within 30 days after receiving the nominations *of your names* from the central committee or other governing body of the party. The governor shall make the appointment from nominees submitted to the governor by the central committee or other governing body of the party."

Reletter remaining subsections accordingly.

Page 4, line 10, delete "(h) and insert "(f)"

*14*  
Amendment #6 *Sarkis 3-*

Page 21, line 29 - page 2, line 1,

Delete: "30 days after the date of the election"

Insert: "by December 31 of that year"

Amendment #7

Page 15, lines 25 - 26, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 16, lines 22 - 23, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 17, lines 20 - 21, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 18, line 7, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 26, line 18, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 26, lines 26 - 27, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 27, lines 6 - 7, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 29, lines 27 - 28, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 30, line 3, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Page 30, lines 20 -21, delete:

"in excess of \$100 in the aggregate during the  
calendar year"

Amendment #8

Page 24, line 6, insert new subsection to read:

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

Amendment #9

Page 14, after line 7, insert a new section to read:

"Sec. 15.14.085. STATEMENT BY CANDIDATE OR POLITICAL  
ACTION COMMITTEE MAKING CONTRIBUTION OR EXPENDITURE. (a)  
If a candidate makes a contribution in goods, services, or  
money or an expenditure from the campaign funds of the  
candidate that benefits another candidate directly, the  
candidate or the treasurer of the candidate making the  
contribution or expenditure shall make and file in the  
central or a district office of the commission a signed

statement on a form made available by the commission reporting the activity within 10 days after the contribution or expenditure is made.

(b) If a political action committee makes a contribution in goods, services, or money or an expenditure from the campaign funds of the political action committee that benefits a candidate directly, the treasurer of the political action committee making the contribution shall make and file in the central or a district office of the commission a signed statement on a form made available by the commission reporting the activity within 10 days after the contribution or expenditure is made.

(c) The statement shall list the name, address of the candidate or political action committee that paid for the contribution or expenditure and include the date, amount, payee, and purpose of the contribution or expenditure. The candidate, the treasurer of the candidate, or the treasurer of the political action committee filing the statement shall furnish a copy of the statement to the candidate who benefits from the contribution or expenditure at the time the statement is filed with the commission."

A M E N D M E N T

Am #7

Offered in the SENATE

By Faiks

TO: CSSB 356 (C&RA)

Page 9, line 14, delete "and"

Page 9, line 16, after "expenditure" insert:

"; and

(8) for each fundraiser held under AS 15.14.150(d), the date and place of the fundraiser, the total number of paying participants at the fundraiser, the total cost of the fundraiser, and the amount of contributions received"

Page 12, line 13, after "expenditure," insert:

"; and

(7) for each fundraiser held under AS 15.14.150~~(d)~~(e), the date and place of the fundraiser, the total number of paying participants at the fundraiser, the total cost of the fundraiser, and the amount of contributions received"

Page 15, line 24, after "(a)" delete "A" and insert:

"Except as provided in AS 15.14.155, a"

Page 15, lines 25 - 26, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 16, lines 22 - 23, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 17, line 17, after "(a)" delete "A" and insert:

"Except as provided in AS 15.14.155, a"

Page 17, lines 20 - 21, delete:

"in excess of \$100 in the aggregate during a year"

Page 18, line 6, after "(2)" insert:

"except as provided in AS 15.14.155,"

Page 18, line 7, delete:

"in excess of \$100 in the aggregate during a calendar year"

Page 19, after line 10, insert a new bill section to read:

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

Page 26, line 18, delete:

"during the year of more than \$100 in the aggregate"

Page 26, lines 26 - 27, delete:

"during the year of more than \$100 in the aggregate"

Page 27, lines 6 - 7, delete:

"during the year of more than \$100 in the aggregate"

Page 29, lines 27 - 28, delete:

"during the year of more than \$100 in the aggregate"

Page 30, line 3, delete:

"during the year of more than \$100 in the aggregate"

Page 30, lines 20 - 21, delete:

"during the year of more than \$100 in the aggregate"

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST** Draft 5/ /86  
Bill/Resolution No. : HCS CSSB 356(SA)  
Title : Campaign Financing & APOC  
  
Sponsor : Senate State Affairs  
Requestor : House State Affairs  
Date of Request : 5/9/86

**FISCAL DETAIL**  
Agency Affected : Administration  
BRU : Alaska Public Offices Commis-  
      sion  
  
Components : \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES	0	120.2	120.2	120.2	120.2	120.2
TRAVEL	0	1.0	1.0	1.0	1.0	1.0
CONTRACTUAL	0	93.0	93.0	35.0	35.0	35.0
SUPPLIES	0	1.5	1.5	1.5	1.5	1.5
EQUIPMENT	0	45.0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	260.7	215.7	157.7	157.7	157.7

<b>CAPITAL</b>	0	0	0	0	0	0
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<b>REVENUE <sup>1</sup></b>	0	0	0	0	0	0
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- 1 - no basis for estimate

**FUNDING : (Thousands of Dollars)**

GENERAL FUND	0	260.7	215.7	157.7	157.7	157.7
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	260.7	215.7	157.7	157.7	157.7

<b>POSITIONS :</b>	3	3	3	3	3	3
FULL-TIME	2	2	2	2	2	2
PART-TIME	1	1	1	1	1	1
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary FY 87 equipment includes microcomputer link between Juneau & Anchorage offices; FY 87 and FY 88 contractual services include computer consulting services plus design/graphic work for campaign disclosure recordkeeping system and forms.

Prepared by : Mel Pittman Phone : 465-4864/276-4176  
 Division : Alaska Public Offices Commission Date : 5/9/86

Approved by Commissioner : [Signature] Date : 5/9/86  
 Agency : Department of Administration

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)







# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : CSSB 356 (C&RA)  
 Title : Act relating to election  
campaign financing  
 Sponsor : State Affairs  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Dept. of Admin.  
 BRU : Alaska Public Offices  
Commission  
 Components : \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	0	256.6	0	0	0	0
<b>TOTAL OPERATING</b>	<b>0</b>	<b>256.6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND	0	256.6	0	0	0	0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

The Senate's proposed FY 87 budget for APOC makes a miscellaneous reduction of \$256.6. This fiscal note will bring the Commission's funding to that requested in the Governor's revised budget.

Prepared by : \_\_\_\_\_ Phone : 465-4523  
 Division : Senator Jan Faiks, Co-chairman Date : Apr. 15, 1986  
Senate Finance Committee  
 Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : CSSB 356 (C&RA)  
 Title : Act relating to election  
campaign financing  
 \_\_\_\_\_  
 Sponsor : State Affairs  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Dept. of Admin.  
 BRU : Alaska Public Offices  
Commission  
 \_\_\_\_\_  
 Components : \_\_\_\_\_  
 \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	0	256.6	0	0	0	0
<b>TOTAL OPERATING</b>	0	256.6	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND	0	256.6	0	0	0	0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

The Senate's proposed FY 87 budget for APOC makes a miscellaneous reduction of \$256.6. This fiscal note will bring the Commission's funding to that requested in the Governor's revised budget.

Prepared by : \_\_\_\_\_ Phone : 465-4523  
 Division : Senator Jan Faiks, Co-chairman Date : April 25, 1986  
Senate Finance Committee  
 Approved by Commissioner : \_\_\_\_\_ Date : \_\_\_\_\_  
 Agency : \_\_\_\_\_

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : \_\_\_\_\_

**REQUEST**

Bill/Resolution No. : CSSB 356 (State Affairs)  
 Title : "An Act relating to election campaign financing and the Alaska Public Offices Commission; .."  
 Sponsor : Sen. State Affairs Committee  
 Requestor : Governor's Office/OMB  
 Date of Request : February 28, 1986

**FISCAL DETAIL**

Agency Affected : Department of Law  
 BRU : Legal Services  
 Components : Legal Services Operations

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.9	100.2	103.2	106.3	109.5
TRAVEL		4.0	4.9	5.0	5.2	5.4
CONTRACTUAL		10.8	13.4	13.8	14.2	14.6
SUPPLIES		6.0	3.7	3.8	3.9	4.0
EQUIPMENT		9.5	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>103.2</b>	<b>122.2</b>	<b>125.8</b>	<b>129.6</b>	<b>133.5</b>

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		103.2	122.2	125.8	129.6	133.5
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS :**

FULL-TIME		1	1	1	1	1
PART-TIME		1	1	1	1	1
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

Please see attached analysis.

Prepared by : Richard I. Pegues, Director Phone : 465-3672  
 Division : Administrative Services Division Date : 3-3-86  
 Approved by Commissioner : Richard I. Pegues / FOR  
Harold M. Brown, Attorney General Date : 3-3-86  
 Agency : Department of Law

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

## CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 356 (State Affairs)

This bill completely revises existing statutes governing election campaign financing and the operations of the Alaska Public Offices Commission. Because of the number of changes contained in the bill, it will be necessary to adopt a substantial body of regulations, both substantive and technical, to implement the bill's provisions. In this respect, regulations drafting will be a major undertaking, particularly in the areas of accusations, contested accusations, and summary disposition of violations. Such an undertaking can be expected to take a large portion of an attorney's time (40% to 50% in the three months before the bill's effective date and 20% to 30% in the 12 months following implementation.)

Moreover, the bill provides that the commission may conduct hearings without a hearing officer and, in such circumstances, the attorney general shall assign an assistant attorney general to advise the commission on matters of law during hearings. The attorney general is also legal counsel to the commission and advises the commission in legal matters arising out of the discharge of its duties and represents the commission in actions to which it is a party. These latter duties require that a second assistant attorney general be assigned to advise the APOC staff in order to avoid conflicts of representation that would otherwise occur if the same attorney advised both the commission and the APOC staff in matters brought before the commission by the staff.

Although the department currently devotes considerable attorney time to APOC matters, the multi-level representation necessitated by the bill will require that additional Department of Law attorney and support staff resources be provided to the APOC and its staff. Complaints handled by the APOC are increasing, and they are becoming more controversial. Contested accusations are more contentious and, as they generally receive the greatest public attention, there is a public expectation that the accusations will be speedily resolved. To do so in a manner that protects the rights of candidates, public officials, and the public requires that the legal advice furnished to the commission and its staff be provided as promptly and as efficiently as possible. The Department of Law therefore requests that an Attorney IV, together with a part-time legal secretary, be added to its Anchorage civil office to accomplish the purposes of this bill.

Funding Summary CSSB 356 (State Affairs)

	<u>Attorney IV</u>	<u>Legal Sec. I (PPT)</u>	<u>Total</u>
71000	60.0	12.9	72.9
72000	4.0	-0-	4.0
73000	6.2	4.6	10.8
74000	3.5	2.5	6.0
75000	<u>1.5</u>	<u>8.0</u>	<u>9.5</u>
Total	75.2	28.0	103.2

The fiscal note costs shown above are for 10-month start-up costs for FY 87. Costs after FY 87 are on 12-month, full-year basis and include a 3% annual inflation factor, less one-time costs that occur in FY 87.

Position Title Attorney IV			No. of Positions 1	Range/Step 24A	Barg. Unit PX	Gov.	Approv.	Disapp.
Time Status PFT	Staff Months 10	RP Number	Location Anchorage		Election District 8	Leg.		
Type of Expenditure			Justification					
		Amount	<p>This Attorney IV position will be required to handle the additional workload that will occur as a result of the enactment of CSSB 356. This bill, which completely revises the statutes governing election campaign financing and the operations of the Alaska Public Offices Commission, will require that the Department of Law provide attorney legal services at both the APOC commission and staff levels. Different attorneys must be used for these purposes to avoid any conflicts of representation. Because the accusations brought before the commission involve the rights and reputations of candidates and public officials, allocation of this position to the full-working level of Attorney IV is recommended.</p>					
1	2	3						
Salary	46,870							
Benefits	13,174							
Premium								
Other								
Total Personal Services		60,044						
Travel		4,000						
Contractual		6,180						
Commodities		3,500						
Equipment		1,500						
Other								
Total Cost		75,224						
Receipt Code	Funding Source							
	Federal Receipts 1002							
	C. F. Match 1003							
	General Funds 1004		75,224					
	I-A Receipts 1005							
	Program Receipts 1028							
	CIP Receipts 1061							
	Other							
For B&M Use Only								
Key Number								

**Request For  
New Position**

Agency Department of Law  
 BRU Legal Services  
 Component Legal Services Operations

Page 1 of 1  
 Revised Date

**FY 87**

Position Title <b>Legal Secretary I</b>			No. of Positions 1	Range/Step 10B	Barg. Unit GGU	Gov.	Approv.	Disapp.
Time Status PPT	Staff Months 10	RP Number	Location Anchorage	Election District 8		Leg.		
Justification								
This part-time position is requested to provide law office support services for the attorney who will be needed to handle the increased workload required by CSSB 356. The position will provide typing of legal forms, briefs, legal opinions, and memcranda. The position will also provide office communication and schedule appointments and travel. The typing load is expected to be particularly heavy in view of the overall changes to the state elections campaign financing statutes, which will require the drafting of a substantial body of procedural and substantive regulations. Allocation to the Legal Secretary I level is recommended in view of the specialized nature of the assignments to be undertaken.								
Type of Expenditure			Amount					
1			2			3		
Salary			9,470					
Benefits			3,429					
Premium Pay								
Other								
Total Personal Services						12,899		
Travel						-0-		
Contractual						4,570		
Commodities						2,500		
Equipment						8,000		
Other								
Total Cost						27,969		
Receipt Code			Funding Source					
			Federal Receipts 1002					
			G. F. Match 1003					
			General Funds 1004			27,969		
			I-A Receipts 1005					
			Program Receipts 1028					
			CIP Receipts 1061					
			Other					
For B&M Use Only Key Number _____								

**Request For  
New Position**

Agency Department of Law  
 BRU Legal Services  
 Component Legal Services Operations

Page 1 of 1  
 Revised Date

**FY 87**

**STATE OF ALASKA 1986 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date: \_\_\_\_\_

**REQUEST**  
 Bill/Resolution No.: SB 155  
 Title: An act relating to election campaign financing  
 Sponsor: State Affairs  
 Committee: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**  
 Agency Affected: Administration  
 BRU: Alaska Public Offices Commission  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	0	153.0	160.0	95.0	95.0	95.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	153.0	160.0	95.0	95.0	95.0
<b>CAPITAL</b>	0	0	0	0	0	0
<b>REVENUE</b>	0	0	0	0	0	0

**FUNDING : (Thousands of Dollars)**

GENERAL FUND	0	153.0	160.0	95.0	95.0	95.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	153.0	160.0	95.0	95.0	95.0

POSITIONS	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** Attach a separate page if necessary

FY87-FY91: RSA with Dept. of Law for Attorney A part-time Secretary.  
 FY87 & FY88 Only: Contractual services for computer program adaptation and instruction materials/form design and drafting.

Prepared by: Theda Pillemer *Theda Pillemer* Phone: 275-4176  
 Division: Alaska Public Offices Commission Date: 1/30/86

Approved: Commissioner *E. H. ...* Date: \_\_\_\_\_  
 Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

- Legislative Planning
- Legislative Services
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

POSITION PAPER  
SB 356

This legislation is a complete revision of the Campaign Disclosure Law, replacing AS 15.13 with a new chapter, AS 15.14. Major features include:

- increase to \$2,000 the allowable contribution to a candidate;
- limit to \$1,000 the allowable contribution to a political group other than a political party;
- limit to \$25,000 per year the allowable contributions by a political group other than a political party;
- specify that expenditure reporting by candidates is not due until after the election;
- raise threshold for disclosing contributor names from "more than \$100" to "\$250 or more;"
- require identifying information only for contributors who are individuals;
- establish felony level violations;
- require termination of candidate campaigns; and
- specify allowable uses of a campaign surplus.


These changes would affect approximately 200 state candidates, 350 municipal candidates in 24 municipalities, over 250 political groups, and their major contributors. The quantity and quality of campaign disclosure information available to the public would also be affected.

The most positive aspects of the Legislation are those which: clarify the registration requirements of candidates and groups; limit the activity of Political Action Committees; and those which specify the use of campaign funds, the termination of accounts, and the disposal of surplus funds.

Unfortunately, there are numerous provisions of the Legislation which are flawed. Examples of problem areas include a higher burden of proof and of criminal intent than those used elsewhere in Alaska law, contradictory provisions concerning the solicitation and receipt of contributions, and restrictive time limitations on investigations. The Department does not support SB 356 because of the numerous provisions which would hamper effective enforcement.

  
Exec. Dir., Public Offices Commission

1/30/86  
Date

  
Commissioner Eleanor Andrews  
Department of Administration

1/30/86  
Date

STATE OF ALASKA

ALASKA PUBLIC OFFICES COMMISSION

BILL SHEFFIELD, 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 23, 1986

RECEIVED APR 23 1986

The Honorable Jan Faiks, Co-Chairman  
The Honorable John C. Sackett, Co-Chairman  
Senate Finance Committee  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811

Dear Senators Faiks and Sackett and Members of the Committee:

When Senate Bill 356 was in the Community and Regional Affairs Committee, the Alaska Public Offices Commission gave testimony expressing its concerns with the proposed legislation and cited particular sections which the commission thought the most problematic. The Community and Regional Affairs Committee took no action with respect to the commission's suggestions. For that reason, the Alaska Public Offices Commission believes this legislation needs serious work.

Before the Community and Regional Affairs Committee passed SB 356, one of the committee members asked Susan Burke, counsel for the Senate State Affairs Committee, if there were any substantive issues raised in the commission's testimony and the March 6, 1986 letter from the commission's executive director. Ms. Burke responded that there were not. The commission does not agree.

As an update to the fiscal note information, please note that if the Governor's request of 706.6 for an operating budget in FY 87 and the Department of Law's March 3, 1986 fiscal note were funded, the Commission's fiscal note could probably be reduced to approximately 55.0 for FY 87 and 55.0 for FY 88.

Attached is a copy of the testimony and letter which were submitted to the Community and Regional Affairs Committee. If you have any questions concerning the Commission's position on SB 356, please contact the commission's staff.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



Jean C. Rogers, Chairman

Attachment

CC: Theda S. Pittman  
APOC Members  
Marsha Hubbard

# STATE OF ALASKA

## ALASKA PUBLIC OFFICES COMMISSION

BILL SHEFFIELD, GOVERNOR

REPLY TO

910 C STREET, SUITE 211  
ANCHORAGE, ALASKA 99501-3538  
(907) 278-4176

JUNEAU BRANCH OFFICE  
POUCH CO  
JUNEAU, ALASKA 99811-0222  
(907) 485-4884

March 6, 1986  
Telecopy

The Honorable Edna DeVries, Chairman  
Senate Community & Regional Affairs  
Alaska State Senate  
Pouch V  
Juneau, AK 99811

Dear Senator DeVries and members of the Committee:

Enclosed is a copy of Jean Rogers' testimony on CSSB 356(SA) as provided at the teleconference meeting on February 28.

The Commission discussed the additional questions raised by members of the Committee at its meeting on Friday and asked that I provide you with a summary of their discussion.

### Provisions on Loans:

It appears that CSSB 356(SA) contains inconsistent provisions with respect to loans that would make it difficult to administer. Which provisions are intended to be controlling? For example, the definition of "contribution" includes "[L]oan or loan guarantee...." Page 40, line 10. Candidates and PACs may not accept a contribution in the form of a loan or a loan guarantee. Page 18, line 12; page 17, line 8. Loans and loan repayments are required to be reported by candidates and PACs. Page 8, line 4; page 10, line 26.

Page 16, line 10, AS 15.14.110(3) reads:

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

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

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

The Commission's experience has shown there is, unfortunately, no simple solution to the problem of pre-campaign loans to a potential

candidate or non-campaign loans to an existing candidate. The Commission has had many discussions about ways to delineate by statutory or regulatory language allowable loans from those which are not allowable. No single, simple test has been found so far. Individuals who are candidates or who may become candidates can not be, nor should they be, deprived by a campaign finance law of their right to engage in other financial transactions unrelated to the campaign.

Under the language in AS 15.14.110(e)(1), the Commission would be required, in cases of alleged violation, to determine whether a loan transaction to a candidate from someone other than a spouse, parent or child of the candidate was, in reality, a contribution. The determination problem is the same as under present law. The change produced by the new language is that it appears to limit those who may make any loans to the campaign at all to those who fit into the four specified categories: candidate, spouse, parent, child. The language in subsection (e)(2) does not indicate that spouse/parent/child loans may exceed \$2,000; presumably they may not.

Case Law Reference re: return of prohibited contributions.

People v. de Grazia, 434 NE2d 543 (Ill. App. Ct 1982). See also 27 Am. Jur. 2d Sec. 879 Escheat at notes 15-16 (1966).

SB 401 - Repeal of Campaign Disclosure Regulations and Regulations on complaints, preliminary investigations, hearings, advisory opinions:

A position paper has been filed on this bill. Copy enclosed.

Summary Statement with respect to CSSB 356(SA):

There are some provisions the Commission can support and others which it can not support. The provisions related to violations, enforcement, and procedures must provide realistic and useful tools for administering the Law. In the absence of such tools, the other changes may never be implemented effectively.

The Commission asked that I convey to you again its appreciation for the special efforts that were made to set up the audio conference. I look forward to hearing from you, should you have any questions about the enclosed information.

