

S B

384

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 384

SPONSOR Pourchot

BILL TITLE Election Campaigns Laurie Howard?

DATE REFERRED 1-10-90

HEARING SCHEDULED 1-17-90 (Wed)

FISCAL NOTE PREPARED (JL will request)

SPONSOR CONTACTED Jeanne

INTERESTED PARTIES CONTACTED

- o • ✓ Finkelstein - 2435 (will attend)
- o • ✓ Brown - 3784
- o • ✓ John Pugh - 789-4417 - L.M.
- o • ✓ Jim Crawford - 563-0700 (out of town, see comments) FAX 562-0889
- o • ✓ AU Gross - 586-2777 (AU out of town - left info for Susana) ^{Susana won't} _{be testifying}
- o • ✓ Don Mitchell - 276-1681 (May be in JNO)
- o • John Shuey - NANA 248-3030 L.M.
- o • ✓ AKPIRG - L.M. 278-3661 Heidi will listen in - 430 to 7th
- o • ✓ Ashley Reed - 279-5350 - won't testify
- o • ✓ Pat Smutz (Melissa 3818) 463-5422 - won't testify
- o • ✓ Mary Hilloran - 3568 L.M. will be testifying
- o • ✓ Karla Forsythe - APOC - J.L. will notify (276-4176) FAX 276-7018
- o • Brooke - 4864 JNO/APOC

Auch. only
Burke Riley

OTHER

Annie Laurie Howard
Rodman Wilson
344-9289
1-17-90
Home #
SB 384

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907.465.3800

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

SB 384

Senate State Affairs

1/17/90

SENATE COMMITTEE REPORT

DATE: 4/28/90

FURTHER:

DATE TURNED INTO OFFICE: _____

Re-referred
State Affairs

Committee considered

SB 384

Relating to election campaigns.

and recommended:

replace with _____ CS SP 2071 SF 2nd same title
 or adopt _____ CS new title
 attached amendment(s) technical
 _____ letter of intent adopted title change
(HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) APOC 5870

appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

Governor's bill w/fiscal note

SIGNING DO PASS:

[Signature]
[Signature]

OTHER RECOMMENDATIONS:

Al Adams - No Rec

[Signature]
Chair: Signature and Recommendation

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: January 10, 1990

FURTHER: Judiciary

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: _____

State Affairs Committee considered SENATE BILL NO. 384

An Act relating to election campaigns.

and recommended:

replace with _____ CS SR 384 same title
 attached amendment(s) new title

_____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) _____

zero fiscal note(s) APOC

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Tom Kelly - Do Pass
Pat Adams "
Jim O'Grady (DO PASS)
John Kelly "

Pat Kumbel do pass
Chair: Signature and Recommendation

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 384

SPONSOR Pat

BILL TITLE Campaign Finance

DATE REFERRED

HEARING SCHEDULED 2.14.90

FISCAL NOTE PREPARED

SPONSOR CONTACTED

INTERESTED PARTIES CONTACTED

- ✓ Dick Bradley: 2450
- ✓ Karla Forsythe: 276-4176 L.M.
- ✓ Mary Halloran: 3568 L.M.
- ✓ Brooke: 4864 - will attend.

Direct Dial: with Karla

OTHER

Senator Pourchot
May 2, 1990

SUMMARY OF PROPOSED CHANGES TO CSSB 384 (STA)
"ELECTION CAMPAIGNS"

- 1) Prohibit all post election fundraising for everyone.
- 2) Prohibit use of campaign funds as personal income.
- 3) Mandates closure of campaign account and disposal of surplus campaign funds 60 days after the election.
- 4) Limits use of surplus campaign funds for everyone to the following:
 - a) Limits amount of campaign funds which can be transferred to an office account to \$1,000. expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Limits funds which can be transferred for future election campaign to the following:
 - up to \$10,000 for Governor or Lt. Governor campaign.
 - up to \$5,000 for Senate campaign.
 - up to \$2,500 for House or municipal campaign
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 5) Mandates a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign.
- 6) Prohibits lobbyists from any financial campaign activities (except as an individual) on behalf of a candidate.
- 7) Closes the current preelection reporting gap for contributions received on days 8 and 9 before the election. Immediate effective date.
- 8) Codifies existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less. Immediate effective date.
- 9) Revises APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement. Establishes \$5,000 maximum fine or twice the benefit gained whichever is greatest for violations of this chapter.

May 2, 1990

- 10) Adds new section relating to payment of legal expenses and establishment of legal defense funds.
- 11) Adds new section limiting fundraising activities. May raise funds from June 1 in the year before the year of the election through election day. Legislators may not raise funds during session.

CSSB 384 (STA) - ELECTION CAMPAIGNS

<u>CSSB 384 (STA)</u>	<u>Proposed</u> <u>SA CS SB 384/Ethics Act</u>
Prohibits acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election; immediate effective date.	Prohibits all post-election contributions for everyone.
Prohibits use of campaign funds as personal income.	Same
Limits use of surplus campaign funds. <ul style="list-style-type: none">- donation to charity- donate to general fund- return to contributor- transfer to office account- transfer \$10,000 to future campaign account	Limits use of surplus funds for everyone to: <ul style="list-style-type: none">- same- same- same- \$1,000 to office account- limits transfer of funds to future campaign account
Prohibits transfer of more than \$10,000 to an account for a future election campaign	<ul style="list-style-type: none">- \$10,000 for Gov. or Lt. Gov. campaign- \$5,000 for Senate campaign- \$2,500 for Representative or municipal campaign- \$1,000 transfer to office account
Places a cap of \$10,000 on contributions to a political party.	NO cap.
Closure of campaign account by Jan. 12.	60 days after election.
Disposal of surplus campaign funds by Jan. 12.	60 days after election.
Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.	Same.

Prohibits lobbyist from collecting or handling campaign contributions or serving as campaign treasurer or deputy treasurer; immediate effective date.

Prohibits lobbyists from any financial activities (except as individual)

Contributions or expenditures exceeding \$250 made within 9 days of election must be reported to commission within 24 hours (Closes reporting gap for days 8 and 9.); immediate effective date.

Same.

Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less; immediate effective date.

Same.

Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication; immediate effective date.

Same plus, establishes \$5,000 maximum fine or twice the benefit gained whichever is greatest for violations of this chapter.

Prohibits local or state use of public funds on behalf of a candidate or ballot initiative except for informational neutral purposes; subject to APOC reporting requirements; immediate effective date.

Deleted.

Adds new section relating to payment of legal expenses and establishment of legal defense funds.

Adds new section limiting fundraising activities. Candidates for Governor, Lt. Governor and legislature may raise funds from June 1 in the year before the year of the election through election day. Legislators may not raise funds during session.

Senator Pourchot
May 2, 1990

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OK

A M E N D M E N T

#2

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (2d State Affairs)

Page 2, lines 6 - 8:

Delete all material and insert:

"(2) transferring the funds, in an amount not to exceed \$1,000 to a house legislative office account or \$2,000 to a senate legislative office account for expenditures qualifying as a business expense under 26 U.S.C. 162;"

Page 2, line 10:

Delete "501(c)"

Insert "501(c)(3)"

Page 4, line 29:

Delete "who has won office"

OK

SENATE AMENDMENT

1

BY: Pearce/Purchot

TO: CS 5B 384 (2nd SA) SENATE BILL NO. _____

TO: _____ HOUSE BILL NO. _____

Add the following new section where appropriate:

Sec. ____ AS 15.13 is amended by adding a new section to read:

The state, agencies of the state, public corporations of the state, and the University of Alaska may not use public funds to support or oppose the election of a candidate. A municipality may not use public funds of the municipality to support or oppose the election of a candidate.

SENATE AMENDMENT

BY: Halford

TO: _____ SENATE BILL NO. 384

TO: _____ HOUSE BILL NO. _____

Amendment to Amendment #1
(after first sentence)
after "candidate"
insert "or ballot proposition"
d by MWM OK

SUMMARY FOR CSSB 384 (STA)
"ELECTION CAMPAIGNS"

- 1) Prohibit all post election fundraising for everyone.
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- 3) Mandates closure of campaign account and disposal of surplus campaign funds 60 days after the election.
- 4) Limits use of surplus campaign funds for everyone to the following:
 - a) Limits amount of campaign funds which can be transferred to an office account to \$1,000. Expenditures must qualify as a business expense under the IRS Code. (Proposed amendment narrows limitation to legislative office accounts only - would limit amount transferred to a house legislative office account to \$1,000 and \$2,000 for a senate legislative office account.)
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Limits funds which can be transferred for future election campaign to the following:
 - up to \$10,000 for Governor or Lt. Governor campaign.
 - up to \$5,000 for Senate campaign.
 - up to \$2,500 for House or municipal campaign
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
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- 10) Adds new section relating to payment of legal expenses and establishment of legal defense funds.
- 11) Adds new section limiting fundraising activities. May raise funds from June 1 in the year before the year of the election through election day. Legislators may not raise funds during session.

SENATE AMENDMENT

#5

BY: Frank Pourchet

TO: SSB 384 (2nd SA)

SENATE BILL NO. _____

TO: _____

HOUSE BILL NO. _____

p. 2 line 27
after "lobbyist" add "who has
registered during the calendar
year"

OK

Changes civil penalties for filing late or improperly completed reports from a \$10-\$50 per day fine which can accrue indefinitely to a maximum penalty of \$5,000 for each offense or twice the amount if the conduct was determined to be improper. Authorizes civil penalties as an alternative to criminal prosecution for behavioral violations.

FISCAL NOTE

REQUEST:

Revision Date: 05/03/90
 Title: An act relation to election campaigns
 Sponsor: Sen. Pourchot
 Requestor: Senate State Affairs

Agency Affected: Dept. of Administration
 BRU: AK Public Offices Commission

Components : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary) This fiscal note assumes that the legislature will enact companion legislation dealing with legislative ethics (CSSB 415) prior to enacting CSSB 384. The fiscal note submitted by APOC on CSSB 415 is sufficient to fund all of the commission's duties under CSSB 384, since the majority of campaign finance administrative activity relates to state legislators.

Prepared by: Karla Forsythe, Executive Director Phone: 276-4176
 Division: Alaska Public Offices Commission Date: 5/3/90

Approved by Commissioner: Rodman Wilson, Vice-Chair (Acting Chair) Date: 5/3/90
 Agency: Alaska Public Offices Commission

Distribution (by preparer) :

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

6-1857X
Bradley
5/3/90

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (2d State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

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

10 (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. DISBURSEMENT OF CAMPAIGN ACCOUNTS. (a) A
24 candidate shall, within 60 days of the election at which the candidate
25 sought public office, dispose of the campaign funds that were not
26 spent or obligated during the election campaign by

27 (1) transferring the funds to an account for a future
28 election campaign in the amount of not more than

29 (A) \$10,000 if the candidate sought election as

1 governor or lieutenant governor;

2 (B) \$5,000 if the candidate sought election in the
3 Senate;

4 (C) \$2,500 if the candidate sought election in the
5 House of Representatives or a municipal office;

6 (2) transferring the funds, in an amount not in excess of
7 \$1,000, to a legislative office account for expenditures qualifying as
8 a business expense under 26 U.S.C. 162;

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

11 (4) donating the funds to the general fund of the state or
12 of a municipality of the state; or

13 (5) returning the funds pro rata as to contributions in
14 excess of \$100 in the aggregate a year.

15 (b) A candidate shall close each campaign account within 60 days
16 of the election at which the candidate sought public office.

17 (c) A candidate who transfers campaign funds to an account for a
18 future election campaign under (a)(1) of this section shall file
19 annually with the commission the report required by AS 15.13.-
20 110(a)(4).

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

22 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
23 individual who is registered as a lobbyist under AS 24.45 may person-
24 ally advocate the election of a candidate and may contribute the
25 lobbyist's own money, goods, and services to a candidate, subject to
26 the limits of AS 15.13.070.

27 (b) A lobbyist, may not

28 (1) serve as a campaign manager, director, treasurer,
29 deputy campaign treasurer or on a finance or fund-raising committee

1 for a candidate for governor, lieutenant governor, or the legislature;

2 (2) solicit directly, receive, collect, handle, disburse,
3 or account for campaign contributions for a candidate for governor,
4 lieutenant governor, or the legislature or otherwise engage actively
5 in a fund-raising activity of a political campaign; or

6 (3) host a fund-raising event.

7 (c) A candidate may not seek to evade the purposes of this
8 section by soliciting, or knowingly permitting a business entity
9 retained to lobby or an employee of a lobbyist to perform fund-raising
10 services.

11 (d) In (b) - (c) of this section, "lobbyist"

12 (1) means a person who has registered under AS 24.45.041
13 within the last 12 months and is described under AS 24.45.171(8)(A);

14 (2) does not include a volunteer lobbyist described in
15 AS 24.45.161(a)(1) or a representational lobbyist as defined under
16 regulations of the commission.

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

18 Sec. 15.13.102. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
19 may be used only to advance the interests of the campaign. Campaign
20 funds may be properly expended for an otherwise lawful purpose intend-
21 ed to influence voters to elect or reelect a candidate including
22 payment of staff and consultants; rental of space and equipment for a
23 campaign office; purchase of media time and space; design work; print-
24 ing of campaign materials; postage; taking polls and interpreting
25 them; telephone installation and usage; costs of distribution of
26 materials; advertising in organizational and club bulletins or other
27 brochures; inscribed promotional materials, including buttons, pen-
28 cils, pens, and items of clothing; necessary travel and related ex-
29 penses for the candidate and members of the candidate's staff or

1 immediate family if the travel and lodging are directly related to
2 attempts to raise campaign funds or to influence voters; victory and
3 thank you celebrations; newsletters and mass mailings promoting the
4 candidate; and payment of attorney fees and other legal expenses
5 incurred in the defense of a civil, criminal, or administrative action
6 arising directly out of the conduct of the campaign or election pro-
7 cess.

8 Sec. 15.13.104. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
9 candidate may not

10 (1) use funds raised and designated as campaign funds for
11 the personal benefit of the candidate or another person, or for pay-
12 ment of attorney fees and other legal expenses arising from civil,
13 criminal, or administrative actions based on conduct not directly
14 related to the campaign or official duties;

15 (2) convert surplus campaign funds or interest earned on
16 campaign funds to personal income;

17 (3) seek or claim a tax deduction or other economic benefit
18 for surplus funds disbursed to a charity under law.

19 (b) A candidate may not borrow from campaign funds or loan them
20 to another person or group.

21 (c) A candidate, or another person on behalf of a candidate, or
22 a campaign committee of the candidate, may not knowingly pay more than
23 the fair market value for goods or services purchased for the cam-
24 paign.

25 (d) Campaign funds may not be paid to a member of the candi-
26 date's immediate family as an employee or for goods or services pro-
27 vided to the campaign unless the amounts paid do not exceed the fair
28 market value of the goods or services provided.

29 (e) A candidate who has won office and a committee related to

1 the election may not accept campaign contributions except for funds
2 received or postmarked before a general or special election. A post-
3 election contribution must be returned.

4 (f) A candidate and a committee controlled by a candidate may
5 not use campaign funds to make a contribution to another candidate
6 running for office or to a committee supporting or opposing a candi-
7 date for office.

8 (g) Campaign funds may not be used to pay fines or other mone-
9 tary penalties or costs assessed against a candidate by a court or
10 other body unless the fine, penalty, or cost is assessed as a result
11 of proscribed actions by a member or employee of a campaign committee
12 or another person acting on behalf of the candidate under circum-
13 stances where the candidate did not know of or have reason to know of
14 those actions.