Sincerely,  
ALASKA PUBLIC OFFICES COMMISSION

THEDA PITTMAN  
Executive Director

cc: Mike McMullen, Dept. of Administration  
APOC Members

February 28, 1986

Senate Community & Regional Affairs  
Teleconference  
CSSB 356(SA)

My name is Jean Rogers. I'm the chairman of the Alaska Public Offices Commission. Arlayne Knox from Fairbanks who is the vice-chairman of the Commission is here with me as is our newest member, Annie Laurie Howard of Anchorage. Yesterday afternoon the Commission spent some time discussing the bill before you. We find there are things in the bill we support and things in the bill we oppose. I'll try to give you a few examples of each in just a moment.

But first, the members of the Commission wish to point out that this bill is very different from both the one that was initially introduced into State Affairs and from the proposals which received public testimony in October. Quite frankly, with such complex language on a subject of intense public interest, a proposal needs to be put on the table and left there in the same form long enough for people to obtain a copy, read it, and think about it before they testify. Unless that is done, the debate takes place only on a few key issues and many other critical provisions are adopted without scrutiny.

All fall the public discussion centered on Mr. Gross's proposal to abolish the contribution limitation. Now we know that provision is not to be part of the language, but the debate about that proposal has created the impression that everyone knows what's in the bill.

With respect to the the provisions we discussed yesterday, we were reviewing the State Affairs Committee Substitute dated February 24th. The items we like the most include the registration section for candidates and political action committees, the codification of independent expenditures, the requirement to terminate a campaign, the ban on solicitations under force or in public offices. While there may well be room for improvement in these sections, we believe the concepts to be good ones and worth pursuing.

Now let me turn to the provisions which give us the most concern. They are listed in the order they appear in the bill.

Page 18, line 27, subsection 150(a) - As you know we do not support the continuation of contributions by subsidiaries. The records of the past two elections amply illustrate how the limitation is undermined by this practice.

Page 19, line 1, subsection 150(b) - The law needs to spell out that any kind of prohibited contribution must be returned whether was anonymous, in the name of another, in a fictitious name, an excess contribution, etc. We have found case law elsewhere that suggest both the present statute and the proposal before you are inadequate on this subject.

Page 19, line 11, subsection 150(c) - If a person is allowed 10 days to return a prohibited contribution, then the Commission will end up

with cases where the issue is what to do about someone who returned a contribution in 11 days, or 12 days or 13 days. Complainants frequently use such provisions to their advantage. It would make more sense to require immediate return and give the Commission room to consider the facts in a specific situation.

Page 20, line 21, subsection 160(e) -- Much has already been said about the language which undermines the requirement to list deputy treasurers. Those of us who believe the public has the right to know who's carrying around campaign money would like to know how a person could solicit a contribution and carry it to a campaign without exercising any discretion over the identify of the campaign or the amount of the contribution. The real bagmen in life don't say, "I hope you give a contribution of some amount to some candidate and if you do, I'll take it to them." That's the only behavior this language would sanction.

Page 21, line 4, subsection 160(f) - This language parrots existing law about the responsibility of candidates. Our experience has shown that there's much room for improvement with respect to the candidates and the organizers of groups being required to be responsible. Anything you can do to strengthen this language would be appreciated.

Campaign Violations in the 1st and 2nd degree - subsections 220 and 230. Although it appears the Commission could levy substantial fines for 1st degree violations, that would be unlikely. In order to assess the larger fines, the Commission would have to prove by clear and convincing evidence that an act was taken with intent to avoid disclosure. This standard of proof is unreasonably high and would mean few penalties at the higher levels. In the second degree area, we feel that the fines may be too low.

Page 32, Statute of Limitations, section 260 - the term should be 4 years for both kinds of violations, especially since 4-year terms of office are covered by this law.

Page 36, subsection 310(b), "ban on plea bargaining," - The Commission staff serves at the pleasure of the Commission; those who are unhappy with its performance are most welcome to write and let us know.

Page 38, subsection 330, confidentiality - Even if we supported the premise - and we're not sure we do - this language is flawed. The confidentiality requirement is clearly imposed on the Commission and its staff but the complainant would still be free to talk. The language forbids discussion if no accusation is ever filed. Certainly the public has an interest in what cases are dismissed and why. The language in subsection (b) is so prohibitive that it might be illegal to conduct an investigation. If a subpoena were issued with the name of the respondent on it, such could be construed as divulging the existence of an investigation.

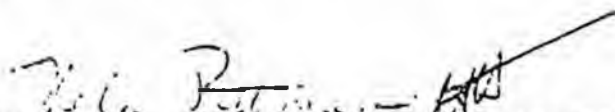
That concludes my remarks on behalf of the Commission. Thank you for this opportunity and for the special effort you made to arrange this teleconference. We're most appreciative.

POSITION PAPER  
SB 401

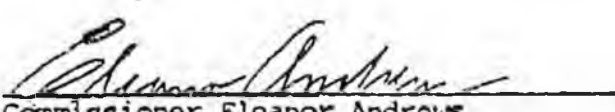
This legislation annuls 34 administrative regulations promulgated by the Alaska Public Offices Commission in accordance with the provisions of the Administrative Procedure Act (AS 44.62). The specific regulations to be annuled include all long-standing and newly-revised regulations, twenty-nine in number, "[N]ecessary to implement and clarify the provisions of ...." AS 15.13, Alaska's Campaign Disclosure Law. AS 15.13.030(10). The remaining five regulations annuled by the bill are general provisions, procedural in nature, which are also applicable to AS 24.45, Regulation of Lobbying, and to AS 39.50, Conflict of Interest. The latter regulations include the Commission's procedures for handling complaints, preliminary investigations, hearings, and advisory opinions.

These changes would affect approximately 200 state candidates, 350 municipal candidates in 24 municipalities, over 250 political groups, and their major contributors. Candidates, groups, and contributors desiring to comply with AS 15.13 would be unsure of their responsibilities and would swamp the Commission with anxious inquiries. Those desiring to operate unfettered by the requirements of Alaska law would claim they didn't know their actions were improper.

With the 1986 campaigns well underway, the Commission would be required -- in order to assist those campaigns and in order to comply with its enabling legislation -- to publicize its intent to adopt Campaign Disclosure regulations and then to undertake the adoption of emergency regulations. Since emergency regulations are effective only for a short period of time, a notice of intent to adopt permanent regulations would also be undertaken as soon as the emergency action was complete. The process would require 6-9 months and additional funding due to the size of the task and the requirements of the Administrative Procedures Act.

  
Exec. Dir., Public Offices Commission

2/18/86  
Date

  
Commissioner Eleanor Andrews  
Department of Administration

2/18/86  
Date

2/20  
O

*Pass around please*  
STATE OF ALASKA  
THE LEGISLATURE

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

APR 13 1986

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 11, 1986

SUBJECT: Constitutional Power of the Legislature  
over the budget

TO: Senator Jalmar Kerttula

FROM: Tamara Brandt Cook *IBC*  
Director  
Division of Legal Services

*A. ? O.M.b. - questioned leg. authority*

13. You have asked to what extent the legislature has constitutional authority over the preparation of the budget. For the following reasons, it is my conclusion that the ~~legislature has absolute power~~ over the preparation of the budget appropriation together with complete authority over enactment of the budget appropriation bill, subject to the governor's power to veto or strike or reduce appropriation items under Article II, Section 15 of the state constitution.

Article II, Section 1 of the Constitution of the State of Alaska provides

The legislative power of the State is vested in a legislature consisting of a senate with a membership of twenty and a house of representatives with a membership of forty.

The "power of the purse" is a basic legislative power under our form of government. Black's Law Dictionary defines legislative power as

The lawmaking power; the department of government whose function is the framing and enactment of laws.  
(Citations omitted; emphasis added)

Our Supreme Court has specifically held that the blending of governmental powers is not to be inferred in the absence of an express constitutional provision. (Bradner v. Hammond, 553 P.2d 1 (Alaska, 1976)) This general principle would

indicate that, since the legislature is responsible for framing and passing laws, including appropriations, the executive branch has little constitutional authority over preparation of the budget. This notion is supported by the fact that no bill, including an appropriation bill, may become law unless it is passed by both houses of the legislature. (Article II, Section 14)

Article IX, Section 13 provides in part

No money shall be withdrawn from the treasury except in accordance with appropriations made by law.

As has been indicated, the legislature has the basic lawmaking power. In addition the terms "by law" and "by the legislature" are used interchangeably in the state constitution. (Article XII, Section 11) In considering Section 13 the Attorney General has concluded that it gives the legislature total power over the expenditure of state funds. (February 28, 1977, Op. Attorney General) This total power includes total power over the budget.

The governor has a distinct advisory role to play in the budget preparation process. Article IX, Section 12 provides

The governor shall submit to the legislature, at a time fixed by law, a budget for the next fiscal year setting forth all proposed expenditures and anticipated income of all departments, offices, and agencies of the State. The governor, at the same time, shall submit a general appropriation bill to authorize the proposed expenditures, and a bill or bills covering recommendations in the budget for new or additional revenues.

The governor is obligated to submit a budget to the legislature, but the legislature is not obligated to incorporate all or any of the governor's budget into the final budget appropriation bill. This appears to have been the intent of the framers of the state constitution. During the convention a question was raised as to the source of Section 12. The working of the section was explained by Delegate Barr as follows:

It was taken from several other constitutions. It says, (sic) that 'The governor shall also submit a general appropriation bill to authorize all proposed expenditures.' It doesn't say there that that will be

Senator Jalmar Kerttula

Page 3

April 11, 1986

the final appropriation bill. That is within the authority of the legislature, but it could be a suggested appropriation bill. He sets forth his ideas in that bill as to how much should be appropriated for each department. However, the finance committee and the ways and means committee could take his bill and work it over and submit that to the legislature. (Proceedings of the Alaska Constitutional Convention, page 2351, emphasis added)

As previously mentioned, the governor does have the power to modify the legislature's revision of the budget after its passage through the exercise of the line item veto power. However, even that power is subject to legislative override, strengthening the conclusion that under our constitution, the legislature has absolute power over the budget.

TBC:mkr  
m4/101

LAW OFFICES  
**GROSS & BURKE**  
A PROFESSIONAL CORPORATION  
424 NORTH FRANKLIN STREET  
JUNEAU, ALASKA 99801

AVRUM M. GROSS  
SUSAN A. BURKE

(907) 586-2777

February 25, 1986

To: Members of the Senate Community and Regional Affairs  
Committee

From: Avrum M. Gross  
Susan A. Burke

SECTIONAL ANALYSIS OF CSSB 356 (State Affairs)  
CAMPAIGN FINANCING PRACTICES REVISION

The following is a section by section analysis of CSSB 356 (State Affairs), which revises the campaign financing laws now contained in AS 15.13.

Article 1. ALASKA PUBLIC OFFICES COMMISSION.

Sec. 15.14.010. APPLICABILITY. This section is almost identical to existing AS 15.13.010. One change from existing law is to cite to the specific statute under which the Department of Community and Regional Affairs certifies municipal populations for purposes of identifying those municipalities with populations of more than 1,000 to which the chapter applies. Also, the language in the existing law that states that the law applies to elections "to a municipal office" has been replaced with language that specifically refers to the offices that are to be covered --

*municipal governing body*

mayor, ~~assembly~~, and school board. This change insures that service area elections are not covered by the law.

The bill contains no counterpart to existing AS 15.13.011, which exempts presidential primary elections from the provisions of the chapter, since the law providing for a presidential primary in Alaska has been repealed.

Sec. 15.14.020. ALASKA PUBLIC OFFICES COMMISSION.

Subsections (a) through (g) deal with the appointment of commissioners and are in substance the same as the appointment provisions contained in AS 15.13.020. However, existing law only provides for the initial appointment of commissioners; it contains no procedure for the appointment of successors. The new sec. 15.14.020 establishes such procedures consistent with that used for initial appointments and establishes a period of 30 days after a vacancy within which the appointment must be made.

Under existing law, a member of the commission is prohibited from certain kinds of political activity, but an exception is made for contributions by commission members to a candidate for President of the United States. Under subsection (h) of sec. 15.14.020, this exception is no longer allowed.

Subsection (i) of sec. 15.14.020 changes the amount of compensation received by APOC commissioners to \$100 per day.

Presently, members of the commission receive compensation of \$50 per day -- the generally applicable per diem rate when the commission was established approximately 12 years ago.

Subsection (j) of this section amends existing law dealing with a quorum of the commission to provide that while a majority of the commission constitutes a quorum, a vote of at least three members is required for the commission to take any affirmative action. The purpose of this change is to insure that all actions by the commission will be taken by a bipartisan majority.

Subsection (k) includes a new provision that prohibits the executive director and employees of the commission from engaging in the types of political activity that commission members are prohibited from undertaking under subsection (h).

Sec. 15.14.030. DUTIES OF THE COMMISSION. This section is nearly identical to the present 15.13.030, which spells out the responsibilities of the APOC. Existing law requires the commission to report violations of the law to the Attorney General. Because the bill now contains only civil penalties, to be administered by the commission under provisions similar to the Administrative Procedure Act, subsections (7) and (8) of sec. 15.14.030 do not contain a

requirement that violations be reported to the Attorney General.

Article 2. REGISTRATION AND REPORTS.

Sec. 15.14.040. REGISTRATION BY CANDIDATES. Sec. 040 establishes the point at which a person becomes subject to the requirements of the law for filing reports required to be filed by candidates. It is set as the time the candidate files for nomination or previously, if he accepts contributions from others of more than \$1000 in the aggregate. Present law has no similar provision; AS 15.13.100 does provide, however, that candidates may not make expenditures for other than travel or polls prior to filing for office. This bill does not include the existing prohibition on expenditures prior to filing. A person under the provisions of this bill would be free to spend any amount of his or her own money campaigning without having to register with the commission or actually file for office. Such expenditures would, of course, be reported to the commission once the person did file for office or began to receive contributions from others.

Sec. 15.14.050. REGISTRATION BY POLITICAL ACTION COMMITTEES. Subsection (a) of this section is nearly identical to the present AS 15.13.050. It requires that political action committees register prior to making any

contributions to a candidate or independent expenditures on behalf of or in opposition to a candidate. Subsection (b) applies to committees that are not supporting candidates but instead are formed solely to support initiatives or referendums. Registration for such a committee is required within 30 days after the committee files a petition commencing the process of the initiative or referendum, regardless of whether contributions are solicited or expenditures made.

Subsection (c) is new, and provides that the registration of a PAC is valid only from the date of registration until the following January 31. In effect, this subsection requires a political action committee to renew its registration annually.

Subsection (d) is also new, and provides that a political action committee may not register using a name that is the same or materially similar to the name of another political action committee already registered. Similar provisions are found in the corporations code, and are designed to avoid confusion as to the identity of PACs.

Subsections (e) and (f) deal with PACs that are formed for the purpose of supporting only one candidate or that are so much controlled by a candidate as to be, in essence, nothing more than a campaign committee of the candidate.

These provisions are modeled after provisions of existing law contained in the definition of "group."

Sec. 15.14.060. REPORTS BY CANDIDATES OF CONTRIBUTIONS, LOANS AND EXPENDITURES. This section describes the information that must be included in contribution and expenditure reports and establishes the dates at which those reports must be filed. Under present law, these requirements are set out in AS 15.13.110 and AS 15.13.040. The bill makes very few substantive changes in the existing reporting requirements.

Under existing law, reports of contributions and expenditures must be filed on December 31 of each year, 30 days before an election, one week before an election, and ten days after an election. In addition, a report must be filed within 24 hours of a contribution of \$250 or that is received within one week of an election. The first change made in the bill to existing law is to raise from \$100 to \$250 the amount of aggregate contributions by a single contributor that requires disclosure of the identity and business affiliation of the contributor. The second change is to raise from \$250 to \$500 the amount of a contribution that must be reported within 24 hours of receipt during the period immediately prior to the election. These changes

merely reflect the effects of inflation since the adoption of the existing provisions 12 years ago.

The bill also eliminates the requirement that a report of contributions and expenditures be filed ten days after an election. That report has no impact on the election itself. Moreover, since under AS 15.14.180 of the bill campaign accounts must be closed as of the date the successful candidate is sworn into office and a final report filed shortly thereafter, the same information contained in the report filed ten days after an election will be included in the final report. Thus there is little if anything to be gained by filing the ten day report. The ten day report has, in effect, been replaced in the bill with a "final report," to be filed on or before January 31 of the year following the election. There is no existing requirement that campaign books be closed at any time; accordingly, there is no requirement under present law for a final report.

The bill also deals with an apparent oversight in the existing law regarding the special reports required for contributions of greater than \$500 made within one week of an election. Since under present law, (AS 15.13.110) reports need only include contributions made up to three days before the date of the report, the general report filed

one week before the election actually only includes contributions made up to ten days before the election. The report that is required for larger contributions made within one week of the election, then, leaves a gap of three days during which such contributions need not be specially reported. The new AS 15.14.060(c) closes this inadvertent loophole by requiring reports of \$500 contributions commencing ten days before the election.

The date for the year end contribution and expenditure report by candidates has been also changed from December 31 to January 31, and covers all contributions received and expenditures made between January 1 and December 31 of the immediately preceding year. The same change has been made for contribution and expenditure reports by political action committees in Sec. 15.14.070.

The bill for the first time would require candidates to report all loans received, including the amount, purpose, terms and identity of the lender. Sec. 15.14.110(e) of the bill prohibits contributions to candidates and PACs in the form of loans. Unless candidates and PACs are required to report all loans, there is no way to effectively enforce the prohibition against contributions in the form of loans.

The bill eliminates the requirements of existing AS 15.13.070(f) that limit the total expenditures that may be

made in a campaign, since such limits are unconstitutional. It also eliminates the provision in AS 15.13.040(f) that requires businesses providing media services to a candidate to report the amount of expenditures made by the candidate and received by them. The APOC stopped enforcing this provision years ago and there is no reason to carry it forward in the law.

Sec. 15.14.070. REPORTS BY POLITICAL ACTION COMMITTEES OF CONTRIBUTIONS, LOANS, AND EXPENDITURES. This section is similar to the present AS 15.13.040 and 15.13.110, and establishes the same reporting requirements for political action committees as sec. 15.14.060 establishes for candidates. *CRA Committee reduced reportable amount to \$100 not \$250.*

Sec. 15.14.080. STATEMENT BY PERSON MAKING CONTRIBUTION OR EXPENDITURE. This section is nearly identical to existing AS 15.13.080, and requires that persons contributing \$250 or more to a candidate or PAC must file a statement with the commission to that effect. This section also requires persons to file such statements concerning "independent" expenditures of \$250 or more.

Sec. 15.14.090. INDEPENDENT EXPENDITURES. The definition of "independent expenditure" set forth in this section raises one of the more difficult issues in the area of campaign financing regulation. Because the United States

Supreme Court has held that there may not be any limits imposed on the amount a person or political action committee spends "independently" of a candidate, and because this bill maintains limits on contributions to candidates by persons and political action committees, some definition must be established to differentiate the truly "independent" expenditure by a person or political action committee from one that is made in coordination with a candidate and therefore subject to the contribution limits. While the differences are easy to distinguish conceptually, fashioning a distinction in statutory language that will work in practice is not so easy.

One of the difficult problems of enforcing the contribution limits as they apply to non-independent expenditures -- particularly in a relatively small state like Alaska -- arises from the fact that professional media consultants often work, during the same election, for a number of individual candidates and also for political action committees. If a consultant is advising a PAC and that PAC is making expenditures on behalf of a candidate who is also one of the consultant's clients, there is a strong possibility that knowledge gained by the consultant from working with the candidate will, consciously or unconsciously, be applied to the development of media

prepared on behalf of the candidate by the political action committee.

From the standpoint of enforcing the contribution limits on political action committees, it is difficult to prove affirmatively, without an objective standard in the law, that a consultant has used information from the candidate in developing "independent" media for a PAC. Unless there is a clear, objective test for nonindependent expenditures, there will be no way to enforce the contribution limits.

This section attempts to establish an objective standard for "independent" expenditures. It is modeled after federal law. It provides, in essence, that an expenditure is not an independent expenditure -- and thus subject to the contribution limitations -- if the expenditure is made in consultation with someone who either was an officer of the candidate's campaign or worked in a professional capacity for the candidate's campaign within one year before the expenditure is made. This does not mean that expenditures made in consultation with candidates or their consultants are illegal. The provision would simply be a means of letting PACs, candidates, campaign workers, and media consultants know when expenditures that are made by "independent" supporters of a candidate must be reported

as contributions and included within the \$2,000 contribution limitation. This provision will unquestionably have some effect on a media consultant's ability to take employment both from a candidate and from PACs that seek to spend more than \$2,000 on that candidate's behalf.

The definition is far from perfect, since it is going to be difficult in many cases to determine if an expenditure is truly independent or whether it has been made through consultation with a candidate. Communication with the Federal Election Commission staff indicates that there have been few, if any, successful efforts to enforce this provision a federal level. Nonetheless, the distinction must be made since under rulings of the Supreme Court, there are no limits on the amount of independent expenditures that may be made by a PAC or individual to support a candidate, while expenditures that are not independent are deemed contributions and may be limited.

Sec. 15.14.100. CERTIFICATION OF REPORTS. Present law requires in numerous sections that reports made to the commission be certified. The proposed section makes that requirement generally applicable to all reports and adds a specific form for the certification.

*C+RA added that candidate can certify report.*

C+RA Committee:  
Kept present  
limit of \$1000

ARTICLE 3. CONTRIBUTIONS AND EXPENDITURES.

Sec. 15.14.110. CONTRIBUTIONS BY A PERSON. Subsection (a) of this section includes the present limitation of \$100 on the amount that may be contributed to a candidate or PAC in the form of cash. Subsection (b) raises the present limit of \$1,000 for contributions made by persons directly to candidates to \$2,000. Subsection (c) imposes for the first time a limit on the amount that a person may contribute to a PAC, and sets that limit at \$2,000. Subsection (d) permits, as does existing law, unlimited contributions to political parties, and restates the constitutional rulings of the United States Supreme Court that no limits may be imposed on contributions to groups formed solely for the purpose of supporting or opposing ballot propositions or questions. Subsection (e) prohibits persons from making contributions in the form of loans in any amount to candidates or political action committees. The theory behind this prohibition is that a candidate will feel more of an ongoing obligation to a contributor who lends the candidate money than to a contributor who merely gives a contribution in the form of an outright gift. Loans to candidates made by themselves or by members of their immediate families would still be permitted, as would

ordinary extensions of business credit made in the course of a campaign.

Sec. 15.14.120. CONTRIBUTIONS BY A POLITICAL ACTION COMMITTEE. Subsections (a) through (c) contain the same limitations on contributions by political action committees that sec. 15.14.110 imposes on contributions by persons. Subsection (b) of this section additionally prohibits a PAC from contributing more than \$25,000 in the aggregate during a year to candidates and other political action committees generally. *C+RA deleted subsection (b).*

Subsection (e) is concerned primarily with the potential problem of spinning off additional PACs from a "parent" PAC simply to avoid the contribution limitations. This subsection provides that multiple PACs are considered to be a single group for purposes of the contribution limits if the PACs share a majority of the same officers. This is far from an ideal solution to this problem; however, it is extremely difficult to draft objective indicators of "control" or "sameness" among PACs that will identify truly spurious spin-offs but that do not at the same time include genuinely distinct PACs.

Subsection (f) makes it clear that if a political action committee makes a non-independent expenditure for a communication supporting a slate of candidates, the

committee must allocate that expenditure for purposes of the contribution limitation among those candidates on a pro rata basis.

Subsection (g) provides (as in present law) that political parties may make unlimited contributions to candidates. The distinction is made because political parties are far different than the new type of political action committees that have sprung up in the last decade. Political parties are democratically run, and they represent a wide spectrum of interests as compared with political action committee that more and more tend to represent narrow economic or political concerns.

Sec. 15.14.130. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. The two previous sections (15.14.110 and 15.14.120) prohibit persons and PACs from making contributions beyond the limits provided in those sections. This section contains the counterpart provision that prohibits candidates, campaign officers, PACs and PAC officers from accepting contributions made in excess of those limits.

Sec. 15.14.140. EXPENDITURES. This section replaces the unconstitutional provisions of present AS 15.13.070(f) that limit campaign expenditures; the revision brings the law into conformity with U.S. Supreme Court decisions.

Subsection (a) provides that there is no limit on the amount a candidate may expend for his or her campaign. Subsection (b) provides that persons or PACs may also make unlimited expenditures of funds so long as those expenditures are independent expenditures.

Sec. 15.14.150. PROHIBITED CONTRIBUTIONS. This section continues the prohibition contained in present law, AS 15.13.070(d), against anonymous contributions or expenditures and against contributions and expenditures made in the name of another. This section also provides, contrary to regulations recently adopted by APOC, that contributions by a shareholder of a corporation are not contributions in the name of the corporation. This would permit a subsidiary corporation and its parent corporation each to contribute \$2,000 to the same candidate.

#### ARTICLE 4. CAMPAIGN CONDUCT AND ADMINISTRATION.

Sec. 15.14.160. CAMPAIGN OFFICERS. This section is similar to the existing provisions of AS 15.13.060. The new section retains the requirement of existing law that candidates and PACs must appoint a campaign treasurer. It adds a new requirement, however, that PACs must also appoint a campaign chairman. The existing statute requires candidates for state offices to file the name of their campaign treasurers with the director of the division of

elections, who then files it with the commission. The new section deletes the requirement of filing with the division of elections and instead provides for filing the names of campaign officers directly with the commission.

Under existing law, contributions may be "received" and expenditures made only through a campaign officer -- chairman, treasurer or deputy treasurer, or by a candidate personally. Sec. 15.14.160(e) of the bill would exempt a person from registering as a deputy campaign treasurer if the person's only activity is soliciting contributions and transferring contribution checks from contributors to candidates.

Subsection (f) is virtually identical to the existing provisions of AS 15.13.060(f), which provides that a default or violation of a campaign treasurer is considered a default or violation by the candidate if the candidate "knew or had reason to know of the default or violation." The new subsection expands the candidate's responsibility to all campaign officers, not just campaign treasurers.

Sec. 15.14.170. USE OF CAMPAIGN FUNDS. This section is new, and in effect prohibits the personal use of campaign funds by providing that campaign funds may be used only for campaign purposes. While the standards in the bill describing the permissible use of campaign funds --

"influencing or attempting to influence the actions of the voters" -- are very broad, attempts to develop a more precise definition inevitably resulted in banning things that arguably should be legitimate political expenditures. This section would also prohibit a candidate from repaying a loan made by the candidate to his own campaign if the loan was not timely reported as a loan under Sec. 060.

Sec. 15.14.180. TERMINATION OF CAMPAIGN ACTIVITY AND CLOSING OF CAMPAIGN ACCOUNTS. This section is new, and it is one of the major changes that this bill makes in the existing law. Existing law permits office holders to continue to solicit and accept contributions to pay off campaign debts during their terms in office. Not only does this give the winner in an election an enormous advantage over the losers in terms of the ability to raise post-election campaign contributions, but it also involves at the very least an appearance of impropriety, since the winner has the power -- at least in theory -- to assist contributors in ways that the losers do not. It also encourages candidates to run up large debts in their campaigns, since they can always hope that they will be successful and through subsequent fund raisers, be able to reduce or pay the debt.

*C + RA Committee added language requiring legislative candidates to close the campaign account 30 days after the general election. Previous version allowed them to keep it open until being sworn into office.*

This section requires candidates to close all accounts relating to a designated campaign no later than the date on which the successful candidate is sworn into office. Candidates who lose in the primary, municipal candidates, and candidates who withdraw before an election must close their accounts within a brief period after the election or withdrawal from the race. The section also prohibits candidates from soliciting or accepting contributions and from making any expenditures other than disposing of surplus funds after the date on which accounts must be closed.

Sec.15.14.190. SURPLUS FUNDS. This section is new. Under existing law, a candidate may use surplus campaign funds for any purpose, including as personal income, the only requirement being that the funds be declared as income for tax purposes. This section strictly limits the ways in which surplus campaign funds may be spent.

Sec. 15.14.200. SOLICITATION OF CONTRIBUTIONS. This section is new. There are currently no restrictions in law concerning the solicitation of contribution by and from public employees. Subsections (a) and (b) prohibit state and municipal officers and employees, except those elected to office by popular vote, from soliciting contributions from other public officials or employees while either the solicitor or the person being solicited is on the premises

↓ CTRA broadened coverage to include "A person may not solicit a public officer..."

of a state or municipal office. Subsection (c) prohibits candidates and PACs from accepting contributions obtained through those means.

Sec. 15.14.210. IDENTIFICATION OF COMMUNICATION.

Subsection (a) of section 210 is identical to existing AS 15.13.090, and requires that all advertisements and other political communications be identified by a "paid for by" statement. Subsection (b) is new. It requires a person or political action committee making an independent expenditure also to include a statement that the communication is not authorized by any candidate. This requirement is directed at independent advertisements that are ostensibly favoring one candidate, but that are so scurrilous as to require the candidate to adopt a defensive posture and disavow the advertisement after the fact. While there is no way constitutionally to prohibit scurrilous independent campaign efforts, this subsection at least offers the "benefited" candidate some protection.

Subsection (c) of this section is also new. In its most recent regulations, the commission adopted a provision that would exempt certain small campaign items -- buttons, pens, pencils, and so forth -- from including the phrase "paid for by." The regulation makes sense, but there is a real question as to whether the existing law provides

sufficient authority for the commission to adopt regulations to allow any exceptions to the statute's "paid for by" requirement. Subsection (c) would provide that authorization. The bill does not define in detail what constitutes "too small," as that is a matter more appropriately left to the commission to determine through regulations.

ARTICLE 5. VIOLATIONS, CIVIL PENALTIES, AND PROCEDURES.

As originally introduced, SB 356 contained three levels of penalties for violations of the provisions of Chapter 14 -- Class C felonies for knowing and intentional violations of the most important requirements of the law, Class A misdemeanors for knowing and intentional violations or less critical requirements, and civil penalties to be administered by the commission for inadvertent violations of the law. However, after the Attorney General testified before the Senate State Affairs Committee that the Department of Law did not want to be involved in prosecuting any violations of the act as crimes, the Committee totally revised the penalty provisions. The Committee Substitute for Senate Bill 356 now contains only civil penalties -- all to be administered by the Public Offices Commission. The bill does, however, continue to make a distinction between

intentional or knowing violations of the more important provisions of the law and those violations for which penalties may be imposed without proof of knowledge or intent.

Sec. 15.14.220. CAMPAIGN FINANCING VIOLATIONS IN THE FIRST DEGREE. This section deals with the more serious violations of the act that are committed either knowingly or with intent to avoid public disclosure. The heaviest potential penalty under this section is provided for a person or PAC that, with intent to avoid disclosure, fails to file a report due 30 days or seven days before the election or within 24 hours after receiving a contribution. Such a person or PAC would be subject to a penalty of not less than \$100 nor more than \$300 for each day the report was due but not filed, up to a maximum of \$25,000 for each report. The following are examples of the types of fines provided under this section for intentional violations of the law. A person or PAC that, with intent to avoid disclosure, files a 30 day, seven day, or 24 hour report containing false or misleading information would be subject to a fine of not less than \$500 nor more than \$5,000 plus an additional fine not to exceed twice the amount of the contribution or expenditure involving the false or misleading statement. Knowingly accepting or making

*C+RA Committee added "loans" to this section*

contributions in excess of the dollar limitations would carry a fine of not less than \$1,000 nor more than \$5,000, plus an additional fine not to exceed twice the amount that the contribution exceeded the limit. Knowingly accepting or making contributions in excess of the \$100 cash limitation would carry a fine of not less than \$100 nor more than \$500 if the cash contribution is less than \$500; if the cash contribution is \$500 or more, the commission would be authorized to assess an additional penalty not to exceed twice the amount of the cash contribution. Knowingly making or accepting a contribution made anonymously or in the name of another would carry a penalty of not less than \$500 nor more than \$5,000; if the contribution is \$500 or more, the commission would be authorized to assess an additional penalty not to exceed twice the amount of the contribution.

Sec. 15.14.230. CAMPAIGN FINANCING VIOLATIONS IN THE SECOND DEGREE. This section provides for lesser civil penalties for acts or omissions included under the previous section for which knowledge or intent to avoid public disclosure need not be proven -- in essence, inadvertent violations. These violations in the second degree carry maximum fines ranging between \$3,000 and \$5,000. This section also provides for civil penalties for less serious violations of the law -- primarily those that do not impede

pre-election disclosure of the sources and amounts of campaign contributions. Maximum penalties for these violations range between \$500 and \$2,000.

Under existing law, any violation of the law is a misdemeanor. As the Attorney General noted in his testimony before the Senate State Affairs Committee, there has never been a criminal case brought under this act in its 12 years of existence. By the same token, the only penalties that the commission is authorized to assess under the current law are daily fines for late reports. The new penalty provisions will ensure that for the first time persons who violate other provisions of the law -- not just those who file reports late -- will receive some penalty. These provisions are also more likely to result in having serious, intentional violators receive severe penalties, particularly in light of the fact that there have been no criminal prosecutions to date under the existing laws.

Sec. 15.14.240. PAYMENT OF FINES. This section is new, and prohibits a candidate or PAC from paying any fine imposed by the commission from campaign funds.

Sec. 15.14.250. REMOVAL FROM OFFICE. Subsection (a) is similar to existing AS 15.13.120(f), and outlines the procedures to be followed for removing a successful candidate from office. This section provides that these

procedures be initiated only a successful candidate is found to have committed an intentional or knowing violation in the first degree under sec. 15.14.220 of the bill.

Subsection (b) is taken from existing AS 15.13.120(g), and simply requires that the record developed by the commission shall be considered during any removal process. Subsection (c) is a slightly edited version of AS 15.13.120(h), which purports to require the courts to give priority on the calendar to criminal proceedings brought against successful candidates or their campaign officers under the existing act. The new subsection (c) requires that the commission give priority in its handling of cases to those involving successful candidates accused of first degree violations.

Sec. 15.14.260. LIMITATIONS ON ACTIONS. Existing law contains a four year statute of limitations for both crimes and violations under the existing law. Proposed sec. 260 adopts a series of statutes of limitation -- four years for first degree violations and two years for second degree violations. Subsection (c) makes it clear that for violations involving late reports, the violation is considered to have been committed on the day after the report was due.

Sec. 15.14.270. INVESTIGATIONS. This section is largely new. The existing statutes governing commission investigations and procedures are hopelessly confused. This section retains the provision of existing law (AS 15.13.120(d)), which permits the commission to commence an investigation upon receiving a citizen's complaint. The proposed section, however, incorporates into the law the commission's current regulation that requires such complaints to be signed and verified.

Subsection (b) requires the commission to send a copy of a citizen's complaint to the person charged in the complaint, and to inform both the complainant and the person being investigated if and when the investigation is closed or an accusation is filed. Existing law provides only that the complainant be informed of the closing of an investigation. Existing law permits the complainant to appeal a decision to terminate an investigation to the superior court. In light of Alaska Supreme Court decisions involving similar issues, a judicial order requiring the commission to prosecute a matter would be a violation of separation of powers. This bill therefore deletes that provision of existing law.

Sec. 15.14.280. ACCUSATIONS. Existing law contains very few provisions governing the actual administrative

procedures that the commission must follow in adjudicating contested violations and imposing penalties. To the extent that its regulations have filled that gap, the commission has generally followed the provisions contained in AS 44.62, the Administrative Procedure Act. It is preferable, however, to include the basic procedures in the law rather than leaving such an important matter to regulations. Sec. 280 thus is borrowed from the Administrative Procedure Act provisions which are applicable to the initiation of proceedings by nearly every other administrative agency in state government.

Sec. 15.14.290. NOTICE OF DEFENSE. Like proposed sec. 280, this section is also taken almost verbatim from the Administrative Procedures Act, and describes the "answering" document that the respondent to an accusation files with the commission.

Sec. 15.14.300. HEARINGS. Subsection (a) requires the commission to provide notice of contested hearings -- a requirement contained in the Administrative Procedure Act. Subsection (b) adopts by reference for the commission the general hearing procedures contained in the Administrative Procedure Act for other agencies' hearings -- mostly governing such things as the use of depositions, rules of evidence, and so forth. In contrast to the Administrative

Procedures Act, however, this section provides that the commission need not appoint hearing officers to preside at its hearings. Hearing officers must be attorneys, and they do not work for free. Requiring them in every case before the commission would add greatly to the commission's costs. This subsection does require, however, that an assistant attorney general must be present to advise the commission on legal matters during a hearing if a hearing officer is not appointed.

Sec. 15.14.310. IMPOSITION OF PENALTY. This section has no counterpart in the existing statute. It provides that the commission may impose penalties only after a person has admitted or pled no contest to an accusation or after the Commission holds a hearing at which certain rights have been afforded the respondent, and at which the commission determines that the person has committed the violation. This section also proposes that violations must be proved by clear and convincing evidence. The existing statute does not address standards of proof in hearings before the commission. Most agencies are governed by what the court terms "substantial evidence." For violations resulting from inadvertent errors where a report is late or contains inaccuracies, proof of the violation will be simple even under a heightened standard of proof such as "clear and

convincing." But a determination that someone deliberately attempted to deceive the public has obvious and major implications for one's life, to say nothing of one's political career. For these reasons, this section requires proof by "clear and convincing" evidence.

Subsection (b) contains what in essence is a ban on plea bargaining. It is worded similarly to the Department of Law's prohibition against plea bargaining in criminal cases.

Subsection (c) insures that the staff will not communicate penalty recommendations to the commission unless the respondent has notice of what the recommendation will be and has an opportunity to respond to it.

Subsection (d) contains broad guidelines for the commission to follow in imposing penalties in particular cases. In essence, this section suggests that the higher penalties should be reserved for egregious conduct involving relatively large contributions. Including a section like this will provide some guidance to the commission in exercising its discretionary "sentencing" authority, as well as provide some standards for judicial review of commission actions.

**Sec. 15.14.340. SUMMARY DISPOSITION OF VIOLATIONS.**

This section authorizes the commission to adopt a schedule

of fines for the least serious violations -- with maximum penalties of up to \$500 for a single violation. The vast majority of violations that have come or will come before the commission involve reports that are filed a few days late. This section will permit the commission to continue to deal with those minor violations in a summary fashion, without having to employ the more elaborate procedures of the Administrative Procedure Act. The concept of summary disposition of violations by means of a schedule of fines is modeled after the mail-in-bail provisions of the Motor Vehicle Code (AS 28).

Sec. 15.14.330. CONFIDENTIALITY. This section requires that all commission investigations -- including the fact that an investigation is even being conducted -- must remain confidential until such time as an accusation is filed. Subsections (b) and (c) are modeled after the confidentiality requirements governing employees of the Department of Revenue with respect to tax matters. Like the Revenue statute, this proposed section makes it a misdemeanor for a current or former commission member or current or former commission employee to divulge confidential information about a past, pending, or contemplated investigation.

Sec. 15.14.340. JUDICIAL REVIEW. This section is new, and is modeled after a similar section in the Administrative Procedure Act.

Sec. 15.14.350. POWERS OF THE COMMISSION. This section is, apart from minor editing, identical to existing AS 15.13.045, and provides the commission with the power to compel witnesses, issue subpoenas, and so forth, with respect to an investigation or hearing.

Sec. 15.14.360. LEGAL COUNSEL. This section is modeled after existing AS 15.13.122. It provides that the Attorney General is the legal counsel for the commission. The existing statute allows the commission to request the chief justice of the supreme court to appoint a special prosecutor "if the public interest warrants." Because the bill has removed criminal penalties for violations of the act, this provision was deleted from the bill. The existing statute also permits the commission, without the concurrence of any official, to employ temporary legal counsel. All other agencies must seek the concurrence of the Attorney General before legal counsel outside the Department of Law may be employed, since the Attorney General must be in charge of all state legal policy. Subsection (b) of the proposed section requires concurrence by the Attorney

General before the commission may employ its own legal counsel.

ARTICLE 6. MISCELLANEOUS PROVISIONS.

Sec. 15.14.900. DEFINITIONS.

The definition section is similar to Sec. 15.13.130 in the present law with the following major changes:

(a) Expenditure. The existing definition of "expenditure" is confusing primarily because it is poorly drafted. The new definition attempts to clarify the meaning of the term without changing the substance of the existing law.

(b) Political action committee. A definition of "political action committee" replaces the present definition of "group." A "political action committee" is not simply a combination of persons who act "jointly" for political purposes, but instead is defined as a person or combination of persons that accepts contributions for the purpose of influencing elections. It includes individuals who raise money and use their own discretion as to how that money is spent; present law does not specifically cover such individuals. Individuals who do not use the contributions of others but simply spend their own funds are not a political action committee -- the expenditures will be reported, however, under proposed sec. 15.14.080.

(c) Political Party. There is no current definition of a political party in Alaska. The previous definition contained in AS 15.60.010(20) defined a political party as a group of organized voters representing a political program and that nominated a candidate for governor who received at least 10 percent of the vote at the preceding general election. This definition was struck down in Vogler v. Miller, 660 P.2d 1192 (Alaska 1983) as unduly restrictive. Three members of the court indicated through reference to definitions from other states that replacing the ten percent figure with a five percent requirement would be sufficient to restore the validity of the definition. While two justices stated that their decision on a new definition would depend on the interplay between the rights of a political party to receive unlimited donations and the restriction on contributions to candidates who might not be supported by established political parties, it is nonetheless reasonable to believe that the court would approve the definition proposed in this section, based on a five percent support figure from the previous gubernatorial election.

#### OTHER SECTIONS OF THE BILL

Sections 2, 4, 5, 6, 7, 8, 9, 10, and 11 amend other statutes that refer to "AS 15.13." These references have

been changed to "AS 15.14." Additionally, in section 11 (page 47, lines 17-18) the conflict of interest statute is amended to require the executive director and employees of the APOC to file conflict of interest statements as well as members of the commission.

Section 3 of the bill adds a section to the criminal penalties for election code violations under AS 15.56. Under the original version of SB 356, it was a crime to intentionally solicit a contribution by threats of physical force, job discrimination or financial reprisal. The Senate State Affairs Committee believed that this was one type of campaign financing activity -- in essence extortion -- that should be a crime, regardless of the way other violations were treated. This section would make such a crime a class C felony.

Section 12 contains a technical amendment to the Administrative Procedure Act that makes it clear that the procedures contained in this bill will govern APOC investigations and hearings rather than any inconsistent provisions in the Administrative Procedure Act.

Section 13 of the bill repeals the existing campaign financing laws (AS 15.13.).

Section 14 repeals the two subsections of AS 15.56.010 that make it a misdemeanor to knowingly fail to include the

"paid for by" information in campaign communications and to knowingly print, publish or broadcast a communication without that information. These two provisions have been relocated to the civil penalty provisions of this bill.