15 Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

16 (a) A candidate may establish a legal defense fund to assist with the
17 payment of attorney fees and other costs arising from the defense of a
18 civil, criminal, or administrative action brought against a candidate.

19 (b) A candidate who wishes to establish a legal defense fund
20 account shall file a statement of organization for the legal defense
21 fund with the commission before accepting contributions. The state-
22 ment of organization must identify the specific civil, criminal, or
23 administrative proceeding or proceedings for which the legal defense
24 fund is established.

25 (c) The legal defense fund shall establish a single account at
26 an office of a financial institution located in the state. A donation
27 to the candidate for legal expenses shall be deposited into the ac-
28 count if the donation meets the requirements of (d) of this section.

29 (d) Only a donation that is specifically designated by the donor

1 as being for the legal defense fund and is made payable to the legal
2 defense fund may be deposited in the legal defense fund account. A
3 donation that the recipient believes is intended for the legal defense
4 fund but that does not meet the requirements of this subsection shall
5 be returned to the donor.

6 (e) An expenditure from the legal defense fund account may be
7 made only for legal costs directly related to the civil, criminal, or
8 administrative proceeding or proceedings for which the legal defense
9 fund is established. An expenditure from the legal defense fund
10 account may not be used to pay or reimburse fines, penalties, judg-
11 ments, or settlements in connection with a criminal prosecution or a
12 civil or administrative action in which the candidate is found to
13 have committed, or admits to having committed a violation of the
14 law.

15 (f) Surplus funds remaining in the legal defense fund account
16 after the proceeding or proceedings for which the account is estab-
17 lished have concluded may not be used for another purpose. The funds
18 shall, within six months after the conclusion of the proceeding or
19 proceedings, be

20 (1) returned to donors on a pro rata basis as to contribu-
21 tions in excess of \$100 in the aggregate;

22 (2) donated to the state or to a municipality; or

23 (3) donated to a charitable organization that qualifies
24 under 26 U.S.C. 501(c)(3).

25 (g) This section constitutes the sole means for candidates to
26 solicit or accept donations for legal costs that may not be paid from
27 campaign funds under AS 15.13.102. Except for AS 15.13.108(a) and
28 (b), the provisions of this chapter relating to the solicitation and
29 acceptance of campaign funds apply to the solicitation and acceptance

1 of contributions to a legal defense fund established under this sec-
 2 tion. The commission may adopt regulations limiting the dollar amount
 3 of contributions under this section and shall adopt regulations
 4 requiring the disclosure of donors to a legal defense fund.

5 (h) Funds received from fund-raising events for a legal defense
 6 fund must be clearly designated in advance. All proceeds shall be
 7 dealt with as required by this chapter.

8 Sec. 15.13.108. FUND RAISING LIMITATIONS. (a) A legislator may
 9 not, either directly, through a campaign committee, or other means,
 10 solicit or accept a campaign contribution or a promise or pledge to
 11 make a contribution while the legislature is in regular session and a
 12 legislator may not solicit campaign funds or host a campaign fund-
 13 raising event for another person while the legislature is in session.

14 (b) A legislator or a candidate for the legislature may not,
 15 either directly, through a campaign committee, or other means, solicit
 16 or accept a campaign contribution or a promise or pledge to make a
 17 contribution relating to candidacy for the legislature in an election
 18 other than a special election under AS 15.40 except during the follow-
 19 ing periods:

20 (1) ^{Final language} ~~legislators and other~~ Incumbent elected public offi-
 21 cials intending to seek election to the legislature ^{and legislators} may raise funds
 22 from June 1 until December 31 in the year before the year of an
 23 election in which they intend to be a candidate, and from June 1
 24 through the general election in November in the year of the election;
 25 in this paragraph, "public official" means a person required to file a
 26 campaign disclosure statement under AS 15.13;

27 (2) the governor, lieutenant governor, and candidates for
 28 the legislature who are not in public office at the time of their
 29 candidacy may raise funds from June 1 in the year before the year of

1 an election in which they intend to be a candidate through the general
2 election in November of the year of the election.

3 (c) This section does not prohibit a legislator from making an
4 otherwise lawful contribution or from attending an otherwise lawful
5 fund raising activity at any time.

6 * Sec. 5. AS 15.13.110(a) is amended to read:

7 (a) Each candidate and group shall make a full report in accor-
8 dance with AS 15.13.040 during the period ending three days before the
9 due date of the report and beginning on the last day covered by the
10 most recent previous report, or, if a first report, all contributions
11 received and expenditures made before three days before the due date
12 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

13 (1) 30 days before the election; however, this report is
14 not required if the deadline for filing a nominating petition or
15 declaration of candidacy is within 30 days of the election;

16 (2) one week before the election;

17 (3) 10 [TEN] days after the election; and

18 (4) January 31 [DECEMBER 31] OF EACH YEAR] for

19 (A) expenditures made and contributions received that
20 [WHICH] were not reported during the previous [THAT] year;

21 (B) disposals of campaign funds under AS 15.13.041(b)
22 that were not spent or obligated during the election campaign; or

23 (C) campaign funds transferred to an account for a
24 future campaign.

25 * Sec. 6. AS 15.13.110(b) is amended to read:

26 (b) Each contribution or expenditure that [WHICH] exceeds \$250
27 and that [WHICH] is made within nine days [ONE WEEK] of the election
28 shall be reported to the commission by date, amount, and contributor
29 or recipient within 24 hours of receipt or expenditure by the

1 candidate or campaign treasurer.

2 * Sec. 7. AS 15.13.125 is repealed and reenacted to read:

3 Sec. 15.13.125. CIVIL PENALTY. (a) A person who violates a
4 provision of this chapter or who fails to file a properly completed
5 and certified report within the time required, as determined by the
6 commission, is subject to a civil penalty of not more than \$5,000 for
7 each offense or twice the amount gained by the misconduct which re-
8 sulted in a violation, whichever is greater, together with the costs
9 of the investigation and the adjudication.

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

12 (c) The determination of the commission is subject to right of
13 appeal to the superior court.

14 (d) The imposition of the penalties prescribed in this section
15 or in AS 15.13.120 does not excuse the person from filing reports
16 required by this chapter.

17 * Sec. 8. Sections 1, 3, 6, and 7 of this Act take effect immediately
18 under AS 01.10.070(c).

19 * Sec. 9. Sections 2, 4, and 5 of this Act take effect November 6,
20 1990.

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Recd - Em 504
2:05 pm 5/2/90

6-1857M
Bradley
5/2/90

Original sponsor(s): SEN. POURCHOT, Kelly

WEDNESDAY DRAFT
MARK UP BY YOU AND JEANNE

Proposed Changes

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (2d State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

9 * Section 1, AS 15.13.040(a) is amended to read:

10 *copy* (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer. *I ed*

22 * Sec. 2, AS 15.13 is amended by adding a new section to read:

23 *Disbursement*
24 *right* Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
25 *1* for election in a state election may not accept a contribution post-
26 *15.13.041* marked or delivered in person after the date of the general or special
27 election. A candidate for election in a local election may not accept
28 a contribution postmarked or delivered in person after the local
29 election.

(b) A candidate shall, within 60 days of the election at which

1 the candidate sought public office, dispose of the campaign funds that
2 were not spent or obligated during the election campaign by

3 (1) transferring the funds to an account for a future
4 election campaign in the amount of not more than

5 (A) \$10,000 if the candidate sought election as gover-
6 nor or lieutenant governor;

7 (B) \$5,000 if the candidate sought election in the
8 Senate;

9 (C) \$2,500 if the candidate sought election ^{in the} ~~in the~~
10 ^{House of Representatives or a} ~~other state or~~ municipal office;

11 (2) transferring the funds, in an amount not in excess of
12 \$1,000, to a legislative office account for expenditures qualifying as
13 a business expense under 26 U.S.C. 162;

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

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

18 (5) returning the funds pro rata as to contributions in
19 excess of \$100 in the aggregate a year.

20 (b) A candidate shall close each campaign account within 60 days
21 of the election at which the candidate sought public office.

22 (c) A candidate who transfers campaign funds to an account for a
23 future election campaign under (b)(1) of this section shall file
24 annually with the commission the report required by AS 15.13.-
25 110(a)(4).

26 * ~~Sec. 34 AS 15.13.070 is amended by adding a new subsection to read:~~
Already in 1104 (a) 2 + (f)

27 ~~(i) An individual who accepts campaign contributions as a candi-
28 date for public office may not~~

29 (1) ~~convert surplus campaign funds to personal income at~~

any time;

~~(2) use campaign contributions to make a contribution to another candidate.~~

* ³ Sec. 4 AS 15.13 is amended by adding new sections to read:

Sec. 15.13.075. **CAMPAIGN ACTIVITIES BY LOBBYISTS.** (a) An individual who is registered as a lobbyist under AS 24.45 may personally advocate the election of a candidate and may contribute the lobbyist's own money, goods, and services to a candidate, subject to the limits of AS 15.13.070.

(b) A lobbyist may not

(1) serve as a campaign manager, director, treasurer, ~~or~~ deputy campaign treasurer or ^{or} a finance or fundraising committee for a candidate for governor, lieutenant governor, or the legislature;

(2) solicit directly, receive, collect, handle, disburse, or account for campaign contributions for a candidate for governor, lieutenant governor, or the legislature or otherwise engage actively in a fundraising activity of a political campaign, or (3) host a fundraising event.

(c) ~~A lobbyist or a candidate for the legislature may not solicit to evade the purposes of this section by soliciting, or knowingly permit a member of a business entity retained to lobby business entities related to the lobbyist to perform fundraising services.~~ ^A ~~or knowingly permit a member of a business entity retained to lobby business entities related to the lobbyist to perform fundraising services.~~

(d) In (b) - (c) of this section, "lobbyist"

(1) means a person who has registered under AS 24.45.041 within the last 12 months and is described under AS 24.45.171(8)(A);

(2) does not include a volunteer lobbyist described in AS 24.45.161(a)(1), or a representational lobbyist as defined under regulations of the commission. I ed

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

Sec. 15.13.102. **PROPER USES OF CAMPAIGN FUNDS.** Campaign funds may be used only to advance the interests of the campaign. Campaign

1 funds may be properly expended for an otherwise lawful purpose
2 intended to influence voters to elect or reelect ^a the candidate ~~in the~~
3 ~~legislature~~ including payment of staff and consultants; rental of
4 space and equipment for a campaign office; purchase of media time and
5 space; design work; printing of campaign materials; postage; taking
6 polls and interpreting them; telephone installation and usage; costs
7 of distribution of materials; advertising in organizational and club
8 bulletins or other brochures; inscribed promotional materials, includ-
9 ing buttons, pencils, pens, and items of clothing; necessary travel
10 and related expenses for the candidate and members of the candidate's
11 staff or immediate family if the travel and lodging are directly
12 related to attempts to raise campaign funds or ^{to} influence voters;
13 victory and thank you celebrations; newsletters and mass mailings
14 promoting the candidate; and payment of attorney fees and other legal
15 expenses incurred in the defense of a civil, criminal, or administra-
16 tive action arising directly out of the conduct of the campaign or
17 election process, ~~or out of the performance of activities within the~~
18 ~~scope of a candidate's legislative duties.~~ ^{official}

19 Sec. 15.13.104. ~~PROHIBITED USES OF CAMPAIGN FUNDS~~ (a) A
20 candidate ~~in the legislature~~ may not

21 (1) use funds raised and designated as campaign funds for
22 the personal benefit of the candidate or another person, or for pay-
23 ment of attorney fees and other legal expenses arising from civil,
24 criminal, or administrative actions based on conduct not directly
25 related to the campaign or official duties;

26 (2) convert surplus campaign funds or interest earned on
27 campaign funds to personal income;

28 (3) seek or claim a tax deduction or other economic benefit
29 for surplus funds disbursed to a charity under law.

1 (b) A ~~legislative~~ candidate may not borrow from campaign funds
2 or loan them to another person or group.

3 (c) A ~~legislative~~ candidate, or another person on behalf of ^a ~~the~~
4 ~~legislative~~ candidate, or a campaign committee of the ~~legislative~~
5 candidate, may not knowingly pay more than the fair market value for
6 goods or services purchased for the campaign.

7 (d) Campaign funds may not be paid to a member of the candi-
8 date's immediate family as an employee or for goods or services pro-
9 vided to the campaign unless the amounts paid do not exceed the fair
10 market value of the goods or services provided.

11 (e) ~~Except for funds received or postmarked before a general or~~
12 ~~special election, a~~ ~~legislative~~ candidate who has won office and a
13 committee related to the election may not accept campaign contribu-
14 tions ^{except for funds received or postmarked before a general or special election}. A post-election contribution must be returned.

15 (f) A ~~legislative~~ candidate and a committee controlled by a
16 ~~legislative~~ candidate may not use campaign funds to make a contribu-
17 tion to another candidate running for office or to a committee sup-
18 porting or opposing a candidate for office.

19 (g) Campaign funds may not be used to pay fines or other more-
20 tary penalties or costs assessed against a candidate by a court or
21 other body unless the fine, penalty, or cost is assessed as a result
22 of proscribed actions by a member or employee of a campaign committee
23 or another person acting on behalf of the candidate under circum-
24 stances where the candidate did not know of or have reason to know of
25 those actions.

26 **Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.**

27 (a) A candidate ~~and a public officer or employee~~ may establish a
28 legal defense fund to assist with the payment of attorney fees and
29 other costs arising from the defense of a civil, criminal, or adminis-

1 trative action brought against the ^{a candidate} ~~public officer or employee~~.
 2 ~~Contributions to a legal defense fund that meet the requirements of~~
 3 ~~this section are not subject to the restrictions in~~ ^{Wrong citation} ~~AS 24.60.080.~~

4 (b) A candidate ^{not subject to AS 24.61} ~~or a public officer or employee~~ who wishes to
 5 establish a legal defense fund account shall file a statement of
 6 organization for the legal defense fund with the commission ^{before accepting his position}. The
 7 statement of organization must identify the specific civil, criminal,
 8 or administrative proceeding or proceedings for which the legal de-
 9 fense fund is established.

10 (c) The legal defense fund shall establish a single account at
 11 an office of a financial institution located in the state. A donation
 12 to the candidate ~~or public officer or employee~~ for legal expenses
 13 shall be deposited into the account if the donation meets the require-
 14 ments of (d) of this section.

15 (d) Only a donation that is specifically designated by the donor
 16 as being for the legal defense fund and is made payable to the legal
 17 defense fund may be deposited in the legal defense fund account. A
 18 donation that the recipient believes is intended for the legal defense
 19 fund but that does not meet the requirements of this subsection shall
 20 be returned to the donor.

21 (e) An expenditure from the legal defense fund account may be
 22 made only for legal costs directly related to the civil, criminal, or
 23 administrative proceeding or proceedings for which the legal defense
 24 fund is established. An expenditure from the legal defense fund
 25 account may not be used to pay or reimburse fines, penalties, judg-
 26 ments, or settlements in connection with a criminal prosecution or a
 27 civil or administrative action in which the ~~legislative~~ candidate,
 28 ~~legislator, or legislative~~ employee is found to have committed, or
 29 admits to having committed a violation of the law.