Section 15 makes it clear that the members of the commission appointed under the existing statutes continue in office under the new law.

Section 16 provides that any municipality that has voted to exempt its elections from the provisions of AS 15.13 need not hold a new election after the effective date of this bill in order to maintain the exemption.

Section 17 provides that the provisions of this bill relating to the closing of campaign accounts do not require the closing of campaign accounts that were used during an election held before the effective date of the act. This section further provides that post-election fundraising is not prohibited for the purpose of raising funds to pay campaign debts from previous elections.

Section 18 describes the activities that will be covered by the bill -- those that take place after the general effective date of January 1987 and that relate to state and municipal elections held after January 1, 1987.

*C&RA Committee added requirement  
that all campaign accounts from  
prior elections must be closed  
by January 1, 1988*

Section 19 provides for a general effective date of January 1, 1987, to ensure that the provisions of this bill do not apply to the 1986 election.

Introduced: 1/22/86  
Referred: State Affairs, Community and  
Regional Affairs and Finance

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 356

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaign financing; and  
7 providing for an effective date."

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

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

10 CHAPTER 14. ELECTION CAMPAIGN FINANCING.

11 ARTICLE 1. ALASKA PUBLIC OFFICES COMMISSION.

12 Sec. 15.14.010. APPLICABILITY. (a) This chapter applies in  
13 each election for governor, lieutenant governor, a member of the state  
14 legislature, a delegate to a constitutional convention, and a judge  
15 seeking electoral retention.

16 (b) This chapter applies to each election for mayor, assembly,  
17 or school board in a municipality with a population of more than 1,000  
18 according to the latest United States census figures or estimates of  
19 population certified by the Department of Community and Regional  
20 Affairs under with AS 29.60.020. A municipality may exempt its elec-  
21 tions from the requirements of this chapter if a majority of the  
22 voters voting on the question at a regular election as defined by  
23 AS 29.71.800 or a special municipality-wide election called for that  
24 purpose vote to exempt its elections from the requirements of this  
25 chapter. The question of exemption from the requirements of this  
26 chapter may be submitted to the voters by initiative or by the city  
27 council or borough assembly by ordinance.

28 (c) This chapter does not prohibit a municipality from addition-  
29 al regulation of campaign contributions and expenditures by ordinance.

1 (d) Except as otherwise provided, this chapter applies to a  
2 contribution, an expenditure or a communication made by a candidate, a  
3 political interest group, a municipality, or a person for the purpose  
4 of influencing the outcome of a ballot proposition or question as well  
5 as that made to influence the nomination or election of a candidate.

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

9 Sec. 15.14.020. ALASKA PUBLIC OFFICES COMMISSION. (a) The  
10 Alaska Public Offices Commission is established in the Department of  
11 Administration.

12 (b) The commission consists of five members.

13 (c) The governor shall appoint two members from each of the two  
14 political parties whose candidates for governor received the highest  
15 and second highest number of votes in the most recent preceding gener-  
16 al election at which a governor was elected. The governor shall  
17 appoint each member from a party from a list of two or more names  
18 submitted to the governor by the central committee or other governing  
19 body of the party.

20 (d) The four members who were appointed by the governor from  
21 nominations submitted by political parties shall, by a majority vote,  
22 appoint the fifth member.

23 (e) The governor shall fill a vacancy or appoint a successor to  
24 a member appointed under (c) of this section within 30 days after  
25 receiving the nominations from the central committee or other govern-  
26 ing body of the party. An appointment may be made in anticipation of  
27 an impending vacancy, and the appointment takes effect on the actual  
28 vacancy.

29 (f) When the term of the member appointed under (d) of this

1 section expires or the position becomes vacant, a majority of the four  
2 members appointed under (c) of this section shall appoint a successor  
3 within 30 days after the position becomes vacant. An appointment may  
4 be made in anticipation of an impending vacancy, and the appointment  
5 takes effect on the actual vacancy.

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

13 (h) A member of the commission, during tenure, may not

14 (1) hold or campaign for elective office;

15 (2) be an officer of a political party, political commit-  
16 tee, or political interest group;

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

20 (4) participate in an election campaign or participate in  
21 or contribute to a political party; or

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

23 (i) Members of the commission are entitled to receive compen-  
24 sation of \$100 a day while attending commission meetings and are  
25 entitled to travel expenses and per diem authorized by law for state  
26 employees.

27 (j) The members of the commission shall elect a chairman. A  
28 majority of the commission constitutes a quorum. The vote of at least  
29 three members is required to take official action. A vacancy does not

1       impair the power of the remaining members to exercise the powers of  
2       the commission.

3           (k) The commission may employ an executive director and other  
4       employees it considers necessary. The executive director and an  
5       employee of the commission may not, during tenure, serve as a member  
6       of the commission.

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

15          (m) The forms and material required for compliance with this  
16      chapter shall be made available in each commission office to candi-  
17      dates, persons, and political interest groups required to file reports  
18      under this chapter.

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

24          (o) The commission shall ensure that copies of each report filed  
25      by a candidate for municipal office are made available for public  
26      inspection in the municipality in which the candidate is seeking  
27      office.

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

29           (1) develop and provide forms for the reports,

1 registrations, and statements required under this chapter, AS 24.45,  
2 and AS 39.50;

3 (2) prepare and publish a manual setting out uniform meth-  
4 ods of bookkeeping and reporting for use by persons required to make  
5 reports, registrations, and statements under this chapter and other-  
6 wise assist candidates, political interest groups, and persons in  
7 complying with this chapter;

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

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

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

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

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

24 (8) examine, investigate, and compare reports, registra-  
25 tions, statements, and actions required by this chapter, AS 24.45, and  
26 AS 39.50 and report to the attorney general the names of each person  
27 or political interest group that the commission has probable cause to  
28 believe has committed a crime under this chapter, AS 24.45, or AS 39.-  
29 50;

1           (9) prepare and publish an annual report to the legislature  
2 concerning the activities of the commission, the effectiveness of this  
3 chapter, its enforcement by the attorney general's office, and recom-  
4 mendations and proposals for change;

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

8           ARTICLE 2. REGISTRATION AND REPORTS.

9           Sec. 15.14.040. REGISTRATION BY CANDIDATES. (a) An individual  
10 shall register with the commission on a form prescribed by the commis-  
11 sion within 10 days after the individual either

12           (1) accepts contributions of \$1,000 or more in the aggre-  
13 gate from persons or from political interest groups for the purpose of  
14 seeking elective office; or

15           (2) files for an elective office.

16           (b) The registration under (a) of this section must designate  
17 the year of the election for which the campaign will be conducted, and  
18 designate whether the election is for a state or a municipal office.  
19 If a candidate has filed for office at the time of registration, the  
20 registration must designate the office. An individual who registers  
21 under this section before having filed for an elective office shall,  
22 within 10 days after filing for the office, file a supplemental regis-  
23 tration with the commission designating the office.

24           (c) An individual required to register under this section shall  
25 include with the registration information required under AS 15.14.170.

26           Sec. 15.14.050. REGISTRATION BY POLITICAL INTEREST GROUPS. (a)  
27 A political interest group shall register with the commission on a  
28 form prescribed by the commission within 10 days after the political  
29 interest group either

- 1 (1) accepts contributions of \$1,000 in the aggregate; or  
2 (2) makes  
3 (A) a contribution to an individual who has registered  
4 with the commission under AS 15.14.040; or  
5 (B) an expenditure in support of or in opposition to  
6 the election of an individual to an office covered by this chap-  
7 ter, or on behalf of or in opposition to a ballot proposition or  
8 question.  
9 (b) A political interest group formed solely for the purpose of  
10 sponsoring an initiative, a referendum or a recall shall register with  
11 the commission within 30 days after it files a petition with the  
12 lieutenant governor or with a municipal clerk.  
13 (c) The registration of a political interest group is valid from  
14 the date of registration until the following January 16.  
15 (d) A political interest group may not use or file with the  
16 commission a name that is the same as or materially similar to the  
17 name of a political interest group whose registration is then on file  
18 with the commission.  
19 (e) If a political interest group intends to support or oppose  
20 only one candidate or to contribute to or expend more than 50 percent  
21 of its funds on behalf of or in opposition to one candidate, the name  
22 of the candidate must be part of the name of the political interest  
23 group. On receipt of the registration, the commission shall promptly  
24 notify the candidate of the political interest group's organization  
25 and its intent.  
26 (f) A political interest group that makes expenditures or re-  
27 ceives contributions with the authorization or consent, express or  
28 implied, or under the control, direct or indirect, of a candidate is  
29 controlled by the candidate. A political interest group whose major

1 purpose is to further the nomination, election, or candidacy of only  
2 one candidate or that intends to expend more than 50 percent of its  
3 money on one candidate, is controlled by the candidate and its actions  
4 done with the knowledge and consent of the candidate unless the candi-  
5 date, within 10 days from the date the candidate learns of the exis-  
6 tence of the group, files with the commission, on a form provided by  
7 the commission, an affidavit that the group is operating without the  
8 control of the candidate.

9 (g) A group organized for more than one year preceding an elec-  
10 tion and endorsing candidates for more than one office or more than  
11 one political party is not controlled by a candidate, but a group that  
12 contributes more than 50 percent of its money to or on behalf of one  
13 candidate is considered to support only one candidate for purposes of  
14 (f), whether or not control of the group has been disclaimed by the  
15 candidate.

16 (h) A political interest group required to register under this  
17 section shall include with the registration the information required  
18 under AS 15.14.170 and shall designate the year of the election for  
19 which the campaign will be conducted or shall indicate that it antici-  
20 pates continuing existence.

21 Sec. 15.14.060. REPORTS BY CANDIDATES OF CONTRIBUTIONS AND  
22 LOANS. (a) A candidate shall make full reports upon a form pre-  
23 scribed by the commission of the contributions and loans received by  
24 the candidate for the designated election campaign, including

25 (1) the full name, complete address, principal occupation,  
26 and employer of each individual and the full name and complete address  
27 of each other person or political interest group from which contribu-  
28 tions in the aggregate amount of \$250 or more were received, and the  
29 date and amount of the contributions;

1           (2) for each person or political interest group that lent  
2 \$250 or more in the aggregate to the candidate or that guaranteed or  
3 otherwise agreed to assume a financial obligation of \$250 or more in  
4 the aggregate for or on behalf of a candidate,

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

7           (B) the full name and complete address of each other  
8 person or political interest group;

9           (C) the date and total value of the loan or financial  
10 obligation;

11           (D) the interest rate of the loan or financial obliga-  
12 tion;

13           (E) the date the loan or financial obligation is due;  
14 and

15           (F) the security, if any, for the loan or financial  
16 obligation;

17           (3) the total number and amount of all contributions re-  
18 ceived of less than \$250;

19           (4) a total of all contributions received;

20           (5) the total amount of all funds that the candidate con-  
21 tributed or lent to the campaign of the candidate.

22           (b) A report containing the information required under (a) of  
23 this section must list the contributions and loans received during the  
24 period ending three days before the due date of the report and beginn-  
25 ing on the last day covered by the most recent previous report. The  
26 report shall be filed in the central office or a district office of  
27 the commission at the following times:

28           (1) 30 days before the election unless the deadline for  
29 filing a nominating petition or declaration of candidacy is less than

1 34 days before the election;

2 (2) seven days before the election.

3 (c) A candidate shall file a special contribution or loan report  
4 with the commission for each contribution or loan of \$500 or more that  
5 is received within the last 10 days before the election. The report  
6 must include the full name, complete address, principal occupation and  
7 employer of the contributor or lender and the date and amount of the  
8 contribution or loan. The report shall be filed within 24 hours after  
9 the contribution or loan is received.

10 (d) A candidate shall file an annual report on or before Janu-  
11 ary 16 of each year. The annual report must include all of the infor-  
12 mation required under (a) of this section for contributions and loans  
13 received between January 1 and December 31 of the immediately preced-  
14 ing year, except that an annual report covering contributions and  
15 loans received during the year in which an election designated under  
16 AS 15.14.040(b) is held need include only the contributions and loans  
17 that were not reported to the commission in the reports required under  
18 (b) and (c) of this section.

19 (e) The report required under (d) of this section covering  
20 contributions and loans received during the year in which an election  
21 designated under AS 15.14.040(b) is held is the final report for  
22 contributions and loans of a candidate.

23 Sec. 15.14.070. REPORTS BY CANDIDATES OF EXPENDITURES. On  
24 January 16 of each year after a candidate registers with the commis-  
25 sion under AS 15.14.040(a), the candidate shall file in the central  
26 office or a district office of the commission a report listing the  
27 date, amount, purpose, and recipient of each expenditure made by the  
28 candidate between January 1 and December 31 of the preceding year.  
29 The report required under this section that follows the year in which

1 an election designated under AS 15.14.040(b) is held must also include  
2 the amount and disposition of surplus campaign funds and is the final  
3 report for expenditures of the candidate.

4 Sec. 15.14.080. REPORTS BY POLITICAL INTEREST GROUPS OF CONTRI-  
5 BUTIONS, LOANS, AND EXPENDITURES. (a) A political interest group  
6 shall make a report on a form prescribed by the commission of contri-  
7 butions and loans received by the political interest group, including

8 (1) the full name, complete address, principal occupation,  
9 and employer of each individual, and the full name and complete ad-  
10 dress of each other person and political interest group from which  
11 contributions in the aggregate amount of \$250 or more were received,  
12 and the date and amount of the contributions;

13 (2) for each person or other political interest group that  
14 lent \$250 or more in the aggregate to the reporting political interest  
15 group or that guaranteed or otherwise agreed to assume a financial  
16 obligation of \$250 or more in the aggregate for or on behalf of the  
17 reporting political interest group,

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

20 (B) the full name and complete address of each other  
21 person or political interest group;

22 (C) the date and total value of the loan or financial  
23 obligation;

24 (D) the interest rate of the loan or financial obli-  
25 gation;

26 (E) the date the loan or financial obligation is due;  
27 and

28 (F) the security, if any, for the loan or financial  
29 obligation;

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

3           (4) a total of all contributions received;

4           (5) a total of all expenditures made or obligated;

5           (6) the date, check number, full name of each payee, and  
6           the purpose of each expenditure including

7           (A) for each expenditure that is a contribution to a  
8           candidate or a political interest group, the name of the candi-  
9           date or political interest group; and

10          (B) for each expenditure that is an independent expen-  
11          diture, the name of the candidate or ballot proposition or ques-  
12          tion supported or opposed by the independent expenditure.

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

19                 (1) 30 days before the election;

20                 (2) seven days before the election.

21          (c) A political interest group shall file a special contribution  
22          or loan report with the commission for each contribution or loan of  
23          \$500 or more that is received within the last 10 days before the  
24          election. The report must include the full name, complete address,  
25          principal occupation and employer of the contributor or lender and the  
26          date and amount of the contribution or loan. The report shall be  
27          filed within 24 hours after the contribution or loan is received.

28          (d) A political interest group shall file an annual report on or  
29          before January 16 of each year. The annual report must include all of

1 the information required under (a) of this section for contributions  
2 and loans received and expenditures made between January 1 and Decem-  
3 ber 31 of the immediately preceding year, except that an annual report  
4 covering contributions and loans received and expenditures made during  
5 the year in which an election designated under AS 15.14.050(f) is held  
6 need include only those contributions, loans, and expenditures that  
7 were not reported to the commission in the reports required under (b)  
8 and (c) of this section. If the political interest group has not  
9 indicated a continuing existence under AS 15.14.050(h), the report  
10 filed under this section is the final report.

11 Sec. 15.14.090. STATEMENT BY PERSON MAKING CONTRIBUTION OR  
12 EXPENDITURE. (a) A person who makes a contribution of \$250 or more  
13 in goods, services, or money to a candidate or political interest  
14 group or who makes an independent expenditure described in AS 15.14.-  
15 100 with a value of \$250 or more to influence the election of a candi-  
16 date or the passage of a ballot proposition or question shall make and  
17 file in the central or a district office of the commission a signed  
18 statement on a form made available by the commission reporting the  
19 activity within 10 days after the contribution or expenditure is made.

20 (b) The statement must list the name, address, principal occupa-  
21 tion, and employer of the person who paid for the contribution or  
22 expenditure and include the date, amount, payee, and purpose of the  
23 contribution or expenditure.

24 (c) The statement must include a certification by the person  
25 making the statement that the contribution or expenditure consists of  
26 funds or property belonging to the contributor and that the funds have  
27 not been given or furnished by another person or political interest  
28 group.

29 (d) The person filing the statement shall furnish a copy of the

1 statement to the candidate or the campaign treasurer of the political  
2 interest group at the time the statement is filed with the commission.

3 Sec. 15.14.100. INDEPENDENT EXPENDITURE. (a) An independent  
4 expenditure is an expenditure by a person or political interest group  
5 for a communication expressly advocating the election or defeat of a  
6 clearly identified candidate that is made without arrangement, coordi-  
7 nation, or direction with or by the candidate or the agent of the  
8 candidate before the publication, distribution, display, or broadcast  
9 of the communication. An expenditure is a contribution and not an  
10 independent expenditure if it is based on information about the candi-  
11 date's plans, projects, or needs provided to the expending person or  
12 political interest group by the candidate or by an agent of the candi-  
13 date with a view toward having an expenditure made.

14 (b) An expenditure is made in coordination with the candidate or  
15 the agent of the candidate if it is made by or in consultation with a  
16 person

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

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

23 (3) who is or within one year before the date of the expen-  
24 diture has been receiving any form of compensation or reimbursement  
25 from the candidate or from campaign funds for professional services  
26 that require the exercise of discretion or judgment relating to the  
27 conduct of the campaign.

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

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

4 (2) who has been placed in a position within the campaign  
5 organization where it would reasonably appear that in the ordinary  
6 course of campaign related activities the individual may authorize an  
7 expenditure.

8 Sec. 15.14.110. CERTIFICATION OF REPORTS. Each report, regis-  
9 tration, or statement required under this chapter shall be certified  
10 as correct by the campaign treasurer of the candidate, by the campaign  
11 treasurer of the political interest group, or by the person making the  
12 report, registration, or statement. The report, registration, or  
13 statement must include or be accompanied by the following affidavit  
14 signed by the individual filing the report, registration, or state-  
15 ment:

16 "I do solemnly swear or affirm that the foregoing state-  
17 ment is in all respects true and correct, and fully shows  
18 all information required to be reported by me under AS 15.14."

19 ARTICLE 3. CONTRIBUTIONS AND EXPENDITURES.

20 Sec. 15.14.120. CONTRIBUTIONS BY A PERSON. (a) A person may  
21 not make a contribution in the form of a cash payment in excess of  
22 \$100 in the aggregate during a calendar year to a candidate or a  
23 political interest group.

24 (b) A person may not contribute more than \$2,000 in the aggre-  
25 gate during a calendar year in money, goods, or services to a candi-  
26 date.

27 (c) Except as provided in (d) of this section, a person may not  
28 contribute more than \$1,000 in the aggregate during a calendar year  
29 money, goods, or services to a political interest group.

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

3 (1) to a political interest group formed solely for the  
4 purpose of sponsoring or opposing an initiative or referendum; or

5 (2) to a political party.

6 Sec. 15.14.130. CONTRIBUTIONS BY A POLITICAL INTEREST GROUP.

7 (a) A political interest group may not make a contribution in the  
8 form of a cash payment in excess of \$100 in the aggregate during a  
9 calendar year to a candidate or political interest group.

10 (b) Except as provided in (c) of this section, a political  
11 interest group may not contribute or make an expenditure, other than  
12 as an independent expenditure, of more than \$1,000 in the aggregate  
13 during a year to a candidate or to a political interest group, and may  
14 not contribute more than \$25,000 in the aggregate during a calendar  
15 year to candidates or political interest groups generally, other than  
16 to political interest groups formed solely for the purpose of support-  
17 ing or opposing a ballot proposition or question.

18 (c) Except as provided in (a) of this section, a political  
19 interest group may contribute any amount in money, goods, or services  
20 to

21 (1) a political interest group formed solely for the pur-  
22 pose of sponsoring or opposing an initiative or referendum; or

23 (2) a political party.

24 (d) Two or more political interest groups sharing a majority of  
25 their officers are considered to be a single group for purposes of the  
26 contribution limitations under (a) and (b) of this section.

27 (e) An expenditure for a communication in support of the elec-  
28 tion of more than one candidate shall be prorated equally among the  
29 candidates for purposes of calculating the amount of the expenditure

1 made on behalf of one of the candidates.

2 (f) A political party and its state, regional, and local subdi-  
3 visions are not subject to the limitations prescribed in this section,  
4 but they are subject to the reporting requirements of AS 15.14.080,  
5 15.14.090, and 15.14.100.

6 Sec. 15.14.140. LIMITATIONS ON ACCEPTING CASH CONTRIBUTIONS. A  
7 candidate or a political interest group may not accept a contribution  
8 in the form of a cash payment in excess of \$100 in the aggregate  
9 during a year from a person or a political interest group.

10 Sec. 15.14.150. EXPENDITURES. (a) A political party may make a  
11 contribution or expenditure of money, goods, or services without  
12 limitation as to amount or value.

13 (b) Except as provided under AS 15.14.180, a candidate may make  
14 expenditures of money, goods, or services on behalf of the candidate's  
15 own campaign without limitation as to amount or value.

16 (c) A person or political interest group may make an independent  
17 expenditure as defined in AS 15.14.100 of money, goods, or services  
18 without limitation as to amount or value on behalf of or in opposition  
19 to a candidate or ballot proposition.

20 Sec. 15.14.160. PROHIBITED CONTRIBUTIONS. (a) A contribution  
21 may not be made and an expenditure may not be made or incurred either  
22 directly or indirectly in a fictitious name, anonymously, or by one  
23 person or political interest group in the name of another.

24 (b) A contribution made by a person wishing to remain anonymous  
25 and received by a candidate or political interest group may not be  
26 used or expended, but shall be returned to the donor if the identity  
27 of the donor is known. If the identity of the donor is not known, the  
28 contribution shall be disposed of under AS 15.14.200(a)(1).

29 (c) A candidate or political interest group may not accept a

1 contribution described in this section. A contribution under this  
2 section is accepted unless it is returned or disposed of under  
3 AS 15.14.200(a)(1) within 10 days after the candidate or political  
4 interest group knows or should have known that the contribution is  
5 prohibited under this section.

6 ARTICLE 4. CAMPAIGN CONDUCT AND ADMINISTRATION.

7 Sec. 15.14.170. CAMPAIGN OFFICERS. (a) Each candidate may and  
8 each political interest group shall appoint a campaign chairman. Each  
9 candidate and each political interest group shall appoint a campaign  
10 treasurer who is responsible for receiving, holding, and disbursing  
11 all contributions and expenditures, and for filing all reports and  
12 statements required by law. Each candidate and each political inter-  
13 est group may appoint deputy campaign treasurers at any time. A  
14 candidate may be a campaign treasurer.

15 (b) At the time a candidate registers with the commission under  
16 AS 15.14.040, the candidate shall file a statement in the central or a  
17 district office of the commission listing the name, address, and  
18 telephone number of the candidate's campaign treasurer. At the time a  
19 political interest group registers with the commission under AS 15.-  
20 14.050, the political interest group shall file a statement in the  
21 central or a district office of the commission listing the name,  
22 address, and telephone number of the political interest group's cam-  
23 paign treasurer. Each candidate who appoints a campaign chairman and  
24 each political interest group shall include in the statement the name,  
25 address, and telephone number of the campaign chairman.

26 (c) An individual may not act as the campaign chairman, campaign  
27 treasurer, or deputy campaign treasurer for a candidate or political  
28 interest group until the name, address, and telephone number of the  
29 individual has been filed with the commission. The address of a

1 candidate's campaign treasurer is the address of the candidate unless  
2 the candidate files a different mailing address with the commission.

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

8 (e) A candidate may receive contributions and make expenditures  
9 only in person or through a campaign chairman, a campaign treasurer,  
10 or a deputy campaign treasurer. A political interest group may re-  
11 ceive contributions and make expenditures only through the campaign  
12 chairman, campaign treasurer, or deputy campaign treasurer of the  
13 political interest group. A person does not receive or make a contri-  
14 bution under this section on behalf of a candidate or political inter-  
15 est group if

16 (1) the person solicits a contribution and transfers or  
17 delivers that contribution to a candidate or a campaign officer of a  
18 candidate or political interest group and discloses to the candidate  
19 or political interest group the identity of the contributor;

20 (2) the person does not exercise discretion or control as  
21 to the amount or as to the identity of the recipient of the contribu-  
22 tion; an

23 (3) the person is not a campaign officer of the candidate  
24 or political interest group ultimately receiving the contribution.

25 (f) The candidate is responsible for the performance of the  
26 campaign officers of the candidate. The campaign chairman of a polit-  
27 ical interest group is responsible for the performance of the other  
28 officers of the political interest group. A default or violation by  
29 the officer is considered a default or violation by the candidate if

1 the candidate knew or had reason to know of the default or violation.  
2 A default or violation by the officer of the political interest group  
3 is considered a default or violation by the campaign chairman of the  
4 political interest group if the campaign chairman knew or had reason  
5 to know of the default or violation.

6 Sec. 15.14.180. USE OF CAMPAIGN FUNDS. (a) Campaign funds  
7 received by a candidate or by a political interest group may be used  
8 only to

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

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

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

15 (c) Surplus campaign funds shall be disposed of under AS 15.14.-  
16 200.

17 Sec. 15.14.190. TERMINATION OF CAMPAIGN ACTIVITY AND CLOSING OF  
18 CAMPAIGN ACCOUNTS. (a) A candidate shall close each campaign account  
19 relating to a designated election campaign on or before one of the  
20 following dates:

21 (1) for a legislative or statewide candidate in the general  
22 election, the date on which the successful candidate in the designated  
23 election is sworn into office;

24 (2) for a candidate in a municipal election, 30 days after  
25 the date of the election;

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

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

1 (5) for a candidate who withdraws after registering under  
2 AS 15.40.040 but before filing for office, 30 days after the deadline  
3 for filing a declaration of candidacy or a nominating petition.

4 (6) for a judicial candidate or a delegate to a constitu-  
5 tional convention, 30 days after the date of the election.

6 (b) A candidate may not solicit or accept a contribution for the  
7 designated election campaign after the date on which the candidate is  
8 required to close campaign accounts under (a) of this section.

9 (c) A candidate may not make expenditures of any kind, except  
10 for the disposition of surplus funds, after the date on which the  
11 candidate is required to close campaign accounts under (a) of this  
12 section for

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

15 (2) the payment of campaign debts to an individual, person,  
16 or political interest group; or

17 (3) the payment of loans made by the candidate to the  
18 campaign of the candidate.

19 Sec. 15.14.200. SURPLUS CAMPAIGN FUNDS. (a) A candidate shall  
20 dispose of campaign funds that are not spent during the designated  
21 election campaign by

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

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

26 (3) after registering with the commission under AS 15.14.-  
27 040, transferring the funds to a newly designated election campaign  
28 account for a designated state election to be held not more than four  
29 years after the election designated under AS 15.14.040(b);

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

3           (5) transferring the funds to an account for the office, in  
4 the case of a successful candidate only, and using the funds only for  
5 communication with constituents and other voters in the state by  
6 telephone or newsletter;

7           (6) returning the funds to contributors on a pro rata  
8 basis.

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

12           Sec. 15.14.210. SOLICITATION OF CONTRIBUTIONS. (a) A candi-  
13 date, a political interest group, or a campaign officer of a candidate  
14 or a political interest group may not solicit or receive a campaign  
15 contribution obtained through a threat of physical force, job dis-  
16 crimination, or financial reprisal.

17           (b) A public officer or employee of the state or of a municipal-  
18 ity of the state may not, while on the premises of a state or municipi-  
19 pal office, solicit or request a contribution to a candidate, politi-  
20 cal interest group or political party.

21           (c) A public officer or employee of the state may not solicit or  
22 request another public officer or employee to contribute to a candi-  
23 date, political interest group, or political party while the other  
24 public officer or employee is on the premises of a state or municipal  
25 office.

26           (d) The provisions of (b) - (c) of this section do not apply to  
27 a public officer elected to office by popular vote.

28           Sec. 15.14.220. IDENTIFICATION OF COMMUNICATION. (a) An adver-  
29 tisement, billboard, handbill, paid-for television or radio

1 announcement, or other communication intended to influence the elec-  
2 tion of a candidate or the outcome of a ballot proposition or question  
3 shall be clearly identified by the words "paid for by" followed by the  
4 name and address of the candidate, political interest group, or the  
5 person or persons paying for the communication.

6 (b) A person or political interest group making an independent  
7 expenditure for an item described in (a) of this section shall, within  
8 the printed material or during a broadcast, state: "This communication  
9 was not authorized by any candidate."

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

14 ARTICLE 5. UNLAWFUL CONDUCT, PENALTIES, AND PROCEDURES.

15 Sec. 15.14.230. CAMPAIGN FINANCING MISCONDUCT IN THE FIRST  
16 DEGREE. (a) A person commits the crime of campaign financing miscon-  
17 duct in the first degree if the person

18 (1) knowingly and intentionally fails to file before an  
19 election a report of contributions or independent expenditures re-  
20 quired to be filed under AS 15.14.060(b) or 15.14.080(b) and the  
21 aggregate amount of contributions or independent expenditures that  
22 should have been reported is in excess of \$5,000;

23 (2) knowingly and intentionally fails to file before an  
24 election a report of a contribution or independent expenditure re-  
25 quired to be filed within 24 hours under AS 15.14.060(c) or 15.14.-  
26 080(c) and the contribution or expenditure is in excess of \$5,000;

27 (3) knowingly and intentionally files a report required to  
28 be filed under this chapter containing false and misleading informa-  
29 tion as to the identity of a contributor, and the amount of the

1 aggregate contributions received from the contributor is in excess of  
2 \$5,000;

3 (4) knowingly and intentionally files a report required to  
4 be filed under this chapter containing false information as to the  
5 amount of a contribution from a single contributor, and the difference  
6 between the amount reported and the actual amount of the aggregate  
7 contributions from the contributor is in excess of \$5,000;

8 (5) knowingly and intentionally files a report or statement  
9 required to be filed under this chapter that contains false or mis-  
10 leading information as to the purpose or amount of an independent  
11 expenditure and the aggregate amount of the expenditure is in excess  
12 of \$5,000;

13 (6) knowingly and intentionally makes or accepts a contri-  
14 bution, or makes an expenditure other than an independent expenditure,  
15 in violation of the contribution limitations under AS 15.14.120(b) or  
16 (c) or 15.14.130, and the total aggregate amount of the contribution  
17 or expenditure is more than \$5,000 in excess of the limitation;

18 (7) knowingly and intentionally makes or accepts a contri-  
19 bution in excess of \$5,000 in the form of a cash payment in violation  
20 of AS 15.14.120(a), 15.14.130(a), or 15.14.140;

21 (8) knowingly and intentionally makes or accepts a contri-  
22 bution in excess of \$5,000 made anonymously, in a fictitious name, or  
23 under the name of another; or

24 (9) knowingly and intentionally solicits or accepts a  
25 contribution obtained by threat of physical force, job discrimination,  
26 or financial reprisal in violation of AS 15.14.210(a).

27 (b) Campaign financing misconduct in the first degree is a class  
28 C felony.

29 Sec. 15.14.240. CAMPAIGN FINANCING MISCONDUCT IN THE SECOND

1       DEGREE. (a) A person commits the crime of campaign financing miscon-  
2       duct in the second degree if the person

3               (1) knowingly and intentionally fails to file before an  
4       election a report of contributions or independent expenditures re-  
5       quired to be filed under AS 15.14.060(b) or 15.14.080(b) and the  
6       aggregate amount of contributions or independent expenditures that  
7       should have been reported is \$5,000 or less;

8               (2) knowingly and intentionally fails to file before an  
9       election a report of a contribution or independent expenditure  
10       required to be filed within 24 hours under AS 15.14.060(c) or 15.14.-  
11       080(c) and the contribution or expenditure is \$5,000 or less;

12              (3) knowingly and intentionally fails to file a report,  
13       statement or registration required under AS 15.14.040, 15.14.050,  
14       15.14.060(d), 15.14.070, 15.14.080(d), or 15.14.090(a) on or before  
15       the date the report, statement, or registration is due;

16              (4) knowingly and intentionally files a report required to  
17       be filed under this chapter containing false and misleading informa-  
18       tion as to the identity of a contributor and the amount of the aggre-  
19       gate contributions received from that contributor is \$5,000 or less;

20              (5) knowingly and intentionally files a report required to  
21       be filed under this chapter containing false information as to the  
22       amount of a contribution from a single contributor, and the difference  
23       between the amount reported and the actual amount of the aggregate  
24       contributions from that contributor is \$5,000 or less;

25              (6) knowingly and intentionally files a report or statement  
26       required to be filed under this chapter containing false and mislead-  
27       ing information as to the purpose or amount of an independent expendi-  
28       ture and the aggregate amount of the expenditure is \$5,000 or less;

29              (7) knowingly and intentionally makes a contribution in

1 violation of the contribution limitations under AS 15.14.120(b) or  
2 (c), or makes an expenditure other than an independent expenditure in  
3 violation of the limitation under AS 15.14.130, and the total aggregate  
4 amount of the contribution or expenditure in excess of the limitation  
5 is \$5,000 or less;

6 (8) knowingly and intentionally makes or accepts a contribution  
7 in the form of a cash payment in violation of AS 15.14.120(a),  
8 15.14.130(a), or 15.14.140 and the total amount of the contribution is  
9 \$5,000 or less;

10 (9) knowingly and intentionally makes or accepts a contribution  
11 of \$5,000 or less made anonymously, in a fictitious name, or  
12 under the name of another;

13 (10) knowingly and intentionally solicits a contribution  
14 from a state or municipal employee in a manner prohibited under  
15 AS 15.14.210(b) or (c);

16 (11) knowingly and intentionally solicits or accepts a  
17 contribution or makes an expenditure, other than a disposition of  
18 surplus funds, after the date that campaign accounts are required to  
19 be closed under AS 15.14.190;

20 (12) knowingly and intentionally uses campaign funds for a  
21 purpose not permitted under AS 15.14.180;

22 (13) knowingly and intentionally uses surplus campaign funds  
23 for a purpose not permitted under AS 15.14.200;

24 (14) knowingly and intentionally circulates or has written,  
25 printed, or circulated a letter, circular, or publication intended to  
26 influence the election or defeat of a candidate, or the outcome of a  
27 ballot proposition or question without the name and address of the  
28 candidate, the political interest group or person or persons paying  
29 for the advertising appearing on the face of the letter, circular, or

1 publication;

2 (15) knowingly and intentionally prints or publishes an  
3 advertisement, billboard, placard, poster, handbill, paid-for tele-  
4 vision or radio announcement, or other communication intended to  
5 influence the election of a candidate or the outcome of a ballot  
6 proposition or question without the words "paid for by" followed by  
7 the name and address of the candidate, political interest group, or  
8 individual paying for the communication and, if a political group,  
9 with the name of the campaign chairman; or

10 (16) with respect to an independent expenditure only, know-  
11 ingly and intentionally prints or publishes an advertisement, bill-  
12 board, placard, poster, handbill, paid-for television or radio an-  
13 nouncement, or other communication intended to influence the election  
14 of a candidate without the statement, "This communication was not  
15 authorized by any candidate."

16 (b) Campaign financing misconduct in the second degree is a  
17 class A misdemeanor.

18 Sec. 15.14.250. CAMPAIGN FINANCING VIOLATIONS. (a) A person  
19 commits a campaign financing violation if the person negligently or  
20 inadvertently

21 (1) fails to file on or before the date that the report is  
22 due a report of contributions or independent expenditures required to  
23 be filed before the election under AS 15.14.060(b), (c), or 15.14.-  
24 080(b), or (c);

25 (2) fails to file on or before the date that the report or  
26 statement is due a report or statement required to be filed under  
27 AS 15.14.070, 15.14.090(a), or 15.14.100;

28 (3) fails to timely appoint or file the name of a campaign  
29 officer as required under AS 15.14.170(a), (b), or (d);

1           (4) fails to register as a candidate or political interest  
2 group at the time required under AS 15.14.040 or 15.14.050;

3           (5) fails to include information in a report, statement, or  
4 registration required to be included under this chapter or includes  
5 false or misleading information as to the identity of a contributor,  
6 the purpose of an independent expenditure, or as to the amount of a  
7 contribution received or independent expenditure made;

8           (6) makes or accepts a contribution or makes an expenditure  
9 other than an independent expenditure in excess of the contribution  
10 limitations provided under AS 15.14.120(b) or (c) or 15.14.130;

11           (7) makes or accepts a contribution in the form of a cash  
12 payment in excess of \$100 in violation of AS 15.14.140;

13           (8) makes a contribution, or accepts a contribution made,  
14 anonymously, in a fictitious name, or under the name of another;

15           (9) solicits or accepts a contribution or makes an expendi-  
16 ture, other than a disposition of surplus funds, after the date that  
17 campaign accounts are required to be closed under AS 15.14.190;

18           (10) uses campaign funds for a purpose not permitted under  
19 AS 15.14.180;

20           (11) uses surplus campaign funds for a purpose not permitted  
21 under AS 15.14.200;

22           (12) disposes of surplus funds after the date required for  
23 disposition under AS 15.14.200(b);

24           (13) acts as a campaign officer and the name of the cam-  
25 paign officer has not been filed with the commission as the holder of  
26 the campaign office;

27           (14) fails to include in a communication intended to influ-  
28 ence the election of a candidate or the outcome of a ballot proposi-  
29 tion or question the information required to be included under

1 AS 15.14.220.

2 (b) A person found to have committed a campaign financing vio-  
3 lation under (a)(1) of this section is subject to a fine of not less  
4 than \$25 nor more than \$300 per day for each day a report is due but  
5 not filed, up to a maximum fine of \$5,000 for each violation under  
6 (a)(1) of this section with respect to a designated election campaign.

7 (c) A person found to have committed a campaign financing viola-  
8 tion under (a)(2), (3), or (4) of this section is subject to a fine of  
9 not less than \$10 nor more than \$20 a day for each day a report,  
10 statement or registration is due but not filed, up to a maximum fine  
11 of \$2,000 for each violation under (a)(2), (3), or (4) of this section  
12 with respect to a designated election campaign.

13 (d) A person found to have committed a violation under (a)(5),  
14 (6), (7), (8), or (9) of this section is subject to a fine of four  
15 times the amount of the contribution or expenditure involved in the  
16 violation, not to exceed \$2,500.

17 (e) A person found to have committed a violation under (a)(10),  
18 (11), (12), (13), or (14) of this section is subject to a fine of not  
19 less than \$100 nor more than \$2,000.

20 Sec. 15.14.260. PAYMENT OF FINES. Fines imposed by the commis-  
21 sion under AS 15.14.250 or by a court upon conviction under AS 15.14.-  
22 230 or 15.14.240 may not be paid from campaign funds.

23 Sec. 15.14.270. REMOVAL FROM OFFICE. (a) If, after being sworn  
24 into office, a person who was a successful candidate is convicted of a  
25 crime under AS 15.14.230 or 15.14.240, proceedings shall be held and  
26 appropriate action taken under

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

29 (2) art. II, sec. 20, Constitution of the State of Alaska.

1 if the candidate is a candidate for governor or lieutenant governor;

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

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

6 (5) AS 29.20.170, if the candidate is a candidate for city  
7 council;

8 (6) AS 29.20.280(a), if the candidate is a candidate for  
9 city mayor;

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

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

15 (b) Information developed by the commission under AS 15.14.290  
16 shall be considered during a proceeding under (a) of this section.

17 (c) When, after being sworn into office, a successful candidate  
18 is charged with a misdemeanor or felony under AS 15.14.230 or 15.14.-  
19 240, the court shall promptly try the case and accord it a preferred  
20 position for purposes of argument and decision so as to assure a  
21 speedy disposition of the matter.

22 Sec. 15.14.280. LIMITATIONS ON ACTIONS. (a) A prosecution  
23 under AS 15.14.230 must be commenced within four years from the date  
24 of the alleged offense.

25 (b) A prosecution under AS 15.14.240 must be commenced within  
26 two years from the date of the alleged offense.

27 (c) Proceedings by the commission under AS 15.14.250 must be  
28 commenced within 18 calendar months from the date of the alleged  
29 violation.

1 (d) For the purposes of this section, an offense or violation  
2 involving the failure to file a report, statement, or registration is  
3 considered to have been committed on the day after the report, state-  
4 ment or registration was due.

5 Sec. 15.14.290. INVESTIGATIONS. (a) The commission may inves-  
6 tigate alleged misconduct and alleged violations of AS 15.14.230,  
7 15.14.240, 15.14.250, AS 24.50 and AS 39.50, on its own motion or upon  
8 receiving a signed and sworn complaint from any person.

9 (b) If an investigation is commenced by a signed and sworn  
10 complaint by a person other than a member of the commission or its  
11 employees, the commission shall, within five days after receiving the  
12 complaint, mail a copy of the complaint to each person named in the  
13 complaint. If the commission terminates an investigation without  
14 filing an accusation or without referring the matter to the attorney  
15 general or special prosecutor, the commission shall, within five days  
16 after terminating the investigation, inform the complainant and each  
17 person named in the complaint only of the fact that the commission has  
18 terminated the investigation and will not be taking further action  
19 concerning the complaint.

20 (c) If the commission, following its investigation, has probable  
21 cause to believe a felony or misdemeanor has been committed, the  
22 commission shall promptly refer the matter and any evidence the com-  
23 mission has compiled concerning the matter to the attorney general or  
24 to a special prosecutor if a special prosecutor has been appointed.  
25 After a matter has been referred to the attorney general or a special  
26 prosecutor, the commission may not take further action concerning the  
27 matter.

28 (d) If, after an investigation, the commission determines that  
29 there is probable cause to believe that a person has committed a

1 violation and if the commission has not referred the matter to the  
2 attorney general or special prosecutor for criminal prosecution, the  
3 commission may commence violation proceedings by filing and serving an  
4 accusation on the person alleged to have committed the violation. The  
5 commission shall serve an accusation in the manner provided by court  
6 rules for serving a complaint in a civil action.

7 Sec. 15.14.300. ACCUSATIONS. (a) The accusation must be a  
8 written statement of the charges setting out in ordinary and concise  
9 language the acts or omissions with which the respondent is charged,  
10 so that the respondent is able to prepare a defense. The accusation  
11 must also specify the statute or regulation that the respondent is  
12 alleged to have violated, and the maximum penalty provided for the  
13 violation. The accusation may not consist merely of charges phrased  
14 in the language of the statute and regulation.