1 (f) Surplus funds remaining in the legal defense fund account
 2 after the proceeding or proceedings for which the account is estab-
 3 lished have concluded may not be used for another purpose. The funds
 4 shall, within six months after the conclusion of the proceeding or
 5 proceedings, be

6 (1) returned to donors on a pro rata basis as to contribu-
 7 tions in excess of \$100 in the aggregate;

8 (2) donated to the state or to a municipality; or

9 (3) donated to a charitable organization that qualifies
 10 under 26 U.S.C. 501(c)(3).

11 (g) This section constitutes the sole means for ^{Candidates} ~~public officers~~
 12 ~~and employees~~ to solicit or accept donations for legal costs that may
 13 not be paid from campaign funds under AS 15.13.102. Except for
 14 AS 15.13.108(a) and (b), the provisions of this chapter relating to
 15 the solicitation and acceptance of campaign funds apply to the solic-
 16 itation and acceptance of contributions to a legal defense fund estab-
 17 lished under this section. The commission may adopt regulations
 18 limiting the dollar amount of contributions under this section and
 19 shall adopt regulations requiring the disclosure of donors to a legal
 20 defense fund.

21 (h) Funds received from fundraising events ^{for a legal defense fund} must be clearly
 22 designated in advance, ~~as either for campaign purposes or for the legal~~
 23 ~~defense fund~~ and all proceeds shall be dealt with as required by this
 24 chapter.

25 ~~Sec. 15.13.108. FUNDRAISING LIMITATIONS~~ (a) A legislator may
 26 not, either directly, through a campaign committee, or other means,
 27 solicit or accept a campaign contribution or a promise or pledge to
 28 make a contribution while the legislature is in regular session and a
 29 legislator may not solicit campaign funds or host a campaign fundrais-

1 ing event for another person while the legislature is in session.

2 (b) A legislator or a candidate for the legislature may not,
3 either directly, through a campaign committee, or other means, solicit
4 or accept a campaign contribution or a promise or pledge to make a
5 contribution relating to candidacy for the legislature in an election
6 other than a special election under AS 15.40 except during the follow-
7 ing periods:

8 (1) legislators and other incumbent elected public offi-
9 cials intending to seek election to the legislature may raise funds
10 from June 1 until December 31 in the year before the year of an
11 election in which they intend to be a candidate, and from June 1
12 through the general election in November in the year of the election;
13 in this paragraph, "public official" means a person required to file a
14 campaign disclosure statement under AS 15.13;

15 (2) the governor, lieutenant governor, and candidates for
16 the legislature who are not in public office at the time of their
17 candidacy may raise funds from June 1 in the year before the year of
18 an election in which they intend to be a candidate through the general
19 election in November of the year of the election.

20 (c) This section does not prohibit a legislator from making an
21 otherwise lawful contribution or from attending an otherwise lawful
22 fund raising activity at any time.

23 * ~~Sec. 6.5~~ AS 15.13.110(a) is amended to read:

24 *stay* (a) Each candidate and group shall make a full report in accor-
25 dance with AS 15.13.040 during the period ending three days before the
26 due date of the report and beginning on the last day covered by the
27 most recent previous report, or, if a first report, all contributions
28 received and expenditures made before three days before the due date
29 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

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

4 (2) one week before the election;

5 (3) 10 [TEN] days after the election; and

6 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

7 (A) expenditures made and contributions received that
8 [WHICH] were not reported during the previous [THAT] year;

9 (B) disposals of campaign funds under AS 15.13.041(b)
10 that were not spent or obligated during the election campaign; or

11 (C) campaign funds transferred to an account for a
12 future campaign.

13 * Sec. ~~16~~ AS 15.13.110(b) is amended to read:

14 (b) Each contribution or expenditure that [WHICH] exceeds \$250
15 *okay* and that [WHICH] is made within nine days [ONE WEEK] of the election
16 shall be reported to the commission by date, amount, and contributor
17 or recipient within 24 hours of receipt or expenditure by the candi-
18 date or campaign treasurer. IED

19 * Sec. ~~17~~ AS 15.13.125 is repealed and reenacted to read:

20 Sec. 15.13.125. ~~CIVIL PENALTY~~ (a) A person who violates a
21 provision of this chapter or who fails to file a properly completed
22 and certified report within the time required, *as determined by the commission* is subject to a civil
23 penalty of not more than \$5,000 for each offense or twice the amount
24 gained by the ~~violation~~, *misconduct which resulted in a violation* whichever is greater, together with the costs
25 of the investigation and the adjudication.

26 (c) The determination of the commission is subject to right of
27 appeal to the superior court. (b) An affidavit stating facts in mitiga-
28 tion may be submitted to the commission by a person against whom a
29 civil penalty is assessed.

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

* Sec. ~~8~~⁸. Sections 1, ~~3~~³, ~~4~~⁶, and ~~5~~⁷ of this Act take effect immediately under AS 01.10.070(c).

* Sec. ~~9~~⁹. Sections ~~2~~², ~~3~~⁴, ~~4~~⁵ and ~~5~~⁵ of this Act take effect November 6, 1990.

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (2d State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

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

10 (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. DISBURSEMENT OF CAMPAIGN ACCOUNTS. (a) A
24 candidate shall, within 60 days of the election at which the candidate
25 sought public office, dispose of the campaign funds that were not
26 spent or obligated during the election campaign by

27 (1) transferring the funds to an account for a future
28 election campaign in the amount of not more than

29 (A) \$10,000 if the candidate sought election as

1 governor or lieutenant governor;

2 (B) \$5,000 if the candidate sought election in the
3 Senate;

4 (C) \$2,500 if the candidate sought election in the
5 House of Representatives or a municipal office;

6 (2) transferring the funds, in an amount not to exceed
7 \$1,000 to a house legislative office account or \$2,000 to a senate
8 legislative office account for expenditures qualifying as a business
9 expense under 26 U.S.C. 162;

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

12 (4) donating the funds to the general fund of the state or
13 of a municipality of the state; or

14 (5) returning the funds pro rata as to contributions in
15 excess of \$100 in the aggregate a year.

16 (b) A candidate shall close each campaign account within 60 days
17 of the election at which the candidate sought public office.

18 (c) A candidate who transfers campaign funds to an account for a
19 future election campaign under (a)(1) of this section shall file
20 annually with the commission the report required by AS 15.13.-
21 110(a)(4).

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

23 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
24 individual who is registered as a lobbyist under AS 24.45 may person-
25 ally advocate the election of a candidate and may contribute the
26 lobbyist's own money, goods, and services to a candidate, subject to
27 the limits of AS 15.13.070.

28 (b) A lobbyist may not

29 (1) serve as a campaign manager, director, treasurer,

1 deputy campaign treasurer or on a finance or fund-raising committee
2 for a candidate for governor, lieutenant governor, or the legislature;

3 (2) solicit directly, receive, collect, handle, disburse,
4 or account for campaign contributions for a candidate for governor,
5 lieutenant governor, or the legislature or otherwise engage actively
6 in a fund-raising activity of a political campaign; or

7 (3) host a fund-raising event.

8 (c) A candidate may not seek to evade the purposes of this
9 section by soliciting, or knowingly permitting a business entity
10 retained to lobby or an employee of a lobbyist to perform fund-raising
11 services.

12 (d) In (b) - (c) of this section, "lobbyist"

13 (1) means a person who has registered under AS 24.45.041
14 within the last 12 months and is described under AS 24.45.171(8)(A);

15 (2) does not include a volunteer lobbyist described in
16 AS 24.45.161(a)(1) or a representational lobbyist as defined under
17 regulations of the commission.

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

19 Sec. 15.13.102. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
20 may be used only to advance the interests of the campaign. Campaign
21 funds may be properly expended for an otherwise lawful purpose intend-
22 ed to influence voters to elect or reelect a candidate including
23 payment of staff and consultants; rental of space and equipment for a
24 campaign office; purchase of media time and space; design work; print-
25 ing of campaign materials; postage; taking polls and interpreting
26 them; telephone installation and usage; costs of distribution of
27 materials; advertising in organizational and club bulletins or other
28 brochures; inscribed promotional materials, including buttons, pen-
29 cils, pens, and items of clothing; necessary travel and related

1 expenses for the candidate and members of the candidate's staff or
2 immediate family if the travel and lodging are directly related to
3 attempts to raise campaign funds or to influence voters; victory and
4 thank you celebrations; newsletters and mass mailings promoting the
5 candidate; and payment of attorney fees and other legal expenses
6 incurred in the defense of a civil, criminal, or administrative action
7 arising directly out of the conduct of the campaign or election pro-
8 cess.

9 Sec. 15.13.104. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
10 candidate may not

11 (1) use funds raised and designated as campaign funds for
12 the personal benefit of the candidate or another person, or for pay-
13 ment of attorney fees and other legal expenses arising from civil,
14 criminal, or administrative actions based on conduct not directly
15 related to the campaign or official duties;

16 (2) convert surplus campaign funds or interest earned on
17 campaign funds to personal income;

18 (3) seek or claim a tax deduction or other economic benefit
19 for surplus funds disbursed to a charity under law.

20 (b) A candidate may not borrow from campaign funds or loan them
21 to another person or group.

22 (c) A candidate, or another person on behalf of a candidate, or
23 a campaign committee of the candidate, may not knowingly pay more than
24 the fair market value for goods or services purchased for the cam-
25 paign.

26 (d) Campaign funds may not be paid to a member of the candi-
27 date's immediate family as an employee or for goods or services pro-
28 vided to the campaign unless the amounts paid do not exceed the fair
29 market value of the goods or services provided.

1 (e) A candidate and a committee related to the election may not
2 accept campaign contributions except for funds received or postmarked
3 before a general or special election. A post-election contribution
4 must be returned.

5 (f) A candidate and a committee controlled by a candidate may
6 not use campaign funds to make a contribution to another candidate
7 running for office or to a committee supporting or opposing a candi-
8 date for office.

9 (g) Campaign funds may not be used to pay fines or other mone-
10 tary penalties or costs assessed against a candidate by a court or
11 other body unless the fine, penalty, or cost is assessed as a result
12 of proscribed actions by a member or employee of a campaign committee
13 or another person acting on behalf of the candidate under circum-
14 stances where the candidate did not know of or have reason to know of
15 those actions.

16 Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

17 (a) A candidate may establish a legal defense fund to assist with the
18 payment of attorney fees and other costs arising from the defense of a
19 civil, criminal, or administrative action brought against a candidate.

20 (b) A candidate who wishes to establish a legal defense fund
21 account shall file a statement of organization for the legal defense
22 fund with the commission before accepting contributions. The state-
23 ment of organization must identify the specific civil, criminal, or
24 administrative proceeding or proceedings for which the legal defense
25 fund is established.

26 (c) The legal defense fund shall establish a single account at
27 an office of a financial institution located in the state. A donation
28 to the candidate for legal expenses shall be deposited into the ac-
29 count if the donation meets the requirements of (d) of this section.

1 (d) Only a donation that is specifically designated by the donor
2 as being for the legal defense fund and is made payable to the legal
3 defense fund may be deposited in the legal defense fund account. A
4 donation that the recipient believes is intended for the legal defense
5 fund but that does not meet the requirements of this subsection shall
6 be returned to the donor.

7 (e) An expenditure from the legal defense fund account may be
8 made only for legal costs directly related to the civil, criminal, or
9 administrative proceeding or proceedings for which the legal defense
10 fund is established. An expenditure from the legal defense fund
11 account may not be used to pay or reimburse fines, penalties, judg-
12 ments, or settlements in connection with a criminal prosecution or a
13 civil or administrative action in which the candidate is found to have
14 committed, or admits to having committed a violation of the law.

15 (f) Surplus funds remaining in the legal defense fund account
16 after the proceeding or proceedings for which the account is estab-
17 lished have concluded may not be used for another purpose. The funds
18 shall, within six months after the conclusion of the proceeding or
19 proceedings, be

20 (1) returned to donors on a pro rata basis as to contribu-
21 tions in excess of \$100 in the aggregate;

22 (2) donated to the state or to a municipality; or

23 (3) donated to a charitable organization that qualifies
24 under 26 U.S.C. 501(c)(3).

25 (g) This section constitutes the sole means for candidates to
26 solicit or accept donations for legal costs that may not be paid from
27 campaign funds under AS 15.13.102. Except for AS 15.13.108(a) and
28 (b), the provisions of this chapter relating to the solicitation and
29 acceptance of campaign funds apply to the solicitation and acceptance

1 of contributions to a legal defense fund established under this sec-
2 tion. The commission may adopt regulations limiting the dollar amount
3 of contributions under this section and shall adopt regulations
4 requiring the disclosure of donors to a legal defense fund.

5 (h) Funds received from fund-raising events for a legal defense
6 fund must be clearly designated in advance. All proceeds shall be
7 dealt with as required by this chapter.

8 Sec. 15.13.108. FUND RAISING LIMITATIONS. (a) A legislator may
9 not, either directly, through a campaign committee, or other means,
10 solicit or accept a campaign contribution or a promise or pledge to
11 make a contribution while the legislature is in regular session and a
12 legislator may not solicit campaign funds or host a campaign fund-
13 raising event for another person while the legislature is in session.

14 (b) A legislator or a candidate for the legislature may not,
15 either directly, through a campaign committee, or other means, solicit
16 or accept a campaign contribution or a promise or pledge to make a
17 contribution relating to candidacy for the legislature in an election
18 other than a special election under AS 15.40 except during the follow-
19 ing periods:

20 (1) incumbent elected public officials intending to seek
21 election to the legislature and legislators may raise funds from
22 June 1 until December 31 in the year before the year of an election in
23 which they intend to be a candidate, and from June 1 through the
24 general election in November in the year of the election; in this
25 paragraph, "public official" means a person required to file a cam-
26 paign disclosure statement under AS 15.13;

27 (2) the governor, lieutenant governor, and candidates for
28 the legislature who are not in public office at the time of their
29 candidacy may raise funds from June 1 in the year before the year of

1 an election in which they intend to be a candidate through the general
2 election in November of the year of the election.

3 (c) This section does not prohibit a legislator from making an
4 otherwise lawful contribution or from attending an otherwise lawful
5 fund raising activity at any time.

6 * Sec. 5. AS 15.13.110(a) is amended to read:

7 (a) Each candidate and group shall make a full report in accor-
8 dance with AS 15.13.040 during the period ending three days before the
9 due date of the report and beginning on the last day covered by the
10 most recent previous report, or, if a first report, all contributions
11 received and expenditures made before three days before the due date
12 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

13 (1) 30 days before the election; however, this report is
14 not required if the deadline for filing a nominating petition or
15 declaration of candidacy is within 30 days of the election;

16 (2) one week before the election;

17 (3) 10 [TEN] days after the election; and

18 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

19 (A) expenditures made and contributions received that
20 [WHICH] were not reported during the previous [THAT] year;

21 (B) disposals of campaign funds under AS 15.13.041(b)
22 that were not spent or obligated during the election campaign; or

23 (C) campaign funds transferred to an account for a
24 future campaign.

25 * Sec. 6. AS 15.13.110(b) is amended to read:

26 (b) Each contribution or expenditure that [WHICH] exceeds \$250
27 and that [WHICH] is made within nine days [ONE WEEK] of the election
28 shall be reported to the commission by date, amount, and contributor
29 or recipient within 24 hours of receipt or expenditure by the

1 candidate or campaign treasurer.