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

17 "To the Respondent: Unless you deliver or mail a written  
18 request for a hearing signed by you or on your behalf to  
19 the commission within 15 days after this accusation was  
20 personally served on you or mailed to you, the commission  
21 may proceed upon the accusation without a hearing. You  
22 may request a hearing by delivering or mailing the en-  
23 closed form entitled 'Notice of Defense,' or by delivering  
24 or mailing a notice of defense under AS 15.14.310 to the  
25 commission at its central office address (insert central  
26 office address)."

27 (c) The commission shall include with the accusation served upon  
28 the respondent a post card or other form entitled, "Notice of Defense"  
29 that, when signed by or on behalf of the respondent and returned to

1 the commission constitutes a notice of defense under AS 15.14.310.

2 Sec. 15.14.310. NOTICE OF DEFENSE. (a) Within 15 days after  
3 service upon the respondent of the accusation, the respondent may file  
4 with the commission a notice of defense. In the notice the respondent  
5 may

6 (1) deny the accusation in whole or in part and request a  
7 hearing;

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

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

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

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

16 (b) Within the time specified in (a) of this section, the re-  
17 spondent may file one or more notices of defense upon any or all of  
18 the grounds set out in (a) of this section but all of the notices must  
19 be filed within the period unless the commission in its discretion  
20 authorizes the filing of a later notice.

21 (c) The respondent is entitled to a hearing on the merits if the  
22 respondent files a notice of defense. The notice of defense is con-  
23 sidered a specific denial of all parts of the accusation not expressly  
24 admitted. Failure to file a notice of defense within the time spec-  
25 ified in (a) of this section constitutes a waiver of the respondent's  
26 right to a hearing, but the commission in its discretion may neverthe-  
27 less grant a hearing. Unless objection is taken as provided in (a)(3)  
28 of this section, all objections to the form of the accusation are  
29 waived.

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

5 Sec. 15.14.320. HEARINGS. (a) If a respondent requests a  
6 hearing on a contested accusation or, in the absence of a request, the  
7 commission in its discretion decides to hold a hearing, the commission  
8 shall mail or deliver a notice of hearing to the respondent at least  
9 10 days before the hearing. The hearing may not be held before the  
10 expiration of the time within which the respondent is entitled to file  
11 a notice of defense. The notice to respondent must be consistent with  
12 the form for notice of hearing under AS 44.62.420.

13 (b) The commission shall conduct its hearings under AS 44.62.-  
14 440 - 44.62.500, except that

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

17 (2) if a hearing officer is not appointed, the chairman of  
18 the commission, or the commission member designated by the chairman,  
19 shall preside at the hearing, and the attorney general shall assign an  
20 assistant attorney general to the commission to advise it on matters  
21 of law during the hearing.

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

27 Sec. 15.14.330. IMPOSITION OF PENALTY. (a) The commission may  
28 impose the penalty provided by law for the violation only if the  
29 accused person, having been advised of the rights to a hearing, admits

1 or pleads no contest to the allegations contained in the accusation,  
2 or if the commission

3 (1) holds a hearing at which the person accused is afforded  
4 the right to appear, with or without counsel, the right to present  
5 witnesses or other evidence and the right to cross examine witnesses;  
6 and

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

10 (b) The executive director and an employee of the commission may  
11 make a recommendation to the commission for the imposition of a par-  
12 ticular penalty in a matter, provided that the respondent is first  
13 given notice of the recommendation and is afforded an opportunity to  
14 respond to the staff's recommendation in person or in writing.

15 (c) The executive director and an employee of the commission may  
16 not formally or informally make a recommendation to the commission as  
17 to a particular penalty in a pending matter or make a commitment to  
18 the respondent to make a particular recommendation to the commission  
19 in the future until after the respondent has admitted or pleaded no  
20 contest to the accusation or until after a hearing and a final deter-  
21 mination by the commission that the respondent has committed the acts  
22 charged in the accusation.

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

24 (1) the seriousness of the violation in terms of the extent  
25 to which the violation has impeded public disclosure of information  
26 required to be filed with the commission as to the amount and source  
27 of contributions that are large enough to be of significant interest  
28 to voters; and

29 (2) the extent to which the respondent's conduct, including

1 prior violations of this chapter, AS 24.50, AS 39.50, or of former  
2 AS 15.13 shows a continuing disregard for the law.

3 Sec. 15.14.340. SUMMARY DISPOSITION OF VIOLATIONS. (a) Not-  
4 withstanding the provisions of AS 15.14.300 - 15.14.330, the commis-  
5 sion may establish by regulation the violations under AS 15.14.250  
6 that are amenable to summary disposition without formal accusation or  
7 hearing and may establish a schedule of fines, not to exceed \$500, for  
8 each violation.

9 (b) If an investigation by the commission discloses that a  
10 person has committed a violation included in the schedule of fines  
11 established under (a) of this section, the commission may, in lieu of  
12 serving an accusation on the person, mail a notice of fine to the  
13 person indicating the circumstances of the violation and the amount of  
14 the fine established in the schedule for the violation. The person to  
15 whom the notice is directed may pay the fine within 15 days after  
16 receiving the notice or may file a notice of defense under AS 15.14.-  
17 310.

18 (c) If the person does not pay the fine under (b) of this sec-  
19 tion, the notice of fine constitutes an accusation under AS 15.14.300  
20 and the commission shall proceed against the person under AS 15.14.-  
21 300 - 15.14.330 and, upon determining that the person committed the  
22 violation, may impose a penalty for the violation not to exceed the  
23 maximum provided for the violation under AS 15.14.250.

24 Sec. 15.14.350. CONFIDENTIALITY. (a) An investigation by the  
25 commission under AS 15.14.290 is confidential unless and until the  
26 investigation results in the filing of an accusation under AS 15.-  
27 14.300.

28 (b) A member or a former member of the commission and an em-  
29 ployee or a former employee of the commission may not divulge the fact

1 of or any particular concerning a pending, past, or contemplated  
2 investigation by the commission unless and until the filing of an  
3 accusation by the commission.

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

6 Sec. 15.14.360. JUDICIAL REVIEW. Judicial review of a final  
7 order of the commission may be had by filing a notice of appeal under  
8 applicable rules of court governing appeals from administrative agen-  
9 cies.

10 Sec. 15.14.370. POWERS OF THE COMMISSION. (a) In connection  
11 with an investigation or hearing under AS 15.14.290 - 15.14.330, the  
12 commission may compel the attendance of witnesses and production of  
13 papers, books, records, accounts, documents, and testimony, and may  
14 have the depositions of witnesses taken in a manner prescribed by  
15 court rule or law for the taking of depositions in civil actions when  
16 consistent with the powers and duties assigned to the commission by  
17 law.

18 (b) The commission may examine the papers, books, records,  
19 accounts and documents of a person subject to this chapter to deter-  
20 mine the correctness of a report filed with the commission or in  
21 conjunction with an investigation or inspection conducted under (a) of  
22 this section.

23 (c) Subpoenas may be issued and shall be served in the manner  
24 prescribed by AS 44.62.430 and court rule. The failure, refusal, or  
25 neglect to obey a subpoena is punishable as contempt in the manner  
26 prescribed by law or court rule. The superior court may compel obedi-  
27 ence to the commission's subpoena in the same manner as prescribed for  
28 obedience to a subpoena issued by the court.

29 Sec. 15.14.380. LEGAL COUNSEL. (a) The attorney general is

1 legal counsel for the commission. The attorney general shall advise  
2 the commission in legal matters arising out of the discharge of its  
3 duties and represent the commission in actions to which it is a party.  
4 If, in the opinion of the commission, the public interest warrants,  
5 the commission may request the attorney general to appoint a special  
6 prosecutor to prosecute alleged misconduct under AS 15.14.230 or  
7 15.14.240.

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

11 ARTICLE 6. GENERAL PROVISIONS.

12 Sec. 15.14.900. DEFINITIONS. In this chapter

13 (1) "candidate" means an individual who

14 (A) files for election to the state legislature, for  
15 governor, for lieutenant governor, for municipal office, for  
16 retention in judicial office, or for constitutional delegate;

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

19 (C) accepts contributions totalling \$1,000 or more in  
20 the aggregate from another person or political group for the  
21 purpose of seeking elective office or retention in judicial  
22 office;

23 (2) "contribution"

24 (A) means the purchase, payment, promise or obligation  
25 to pay, loan or loan guarantee, deposit or gift of money, goods  
26 or services for which charge is ordinarily made and that is made  
27 for the purpose of influencing the nomination or election of a  
28 candidate or for the purpose of influencing a ballot proposition  
29 or question, including the payment by a person other than a

1 candidate or political party, of compensation for the personal  
2 services of another person that are rendered to the candidate or  
3 political party;

4 (B) does not include

5 (i) services provided without compensation by an  
6 individual volunteering on behalf of a candidate or ballot  
7 proposition or question, unless the services are volunteered  
8 by an individual who would ordinarily be paid a fee or wage  
9 for the services and the services are of an aggregate value  
10 of \$1,000 or more;

11 (ii) services provided by an accountant or other  
12 person to prepare reports and statements required by this  
13 chapter;

14 (iii) ordinary hospitality in a home;

15 (3) "expenditure"

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

19 (i) influencing the nomination or election of a  
20 candidate or of any individual who files for nomination at a  
21 later date and becomes a candidate;

22 (ii) influencing the outcome of a ballot proposi-  
23 tion or question; or

24 (iii) providing payment of compensation for the  
25 personal services of another person that are rendered to a  
26 candidate or political party;

27 (B) does not include a candidate's filing fee or the  
28 cost of preparing reports and statements required by this chap-  
29 ter;

1 (4) "individual" means a natural person;  
2 (5) "municipality" has the meaning given by AS 01.10.-  
3 060(4);

4 (6) "person" has the meaning given in AS 01.10.060 but does  
5 not include an entity organized to influence an election;

6 (7) "political interest group" means a person or combina-  
7 tion of persons, including a political party and its state, regional,  
8 or local subdivisions that accepts contributions for the purpose of  
9 influencing an election and exercises discretion over the expenditure  
10 of the contributions;

11 (8) "political party"

12 (A) means a group of organized voters that

13 (i) claims to represent a political program; and

14 (ii) nominated a candidate for governor who received  
15 at least five percent of the total vote cast at the preced-  
16 ing general election for governor;

17 (B) does not include the campaign committee of a  
18 candidate.

19 \* Sec. 2. AS 11.56.130 is amended to read:

20 Sec. 11.56.130. DEFINITION. In AS 11.56.100 - 11.56.130, "bene-  
21 fit" has the meaning given [ASCRIBED TO IT] in AS 11.81.900 but does  
22 not include

23 (1) political campaign contributions reported under AS 15.-  
24 14 [IN ACCORDANCE WITH AS 15.13];

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

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

29 \* Sec. 3. AS 15.56.130 is amended to read:

1           Sec. 15.56.130.   TIME LIMITATION.   Except as provided in AS 15.-  
2           14.280, a [A] prosecution for an offense described in the Alaska  
3           Election Code (AS 15.05 - 15.60) may not be maintained unless it is  
4           begun within one year after the date of the election in connection  
5           with which the offense is alleged to have been committed.

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

7           Sec. 24.45.021.   ADMINISTRATION.   (a)   This chapter shall be  
8           administered by the Alaska Public Offices Commission established  
9           [CREATED] under AS 15.14.020 [AS 15.13.020(a)].

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

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

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

19          Sec. 24.60.080.   GIFTS.   Unless otherwise provided for under  
20          AS 24.60.030, a person to whom this chapter applies may not solicit a  
21          gift in any amount, or accept or receive, directly or indirectly, a  
22          gift, whether in the form of money, services, a loan, travel, enter-  
23          tainment, hospitality, or other form, if the gift was intended as a  
24          reward or inducement for an official action by the person. A gift of  
25          travel and hospitality within the state received by a member of the  
26          legislature in obtaining information on matters of legislative concern  
27          is not prohibited by this section, nor are political contributions  
28          received and reported under AS 15.14 [AS 15.13.040].

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

1           Sec. 29.20.170. VACANCIES. The governing body may provide by  
2 ordinance the manner in which a vacancy occurs in any elected office  
3 except the office of mayor or school board member. Unless otherwise  
4 provided by ordinance, the governing body shall declare an elective  
5 office, other than the office of mayor or school board member, vacant  
6 when the person elected

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

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

11           (3) resigns and the resignation is accepted;

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

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

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

19           (7) is convicted of a violation of AS 15.14 or former  
20 AS 15.13;

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

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

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

26           Sec. 29.20.280. VACANCY IN THE OFFICE OF MAYOR. (a) The gov-  
27 erning body shall, by two-thirds concurring vote, declare the office  
28 of mayor vacant only when the person elected

29           (1) fails to qualify or take office within 30 days after

1 election or appointment;

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

4 (3) resigns and the resignation is accepted;

5 (4) is physically or mentally unable to perform the duties  
6 of office;

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

9 (6) is convicted of a felony or misdemeanor described in  
10 AS 15.56;

11 (7) is convicted of a violation of AS 15.14 or former  
12 AS 15.13;

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

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

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

17 Sec. 39.50.050. ADMINISTRATION AND INSPECTION. (a) The Alaska  
18 Public Offices Commission established [CREATED] under AS 15.14.020  
19 [AS 15.13.020(a)] shall administer the provisions of this chapter. The  
20 commission shall prepare and keep available for distribution, stan-  
21 dardized forms on which the reports required by this chapter shall be  
22 filed.

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

24 (a) In this chapter:

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

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

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

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

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

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

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

17          (8) "public official" means a judicial officer, a member  
18 of the legislature, the fiscal analyst of the legislative finance  
19 division, the legislative auditor of the legislative audit division,  
20 the executive director of the Legislative Affairs Agency and the  
21 directors of the divisions within the Legislative Affairs Agency, the  
22 governor, the lieutenant governor, a person hired or appointed as the  
23 head or deputy head of, or director of a division within, a department  
24 in the executive branch, and assistant to the governor, chairman or  
25 member of a state commission or board, and each appointed or elected  
26 municipal officer;

27          (9) "source of income" means the entity for which service  
28 is performed or which is otherwise the origin of payment; if the  
29 person whose income is being reported is employed by another, the

1        employer is the source of income; but if the person is self- employed  
2        by means of a sole proprietorship, partnership, professional corpora-  
3        tion, or a corporation in which the person, the person's spouse or  
4        children, or a combination of them, hold a controlling interest, the  
5        "source" is the client or customer of the proprietorship, partnership  
6        or corporation, but if the entity which is the origin of payment is  
7        not the same as the client or customer for whom the service is per-  
8        formed, both are considered the source;

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

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

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

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

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

17                (4) Alaska Commission on Postsecondary Education (AS 14.-  
18                42.015);

19                (5) Alaska Energy Center (AS 46.12);

20                (6) Alaska Housing Finance Corporation (AS 18.56.010 -  
21                18.56.210);

22                (7) Alaska Judicial Council (art. IV, sec. 8, Alaska Con-  
23                stitution);

24                (8) Alaska Medical Facility Authority (AS 18.26.010 -  
25                18.26.900);

26                (9) Alaska Municipal Bond Bank Authority (AS 44.85.020);

27                (10) Alaska Power Authority public directors (AS 44.83.030);

28                (11) Alaska Oil and Gas Conservation Commission (AS 31.05.-  
29                005 - 31.05.170);

- 1 (12) Alaska Public Broadcasting Commission (AS 44.21.256);  
2 (13) Alaska Public Offices Commission (AS 15.14.020);  
3 (14) Alaska Public Utilities Commission (AS 42.05.010);  
4 (15) Alaska Resources Corporation (AS 37.12.010);  
5 (16) Alaska Royalty Oil and Gas Development Advisory Board  
6 (AS 38.06.020);  
7 (17) Alaska Seafood Marketing Institute (AS 16.51.010);  
8 (18) Alaska State Council on the Arts (AS 44.27.040);  
9 (19) Alaska State Housing Authority (AS 18.55.020);  
10 (20) Alaska Teachers' Retirement Board (AS 14.25.035);  
11 (21) Alcoholic Beverage Control Board (AS 04.06.010);  
12 (22) Board of Education (AS 14.07.075);  
13 (23) Board of Fisheries (AS 16.05.221(a));  
14 (24) Board of Game (AS 16.05.221(b));  
15 (25) Board of Parole (AS 33.16.020);  
16 (26) Board of Trustees and executive director of the Alaska  
17 Permanent Fund Corporation (AS 37.13.040);  
18 (27) Commission on Judicial Conduct (art. IV, sec. 10,  
19 Alaska Constitution);  
20 (28) Council on Domestic Violence and Sexual Assault  
21 (AS 18.66.010);  
22 (29) Employment Security Advisory Council (AS 23.20.025);  
23 (30) Fishermen's Fund Advisory and Appeals Council (AS 23.-  
24 35.010);  
25 (31) Governor's Commission on the Administration of Justice  
26 (AS 4' 19.110);  
27 (32) Local Boundary Commission (AS 44.47.565);  
28 (33) Occupational Safety and Health Review Board (AS 18.60.-  
29 057);

- 1 (34) Public Employees' Retirement Board (AS 39.35.030);  
2 (35) State Assessment Review Board (AS 43.56.040);  
3 (36) State Commission for Human Rights (AS 18.80.010);  
4 (37) State Personnel Board (AS 39.25.060);  
5 (38) University of Alaska Board of Regents (AS 14.40.120);  
6 (39) Workers' Compensation Board (AS 23.30.005).

7 \* Sec. 12. AS 15.13 is repealed.

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

9 \* Sec. 14. Alaska Public Office Commission members serving on the  
10 effective date of this Act continue to serve out their terms as provided  
11 under AS 15.13.020, repealed in sec. 12 of this Act. Vacancies occurring  
12 after the effective date of this Act shall be filled in accordance with  
13 AS 15.14.020 enacted in sec. 1 of this Act.

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

18 \* Sec. 16. AS 15.14.190 as enacted in sec. 1 of this Act does not apply  
19 to campaign accounts for election campaigns held before the effective date  
20 of this Act and does not apply to contributions solicited or accepted and  
21 to expenditures made for the purpose of retiring campaign debts incurred by  
22 a candidate in an election campaign held before the effective date of this  
23 Act.

24 \* Sec. 17. This Act applies to election campaign activities that take  
25 place after January 1, 1987, and that relate to state or municipal elec-  
26 tions held after January 16, 1987.

27 \* Sec. 18. This Act takes effect January 16, 1987.

Offered: 2/24/86  
Referred: Community and Regional  
Affairs and Finance

Original sponsor: State Affairs  
Committee

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR SENATE BILL NO. 356 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

11 CHAPTER 14. ELECTION CAMPAIGN FINANCING.

12 ARTICLE 1. ALASKA PUBLIC OFFICES COMMISSION.

13 Sec. 15.14.010. APPLICABILITY. (a) This chapter applies in  
14 each election for governor, lieutenant governor, a member of the state  
15 legislature, a delegate to a constitutional convention, and a judge  
16 seeking electoral retention.

17 (b) This chapter applies to each election for mayor, assembly,  
18 or school board in a municipality with a population of more than 1,000  
19 according to the latest United States census figures or estimates of  
20 population certified by the Department of Community and Regional  
21 Affairs under AS 29.60.020. A municipality may exempt its elections  
22 from the requirements of this chapter if a majority of the voters  
23 voting on the question at a regular election as defined by AS 29.71.-  
24 800 or a special municipality-wide election called for that purpose  
25 vote to exempt its elections from the requirements of this chapter.  
26 The question of exemption from the requirements of this chapter may be  
27 submitted to the voters by initiative or by the city council or bor-  
28 ough assembly by ordinance.

29 (c) This chapter does not prohibit a municipality from

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

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

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

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

15 (b) The commission consists of five members.

16 (c) The governor shall appoint two members from each of the two  
17 political parties whose candidates for governor received the highest  
18 and second highest number of votes in the most recent preceding gener-  
19 al election at which a governor was elected. The governor shall  
20 appoint each member from a party from a list of four names submitted  
21 to the governor by the central committee or other governing body of  
22 the party.

23 (d) The four members who were appointed by the governor from  
24 nominations submitted by political parties shall, by a majority vote,  
25 appoint the fifth member.

26 (e) The governor shall fill a vacancy or appoint a successor to  
27 a member appointed under (c) of this section within 30 days after  
28 receiving the nominations from the central committee or other govern-  
29 ing body of the party. An appointment may be made in anticipation of

1 an impending vacancy, and the appointment takes effect on the actual  
2 vacancy.

3 (f) When the term of the member appointed under (d) of this  
4 section expires or the position becomes vacant, a majority of the four  
5 members appointed under (c) of this section shall appoint a successor  
6 within 30 days after the position becomes vacant. An appointment may  
7 be made in anticipation of an impending vacancy, and the appointment  
8 takes effect on the actual vacancy.

9 (g) The term of office for each member of the commission is five  
10 years and until a successor is appointed and qualifies. If a vacancy  
11 occurs before the expiration of a member's term, the member appointed  
12 to fill the vacancy serves for the remainder of the unexpired term. A  
13 commission member may not serve more than one term, but a person  
14 appointed to fill an unexpired term may be appointed to a successive  
15 full five-year term.

16 (h) A member of the commission, during tenure, may not

17 (1) hold or campaign for elective office;

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

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

23 (4) participate in an election campaign or participate in  
24 or contribute to a political party; or

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

26 (i) Members of the commission are entitled to receive compen-  
27 sation of \$100 a day while attending commission meetings and are  
28 entitled to travel expenses and per diem authorized by law for state  
29 employees.