2 * Sec. 7. AS 15.13.125 is repealed and reenacted to read:

3 Sec. 15.13.125. CIVIL PENALTY. (a) A person who violates a
4 provision of this chapter or who fails to file a properly completed
5 and certified report within the time required, as determined by the
6 commission, is subject to a civil penalty of not more than \$5,000 for
7 each offense or twice the amount gained by the misconduct which re-
8 sulted in a violation, whichever is greater, together with the costs
9 of the investigation and the adjudication.

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

12 (c) The determination of the commission is subject to right of
13 appeal to the superior court.

14 (d) The imposition of the penalties prescribed in this section
15 or in AS 15.13.120 does not excuse the person from filing reports
16 required by this chapter.

17 * Sec. 8. Sections 1, 3, 6, and 7 of this Act take effect immediately
18 under AS 01.10.070(c).

19 * Sec. 9. Sections 2, 4, and 5 of this Act take effect November 6,
20 1990.

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (State Affairs)

J - 2/22/90

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

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

10 (a) Except for a municipal candidate who accepts contributions
11 of \$1,000 or less or makes expenditures of \$1,000 or less in seeking
12 election, each [EACH] candidate shall make a full report, upon a form
13 prescribed by the commission, listing the date and amount of each
14 expenditure [ALL EXPENDITURES] made by the candidate, the total amount
15 of all contributions, including all funds contributed by the candi-
16 date, and for each contribution [ALL CONTRIBUTIONS] in excess of \$100
17 in the aggregate a year, the name, address, principal occupation, and
18 employer of the contributor and the date and amount contributed by
19 each contributor. The report shall be filed in accordance with
20 AS 15.13.110 and shall be certified as correct by the candidate or
21 campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
24 for election in a state election may not accept a contribution after
25 December 31 of the year in which the candidate sought election. A
26 candidate for election in a local election may not accept a contribu-
27 tion more than 45 days after the local election.

28 (b) A candidate shall, by January 12 of the year after the year
29 in which the candidate sought public office, dispose of the campaign

1 funds that were not spent or obligated during the election campaign by

2 (1) transferring not more than \$10,000 of the the funds to
3 an account for a future election campaign;

4 (2) transferring the funds to a legislative office account
5 for expenditures qualifying as a business expense under 26 U.S.C. 162;

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

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

10 (5) returning the funds to contributors.

11 (c) A candidate shall close each campaign account by January 12
12 of the year after the year in which the candidate sought public of-
13 fice.

14 (d) A candidate who transfers campaign funds to an account for a
15 future election campaign under (b)(1) of this section shall file
16 annually with the commission the report required by AS 15.13.-
17 110(a)(4). Campaign funds transferred to an account for a future
18 campaign may be used for a future campaign or disposed of under
19 (b)(2) - (5) of this section.

20 * Sec. 3. AS 15.13.070(a) is amended to read:

21 (a) A person or group, including but not limited to all politi-
22 cal committees, businesses, corporations, and labor unions, may not
23 contribute to or expend more than \$1,000 a year on behalf of or in
24 opposition to the competing candidates for each elective office.
25 Political parties and their subdivisions are not subject to the limi-
26 tation prescribed in this subsection, but they are subject to the
27 reporting requirements prescribed by AS 15.13.040(b) and 15.13.110.
28 The state, agencies of the state, public corporations of the state,
29 and the University of Alaska may not use public funds to support or

1 oppose the election of a candidate or on behalf of or in opposition to
2 a ballot proposition or question. A municipality may not use public
3 funds of the municipality to support or oppose the election of a
4 candidate or on behalf of or in opposition to a ballot proposition or
5 question. This chapter does not prohibit

6 (1) a candidate from contributing more than \$1,000 of the
7 candidate's own money to the candidate's own campaign; [OR]

8 (2) individuals or groups, including but not limited to all
9 political committees, businesses, corporations, and labor unions, from
10 contributing to or expending on behalf of or in opposition to a ballot
11 proposition or question more than \$1,000 a year; however, these con-
12 tributions and expenditures shall be reported in accordance with
13 AS 15.13.040 and 15.13.110; or

14 (3) the state, agencies of the state, public corporations
15 of the state, the University of Alaska, or a municipality from using
16 public funds of the state or the municipality for neutral informa-
17 tional purposes in connection with a ballot proposition or question;
18 however, these expenditures shall be reported in accordance with
19 AS 15.13.040 and 15.13.110.

20 * Sec. 4. AS 15.13.070 is amended by adding a new subsection to read:

21 (i) A contribution accepted by a candidate may not be used by
22 the candidate as personal income at any time.

23 * Sec. 5. AS 15.13 is amended by adding new a section to read:

24 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
25 individual who is registered as a lobbyist under AS 24.45 may con-
26 tribute the lobbyist's own money, goods, and services to a candidate,
27 subject to the limits of AS 15.13.070.

28 (b) A lobbyist may not

29 (1) serve as a campaign treasurer or deputy campaign

1 treasurer for a candidate for governor, lieutenant governor, or the
2 legislature; or

3 (2) receive, collect, handle, disburse, or account for
4 campaign contributions for a candidate for governor, lieutenant gover-
5 nor, or the legislature.

6 (c) In (b) of this section, "lobbyist"

7 (1) means a person who has registered under AS 24.45.041
8 within the last 12 months and is described under AS 24.45.171(8)(A);

9 (2) does not include a volunteer lobbyist described in
10 AS 24.45.161(a)(1) or a representational lobbyist as defined under
11 regulations of the commission.

12 * Sec. 6. AS 15.13.110(a) is amended to read:

13 (a) Each candidate and group shall make a full report in accor-
14 dance with AS 15.13.040 during the period ending three days before the
15 due date of the report and beginning on the last day covered by the
16 most recent previous report, or, if a first report, all contributions
17 received and expenditures made before three days before the due date
18 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

19 (1) 30 days before the election; however, this report is
20 not required if the deadline for filing a nominating petition or
21 declaration of candidacy is within 30 days of the election;

22 (2) one week before the election;

23 (3) 10 [TEN] days after the election; and

24 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

25 (A) expenditures made and contributions received that
26 [WHICH] were not reported during the previous [THAT] year;

27 (B) disposals of campaign funds under AS 15.13.041(b)
28 that were not spent or obligated during the election campaign; or

29 (C) campaign funds transferred to an account for a

1 future campaign.

2 * Sec. 7. AS 15.13.110(b) is amended to read:

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

8 * Sec. 8. AS 15.13.125 is amended to read:

9 Sec. 15.13.125. CIVIL PENALTY [:LATE FILING OF REQUIRED RE-
10 PORTS].

11 (a) A person who fails to file a properly completed and certified
12 report within the time required by AS 15.13.110(a)(1), (3), (4) or
13 15.13.110(d) is subject to a civil penalty of not more than \$10 a day
14 [FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMIS-
15 SION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

16 (b) A person who fails to file a properly completed and certi-
17 fied report within the time required by AS 15.13.110(a)(2) or 15.13.-
18 110(b) is subject to a civil penalty of not more than \$50 a day [FOR
19 EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION
20 SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

21 (c) The commission may assess the civil penalty for each day the
22 commission determines that the delinquency continues under (a) - (b)
23 of this section. The determination of the commission is subject to a
24 right of appeal to the superior court.

25 (d) A person who fails to identify communications as required by
26 AS 15.13.090 is subject to a civil penalty of not more than \$250. The
27 determination of the commission is subject to a right of appeal to the
28 superior court.

29 (e) An affidavit stating facts in mitigation may be submitted to

1 the commission by a person against whom a civil penalty is assessed.

2 (f) The [HOWEVER, THE] imposition of the penalties prescribed in
3 this section or in AS 15.13.120 does not excuse that person from
4 filing reports required by this chapter.

5 * Sec. 9. Sections 1, 3, 5, 7, and 8 of this Act take effect immedi-
6 ately under AS 01.10.070(c).

7 * Sec. 10. Sections 2, 4, and 6 of this Act take effect February 1,
8 1991.

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A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (State Affairs)

Page 2, line 24, after "office" :

Insert "and may not contribute more than \$10,000 in the aggregate a year to a political party and its subdivisions"

Passed 3 to 2

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (State Affairs)

Page 2, line 24, after "office" :

Insert "and may not contribute more than \$10,000 in the aggregate a year to a political party and its subdivisions"

Rec'd - Em 504
2:05 pm 5/2/90

6-1857M -
Bradley
5/2/90

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 384 (2d State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

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

10 (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
24 for election in a state election may not accept a contribution post-
25 marked or delivered in person after the date of the general or special
26 election. A candidate for election in a local election may not accept
27 a contribution postmarked or delivered in person after the local
28 election.

29 (b) A candidate shall, within 60 days of the election at which

1 the candidate sought public office, dispose of the campaign funds that
2 were not spent or obligated during the election campaign by

3 (1) transferring the funds to an account for a future
4 election campaign in the amount of not more than

5 (A) \$10,000 if the candidate sought election as gover-
6 nor or lieutenant governor;

7 (B) \$5,000 if the candidate sought election in the
8 Senate;

9 (C) \$2,500 if the candidate sought election to any
10 other state or municipal office;

11 (2) transferring the funds, in an amount not in excess of
12 \$1,000, to a legislative office account for expenditures qualifying as
13 a business expense under 26 U.S.C. 162;

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

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

18 (5) returning the funds pro rata as to contributions in
19 excess of \$100 in the aggregate a year.

20 (c) A candidate shall close each campaign account within 60 days
21 of the election at which the candidate sought public office.

22 (d) A candidate who transfers campaign funds to an account for a
23 future election campaign under (b)(1) of this section shall file
24 annually with the commission the report required by AS 15.13.-
25 110(a)(4).

26 * Sec. 3. AS 15.13.070 is amended by adding a new subsection to read:

27 (i) An individual who accepts campaign contributions as a candi-
28 date for public office may not

29 (1) convert surplus campaign funds to personal income at

1 any time;

2 (2) use campaign contributions to make a contribution to
3 another candidate.

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

5 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
6 individual who is registered as a lobbyist under AS 24.45 may person-
7 ally advocate the election of a candidate and may contribute the
8 lobbyist's own money, goods, and services to a candidate, subject to
9 the limits of AS 15.13.070.

10 (b) A lobbyist may not

11 (1) serve as a campaign manager, director, treasurer or
12 deputy campaign treasurer or at a finance or fundraising committee for
13 a candidate for governor, lieutenant governor, or the legislature; or

14 (2) solicit directly, receive, collect, handle, disburse,
15 or account for campaign contributions for a candidate for governor,
16 lieutenant governor, or the legislature or otherwise engage actively
17 in a fundraising activity of a political campaign.

18 (c) A legislator or candidate for the legislature may not solic-
19 it or knowingly permit a member of a business entity retained to lobby
20 or an employee of a lobbyist to perform fundraising services.

21 (d) In (b) - (c) of this section, "lobbyist"

22 (1) means a person who has registered under AS 24.45.041
23 within the last 12 months and is described under AS 24.45.171(8)(A);

24 (2) does not include a volunteer lobbyist described in
25 AS 24.45.161(a)(1) or a representational lobbyist as defined under
26 regulations of the commission.

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

28 Sec. 15.13.102. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
29 may be used only to advance the interests of the campaign. Campaign

1 funds may be properly expended for an otherwise lawful purpose
2 intended to influence voters to elect or reelect the candidate to the
3 legislature including payment of staff and consultants; rental of
4 space and equipment for a campaign office; purchase of media time and
5 space; design work; printing of campaign materials; postage; taking
6 polls and interpreting them; telephone installation and usage; costs
7 of distribution of materials; advertising in organizational and club
8 bulletins or other brochures; inscribed promotional materials, includ-
9 ing buttons, pencils, pens, and items of clothing; necessary travel
10 and related expenses for the candidate and members of the candidate's
11 staff or immediate family if the travel and lodging are directly
12 related to attempts to raise campaign funds or influence voters;
13 victory and thank you celebrations; newsletters and mass mailings
14 promoting the candidate; and payment of attorney fees and other legal
15 expenses incurred in the defense of a civil, criminal, or administra-
16 tive action arising directly out of the conduct of the campaign or
17 election process or out of the performance of activities within the
18 scope of a candidate's legislative duties.

19 Sec. 15.13.104. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
20 candidate for the legislature may not

21 (1) use funds raised and designated as campaign funds for
22 the personal benefit of the candidate or another person, or for pay-
23 ment of attorney fees and other legal expenses arising from civil,
24 criminal, or administrative actions based on conduct not directly
25 related to the campaign or official duties;

26 (2) convert surplus campaign funds or interest earned on
27 campaign funds to personal income;

28 (3) seek or claim a tax deduction or other economic benefit
29 for surplus funds disbursed to a charity under law.

1 (b) A legislative candidate may not borrow from campaign funds
2 or loan them to another person or group.

3 (c) A legislative candidate, or another person on behalf of the
4 legislative candidate, or a campaign committee of the legislative
5 candidate, may not knowingly pay more than the fair market value for
6 goods or services purchased for the campaign.

7 (d) Campaign funds may not be paid to a member of the candi-
8 date's immediate family as an employee or for goods or services pro-
9 vided to the campaign unless the amounts paid do not exceed the fair
10 market value of the goods or services provided.

11 (e) Except for funds received or postmarked before a general or
12 special election, a legislative candidate who has won office and a
13 committee related to the election may not accept campaign contribu-
14 tions. A post-election contribution must be returned.

15 (f) A legislative candidate and a committee controlled by a
16 legislative candidate may not use campaign funds to make a contribu-
17 tion to another candidate running for office or to a committee sup-
18 porting or opposing a candidate for office.

19 (g) Campaign funds may not be used to pay fines or other mone-
20 tary penalties or costs assessed against a candidate by a court or
21 other body unless the fine, penalty, or cost is assessed as a result
22 of proscribed actions by a member or employee of a campaign committee
23 or another person acting on behalf of the candidate under circum-
24 stances where the candidate did not know of or have reason to know of
25 those actions.

26 Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

27 (a) A candidate and a public officer or employee may establish a
28 legal defense fund to assist with the payment of attorney fees and
29 other costs arising from the defense of a civil, criminal, or adminis-

1 trative action brought against the public officer or employee.
2 Contributions to a legal defense fund that meet the requirements of
3 this section are not subject to the restrictions in AS 24.60.080.

4 (b) A candidate or a public officer or employee who wishes to
5 establish a legal defense fund account shall file a statement of
6 organization for the legal defense fund with the commission. The
7 statement of organization must identify the specific civil, criminal,
8 or administrative proceeding or proceedings for which the legal de-
9 fense fund is established.

10 (c) The legal defense fund shall establish a single account at
11 an office of a financial institution located in the state. A donation
12 to the candidate or public officer or employee for legal expenses
13 shall be deposited into the account if the donation meets the require-
14 ments of (d) of this section.

15 (d) Only a donation that is specifically designated by the donor
16 as being for the legal defense fund and is made payable to the legal
17 defense fund may be deposited in the legal defense fund account. A
18 donation that the recipient believes is intended for the legal defense
19 fund but that does not meet the requirements of this subsection shall
20 be returned to the donor.

21 (e) An expenditure from the legal defense fund account may be
22 made only for legal costs directly related to the civil, criminal, or
23 administrative proceeding or proceedings for which the legal defense
24 fund is established. An expenditure from the legal defense fund
25 account may not be used to pay or reimburse fines, penalties, judg-
26 ments, or settlements in connection with a criminal prosecution or a
27 civil or administrative action in which the legislative candidate,
28 legislator, or legislative employee is found to have committed, or
29 admits to having committed a violation of the law.

1 (f) Surplus funds remaining in the legal defense fund account
2 after the proceeding or proceedings for which the account is estab-
3 lished have concluded may not be used for another purpose. The funds
4 shall, within six months after the conclusion of the proceeding or
5 proceedings, be

6 (1) returned to donors on a pro rata basis as to contribu-
7 tions in excess of \$100 in the aggregate;

8 (2) donated to the state or to a municipality; or

9 (3) donated to a charitable organization that qualifies
10 under 26 U.S.C. 501(c)(3).

11 (g) This section constitutes the sole means for public officers
12 and employees to solicit or accept donations for legal costs that may
13 not be paid from campaign funds under AS 15.13.102. Except for
14 AS 15.13.108(a) and (b), the provisions of this chapter relating to
15 the solicitation and acceptance of campaign funds apply to the solici-
16 tation and acceptance of contributions to a legal defense fund estab-
17 lished under this section. The commission may adopt regulations
18 limiting the dollar amount of contributions under this section and
19 shall adopt regulations requiring the disclosure of donors to a legal
20 defense fund.

21 (h) Funds received from fundraising events must be clearly
22 designated in advance as either for campaign purposes or for the legal
23 defense fund and all proceeds shall be dealt with as required by this
24 chapter.

25 Sec. 15.13.108. FUNDRAISING LIMITATIONS. (a) A legislator may
26 not, either directly, through a campaign committee, or other means,
27 solicit or accept a campaign contribution or a promise or pledge to
28 make a contribution while the legislature is in regular session and a
29 legislator may not solicit campaign funds or host a campaign fundrais-

1 ing event for another person while the legislature is in session.

2 (b) A legislator or a candidate for the legislature may not,
3 either directly, through a campaign committee, or other means, solicit
4 or accept a campaign contribution or a promise or pledge to make a
5 contribution relating to candidacy for the legislature in an election
6 other than a special election under AS 15.40 except during the follow-
7 ing periods:

8 (1) legislators and other incumbent elected public offi-
9 cials intending to seek election to the legislature may raise funds
10 from June 1 until December 31 in the year before the year of an
11 election in which they intend to be a candidate, and from June 1
12 through the general election in November in the year of the election;
13 in this paragraph, "public official" means a person required to file a
14 campaign disclosure statement under AS 15.13;

15 (2) the governor, lieutenant governor, and candidates for
16 the legislature who are not in public office at the time of their
17 candidacy may raise funds from June 1 in the year before the year of
18 an election in which they intend to be a candidate through the general
19 election in November of the year of the election.

20 (c) This section does not prohibit a legislator from making an
21 otherwise lawful contribution or from attending an otherwise lawful
22 fund raising activity at any time.

23 * Sec. 6. AS 15.13.110(a) is amended to read:

24 (a) Each candidate and group shall make a full report in accor-
25 dance with AS 15.13.040 during the period ending three days before the
26 due date of the report and beginning on the last day covered by the
27 most recent previous report, or, if a first report, all contributions
28 received and expenditures made before three days before the due date
29 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

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

4 (2) one week before the election;

5 (3) 10 [TEN] days after the election; and

6 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

7 (A) expenditures made and contributions received that
8 [WHICH] were not reported during the previous [THAT] year;

9 (B) disposals of campaign funds under AS 15.13.041(b)
10 that were not spent or obligated during the election campaign; or

11 (C) campaign funds transferred to an account for a
12 future campaign.

13 * Sec. 7. AS 15.13.110(b) is amended to read:

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

19 * Sec. 8. AS 15.13.125 is repealed and reenacted to read:

20 Sec. 15.13.125. CIVIL PENALTY. (a) A person who violates a
21 provision of this chapter or ~~who fails to~~ file a properly completed
22 and certified report within the time required is subject to a civil
23 penalty of not more than \$5,000 for each offense or twice the amount
24 gained by the violation, whichever is greater, together with the costs
25 of the investigation and the adjudication.

26 (b) The determination of the commission is subject to right of
27 appeal to the superior court. An affidavit stating facts in mitiga-
28 tion may be submitted to the commission by a person against whom a
29 civil penalty is assessed.

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

4 * Sec. 9. Sections 1, 4, 7, and 8 of this Act take effect immediately
5 under AS 01.10.070(c).

6 * Sec. 10. Sections 2, 3, 5, and 6 of this Act take effect November 6,
7 1990.

6-1857H
Bradley
2/13/90

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

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

10 (a) Except for a municipal candidate who accepts contributions
11 in excess of \$1,000 or makes expenditures ^{in excess of} [of less than] \$1,000 in
12 seeking election, each [EACH] candidate shall make a full report, upon
13 a form prescribed by the commission, listing the date and amount of
14 each expenditure [ALL EXPENDITURES] made by the candidate, the total
15 amount of all contributions, including all funds contributed by the
16 candidate, and for each contribution [ALL CONTRIBUTIONS] in excess of
17 \$100 in the aggregate a year, the name, address, principal occupation,
18 and employer of the contributor and the date and amount contributed by
19 each contributor. The report shall be filed in accordance with AS
20 15.13.110 and shall be certified as correct by the candidate or cam-
21 paign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
24 for election in a state election may not accept a contribution after
25 December 31 of the year in which the candidate sought election. A
26 candidate for election in a local election may not accept a contribu-
27 tion more than 45 days after the local election.

28 (b) A candidate shall, by January 12 of the year after the year
29 in which the candidate sought public office, dispose of the campaign

1 funds that were not spent or obligated during the election campaign by

2 (1) transferring the funds to an account for a future
3 election campaign;

4 (2) transferring the funds to a legislative office account
5 for expenditures qualifying as a business expense under 26 U.S.C. 162;

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

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

10 (5) returning the funds to contributors.

11 (c) A candidate shall close each campaign account by January 12
12 of the year after the year in which the candidate sought public of-
13 fice.

14 (d) A candidate who transfers campaign funds to an account for a
15 future election campaign under (b)(1) of this section shall file
16 annually with the commission the report required by AS 15.13.-
17 110(a)(4). Campaign funds transferred to an account for a future
18 campaign may be used for a future campaign or disposed of under
19 (b)(2) - (5) of this section.

20 * Sec. 3. AS 15.13.050 is amended to read:

21 Sec. 15.13.050. GROUPS. Each group, before making an independ-
22 ent expenditure on behalf of [,] or in opposition to [,] a candidate
23 [OR A CONTRIBUTION TO A CANDIDATE], shall register, on forms provided
24 by the commission, with the commission. If the group intends to make
25 independent expenditures to support or oppose only one candidate [,]
26 or to [CONTRIBUTE TO OR] expend on behalf of [,] or in opposition to
27 [,] one candidate 50 percent or more of its funds, the name of the
28 candidate shall be a part of the name of the group. Promptly upon
29 receiving the registration, the commission shall notify the candidate

1 of the group's organization and intent.

2 * Sec. 4. AS 15.13.070(a) is amended to read:

3 (a) A group, except for a political party or its subdivisions,
4 may not contribute to a candidate. The state, agencies of the state,
5 public corporations of the state, and the University of Alaska may not
6 use public funds to support or oppose the election of a candidate. A
7 municipality may not use public funds of the municipality to support
8 or oppose the election of a candidate. An individual and a person,
9 [OR GROUP,] including but not limited to each business, corporation,
10 and labor union [ALL POLITICAL COMMITTEES, BUSINESSES, CORPORATIONS,
11 AND LABOR UNIONS,] may not contribute [TO OR EXPEND] more than \$1,000
12 in the aggregate a year [ON BEHALF OF OR IN OPPOSITION] to a candidate
13 [THE COMPETING CANDIDATES FOR EACH ELECTIVE OFFICE]. Political
14 parties and their subdivisions are not subject to the \$1,000 limita-
15 tion prescribed in this subsection, but they are subject to the re-
16 porting requirements prescribed by AS 15.13.040(b) and 15.13.110.
17 This chapter does not prohibit

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

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

26 * Sec. 5. AS 15.13.070 is amended by adding a new subsection to read:

27 (i) A contribution accepted by a candidate may not be used by
28 the candidate as personal income at any time.

29 * Sec. 6. AS 15.13 is amended by adding new a section to read:

1 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
2 individual who is registered as a lobbyist under AS 24.45 may con-
3 tribute the lobbyist's own money, goods, and services to a candidate,
4 subject to the limits of AS 15.13.070.

5 (b) A lobbyist may not

6 (1) serve as a campaign treasurer or deputy campaign trea-
7 surer for a candidate for governor, lieutenant governor, or the legis-
8 lature; or

9 (2) receive, collect, handle, disburse, or account for
10 campaign contributions for a candidate for governor, lieutenant
11 governor, or the legislature.

12 (c) In (b) of this section, "lobbyist"

13 (1) means a person who has registered under AS 24.45.041
14 within the last 12 months and is described under AS 24.45.171(8)(A);

15 (2) does not include a volunteer lobbyist described in
16 AS 24.45.161(a)(1) or a representational lobbyist as defined under
17 regulations of the commission.

18 * Sec. 7. AS 15.13.080 is amended to read:

19 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. A person [OR GROUP]
20 contributing to a candidate over \$250 or contributing goods or ser-
21 vices to a candidate with a value of more than \$250 to influence the
22 election of a candidate shall furnish the commission a signed state-
23 ment, on a form made available by the commission. The statement shall
24 itemize the contributions and goods and state that the contributor is
25 not [A PERSON OR GROUP] prohibited by law from contributing and that
26 the contribution consists of funds or property belonging to the con-
27 tributor and has not been given or furnished by another person or
28 group. The contributor's statement shall be filed with the commission
29 by the contributor no later than 10 days after the contribution is

1 made. A copy of the statement shall be furnished the candidate,
2 campaign treasurer, or deputy campaign treasurer at the time the
3 contribution is made.

4 * Sec. 8. AS 15.13.110(a) is amended to read:

5 (a) Each candidate and group shall make a full report in accor-
6 dance with AS 15.13.040 during the period ending three days before the
7 due date of the report and beginning on the last day covered by the
8 most recent previous report, or, if a first report, all contributions
9 received and expenditures made before three days before the due date
10 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

11 (1) 30 days before the election; however, this report is
12 not required if the deadline for filing a nominating petition or
13 declaration of candidacy is within 30 days of the election;

14 (2) one week before the election;

15 (3) 10 [TEN] days after the election; and

16 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

17 (A) expenditures made and contributions received that
18 [WHICH] were not reported during the previous [THAT] year;

19 (B) disposals of campaign funds under AS 15.13.041(b)
20 that were not spent or obligated during the election campaign; or

21 (C) campaign funds transferred to an account for a
22 future campaign.

23 * Sec. 9. AS 15.13.110(b) is amended to read:

24 (b) Each contribution or expenditure that [WHICH] exceeds \$250
25 and that [WHICH] is made within nine days [ONE WEEK] of the election
26 shall be reported to the commission by date, amount, and contributor
27 or recipient within 24 hours of receipt or expenditure by the candi-
28 date or campaign treasurer.

29 * Sec. 10. AS 15.13.125 is amended to read:

1 Sec. 15.13.125. CIVIL PENALTY [LATE FILING OF REQUIRED RE-
2 PORTS].

3 (a) A person who fails to file a properly completed and certified
4 report within the time required by AS 15.13.110(a)(1), (3), (4) or
5 15.13.110(d) is subject to a civil penalty of not more than \$10 a day
6 [FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMIS-
7 SION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

8 (b) A person who fails to file a properly completed and certi-
9 fied report within the time required by AS 15.13.110(a)(2) or 15.13.-
10 110(b) is subject to a civil penalty of not more than \$50 a day [FOR
11 EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION
12 SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

13 (c) The commission may assess the civil penalty for each day the
14 commission determines that the delinquency continues under (a) - (b)
15 of this section. The determination of the commission is subject to a
16 right of appeal to the superior court.

17 (d) A person who fails to identify communications as required by
18 AS 15.13.090 is subject to a civil penalty of not more than \$250. The
19 determination of the commission is subject to a right of appeal to the
20 superior court.

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

23 (f) The [HOWEVER, THE] imposition of the penalties prescribed in
24 this section or in AS 15.13.120 does not excuse that person from
25 filing reports required by this chapter.

26 * Sec. 11. Sections 1, 9, and 10 of this Act take effect immediately
27 under AS 01.10.070(c).

28 * Sec. 12. Sections 2 - 8 of this Act take effect February 1, 1991.
29

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (State Affairs)

Page 3, line 9, after "candidate":

Insert "and may not contribute more than \$10,000 in the aggregate a year to a political party and its subdivisions"

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (State Affairs)

Page 2, after line 19:

Insert a new subsection to read:

"(e) A candidate may not transfer more than \$10,000 to an account for a future campaign."

BY SEN. POURCHOT

IN THE SENATE

SENATE BILL NO. 384

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to election campaigns."

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

* Section 1. AS 15.13.010(a) is amended to read:

(a) This chapter applies in every election for governor, lieutenant governor, a member of the state legislature, a delegate to a constitutional convention, or judge seeking electoral confirmation. It also applies to every candidate who accepts contributions in excess of \$1,000 or makes expenditures in excess of \$1,000 in seeking [FOR] election to a municipal office in a municipality with a population of more than 1,000 inhabitants according to the latest United States census figures or estimates of population certified as correct for administrative purposes by the Department of Community and Regional Affairs. A municipality may exempt its elected municipal officers from the requirements of this chapter if a majority of the voters voting on the question at a regular election, as defined by AS 29.-71.800(20), or a special municipality-wide election called for that purpose, vote to exempt its elected municipal officers from the requirements of this chapter. The question of exemption from the requirements of this chapter may be submitted by the governing body by ordinance or by initiative election. This chapter does not prohibit a municipality from regulating by ordinance campaign contributions and expenditures.

* Sec. 2. AS 15.13 is amended by adding a new section to read:

Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate

for election in a state election may not accept a contribution after December 31 of the year in which the candidate sought election. A candidate for election in a local election may not accept a contribution more than 45 days after the local election.

(b) A candidate shall close each campaign account by January 1 of the year after the year in which the candidate sought public office.

(c) A candidate shall, by January 15 of the year after the year in which the candidate sought public office, dispose of the campaign funds that were not spent or obligated during the election campaign by

(1) transferring the funds to an account for a future election campaign;

(2) transferring the funds to a legislative office account for expenditures qualifying as a business expense under 26 U.S.C. 162;

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

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

(5) returning the funds to contributors; or

(6) making campaign contributions not in violation of AS 15.13.070(a) to another candidate or a group or by making independent expenditures.

(d) A candidate who transfers campaign funds to an account for a future election campaign under (c)(1) of this section shall file an annual report with the commission under AS 15.13.110(a)(4). Campaign funds transferred to an account for a future campaign may be used for a future campaign or disposed of under (c)(2) - (6) of this section.

* Sec. 3. AS 15.13.110(a) is amended to read:

(a) Each candidate and group shall make a full report in

accordance with AS 15.13.040 during the period ending three days before the due date of the report and beginning on the last day covered by the most recent previous report, or, if a first report, all contributions received and expenditures made before three days before the due date of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

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

(2) one week before the election;

(3) ten days after the election; and

(4) January 15 [DECEMBER 31 OF EACH YEAR] for

(A) expenditures made and contributions received that [WHICH] were not reported during the previous [THAT] year;

(B) disposals of campaign funds under AS 15.13.041(c) that were not spent or obligated during the election campaign; or

(C) campaign funds transferred to an account for a future campaign.