1           (j) The members of the commission shall elect a chairman. A  
2 majority of the commission constitutes a quorum. The affirmative vote  
3 of at least three members is required to take official action. A  
4 vacancy does not impair the power of the remaining members to exercise  
5 the powers of the commission.

6           (k) The commission may employ an executive director and other  
7 employees it considers necessary. The executive director and an  
8 employee of the commission may not, during tenure,

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

10                (2) engage in an activity described in (h) of this section.

11           (l) The commission shall establish a central office and shall  
12 establish or designate a commission office in each election district  
13 of the state for the filing and public inspection of the reports,  
14 registrations, or statements required to be filed with the commission.  
15 Only one commission office may be established or designated in a  
16 municipality that contains more than one election district. A dis-  
17 trict office designated under this subsection may be a municipal or  
18 other public office.

19           (m) The forms and material required for compliance with this  
20 chapter shall be made available in each commission office to candi-  
21 dates, persons, and political action committees required to file  
22 reports under this chapter.

23           (n) The commission shall promptly forward a copy of each report  
24 filed by a statewide candidate to each district office and it shall  
25 promptly forward a copy of each report filed by a legislative candi-  
26 date to the district office in the election district where the candi-  
27 date is seeking office.

28           (o) The commission shall ensure that copies of each report filed  
29 by a candidate for municipal office are made available for public

1 inspection in the municipality in which the candidate is seeking  
2 office.

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

4 (1) develop and provide forms for the reports, registra-  
5 tions, and statements required under this chapter, AS 24.45, and  
6 AS 39.50;

7 (2) prepare and publish a manual setting out uniform meth-  
8 ods of bookkeeping and reporting for use by persons required to make  
9 reports, registrations, and statements under this chapter and other-  
10 wise assist candidates, political action committees, and persons in  
11 complying with this chapter;

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

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

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

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

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

28 (8) examine, investigate, and compare reports, registra-  
29 tions, statements, and actions required by this chapter, AS 24.45, and

1 AS 39.50;

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

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

8 ARTICLE 2. REGISTRATION AND REPORTS.

9 Sec. 15.14.040. REGISTRATION BY CANDIDATES. (a) An individual  
10 shall register with the commission on a form prescribed by the commis-  
11 sion within 10 days after the individual either

12 (1) accepts contributions of \$1,000 or more in the aggre-  
13 gate from persons or from political action committees for the purpose  
14 of seeking elective office; or

15 (2) files for an elective office.

16 (b) The registration under (a) of this section must designate  
17 the office and the year of the election for which the campaign will be  
18 conducted, and designate whether the election is for a state or a  
19 municipal office.

20 (c) An individual required to register under this section shall  
21 include with the registration information required under AS 15.14.160.

22 Sec. 15.14.050. REGISTRATION BY POLITICAL ACTION COMMITTEES.

23 (a) A political action committee shall register with the commission  
24 on a form prescribed by the commission within 10 days after the polit-  
25 ical action committee either

26 (1) accepts contributions of \$1,000 in the aggregate; or

27 (2) makes

28 (A) a contribution to an individual who has registered  
29 with the commission under AS 15.14.040; or

1 (B) an expenditure in support of or in opposition to  
2 the election of an individual to an office covered by this chap-  
3 ter, or on behalf of or in opposition to a ballot proposition or  
4 question.

5 (b) A political action committee formed solely for the purpose  
6 of sponsoring an initiative, a referendum or a recall shall register  
7 with the commission within 30 days after it files a petition with the  
8 lieutenant governor or with a municipal clerk.

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

11 (d) A political action committee may not use or file with the  
12 commission a name that is the same as or materially similar to the  
13 name of a political action committee whose registration is then on  
14 file with the commission.

15 (e) If a political action committee intends to support or oppose  
16 only one candidate or to contribute to or expend more than 50 percent  
17 of its funds on behalf of or in opposition to one candidate, the name  
18 of the candidate must be part of the name of the political action  
19 committee. On receipt of the registration, the commission shall  
20 promptly notify the candidate of the political action committee's  
21 organization and its intent.

22 (f) A political action committee that makes expenditures or re-  
23 ceives contributions with the authorization or consent, express or  
24 implied, or under the control, direct or indirect, of a candidate is  
25 controlled by the candidate. A contribution to a political action  
26 committee controlled by a candidate is a contribution to the candi-  
27 date.

28 (g) A political action committee required to register under this  
29 section shall include with the registration the information required

1 under AS 15.14.160 and shall designate the year of the election for  
2 which the campaign will be conducted or shall indicate that it antici-  
3 pates continuing existence.

4 Sec. 15.14.060. REPORTS BY CANDIDATES OF CONTRIBUTIONS, LOANS,  
5 AND EXPENDITURES. (a) A candidate shall make full reports upon a  
6 form prescribed by the commission of the contributions and loans  
7 received and the expenditures made by the candidate for the designated  
8 election campaign, including

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

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

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

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

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

19 (2) for each person or political action committee that lent  
20 any amount to the candidate or that guaranteed or otherwise agreed to  
21 assume a financial obligation in any amount for or on behalf of a  
22 candidate,

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

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

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

29 (D) the purpose of the loan;

1 (E) the date and total value of the loan or financial  
2 obligation;

3 (F) the interest rate of the loan or financial obliga-  
4 tion;

5 (G) the date the loan or financial obligation is due;  
6 and

7 (H) the security, if any, for the loan or financial  
8 obligation;

9 (3) the total number and amount of all contributions re-  
10 ceived of less than \$250;

11 (4) a total of all contributions received;

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

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

15 (7) the date, check number, the amount of the check, the  
16 full name of the payee, and the purpose of each expenditure.

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

23 (1) 30 days before the election unless the deadline for  
24 filing a nominating petition or declaration of candidacy is less than  
25 34 days before the election;

26 (2) seven days before the election.

27 (c) A candidate shall file a special contribution, loan, or  
28 expenditure report with the commission for each contribution, loan, or  
29 expenditure of \$500 or more that is received within the last 10 days

1 before the election. The report must include the full name, complete  
2 address, principal occupation and employer of the contributor or  
3 lender and the date and amount of the contribution or loan, or the  
4 purpose of the expenditure. The report shall be filed within 24 hours  
5 after the contribution or loan is received.

6 (d) A candidate shall file an annual report on or before Janu-  
7 ary 31 of each year. The annual report must include all of the infor-  
8 mation required under (a) of this section for contributions and loans  
9 received and expenditures made between January 1 and December 31 of  
10 the immediately preceding year, except that an annual report filed by  
11 January 31 following the year in which an election designated under  
12 AS 15.14.040(b) is held

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

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

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

21 (e) The report required under (d) of this section covering  
22 contributions and loans received and expenditures made during the year  
23 in which an election designated under AS 15.14.040(b) is held is the  
24 final report for contributions, loans, and expenditures of a candi-  
25 date.

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

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

1 (H) the security, if any, for the loan or financial  
2 obligation;

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

5 (4) a total of all contributions received;

6 (5) a total of all expenditures made or obligated;

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

9 (A) for each expenditure that is a contribution to a  
10 candidate or a political action committee, the name of the candi-  
11 date or political action committee; and

12 (B) for each expenditure that is an independent expen-  
13 diture, the name of the candidate or ballot proposition or ques-  
14 tion supported or opposed by the independent expenditure.

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

21 (1) 30 days before the election;

22 (2) seven days before the election.

23 (c) A political action committee shall file a special contribu-  
24 tion or loan report with the commission for each contribution or loan  
25 of \$500 or more that is received within the last 10 days before the  
26 election. The report must include the full name, complete address,  
27 principal occupation and employer of the contributor or lender and the  
28 date and amount of the contribution or loan. The report shall be  
29 filed within 24 hours after the contribution or loan is received.

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

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

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

27 (c) The statement must include a certification by the person  
28 making the statement that the contribution or expenditure consists of  
29 funds or property belonging to the contributor and that the funds have

1 not been given or furnished by another person or political action  
2 committee.

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

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

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

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

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

27 (3) who is or within one year before the date of the expen-  
28 diture has been receiving any form of compensation or reimbursement  
29 from the candidate or from campaign funds for professional services

1 that require the exercise of discretion or judgment relating to the  
2 conduct of the campaign.

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

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

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

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

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

22 ARTICLE 3. CONTRIBUTIONS AND EXPENDITURES.

23 Sec. 15.14.110. CONTRIBUTIONS BY A PERSON. (a) A person may  
24 not make a contribution in the form of a cash payment in excess of  
25 \$100 in the aggregate during a calendar year to a candidate or a  
26 political action committee.

27 (b) A person may not make a contribution in excess of \$2,000 in  
28 the aggregate during a calendar year in money, goods, or services to a  
29 candidate.

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

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

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

9 (2) to a political party.

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

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

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

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

20 (a) A political action committee may not make a contribution in the  
21 form of a cash payment in excess of \$100 in the aggregate during a  
22 calendar year to a candidate or political action committee.

23 (b) Except as provided in (c) of this section, a political  
24 action committee may not contribute or make an expenditure, other than  
25 as an independent expenditure, of more than \$2,000 in the aggregate  
26 during a year to a candidate or to a political action committee, and  
27 may not contribute more than \$25,000 in the aggregate during a calen-  
28 dar year to candidates or political action committees generally, other  
29 than to political action committees formed solely for the purpose of

1 supporting or opposing a ballot proposition or question.

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

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

7 (2) a political party.

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

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

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

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

20 Sec. 15.14.130. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
21 candidate, a campaign officer of a candidate, a political action  
22 committee, and an officer of a political action committee may not  
23 accept a contribution in the form of a cash payment in excess of \$100  
24 in the aggregate during a year from a person or a political action  
25 committee.

26 (b) A candidate and a campaign officer of a candidate may not  
27 accept a contribution in excess of \$2,000 in the aggregate during a  
28 calendar year in money, goods, or services from a person or a politi-  
29 cal action committee.

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

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

9                   (2) not accept a contribution in the form of a cash payment  
10 in excess of \$100 in the aggregate during a calendar year from a  
11 person.

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

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

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

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

24           Sec. 15.14.150. PROHIBITED CONTRIBUTIONS. (a) A contribution  
25 may not be made and an expenditure may not be made or incurred either  
26 directly or indirectly in a fictitious name, anonymously, or by one  
27 person or political action committee in the name of another. A con-  
28 tribution made by a corporation is not a contribution in the name of a  
29 shareholder of the corporation for the purposes of this subsection.

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

7 (c) A candidate, a campaign officer of a candidate, political  
8 action committee, and a campaign officer of a political action commit-  
9 tee may not accept a contribution described in this section. A con-  
10 tribution under this section is accepted unless it is returned or  
11 donated under (b) of this section within 10 days after the candidate  
12 or political action committee knows or should have known that the con-  
13 tribution is prohibited under this section.

14 ARTICLE 4. CAMPAIGN CONDUCT AND ADMINISTRATION.

15 Sec 15.14.160. CAMPAIGN OFFICERS. (a) Each candidate may and  
16 each political action committee shall appoint a campaign chairman.  
17 Each candidate and each political action committee shall appoint a  
18 campaign treasurer who is responsible for receiving, holding, and  
19 disbursing all contributions and expenditures, and for filing all  
20 reports and statements required by law. Each candidate and each  
21 political action committee may appoint deputy campaign treasurers at  
22 any time. A candidate may be a campaign treasurer.

23 (b) At the time a candidate registers with the commission under  
24 AS 15.14.040, the candidate shall file a statement in the central or a  
25 district office of the commission listing the name, address, and  
26 telephone number of the candidate's campaign treasurer. At the time a  
27 political action committee registers with the commission under AS 15.-  
28 14.050, the political action committee shall file a statement in the  
29 central or a district office of the commission listing the name,

1 address, and telephone number of the political action committee's  
2 campaign treasurer. Each candidate who appoints a campaign chairman  
3 and each political action committee shall include in the statement the  
4 name, address, and telephone number of the campaign chairman.

5 (c) An individual may not act as the campaign chairman, campaign  
6 treasurer, or deputy campaign treasurer for a candidate or political  
7 action committee until the name, address, and telephone number of the  
8 individual has been filed with the commission. The address of a  
9 candidate's campaign treasurer is the address of the candidate unless  
10 the candidate files a different mailing address with the commission.

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

16 (e) A candidate may receive contributions and make expenditures  
17 only in person or through a campaign chairman, a campaign treasurer,  
18 or a deputy campaign treasurer. A political action committee may re-  
19 ceive contributions and make expenditures only through the campaign  
20 chairman, campaign treasurer, or deputy campaign treasurer of the  
21 political action committees. A person does not receive or make a  
22 contribution under this section on behalf of a candidate or political  
23 action committee if

24 (1) the person solicits a contribution and transfers or  
25 delivers that contribution to a candidate or a campaign officer of a  
26 candidate or political action committee and discloses to the candidate  
27 or political action committee the identity of the contributor;

28 (2) the person does not exercise discretion or control as  
29 to the amount or as to the identity of the recipient of the contribu-

1       tion; and

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

4               (f) The candidate is responsible for the performance of the  
5 campaign officers of the candidate. The campaign chairman of a polit-  
6 ical action committee is responsible for the performance of the other  
7 officers of the political action committee. A default or violation by  
8 the officer is considered a default or violation by the candidate if  
9 the candidate knew or had reason to know of the default or violation.  
10 A default or violation by the officer of the political action commit-  
11 tee is considered a default or violation by the campaign chairman of  
12 the political action committee if the campaign chairman knew or had  
13 reason to know of the default or violation.

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

17               (1) influence or attempt to influence the actions of the  
18 voters for or against the election of a candidate or the passage or  
19 defeat of a ballot proposition or question; or

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

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

23               (c) Surplus campaign funds shall be disposed of under AS 15.14.-  
24 190.

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

29               (1) for a legislative or statewide candidate in the general

1 election, the date on which the successful candidate in the designated  
2 election is sworn into office;

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

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

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

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

12 (6) for a judicial candidate or a delegate to a constitu-  
13 tional convention, 30 days after the date of the election.

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

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

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

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

26 (3) the payment of loans made by the candidate to the  
27 campaign of the candidate.

28 Sec. 15.14.190. SURPLUS CAMPAIGN FUNDS. (a) A candidate shall  
29 dispose of campaign funds that are not spent during the designated

1 election campaign by

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

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

6 (3) after registering with the commission under AS 15.14.-  
7 040, transferring the funds to a newly designated election campaign  
8 account for a designated state election to be held not more than four  
9 years after the election designated under AS 15.14.040(b);

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

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

16 (6) returning the funds to contributors on a pro rata  
17 basis.

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

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

26 (b) A public officer or employee of the state may not solicit or  
27 request another public officer or employee to contribute to a candi-  
28 date, political action committee, or political party while the other  
29 public officer or employee is on the premises of a state or municipal

1 office.

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

5 (d) Subsections (a) and (b) of this section do not apply to a  
6 public officer elected to office by popular vote.

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

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

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

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

23 Sec. 15.14.220. CAMPAIGN FINANCING VIOLATIONS IN THE FIRST  
24 DEGREE. (a) A person who, with intent to avoid disclosure, fails to  
25 file a report of contributions or expenditures required to be filed 30  
26 days or seven days before an election under AS 15.14.060(b) or fails  
27 to file a report within 24 hours after receiving a contribution or  
28 making an expenditure under AS 15.14.060(c) is subject to a civil  
29 penalty of not less than \$100 nor more than \$300 for each day that the

1 report is due but not filed up to a maximum of \$25,000 for each  
2 report.

3 (b) A political action committee that, with intent to avoid  
4 disclosure, fails to file a report of contributions or expenditures  
5 required to be filed 30 days or seven days before an election under  
6 AS 15.14.070(b) or fails to file a report within 24 hours after re-  
7 ceiving a contribution or making an expenditure under AS 15.14.070(c)  
8 is subject to a civil penalty of not less than \$100 nor more than \$300  
9 for each day that the report is due but not filed up to a maximum of  
10 \$25,000 for each report.

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

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

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

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

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

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

29 (e) A person who knowingly makes a contribution in excess of the

1       \$2,000 limitation under AS 15.14.110(b) or (c) is subject to a civil  
2 penalty

- 3               (1) of not less than \$1,000 nor more than \$5,000; and  
4               (2) not to exceed twice the amount that the contribution  
5 exceeds the limitation.

6       (f) A political action committee that knowingly makes a contri-  
7 bution in excess of the \$2,000 limitation under AS 15.14.120(b) or in  
8 excess of the \$25,000 limitation under AS 15.14.120(b) is subject to a  
9 civil penalty

- 10              (1) of not less than \$1,000 nor more than \$5,000; and  
11              (2) not to exceed twice the amount that the contribution  
12 exceeds the limitation.

13       (g) Except as provided in AS 15.14.130(c), a political action  
14 committee that knowingly accepts a contribution in excess of the  
15 \$2,000 limitation established in AS 15.14.130(c) is subject to a civil  
16 penalty

- 17              (1) of not less than \$1,000 nor more than \$5,000; and  
18              (2) not to exceed twice the amount that the contribution  
19 exceeds the limitation.

20       (h) A person who knowingly makes a contribution in the form of  
21 cash during the year of more than \$100 in the aggregate in violation  
22 of AS 15.14.110(a) is subject to a civil penalty of

- 23              (1) not less than \$100 nor more than \$1,000 if the contri-  
24 bution is less than \$500, in the aggregate; and  
25              (2) an additional civil penalty of not to exceed twice the  
26 amount of the cash contribution if it amounts to \$500 or more in the  
27 aggregate.

28       (i) A political action committee that knowingly makes a contri-  
29 bution in the form of cash during the year of more than \$100 in the

1 aggregate in violation of AS 15.14.120(a) is subject to a civil  
2 penalty of

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

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

8 (j) A person or political action committee that knowingly ac-  
9 cepts a contribution in the form of cash during the year of more than  
10 \$100 in the aggregate in violation of AS 15.14.130(a) is subject to a  
11 civil penalty of

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

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

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

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

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

24 (l) A person or political action committee that knowingly ac-  
25 cepts a contribution obtained in violation of AS 15.56.025 through a  
26 threat of physical force, job discrimination, or financial reprisals  
27 is subject to a civil penalty of not less than \$1,000 nor more than  
28 \$10,000.

29 (m) A person or political action committee that intentionally

1 solicits or requests a contribution from a public officer or employee  
2 of the state or a municipality of the state in a manner prohibited  
3 under AS 15.14.200(a) or (b) is subject to a civil penalty of not less  
4 than \$500 nor more than \$5,000.

5 (n) A person or political action committee that knowingly ac-  
6 cepts a contribution from a public officer or employee of the state or  
7 a municipality of the state in a manner prohibited under AS 15.14.-  
8 200(a) or (b) is subject to a civil penalty of not less than \$500 nor  
9 more than \$5,000.

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

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

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

1 maximum fine of \$3,000 for each report, registration, or statement.

2 (d) A person who files a report of contributions or expenditures  
3 containing a false or misleading statement as to a contributor, con-  
4 tribution, loan, or expenditure required to be included in a report  
5 under AS 15.14.060(a) is subject to a civil penalty

6 (1) of not less than \$50 nor more than \$500 for each false  
7 or misleading statement; and

8 (2) not to exceed the amount of the contribution or expen-  
9 diture involving the false or misleading statement.

10 (e) A political action committee that files a report of contri-  
11 butions or expenditures containing a false or misleading statement as  
12 to a contributor, contribution, loan, or expenditure required to be  
13 included in a report under AS 15.14.070(a) is subject to a civil  
14 penalty of

15 (1) not less than \$50 nor more than \$500 for each false or  
16 misleading statement; and

17 (2) not to exceed the amount of the contribution or expen-  
18 diture involving the false or misleading statement.

19 (f) A person who makes a contribution in excess of the \$2,000  
20 limitation under AS 15.14.110(b) or (c) is subject to a civil penalty

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

22 (2) not to exceed the amount that the contribution exceeds  
23 the limitation.

24 (g) A political action committee that makes a contribution in  
25 excess of the \$2,000 limitation under AS 15.14.120(b) or in excess of  
26 the \$25,000 limitation under AS 15.14.120(b) is subject to a civil  
27 penalty

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

29 (2) not to exceed the amount that the contribution exceeds

1 the limitation.

2 (h) A person who makes a contribution in the form of cash during  
3 the year of more than \$100 in the aggregate in violation of AS 15.14.-  
4 110(a) is subject to a civil penalty of not to exceed the amount of  
5 the cash contribution.

6 (i) A political action committee that makes a contribution in  
7 the form of cash during the year of more than \$100 in the aggregate in  
8 violation of AS 15.14.120(a) is subject to a civil penalty of not to  
9 exceed the amount of the cash contribution.

10 (j) A candidate or an officer of a candidate that accepts a  
11 contribution in excess of the \$2,000 limitation under AS 15.14.130(b)  
12 is subject to a civil penalty

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

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

16 (k) A political action committee that accepts a contribution in  
17 excess of the \$2,000 limitation under AS 15.14.130(c) is subject to a  
18 civil penalty

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

20 (2) not to exceed the amount that the contribution exceeds  
21 the limitation.

22 (l) A candidate, an officer of a candidate, a political action  
23 committee, or an officer of a political action committee that accepts  
24 a contribution in the form of cash during the year of more than \$100  
25 in the aggregate in violation of AS 15.14.130(a) is subject to a civil  
26 penalty of not to exceed the amount of the cash contribution.