* Sec. 4. AS 15.13.110(b) is amended to read:

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

* Sec. 5. AS 15.13.125 is amended to read:

Sec. 15.13.125. CIVIL PENALTY [: LATE FILING OF REQUIRED REPORTS]. (a) A person who fails to file a properly completed and certified report within the time required by AS 15.13.110(a)(1), (3), (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10

a day [FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT!].

(b) A person who fails to file a properly completed and certified report within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not more than \$50 a day [FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

(c) A person who fails to file a properly completed and certified report within the time required by AS 15.13.060(c) is subject to a civil penalty of not more than \$10 a day.

(d) A person who fails to identify communications as required by AS 15.13.090 is subject to a civil penalty of not more than \$10 a day.

(e) The commission may assess the civil penalty for each day the commission determines that the delinquency continues. The determination of the commission is subject to a right of appeal to the superior court.

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

(g) The [HOWEVER, THE] imposition of the penalties prescribed in this section or in AS 15.13.120 does not excuse that person from filing reports required by this chapter.

SUMMARY

SB 384, an Act relating to election campaigns, addresses important policy questions.

1. Restricts allowable uses of surplus campaign account funds to the following:
 - a. Prohibits the taking of contributions as personal income.
 - b. Campaign account funds used by a legislator for his legislative office must qualify as a business expense under the IRS Code.
 - c. Funds may be transferred to an account for a future election campaign.
 - d. Funds may be donated to an organization that qualifies as a charitable organization under the IRS Code.
 - e. Funds may be returned to contributors.
 - f. Funds may be donated to the state general fund or a municipality.
2. Prohibits acceptance of campaign contributions after December 31 of the year in which the candidate sought office.
3. Requires a candidate to dispose of his/her campaign account by January 1.
4. Requires that the campaign year-end report include a report on the disposal of any campaign funds that were not spent or obligated - including campaign funds transferred to an account for a future campaign.
5. Codifies existing procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1000 or less.
6. Establishes civil penalty for failure to properly identify who paid for a political advertisement and for failure to disclose the name and address of the campaign treasurer.
7. Closes preelection reporting gap for contributions received on days 8 and 9 before the election.

STATE OF ALASKA
THE LEGISLATURE

POUCHY STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800


LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

January 15, 1990

SUBJECT: Election campaigns
(SB 384)

TO: Senator Pat Pourchot

FROM: Richard A. Bradley 
Legislative Counsel

Jeanne Larson has requested a sectional analysis of the above described bill.

As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1 of the bill amends AS 15.13.010(a), "Applicability." The amendment provides an exemption for candidates for municipal office from the application of AS 15.13 if they do not accept contributions in excess of \$1,000 or do not make expenditures in excess of \$1,000.

Section 2 of the bill amends AS 15.13 by adding a new Sec. 15.13.041, "closure of campaign accounts."

Sec. 15.13.041(a) provides that a candidate "in a state election may not accept a contribution after December 31 of the year in which the candidate sought election." A candidate in a local election [see AS 15.60.010(13)] "may not accept a contribution more than 45 days after the local election."

Sec. 15.13.041(b) provides that "A candidate shall close each campaign account by January 1 of the year after the year in which the candidate sought election." It applies to both the state and local election candidates.

Sec. 15.13.041(c) specifies those various dispositions that are authorized for the funds from accounts closed under (b) of the section.

Sec. 15.13.041(d) requires annual reports from candidates who establish "an account for a future election campaign under (c)(1)" of the section. The section further makes it clear that funds deposited into such an account may be used only for that purpose or, subsequently, for a purpose specified in "(c)(2) - (6)" of the section.

Section 3 of the bill amends AS 15.13.110(a), "filing of reports". The amendment provides that the year end report will be filed on January 15 "for expenditures made and contributions received that were not reported during the previous year;" this change is made necessary by the requirement that accounts be closed by January 1 [Sec. 15.-13.041(b)]. The section does not authorize the omission of information from earlier reports and it seems that information disclosed on that report that should have been filed on an earlier report will subject the reporter to civil penalties. Sec. 15.13.110(a) also specifies two new aspects of the year end report resulting from new Sec. 15.13.041.

Section 4 of the bill amends AS 15.13.110(b). The "one week" report on contributions and expenditures exceeding \$250 is moved back to nine days before the election.

Section 5 of the bill amends AS 15.13.125, "civil penalty." The section is divided into subsections and some new material is included.

Sec. 15.13.125(c) provides for a civil penalty of not more than \$10 a day for failure to file AS 15.13.060(c) reports: designation of campaign treasurer. I note that as AS 15.-13.060(c) is written, I am not certain that there is in fact any deadline for the designation of campaign treasurer; the last sentence of AS 15.13.060(c) provides that if the candidate fails to designate a campaign treasurer, then the candidate becomes the campaign treasurer.

Sec. 15.13.125(d) provides for a civil penalty of not more than \$10 a day for failure to file AS 15.13.090 reports: failure to identify communications.

If I may be of further assistance, please advise.

RAB:lmb
L9/049

STATE OF ALASKA

STEVE COWPER, GOVERNOR

REPLY TO:

2221 E. Northern Lights, Room 128
Anchorage, AK 99508
(907) 276-4176

Juneau Branch Office
Box CO
Juneau, AK 99811-0222
(907) 465-4864

ALASKA PUBLIC OFFICES COMMISSION

January 18, 1990

Senator Pat Pourchot
Pouch V
Juneau, Alaska 99811

Dear Senator Pourchot:

I am writing with regard to SB 384, an act relating to election campaigns.

Although the Alaska Public Offices Commission has not had an opportunity to meet between the time this measure was introduced and the time set for its initial hearing, at previous meetings the commission has discussed most of the concepts expressed in the bill.

The commission concurs with many provisions of SB 384. The commission believes that small municipal campaigns should be exempt from campaign disclosure requirements (Section 1), that closing dates should be established for receipt of contributions and for campaign accounts (Section 2), that the two day pre-election reporting gap should be closed (Section 4), and that civil penalties should be assessed for delays in filing registrations and for inadvertent failures to properly identify political communications (Section 5).

The commission takes a different view with regard to the provisions in Section 2 relating to disposition of surplus campaign funds. The commission strongly believes that disposition of surplus campaign funds should be limited to donation to charitable institutions and to pro rata return to contributors.

With regard to civil penalties for failure to properly identify a political communication, it appears the language in section 5 was drafted based on language proposed by the commission to the Governor in September, 1989. Since that time, the commission has refined its approach to this issue.

The commission spends a substantial portion of its time dealing with inadvertent, technical violations of AS 15.13.090. The commission believes the statute as written is too rigid in prescribing how a communication must be identified. The commission proposes that it be given authority to promulgate regulations describing how communications should be identified, so that

Senator Pat Pourchot
January 18, 1990
Page 2

meaningful information can be provided to the public without undue burden to campaigns.

This change could be accomplished by amending AS 15.13.090 to read:

"[ALL] The source of payment for advertisements, billboards, handbills, paid for by television and radio announcements and other communications intended to influence the election of a candidate or outcome of a ballot proposition or question shall be clearly identified [BY THE WORDS "PAID FOR BY" FOLLOWED BY THE NAME AND ADDRESS OF THE CANDIDATE, GROUP OR INDIVIDUAL PAYING FOR THE ADVERTISING. IN ADDITION, CANDIDATES AND GROUPS MUST IDENTIFY THE NAME OF THEIR CAMPAIGN CHAIRMAN.] the name of their campaign chairman.] as provided by the commission in regulations promulgated under AS 15.13.030(10).

The commission has also reviewed its position regarding penalties for violations of this section. At present, violations of AS 15.13.090 are subject to criminal prosecution only. The commission believes a misdemeanor penalty is appropriate only for the most serious violations. Upon further review, rather than the \$10 daily penalty accrual for minor violations originally proposed, the commission believes a better approach would be to set a maximum civil fine amount. This change could be accomplished by amending AS 15.13.090, adding a new paragraph to read:

(b) A person or group whom the commission determines has inadvertently failed to properly identify a political communication is subject to a civil penalty of not more than \$250, subject to right of appeal to the Superior Court. An affidavit stating facts in mitigation may be submitted to the commission by a person or group against whom the civil penalty is assessed. However, the imposition of the penalties prescribed in this section or in AS 15.13.120 does not excuse that person from providing the required identification.

A final concern relates to section 2, which prohibits state candidates from receiving contributions after December 31, requires closure of campaign accounts by January 1, and further requires disposition of surplus funds and a final report to the commission by January 15 (section 3). Commission staff believes a campaign account closure date of January 12 would be more workable for all concerned, because it would give candidates time to deposit year-end contributions before closing campaign accounts, as well as the

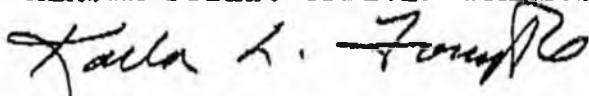
Senator Pat Pourchot
January 18, 1990
Page 3

customary three days to prepare and file their reports to the commission.

I hope this information is helpful. Your efforts to provide a forum for discussion of commission concerns are greatly appreciated. If you have any questions or comments, please let me know.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



Karla L. Forsythe
Executive Director

cc: Senator Tim Kelly
Bob Evans, Office of the Governor
Sioux Plummer, Special Assistant, Department of Administration
Nancy Gordon, Assistant Attorney General
APOC Members
APOC Senior Staff

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to election
campaigns
Sponsor: Senator Pat Pourchot
Requestor: _____

Agency Affected: AK Pub. Offices Commission
BRU: _____
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
----------------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
----------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Karla L. Forsythe, Executive Director
Division: Alaska Public Offices Commission

Phone: 276-4176
Date: 1/11/90

Approved by Commissioner: Burke Riley, Chair
Agency: Alaska Public Offices Commission

Date: 1-15-90

Distribution (by preparer) :

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

FISCAL NOTE NARRATIVE

The commission believes this measure would have no overall fiscal impact on the operations of the commission. Provisions exempting small municipal campaigns from campaign disclosure requirements would codify existing commission practices. Closing campaigns shortly after the election would eliminate reports of contributions during an off-year in a state election. However, since municipal elections will still occur, the commission's workload will not decrease measurably. Closing the two day reporting gap will require commission offices to stay open for a few hours one extra week-end day, and may require review of a few additional reports, activities which can be absorbed with existing resources. Finally, assessing civil penalties for inadvertent "paid for by" violations will be a new activity for staff, but will require far less staff and commission time than the current practice, which requires handling these matters as complaint investigations.

Campaign Finance

§ 15.13.010

ELECTIONS

§ 15.13.010

Chapter 13. State Election Campaigns.

Section	Section
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Collateral references. — 25 Am. Jur. 29 C.J.S., Elections, §§ 2-4, 6, 118(7), 2d, Elections, §§ 4-7, 10, 280-290. 216(1)-218(6).

Sec. 15.13.010. Applicability. (a) This chapter applies in every election for governor, lieutenant governor, a member of the state legislature, a delegate to a constitutional convention, or judge seeking electoral confirmation. It also applies to every candidate for election to a municipal office in a municipality with a population of more than 1,000 inhabitants according to the latest United States census figures or estimates of population certified as correct for administrative purposes by the Department of Community and Regional Affairs. A municipality may exempt its elected municipal officers from the requirements of this chapter if a majority of the voters voting on the question at a regular election, as defined by AS 29.71.800(20), or a special municipality-wide election called for that purpose, vote to exempt its elected municipal officers from the requirements of this chapter. The question of exemption from the requirements of this chapter may be submitted by the governing body by ordinance or by initiative election. This chapter does not prohibit a municipality from regulating by ordinance campaign contributions and expenditures.

(b) Except as otherwise provided, this chapter applies to contributions, expenditures and communications made by a candidate, group, municipality or individual for the purpose of influencing the outcome of a ballot proposition or question as well as those made to influence the nomination or election of a candidate. (§ 1 ch 76 SLA 1974; am § 1, 2 ch 189 SLA 1975; am § 32 ch 74 SLA 1985)

Effect of amendments. — The 1985 amendment in subsection (a) substituted "municipality" for "city or borough" in the second sentence, "a" for "any" preceding "regular election" and "AS 29.71.800(20)"

for "AS 29.78.010(14)" in the third sentence, and "governing body" for "city council or borough assembly" and "election" for "ordinance" in the next-to-last sentence.

Applicability

NOTES TO DECISIONS

Constitutionality. — In the case of *First Nat'l Bank v. Bellotti*, 435 U.S. 765, 98 S. Ct. 1407, 55 L. Ed. 2d 707, rehearing denied, 438 U.S. 907, 98 S. Ct. 3126, 57 L. Ed. 2d 1160 (1978), the supreme court of the United States has indicated in unmistakable terms that state disclosure laws pertaining to ballot issues are constitutional. *Messerli v. State*, Sup. Ct. Op. No. 2236 (File No. 4326), 626 P.2d 81 (1980).

When there is no showing that an individual must remain anonymous with respect to advertising as to ballot propositions because of the possibility of being subject to reprisals, economic or otherwise, the state campaign disclosure laws are not unconstitutional as applied to a contributor hoping to influence the outcome of a ballot issue, because the objective of an informed electorate is sufficiently compelling to overcome an interest in anonymous political expression.

Sec. 15.13.011. Inapplicability to presidential primary. (Repealed, § 1 ch 2 SLA 1984.)

Sec. 15.13.020. Alaska Public Offices Commission. (a) There is created in the Department of Administration the Alaska Public Offices Commission consisting of five members.

(b) The governor shall appoint two members of each of the two political parties whose candidate for governor received the highest number of votes in the most recent preceding general election at which a governor was elected. The two appointees from each of these two parties shall be chosen from a list of four names to be submitted by the central committee of each party.

(c) The four members selected under (b) of this section shall, by a majority vote, appoint the remaining fifth member of the commission.

(d) Members of the commission serve staggered terms of five years, or until a successor is appointed and qualifies. The terms of no two members who are members of the same political party may expire in consecutive years. A member may not serve more than one term. However, a person appointed to fill the unexpired term of a predecessor may be appointed to a successive full five-year term.

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

- (1) hold or campaign for elective office;
- (2) be an officer of a political party, political committee or group;
- (3) permit the member's name to be used, or make any contributions whatsoever, in support of or in opposition to a candidate or proposition or question that appears on any ballot in the state including

Messerli v. State, Sup. Ct. Op. No. 2236 (File No. 4326), 626 P.2d 81 (1980).

Initiative substantially similar to ch. 76, SLA 1974, correctly withheld from ballot. — Substantial similarity existed between ch. 76, SLA 1974, which enacted this chapter, relating to election campaigns, and an initiative relating to campaign contributions and expenditures, which was filed with the lieutenant governor prior to the regular 1974 session of the legislature. The act effectively displaced the initiative, and the lieutenant governor was correct in withholding the initiative from the ballot. *Warren v. Boucher*, Sup. Ct. Op. No. 1205 (File No. 2315), 543 P.2d 731 (1975).

For comparison of ch. 76, SLA 1974, and the initiative, see *Warren v. Boucher*, Sup. Ct. Op. No. 1205 (File No. 2315), 543 P.2d 731 (1975).

but not limited to that of a municipality; however, contributions may be made to a candidate for the office of President of the United States;

(4) participate in any way in an election campaign or participate in or contribute to any political party; or

(5) lobby, employ or assist a lobbyist.

(f) Members of the commission shall receive compensation of \$60 a day while attending commission meetings and shall be entitled to travel expenses and per diem authorized by law for members of other boards and commissions.

(g) The members shall elect a chairman. Three members of the commission constitute a quorum. A vacancy does not impair the powers of the remaining members to exercise all of the powers of the commission.

(h) A vacancy on the commission shall be filled by the appropriate appointing authority within 30 days of the occurrence of the vacancy. The appointee shall serve for the remaining term of the appointee's predecessor.

(i) The commission may employ an executive director and other employees it considers necessary. Neither the executive director nor an employee may have a vote.

(j) The commission shall establish an office, which may be called a regional office, in each senate district in the state to keep on file for public inspection copies of all reports filed with the commission by candidates for statewide office and by candidates for legislative office in that district; however, where one municipality contains more than one election district, only one commission office shall be established in that municipality. The regional office shall make all forms and pertinent material available to candidates. All reports shall be filed by candidates, groups and individuals directly with the commission's central district office. The commission shall insure that copies of all reports by statewide and legislative candidates in each senate district are forwarded promptly to that district or regional office.

(k) The commission shall insure that copies of reports filed by candidates for municipal office are made available for public inspection in the appropriate municipality. (§ 1 ch 76 SLA 1974; am § 23 ch 25 SLA 1975; am §§ 3 — 10 ch 189 SLA 1975; am E.O. No. 41 § 2 (1980); am § 24 ch 85 SLA 1988)

Effect of amendments. — The 1988 amendments and rewrote the subsection for clarity. amendment, in subsection (d), deleted obsolete references to terms of initial mem-

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Subsection (j) requires forms to be made available in a regional office in each senate district. *Silides v. Thomas*, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 659 P.2d 80 (1977).
Furnishing forms to Nome regional

APOX
make-up

office constituted compliance with law. — Nome is designated center for forms pursuant to both subsection (j) and AS 15.10.110, and since Nome is the central office for Senate District P, which encompasses House District 21 and therefore Kotzebue, the lieutenant governor

Sec. 15.13.030. Duties of the commission. The commission shall

(1) develop and provide all forms for the reports and statements required to be made under this chapter, AS 24.45 and AS 39.50;

(2) prepare and publish a manual setting out uniform methods of bookkeeping and reporting for use by persons required to make reports and statements under this chapter and otherwise assist candidates, groups, and individuals in complying with the requirements of this chapter;

(3) receive and hold open for public inspection reports and statements required to be made under this chapter and, upon request, furnish copies at cost to interested persons;

(4) compile and maintain a current list of all filed reports and statements;

(5) prepare a summary of each report filed under AS 15.13.110 and make copies of this summary available to interested persons at their actual cost;

(6) notify, by registered or certified mail, all persons who are delinquent in filing reports and statements required to be made under this chapter;

(7) report within 60 days after the election the names of all persons and groups who have failed to comply with any of the provisions of this chapter to the office of the attorney general;

(8) examine, investigate and compare all reports, statements and actions required by this chapter, AS 24.45 and AS 39.50 and to report to the attorney general the names of all persons or groups which the commission has substantial reason to believe have violated this chapter, AS 24.45 or AS 39.50;

(9) prepare and publish an annual report to the legislature concerning the activities of the commission, the effectiveness of this chapter, its enforcement by the attorney general's office and recommendations and proposals for change;

(10) adopt regulations necessary to implement and clarify the provisions of AS 24.45, AS 39.50 and this chapter, subject to the provisions of the Administrative Procedure Act (AS 44.62). (§ 1 ch 76 SLA 1974; am § 24 ch 25 SLA 1975; am §§ 11, 12 ch 189 SLA 1975; am §§ 3 — 5 ch 167 SLA 1976)

complied with the law by virtue of furnishing forms to the Nome regional office, even though such forms were not available in Kotzebue. *Silides v. Thomas*, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

NOTES TO DECISIONS

- I. General Consideration.
- II. Regulations.

I. GENERAL CONSIDERATION.

Duty-to-notify requirement only applies to groups which have registered with commission pursuant to AS 15.13.050. *Veco Int'l, Inc. v. Alaska Pub. Offices Comm'n*, Sup. Ct. Op. No. 3295 (File No. S-1598), 753 P.2d 703 (1988).

Applied in *Measerli v. State*, Sup. Ct. Op. No. 2236 (File No. 4326), 626 P.2d 81 (1980).

II. REGULATIONS.

No regulations were necessary to implement the mandatory provisions for filing an appointment of campaign treasurer established by AS 15.13.060(c). *Silides v. Thomas*, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Sec. 15.13.040. Contributions, expenditures and supplying of services to be reported. (a) Each candidate shall make a full report, upon a form prescribed by the commission, listing the date and amount of all expenditures made by the candidate, the total amount of all contributions, including all funds contributed by the candidate, and for all contributions in excess of \$100 in the aggregate a year, the name, address, principal occupation, and employer of the contributor and the date and amount contributed by each contributor. The report shall be filed in accordance with AS 15.13.110 and shall be certified correct by the candidate or campaign treasurer.

(b) Each group shall make a full report upon a form prescribed by the commission, listing

(1) the name and address of each officer and director;

(2) the aggregate amount of all contributions made to it; and, for all contributions in excess of \$100 in the aggregate a year, the name, address, principal occupation, and employer of the contributor, and the date and amount contributed by each contributor; and

(3) the date and amount of all contributions made by it and all expenditures made, incurred or authorized by it.

(c) The report required under (b) of this section shall be filed in accordance with AS 15.13.110 and shall be certified as correct by the group's treasurer.

(d) Every individual, person or group making a contribution or expenditure shall make a full report, upon a form prescribed by the commission, of the following contributions or expenditures:

(1) any contribution of cash, goods or services valued at more than \$100 a year to any group or candidate; or

(2) any expenditure whatsoever for advertising in newspapers, on radio or on television; or, for the publication, distribution or circulation of brochures, flyers, or other campaign material for any candidate or ballot proposition or question.

(e) The report required under (d) of this section shall contain the name, address, principal occupation and employer of the individual

report
\$100+

filing the report, and an itemized list of expenditures. The report shall be filed with the commission by the contributor no later than 10 days after the contribution or expenditure is made. A copy of the report shall be furnished to the candidate, campaign treasurer or deputy campaign treasurer at the time the contribution is made.

(f) During each year in which an election occurs, all businesses, persons, or groups which furnish any of the following services, facilities, or supplies to a candidate or group shall maintain a record of each transaction: newspapers, radio, television, advertising, advertising agency services, accounting, billboards, printing, secretarial, public opinion polls, or research and professional campaign consultation or management, media production or preparation, or computer services. The records shall be maintained on the forms provided and in the manner required by the commission. The supplier shall file a report of the complete record of each transaction with all candidates or groups to whom the supplier provides services, facilities or supplies in excess of \$250 in the aggregate in accordance with AS 15.13.110. All records shall be available for public inspection. (§ 1 ch 76 SLA 1974; am § 13 ch 189 SLA 1975)

NOTES TO DECISIONS

Constitutionality. — In the case of *First Nat'l Bank v. Bellotti*, 435 U.S. 765, 98 S. Ct. 1407, 65 L. Ed. 2d 707, rehearing denied, 438 U.S. 907, 98 S. Ct. 3126, 57 L. Ed. 2d 1160 (1978), the supreme court of the United States has indicated in unmistakable terms that state disclosure laws pertaining to ballot issues are constitutional. *Messerli v. State*, Sup. Ct. Op. No. 2236 (File No. 4326), 626 P.2d 81 (1980).

When there is no showing that an individual must remain anonymous with respect to advertising as to ballot propositions because of the possibility of being subject to reprisals, economic or otherwise, the state campaign disclosure laws

are not unconstitutional as applied to a contributor hoping to influence the outcome of a ballot issue, because the objective of an informed electorate is sufficiently compelling to overcome an interest in anonymous political expression. *Messerli v. State*, Sup. Ct. Op. No. 2236 (File No. 4326), 626 P.2d 81 (1980).

The disclosure requirements of this chapter are not unconstitutionally vague or overbroad, nor do they violate the constitutional right of the people to privacy. *Veco Int'l, Inc. v. Alaska Pub. Offices Comm'n*, Sup. Ct. Op. No. 3295 (File No. S-1598), 753 P.2d 703 (1988).

Collateral references. — Construction and application of statute regarding statement by candidate as to his expenses, or his interest in, or the financial value of

publicity through, newspapers or other publicity sources. 103 ALR 1424.

Statement by candidate regarding salary or fees of office as violation of Corrupt Practice Act or bribery. 106 ALR 493.

Sec. 15.13.045. Investigations, hearings. (a) The commission may issue subpoenas, administer oaths, hold hearings and conduct investigations.

(b) In conjunction with (a) of this section, the commission may compel the attendance of witnesses and production of papers, books,

records, accounts, documents, and testimony, and may have the deposition of witnesses taken in a manner prescribed by court rule or law for the taking of depositions in civil actions when consistent with the powers and duties assigned to the commission by this chapter.

(c) The commission may examine the papers, books, records, accounts and documents of any person subject to this chapter to ascertain the correctness of a report filed with the commission, or in conjunction with an investigation or inspection conducted under (a) of this section.

(d) Subpoenas may be issued and shall be served in the manner prescribed by AS 44.62.430 and court rule. The failure, refusal or neglect to obey a subpoena is punishable as contempt in the manner prescribed by law or court rule. The superior court may compel obedience to the commission's subpoena in the same manner as prescribed for obedience to a subpoena issued by the court. (§ 14 ch 189 SLA 1975)

NOTES TO DECISIONS

Cited in *Gilides v. Thomas*, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Sec. 15.13.050. Groups. Each group, before making an expenditure on behalf of, or in opposition to, a candidate or a contribution to a candidate, shall register, on forms provided by the commission, with the commission. If the group intends to support or oppose only one candidate, or to contribute to or expend on behalf of, or in opposition to, one candidate 50 per cent or more of its funds, the name of the candidate shall be a part of the name of the group. Promptly upon receiving the registration, the commission shall notify the candidate of the group's organization and intent. (§ 1 ch 76 SLA 1974; am § 15 ch 189 SLA 1975)

NOTES TO DECISIONS

Disclosure requirements constitutional. — The disclosure requirements of this chapter are not unconstitutionally vague or overbroad, nor do they violate the constitutional right of the people to privacy. *Veco Int'l, Inc. v. Alaska Pub. Offices Comm'n*, Sup. Ct. Op. No. 3295 (File No. S-1598), 753 P.2d 703 (1988).

Sec. 15.13.060. Campaign treasurers. (a) Each candidate and group shall appoint a campaign treasurer who is responsible for receiving, holding, and disbursing all contributions and expenditures, and for filing all reports and statements required by law. A candidate may be a campaign treasurer.

(b) Each group shall file the name and address of its campaign treasurer with the commission at the time it registers with the commission under AS 15.13.050.

(c) Each candidate for state office shall file the name and address of the campaign treasurer with the commission, or submit, in writing, the name and address of the campaign treasurer to the director for filing with the commission, no later than 15 days after the date of filing the declaration of candidacy or the nominating petition. Each candidate for municipal office shall file the name and address of the campaign treasurer with the commission no later than seven days after the date of filing the declaration of candidacy or the nominating petition. If the candidate does not designate a campaign treasurer, the candidate is the campaign treasurer.

(d) In the case of the death, resignation or removal of a campaign treasurer, the candidate shall appoint a successor as soon as practicable and file the successor's name and address with the commission within 48 hours of the appointment. The candidate is disqualified if found to have been in wilful violation of this subsection.

(e) A campaign treasurer may appoint as many deputy campaign treasurers as necessary. The candidate shall file the names and addresses of the deputy campaign treasurers with the commission.

(f) The candidate is responsible for the performance of the campaign treasurer, and any default or violation by the treasurer also shall be considered a default or violation by the candidate if the candidate knew or had reason to know of the default or violation. (§ 1 ch 76 SLA 1974; am § 5 16 — 19 ch 189 SLA 1975; am § 1 ch 133 SLA 1977; am § 35 ch 59 SLA 1982)

NOTES TO DECISIONS

- I. General Consideration.
- II. Subsection (c).

I. GENERAL CONSIDERATION.

Cited in State, Pub. Offices Comm'n v. Marshall, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

II. SUBSECTION (C).

Editor's notes. — Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977), cited in the notes below, was decided under subsection (c) as it existed before the 1977 amendment. Prior to that amendment, subsection (c) read: "Each candidate shall file the name and address of the campaign treasurer with the commission no later than seven days after the date of filing his declaration of candidacy or his nominat-

ing petition. The name of the candidate may be placed on the ballot by the lieutenant governor or municipal clerk only if the candidate has complied with this subsection."

This section is not unconstitutional in that it sets up "invalid class legislation." Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

The two groups classified by virtue of this section are those candidates who have complied with the law and those who have not; the failure to adhere to this section is the dividing line. Therefore, under any possible equal protection test this section passes constitutional muster. Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Statutory requirement that a candidate's designation of treasurer be filed by a specified due date is not constitutionally unreasonable. Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Subsection (c) should be strictly enforced. — Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Effect of unequal enforcement of AS 39.50.020 on enforcement of subsection (c). — Unequal enforcement of AS 39.50.020, which requires candidates to file a financial disclosure statement did not require the conclusion that a candidate had in fact substantially complied with the filing requirements of subsection (c) where the record did not show any intentional or purposeful discrimination against the candidate. Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Subsection (c) requires candidates to "file" campaign treasurer statements within a specified time limit. Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

The definition of "file" is well established in the law. It has been consistently held that a document is filed only when the proper officer has received it, and that it is not considered filed when it is deposited in the mails. Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Telephone conversation not appropriate filing. — Given the text of subsection (c), the legal meaning of the term "file" and the supreme court's adoption of the doctrine that statutory election deadlines are to be strictly enforced, a telephone conversation between the candidate's treasurer and the Alaska Public Offices Commission seven days after the declaration of candidacy was filed cannot be deemed an appropriate filing within the intent of subsection (c). Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

No regulations were necessary to implement the mandatory provisions for filing an appointment of campaign treasurer established by subsection (c) of this section. Silides v. Thomas, Sup. Ct. Op. No. 1362 (File Nos. 3019, 3020, 3021), 559 P.2d 80 (1977).

Sec. 15.13.070. Contributions and expenditures; amount and form of payment. (a) A person or group, including but not limited to all political committees, businesses, corporations, and labor unions, may not contribute to or expend more than \$1,000 a year on behalf of or in opposition to the competing candidates for each elective office. Political parties and their subdivisions are not subject to the limitation prescribed in this subsection, but they are subject to the reporting requirements prescribed by AS 15.13.040(b) and 15.13.110. This chapter does not prohibit

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

(b) A contribution over \$100 may not be made in cash or by cash payment and it may not be accepted by or on behalf of a candidate.

(c) An expenditure over \$100 may not be made in cash or by cash payment unless a written receipt is obtained and filed with the commission.