27 (m) A candidate who fails to close a campaign account by the  
28 date established in AS 15.14.180(a) is subject to a fine of not less  
29 than \$25 nor more than \$100 per day for each day that the account

1 should have been but was not closed, up to a maximum of \$2,000.

2 (n) A person who fails to dispose of surplus funds by the date  
3 established in AS 15.14.190(b) is subject to a civil penalty of not  
4 less than \$25 nor more than \$100 per day for each day that the surplus  
5 funds should have been but were not disposed of, up to a maximum of  
6 \$2,000.

7 (o) A person is subject to a civil penalty of not less than \$100  
8 nor more than \$2,000 if the person

9 (1) solicits or accepts a contribution or makes an expendi-  
10 ture, other than a disposition of surplus funds, after the date that  
11 campaign accounts are required to be closed under AS 15.14.180;

12 (2) uses campaign funds for a purpose not permitted under  
13 AS 15.14.170;

14 (3) uses surplus funds for a purpose not permitted under  
15 AS 15.14.190;

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

18 (5) fails to include in a communication intended to influ-  
19 ence the election of a candidate or the outcome of a ballot proposi-  
20 tion or question the information required under AS 15.14.210(a) or  
21 (b).

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

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

29 (1) art. II, sec. 12, Constitution of the State of Alaska,

1 if the candidate is a candidate for the state legislature;

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

4 (3) AS 29.20.170, if the candidate is a candidate for  
5 borough assembly;

6 (4) AS 29.20.280, if the candidate is a candidate for  
7 borough mayor;

8 (5) AS 29.20.170, if the candidate is a candidate for city  
9 council;

10 (6) AS 29.20.280(a), if the candidate is a candidate for  
11 city mayor;

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

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

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

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

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

27 (b) A prosecution alleging a violation of AS 15.14.230 must be  
28 commenced within two years from the date of the alleged offense.

29 (c) For the purposes of this section, a violation involving the

1 failure to file a report, statement, or registration is considered to  
2 have been committed on the day after the report, statement or regis-  
3 tration was due.

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

8 (b) If an investigation is commenced by a signed and sworn  
9 complaint by a person other than a member of the commission or its  
10 employees, the commission shall, within five days after receiving the  
11 complaint, mail a copy of the complaint to each person named in the  
12 complaint.

13 (c) If, after an investigation, the commission determines that  
14 there is probable cause to believe that a person has committed a  
15 violation, the commission may commence violation proceedings by filing  
16 and serving an accusation on the person alleged to have committed the  
17 violation. The commission shall serve an accusation in the manner  
18 provided by court rules for serving a complaint in a civil action.

19 (d) If the commission terminates an investigation without filing  
20 an accusation, the commission shall, within five days after terminat-  
21 ing the investigation, inform the complainant and each person named in  
22 the complaint only of the fact that the commission has terminated the  
23 investigation and will not be taking further action concerning the  
24 complaint.

25 Sec. 15.14.280. ACCUSATIONS. (a) The accusation must be a  
26 written statement of the charges setting out in ordinary and concise  
27 language the acts or omissions with which the respondent is charged,  
28 so that the respondent is able to prepare a defense. The accusation  
29 must also specify the statute or regulation that the respondent is

1       alleged to have violated, and the maximum penalty provided for the  
2       violation. The accusation may not consist merely of charges phrased  
3       in the language of the statute and regulation.

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

6                "To the Respondent: Unless you deliver or mail a written  
7                request for a hearing signed by you or on your behalf to  
8                the commission within 15 days after this accusation was  
9                personally served on you or mailed to you, the commission  
10              may proceed upon the accusation without further notice to  
11              you. You may request a hearing by delivering or mailing  
12              the enclosed form entitled 'Notice of Defense,' or by  
13              delivering or mailing a notice of defense under AS 15.14.290  
14              to the commission at its central office address (insert central  
15              office address)."

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

20       Sec. 15.14.290. NOTICE OF DEFENSE. (a) Within 15 days after  
21       service upon the respondent of the accusation, the respondent may file  
22       with the commission a notice of defense. In the notice the respondent  
23       may

24               (1) deny the accusation in whole or in part and request a  
25       hearing;

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

28               (3) object to the form of the accusation on the ground that  
29       it is so indefinite or uncertain that the respondent cannot identify

1 the transaction or prepare a defense;

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

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

5 (b) Within the time specified in (a) of this section, the re-  
6 spondent may file one or more notices of defense upon any or all of  
7 the grounds set out in (a) of this section but all of the notices must  
8 be filed within the period unless the commission in its discretion  
9 authorizes the filing of a later notice.

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

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

23 Sec. 15.14.300. HEARINGS. (a) If a respondent requests a  
24 hearing on a contested accusation or, in the absence of a request, the  
25 commission in its discretion decides to hold a hearing, the commission  
26 shall mail or deliver a notice of hearing to the respondent at least  
27 10 days before the hearing. The hearing may not be held before the  
28 expiration of the time within which the respondent is entitled to file  
29 a notice of defense. The notice to respondent must be consistent with

1 the form for notice of hearing under AS 44.62.420.

2 (b) The commission shall conduct its hearings under AS 44.62.-  
3 440 - 44.62.500, except that

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

6 (2) if a hearing officer is not appointed, the chairman of  
7 the commission, or the commission member designated by the chairman,  
8 shall preside at the hearing, and the attorney general shall assign an  
9 assistant attorney general to the commission to advise it on matters  
10 of law during the hearing.

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

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

21 (1) holds a hearing at which the person accused is afforded  
22 the right to appear, with or without counsel, the right to present  
23 witnesses or other evidence and the right to cross examine witnesses;  
24 and

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

28 (b) The executive director of the commission may not formally or  
29 informally make a recommendation to the commission as to a particular

1 penalty in a pending matter or make a commitment to the respondent to  
2 make a particular recommendation to the commission in the future until  
3 after the respondent has admitted or pleaded no contest to the accusa-  
4 tion or until after a hearing and a final determination by the com-  
5 mission that the respondent has committed the acts charged in the  
6 accusation.

7 (c) Before the executive director of the commission may make a  
8 recommendation to the commission for the imposition of a particular  
9 penalty in a matter, the respondent must first be given notice of the  
10 recommendation and afforded an opportunity to respond to the recom-  
11 mendation in person or in writing.

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

13 (1) the seriousness of the violation in terms of the extent  
14 to which the violation has impeded public disclosure of information  
15 required to be filed with the commission as to the amount and source  
16 of contributions that are large enough to be of significant interest  
17 to voters; and

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

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

27 (b) If an investigation by the commission discloses that a  
28 person has committed a violation included in the schedule of fines  
29 established under (a) of this section, the commission may, in lieu of

1 serving an accusation on the person, mail a notice of fine to the  
2 person indicating the circumstances of the violation and the amount of  
3 the fine established in the schedule for the violation. The person to  
4 whom the notice is directed may pay the fine within 15 days after  
5 receiving the notice or may file a notice of defense under AS 15.14.-  
6 290.

7 (c) If the person does not pay the fine under (b) of this sec-  
8 tion, the notice of fine constitutes an accusation under AS 15.14.280  
9 and the commission shall proceed against the person under AS 15.14.-  
10 280 - 15.14.310 and, upon determining that the person committed the  
11 violation, may impose a penalty for the violation not to exceed the  
12 maximum provided for the violation under AS 15.14.230.

13 Sec. 15.14.330. CONFIDENTIALITY. (a) An investigation by the  
14 commission under AS 15.14.270 is confidential unless and until the  
15 investigation results in the filing of an accusation under AS 15.-  
16 14.280.

17 (b) A member or a former member of the commission and an em-  
18 ployee or a former employee of the commission may not divulge the fact  
19 of or any particular concerning a pending, past, or contemplated  
20 investigation by the commission unless and until the filing of an  
21 accusation by the commission.

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

24 Sec. 15.14.340. JUDICIAL REVIEW. Judicial review of a final  
25 order of the commission may be had by filing a notice of appeal under  
26 applicable rules of court governing appeals from administrative agen-  
27 cies.

28 Sec. 15.14.350. POWERS OF THE COMMISSION. (a) In connection  
29 with an investigation or hearing under AS 15.14.270 - 15.14.310,

1 AS 24.45, or AS 39.50, the commission may compel the attendance of  
2 witnesses and production of papers, books, records, accounts, docu-  
3 ments, and testimony, and may have the depositions of witnesses taken  
4 in a manner prescribed by court rule or law for the taking of depo-  
5 sitions in civil actions when consistent with the powers and duties  
6 assigned to the commission by law.

7 (b) The commission may examine the papers, books, records,  
8 accounts and documents of a person subject to this chapter to deter-  
9 mine the correctness of a report filed with the commission or in  
10 conjunction with an investigation or inspection conducted under (a) of  
11 this section.

12 (c) Subpoenas may be issued and shall be served in the manner  
13 prescribed by AS 44.62.430 and court rule. The failure, refusal, or  
14 neglect to obey a subpoena is punishable as contempt in the manner  
15 prescribed by law or court rule. The superior court may compel obedi-  
16 ence to the commission's subpoena in the same manner as prescribed for  
17 obedience to a subpoena issued by the court.

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

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

25 ARTICLE 6. GENERAL PROVISIONS.

26 Sec. 15.14.900. DEFINITIONS. In this chapter

27 (1) "candidate" means an individual who

28 (A) files for election to the state legislature, for  
29 governor, for lieutenant governor, for municipal office, for

1 retention in judicial office, or for constitutional delegate;

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

4 (C) accepts contributions totalling \$1,000 or more in  
5 the aggregate from another person or political action committee  
6 for the purpose of seeking elective office or retention in judi-  
7 cial office;

8 (2) "contribution"

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

18 (B) does not include

19 (i) services provided without compensation by an  
20 individual volunteering on behalf of a candidate or ballot  
21 proposition or question, unless the services are volunteered  
22 by an individual who would ordinarily be paid a fee or wage  
23 for the services;

24 (ii) services provided by an accountant or other  
25 person to prepare reports and statements required by this  
26 chapter;

27 (iii) services provided by an attorney relating to  
28 AS 15;

29 (iv) ordinary hospitality in a home;

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(3) "expenditure"

(A) means a purchase or a transfer of money or anything of value or a promise or agreement to purchase or transfer money or anything of value, incurred or made for the purpose of

(i) influencing the nomination or election of a candidate or of any individual who files for nomination at a later date and becomes a candidate;

(ii) influencing the outcome of a ballot proposition or question; or

(iii) providing payment of compensation for the personal services of another person that are rendered to a candidate or political party;

(B) does not include a candidate's filing fee or the cost of preparing reports and statements required by this chapter;

(4) "individual" means a natural person;

(5) "municipality" has the meaning given by AS 01.10.060(4);

(6) "person" has the meaning given in AS 01.10.060 but does not include an entity organized to influence an election;

(7) "political action committee" means a person or combination of persons, including a political party and its state, regional, or local subdivisions that accepts contributions for the purpose of influencing an election and exercises discretion over the expenditure of the contributions;

(8) "political party"

(A) means a group of organized voters that

(i) claims to represent a political program, and

(ii) nominated a candidate for governor who re-

1           ceived at least five percent of the total vote cast at the  
2           preceding general election for governor;

3           (B) does not include the campaign committee of a  
4           candidate.

5 \* Sec. 2. AS 11.56.130 is amended to read:

6           Sec. 11.56.130. DEFINITION. In AS 11.56.100 - 11.56.130, "bene-  
7           fit" has the meaning given [ASCRIBED TO IT] in AS 11.81.900 but does  
8           not include

9           (1) political campaign contributions reported under AS 15.-  
10          14 [IN ACCORDANCE WITH AS 15.13];

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

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

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

16          Sec. 15.56.025. UNLAWFUL SOLICITATION OF CONTRIBUTIONS. (a) A  
17          person commits the crime of unlawful solicitation of campaign contri-  
18          butions if the person intentionally solicits a campaign contribution  
19          through a threat of physical force, job discrimination, or financial  
20          reprisal.

21          (b) Unlawful solicitation of campaign contributions is a class C  
22          felony.

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

24          (a) This chapter shall be administered by the Alaska Public  
25          Offices Commission established [CREATED] under AS 15.14.020 [AS 15.-  
26          13.020(a)].

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

28          Sec. 24.45.091. PUBLICATION OF REPORTS. Copies of the state-  
29          ments and reports filed under this chapter shall be made available to

1 the public at the commission's central office, the office of the  
2 lieutenant governor, the legislative reference library of the Legisla-  
3 tive Affairs Agency, and at the commission's district offices  
4 [PRESCRIBED IN AS 15.13.020(j)] as soon as practicable after each re-  
5 porting period.

6 \* Sec. 5. AS 24.60.080 is amended to read:

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

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

18 Sec. 29.20.170. VACANCIES. The governing body may provide by  
19 ordinance the manner in which a vacancy occurs in any elected office  
20 except the office of mayor or school board member. Unless otherwise  
21 provided by ordinance, the governing body shall declare an elective  
22 office, other than the office of mayor or school board member, vacant  
23 when the person elected

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

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

28 (3) resigns and the resignation is accepted;

29 (4) is physically or mentally unable to perform the duties

- 1 of office as determined by two-thirds vote of the governing body;
- 2 (5) is convicted of a felony or of an offense involving a
- 3 violation of the oath of office;
- 4 (6) is convicted of a felony or misdemeanor described in
- 5 AS 15.56 and two-thirds of the members of the governing body concur in
- 6 expelling the person elected;
- 7 (7) is convicted of a violation of AS 15.14 or former
- 8 AS 15.13;
- 9 (8) no longer physically resides in the municipality and
- 10 the governing body by two-thirds vote declares the seat vacant; or
- 11 (9) if a member of the governing body, misses three con-
- 12 secutive regular meetings and is not excused.
- 13 \* Sec. 8. AS 29.20.280(a) is amended to read:
- 14 (a) The governing body shall, by two-thirds concurring vote,
- 15 declare the office of mayor vacant only when the person elected
- 16 (1) fails to qualify or take office within 30 days after
- 17 election or appointment;
- 18 (2) unless excused by the governing body, is physically
- 19 absent for 90 consecutive days;
- 20 (3) resigns and the resignation is accepted;
- 21 (4) is physically or mentally unable to perform the duties
- 22 of office;
- 23 (5) is convicted of a felony or of an offense involving a
- 24 violation of the oath of office;
- 25 (6) is convicted of a felony or misdemeanor described in
- 26 AS 15.56;
- 27 (7) is convicted of a violation of AS 15.14 or former
- 28 AS 15.13;
- 29 (8) no longer physically resides in the municipality; or

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

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

4 (a) The Alaska Public Offices Commission established [CREATED]  
5 under AS 15.14.020 [AS 15.13.020(a)] shall administer the provisions  
6 of this chapter. The commission shall prepare and keep available for  
7 distribution, standardized forms on which the reports required by this  
8 chapter shall be filed.

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

10 (a) In this chapter:

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

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

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

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

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

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

27 (7) "municipal officer" includes a borough or city mayor,  
28 borough assemblyman, city councilman, school board member, elected  
29 utility board member, city or borough manager, members of a city or

1 borough planning or zoning commission within a home rule or general  
2 law city or borough, or a unified municipality;

3 (8) "public official" means a judicial officer, a member  
4 of the legislature, the fiscal analyst of the legislative finance  
5 division, the legislative auditor of the legislative audit division,  
6 the executive director of the Legislative Affairs Agency and the  
7 directors of the divisions within the Legislative Affairs Agency, the  
8 governor, the lieutenant governor, a person hired or appointed as the  
9 head or deputy head of, or director of a division within, a department  
10 in the executive branch, and assistant to the governor, chairman or  
11 member of a state commission or board, and each appointed or elected  
12 municipal officer;

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

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

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

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

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

- 1 (3) Alaska Commercial Fisheries Entry Commission (AS 16.-  
2 43.020);
- 3 (4) Alaska Commission on Postsecondary Education  
4 (AS 14.42.015);
- 5 (5) Alaska Energy Center (AS 46.12);
- 6 (6) Alaska Housing Finance Corporation (AS 18.56.010 -  
7 18.56.210);
- 8 (7) Alaska Judicial Council (art. IV, sec. 8, Alaska Con-  
9 stitution);
- 10 (8) Alaska Medical Facility Authority (AS 18.26.010 -  
11 18.26.900);
- 12 (9) Alaska Municipal Bond Bank Authority (AS 44.85.020);
- 13 (10) Alaska Power Authority public directors (AS 44.83.030);
- 14 (11) Alaska Oil and Gas Conservation Commission (AS 31.05.-  
15 005 - 31.05.170);
- 16 (12) Alaska Public Broadcasting Commission (AS 44.21.256);
- 17 (13) Alaska Public Offices Commission, including the execu-  
18 tive director and employees of the commission (AS 15.14.020);
- 19 (14) Alaska Public Utilities Commission (AS 42.05.010);
- 20 (15) Alaska Resources Corporation (AS 37.12.010);
- 21 (16) Alaska Royalty Oil and Gas Development Advisory Board  
22 (AS 39.06.020);
- 23 (17) Alaska Seafood Marketing Institute (AS 16.51.010);
- 24 (18) Alaska State Council on the Arts (AS 44.27.040);
- 25 (19) Alaska State Housing Authority (AS 18.55.020);
- 26 (20) Alaska Teachers' Retirement Board (AS 14.25.035);
- 27 (21) Alcoholic Beverage Control Board (AS 04.06.010);
- 28 (22) Board of Education (AS 14.07.075);
- 29 (23) Board of Fisheries (AS 16.05.221(a));

- 1 (24) Board of Game (AS 16.05.221(b));
- 2 (25) Board of Parole (AS 33.16.020);
- 3 (26) Board of Trustees and executive director of the Alaska
- 4 Permanent Fund Corporation (AS 37.13.040);
- 5 (27) Commission on Judicial Conduct (art. IV, sec. 10,
- 6 Alaska Constitution);
- 7 (28) Council on Domestic Violence and Sexual Assault
- 8 (AS 18.66.010);
- 9 (29) Employment Security Advisory Council (AS 23.20.025);
- 10 (30) Fishermen's Fund Advisory and Appeals Council (AS 23.-
- 11 35.010);
- 12 (31) Governor's Commission on the Administration of Justice
- 13 (AS 44.19.110);
- 14 (32) Local Boundary Commission (AS 44.47.565);
- 15 (33) Occupational Safety and Health Review Board (AS 18.60.-
- 16 057);
- 17 (34) Public Employees' Retirement Board (AS 39.35.030);
- 18 (35) State Assessment Review Board (AS 43.56.040);
- 19 (36) State Commission for Human Rights (AS 18.80.010);
- 20 (37) State Personnel Board (AS 39.25.060);
- 21 (38) University of Alaska Board of Regents (AS 14.40.120);
- 22 (39) Workers' Compensation Board (AS 23.30.005).

23 (b) Unlawful solicitation of campaign contributions is a class C

24 felony.

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

26 (39) Alaska Public Offices Commission except to the extent

27 that AS 44.62.350 - 44.62.630 is inconsistent with AS 15.14.270 -

28 15.14.350

29 \* Sec. 13. AS 15.13 is repealed.

1 \* Sec. 14. AS 15.56.010(1) and (2) are repealed.

2 \* Sec. 15. Alaska Public Office Commission members serving on the  
3 effective date of this Act continue to serve out their terms as provided  
4 under AS 15.13.020, repealed in sec. 13 of this Act. Vacancies occurring  
5 after the effective date of this Act shall be filled in accordance with  
6 AS 15.14.020 enacted in sec. 1 of this Act.

7 \* Sec. 16. Notwithstanding AS 15.14.010(b) as enacted in sec. 1 of this  
8 Act, the election of a municipality held under former AS 15.13.010(a) to  
9 exempt its officers from the application of AS 15.13 is confirmed as an  
10 exemption from the application of AS 15.14.

11 \* Sec. 17. AS 15.14.180 as enacted in sec. 1 of this Act does not apply  
12 to campaign accounts for election campaigns held before the effective date  
13 of this Act and does not apply to contributions solicited or accepted and  
14 to expenditures made for the purpose of retiring campaign debts incurred by  
15 a candidate in an election campaign held before the effective date of this  
16 Act.

17 \* Sec. 18. This Act applies to election campaign activities that take  
18 place after January 1, 1987, and that relate to state or municipal elec-  
19 tions held after January 16, 1987.

20 \* Sec. 19. This Act takes effect January 1, 1987.

COMMITTEE REPORT  
SENATE

FURTHER:

FINANCE

2/24/86

Date March 13, 1986

Mr. President

The Committee on C&RA considered SB 356  
relating to election campaign financing; efd.

and (a majority of the committee) ~~(the committee)~~ reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/~~or~~ adopt CS for SB 356 (C&RA)
- ~~new title~~
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

Allen S. Fitzgerald

[Signature]

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MEMBERS HAVING  
OTHER RECOMMENDATIONS

[Signature] no recommendation

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\_\_\_\_\_

Edna W. Vies  
Chairman

Do Pass  
Chairman recommendation

# COMMITTEE REPORT

## SENATE

FURTHER:

C&RA  
FINANCE

1/22/86

Date

Feb 21, 1986

Mr. President

The Committee on STATE AFFAIRS considered SB 356  
relating to election campaign financing; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 356 (SA)
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

### MEMBERS SIGNING DO PASS

1 Edw. McVie  
1 Tom Kelly  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### MEMBERS HAVING OTHER RECOMMENDATIONS

2 Bill Kay, Do NOT PASS  
3 H. Fischer NR  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
Chairman

[Signature]  
Chairman recommendation