\$1000 max. contribution

own \$

\$100 max cash contribution

(d) A contribution may not be made, and an expenditure may not be made or incurred, directly or indirectly, anonymously, in a fictitious name, or by one person or group in the name of another, to influence the election of a candidate in an election. A contribution made by a person wishing to remain anonymous, and received by a candidate, campaign treasurer or deputy campaign treasurer, may not be used or expended, but shall be returned to the donor, if the donor's identity is known, and if no donor is found, the contribution escheats to the state if not donated by the candidate to the charity of the candidate's choice.

(e) Contributions to a candidate or a political committee may be received by, and expenditures of a candidate or political committee may be made by, only the candidate, campaign treasurer, or deputy campaign treasurer.

(f) [Repealed, § 45 ch 85 SLA 1986.]

(g) [Repealed, § 45 ch 85 SLA 1986.]

(h) No campaign expenditure of any type whatsoever shall be made by any candidate, treasurer, or group unless the source is disclosed as required by the provisions of this chapter whether or not those funds were received before May 10, 1974. (§ 1 ch 76 SLA 1974; am §§ 20, 21 ch 189 SLA 1975; am § 45 ch 85 SLA 1986)

Effect of amendments. — The 1986 amendment repealed subsections (f) and (g), concerning campaign expenditure limits and cost-of-living adjustment of campaign expenditure limitations, respectively.

Editor's notes. — In Buckley v. Valeo, 424 U.S. 1, 96 S. Ct. 612, 46 L. Ed. 2d 659 (1976), the supreme court held that the 1974 amendment of the federal constitution required the invalidation of certain provisions of the Federal Election Campaign Act of 1971, as amended in 1974: the independent expenditure ceiling, former 18 U.S.C. § 608(a)(1), its limitation on a candidate's expenditures from his own personal funds, former 18 U.S.C. § 608(a), and its ceiling on overall campaign expenditures, former 18 U.S.C. § 608(c), since these provisions placed substantial and direct restrictions on the ability of candidates, citizens, and associations to engage in protected political expression. This holding was accepted as law in Alaska and the expenditure limits in this chapter were not enforced. See notes from the

opinion of the attorney general dated May 13, 1976, cited below.

Opinions of attorney general. — There seems to be no difference between § 608(c) of the Federal Elections Campaign Act of 1971, former 18 U.S.C. § 608(c), and subsection (f) of this section; accordingly, based on the reasons stated in Buckley v. Valeo, 424 U.S. 1, 96 S. Ct. 612, 46 L. Ed. 2d 659 (1976), for finding unconstitutional § 608(c) of the federal act, subsection (f) of this section is invalid as a violation of the rights and privileges protected by the 1st amendment. May 13, 1976 Op. Att'y Gen. (decided prior to the 1986 repeal of subsection (f).)

The Public Offices Commission should not undertake investigations of violations of subsection (f) of this section, and candidates or others may be advised that no implementation or enforcement of subsection (f) of this section is planned by the office of the attorney general. May 13, 1976 Op. Att'y Gen. (decided prior to the 1986 repeal of subsection (f).)

Buckley v. Valeo re expenditure limits

NOTES TO DECISIONS

Applied in Vogler v. Miller, Sup. Ct. Op. No. 2639 (File No. 6959), 660 P.2d 1192 (1983).

Cited in State, Pub. Offices Comm. v. Marshall, Sup. Ct. Op. No. 2406 (File No. 6614), 633 P.2d 227 (1981).

Collateral references. — Construction and application of provisions of corrupt practices act regarding contributions by corporations. 125 ALR 1029.
Power of corporation to make political

contribution or expenditure under state law. 79 ALR3d 491.

State regulation of the giving or making of political contributions or expenditures by private individuals. 94 ALR3d 944.

disclosure statement from contributor if \$250+

Sec. 15.13.080. Statement by contributor. A person or group contributing to a candidate over \$250 or contributing goods or services to a candidate with a value of more than \$250 to influence the election of a candidate shall furnish the commission a signed statement, on a form made available by the commission. The statement shall itemize the contributions and goods and state that the contributor is not a person or group prohibited by law from contributing and that the contribution consists of funds or property belonging to the contributor and has not been given or furnished by another person or group. The contributor's statement shall be filed with the commission by the contributor no later than 10 days after the contribution is made. A copy of the statement shall be furnished the candidate, campaign treasurer, or deputy campaign treasurer at the time the contribution is made. (§ 1 ch 76 SLA 1974; am § 29 ch 189 SLA 1975)

Sec. 15.13.090. Identification of communication. All advertisements, billboards, handbills, paid-for television and radio announcements and other communications intended to influence the election of a candidate or outcome of a ballot proposition or question shall be clearly identified by the words "paid for by" followed by the name and address of the candidate, group or individual paying for the advertising. In addition, candidates and groups must identify the name of their campaign chairman. (§ 1 ch 76 SLA 1974; am § 22 ch 189 SLA 1975; am § 36 ch 100 SLA 1980)

Collateral references. — Validity and anonymous political advertising. 4 construction of state statute prohibiting ALR4th 741

can't spend until file

Sec. 15.13.100. Expenditures before filing. A political campaign expenditure may not be made or incurred by a person in an election or by a person or group with the person's knowledge and on the person's behalf before the date upon which the person files for nomination for the office which the person seeks, except for personal travel expenses or for opinion surveys or polls. These expenditures must be included in

the first report required under this chapter after filing for office. (§ 1 ch 76 SLA 1974; am § 23 ch 189 SLA 1975; am § 25 ch 14 SLA 1987)

Effect of amendments. — The 1987 amendment in the first sentence substituted "A" for "No" at the beginning of the section, inserted "not" following "expenditure may," and substituted "the person" for "his" in two places and "the person" for

"he or she" and in the last sentence substituted "must" for "shall be charged against the spending limitation that applies to the office for which he subsequently files, and shall "

Sec. 15.13.110. Filing of reports. (a) Each candidate and group shall make a full report in accordance with AS 15.13.040 during the period ending three days before the due date of the report and beginning on the last day covered by the most recent previous report, or, if a first report, all contributions received and expenditures made before three days before the due date of the report. The report shall be filed at the following times:

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

(2) one week before the election;

(3) ten days after the election; and

(4) December 31 of each year for expenditures and contributions received which were not reported that year.

(b) Each contribution or expenditure which exceeds \$250 and which is made within one week of the election shall be reported to the commission by date, amount, and contributor or recipient within 24 hours of receipt or expenditure by the candidate or campaign treasurer.

(c) The reports of candidates shall be filed with the commission's central office. All reports required by this chapter shall be kept open to public inspection. Within 30 days after each election, the commission shall prepare a summary of each report which shall be made available to the public at cost upon request. Each summary shall use uniform categories of reporting.

(d) Within 30 days after each election, each supplier shall make a full report to the commission in accordance with AS 15.13.040. Within 60 days after each election, the commission shall prepare a summary by candidate or group of the transactions and make the summaries public.

(e) A group formed to sponsor an initiative, a referendum or a recall shall report 30 days after its first filing with the lieutenant governor. Thereafter each group shall report within 10 days after the end of each calendar quarter on the contributions received and expenditures made during the preceding calendar quarter until reports are due under (a) of this section. (§ 1 ch 76 SLA 1974; am § 24 ch 189 SLA 1975; am § 2 ch 133 SLA 1977)

NOTES TO DECISIONS

Disclosure requirements constitutional. — The disclosure requirements of this chapter are not unconstitutionally vague or overbroad, nor do they violate the constitutional right of the people to privacy. Veco Int'l. Inc v Alaska Pub. Of- fices Comm'n, Sup Ct. Op. No. 3295 (File No. S-1598), 753 P.2d 703 (1988). Stated in State. Pub. Offices Comm'n v. Marshall, Sup Ct. Op. No. 2406 (File No. S614), 633 P.2d 227 (1981).

Sec. 15.13.120. Penalty; limitations on actions. (a) A person who violates a provision of this chapter is guilty of a misdemeanor and, upon conviction, is punishable by imprisonment for not more than one year or by a fine of not more than \$5,000. A violation includes but is not limited to any of the following acts or omissions:

(1) failing to make a statement or report required to be made under this chapter, or failing to make a statement or report at the time the statement or report is required to be made under this chapter;

(2) making a campaign contribution that exceeds the limitations of AS 15.13.070;

(3) making a false statement or report under this chapter;

(4) giving or furnishing money to another person or group for the purpose of making a contribution or expenditure anonymously, in a fictitious name, or in the name of another, or contributing in violation of AS 15.13.090;

(5) making a communication to support or defeat a candidate without identification of sponsorship, in violation of AS 15.13.090;

(6) knowingly accepting a contribution in violation of AS 15.13.070.

(b) *(Repealed, § 6 ch 134 SLA 1982.)*

(c) Promptly after the final date for filing statements and reports, the commission shall notify all persons who have become delinquent in filing them, including contributors who failed to file a statement in accordance with AS 15.13.040, and shall make available a list of these delinquents for public inspection. The commission shall also report to the attorney general the names of all candidates in an election whose campaign treasurers have failed to file the reports required by this chapter.

(d) A person who believes a violation of this chapter has occurred may file a complaint with the commission. If the commission determines there is substantial reason to believe that a violation has occurred, it shall expeditiously make an investigation, which may also include an investigation of reports and statements filed by the complainant if the complainant is a candidate, of the matter complained of. When, in the judgment of the commission, after affording due notice and an opportunity for a hearing, a person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of a provision of this chapter, or a regulation or order issued under it, it shall promptly report the information to the attorney general for appropriate action. The commission shall report its determi-

filing reports

Misdemeanor

(or civil penalty - see AS 15.13.120)

complaints hearing

nation and recommendation to the person who filed the complaint with the commission within 60 days of receiving the complaint unless circumstances require additional time to make an adequate investigation. The finding of the commission may be appealed to the superior court.

(e) Prosecution for violation of a provision of this chapter may not be commenced ~~after~~ *after* four years have elapsed from the date of the alleged violation.

(f) If, after being sworn into office, a person who was a successful candidate or the campaign treasurer or deputy campaign treasurer of a person who was a successful candidate is convicted of a violation of this chapter, proceedings shall be held and appropriate action taken in accordance with

(1) art. II, § 12 of the state constitution, if the candidate is a candidate for the state legislature;

(2) art. II, § 20 of the state constitution, if the candidate is a candidate for governor or lieutenant governor;

(3) AS 29.20.170, if the candidate is a candidate for the borough assembly;

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

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

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

(7) the provisions of the call for the constitutional convention, if the candidate is a candidate for constitutional convention delegate;

(8) art. IV, § 10 of the state constitution, if the candidate is a candidate for judicial retention.

(g) Information developed by the commission under (d) of this section shall be considered during a proceeding under (f) of this section.

(h) When, after being sworn into office, a successful candidate or the campaign treasurer or deputy campaign treasurer of a person who was a successful candidate is charged with a violation of this chapter, the case shall be promptly tried and accorded a preferred position for purposes of argument and decision, so as to assure a speedy disposition of the matter. (§ 1 ch 76 SLA 1974; am § 26 ch 189 SLA 1975; am §§ 1, 6 ch 134 SLA 1982; am §§ 33 — 36 ch 74 SLA 1985; am § 26 ch 14 SLA 1987)

Effect of amendments. — The 1985 amendment in subsection (f) in paragraph (3) substituted "AS 29.20.170" for "AS 29.23.060(c)," in paragraph (4) substituted "AS 29.20.280" for "AS 29.23.130(f)," in paragraph (5) substituted "AS 29.20.170" for "AS 29.23.210(b)," and in paragraph (6) substituted "AS 29.20.280" for "AS 29.23.255."

The 1987 amendment in subsection (a)(2) substituted "that exceeds the limitations of AS 15.13.070" for "or expenditure

which exceeds the limitations of AS 15.13.070(f)."

Editor's notes. — In *Buckley v. Valeo*, 424 U.S. 1, 96 S. Ct. 612, 46 L. Ed. 2d 659 (1976), the supreme court held that the 1st amendment of the federal constitution required the invalidation of certain provisions of the Federal Election Campaign Act of 1971, as amended in 1974: its independent expenditure ceiling, former 18 U.S.C. § 608(a)(1), its limitation on a candidate's expenditures from his own per-

sonal funds, former 18 U.S.C. § 608(a), and its ceiling on overall campaign expenditures, former 18 U.S.C. § 608(c), since these provisions placed substantial and direct restrictions on the ability of candi-

dates, citizens, and associations to engage in protected political expression. This holding was accepted as law in Alaska and the expenditure limits in this chapter were not enforced.

NOTES TO DECISIONS

I. General Consideration. II. Forfeiture Sanction.

I. GENERAL CONSIDERATION.

This section contains no scienter requirement and the court would not impose one. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

Quoted in *Meemeli v. State*, Sup. Ct. Op. No. 2236 (File No. 4326) 626 P.2d 81 (1980).

II. FORFEITURE SANCTION.

Editor's notes. — Subsection (b), which contained a forfeiture sanction for violation of AS 15.13, was repealed in 1982.

Constitutionality of forfeiture sanction. — The forfeiture sanction of subsection (b) (now repealed) does not conflict with any constitutional provision delimiting the qualifications of assembly or council members or with any provision reserving exclusive authority to determine a member's election to those local entities. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

Even if the forfeiture sanction of subsection (b) (now repealed) may conflict with Alaska Const., art. II, § 12, insofar as

state legislative elections are concerned, it can nonetheless constitutionally apply to local elections. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

The forfeiture sanction is valid. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

The deadlines for filing are mandatory, and the plain meaning of this section makes the forfeiture sanction applicable. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

The statutory forfeiture of office provision applied to the election of a city councilman and borough assemblyman whose 1980 seven-day pre-election report was not filed until well after the election. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

The absence of regulations is not fatal to enforcement of the forfeiture sanction because they are not necessary to implement the sanction or to protect a constitutional right. *State, Pub. Offices Comm'n v. Marshall*, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).

Sec. 15.13.122. Legal counsel. (a) The attorney general is legal counsel for the commission. The attorney general shall advise the commission in legal matters arising in the discharge of its duties and represent the commission in actions to which it is a party. If, in the opinion of the commission, the public interest warrants, the commission may request the chief justice of the supreme court to appoint a special prosecutor to represent the commission in a proceeding involving an alleged violation of this chapter and to prosecute that violation.

(b) When the public interest warrants, the commission may employ temporary legal counsel from time to time in matters in which the commission is involved. (§ 26 ch 189 SLA 1975)

Sec. 15.13.125. Civil penalty: late filing of required reports. A person who fails to file a properly completed and certified report within the time required by AS 15.13.110(a)(1), (2), (3), (4) or 15.13.110(b) is subject to a civil penalty of not more than \$10 a day for each day the delinquency continues as determined by the commission subject to right of appeal to the superior court. A person who fails to file a properly completed and certified report within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not more than \$50 a day for each day the delinquency continues as determined by the commission subject to right of appeal to the superior court. An affidavit stating facts in mitigation may be submitted to the commission by a person against whom a civil penalty is assessed. However, the imposition of the penalties prescribed in this section or in AS 15.13.120 does not excuse that person from filing reports required by this chapter. (§ 6 ch 167 SLA 1976)

or
15.13.120
misdeemeanor
see

1 wk.
before
election

30 days before election
15.13.110
10 days after
-1
30 days after
election

\$250+
w/in 1 wk. of
election

NOTES TO DECISIONS

Penalty cannot be obviously unreasonable. — The penalty cannot be so severe and oppressive as to be wholly disproportionate to the offense and obviously unreasonable. The standard is one of obvious unreasonableness. *Voco Int'l, Inc. v. Alaska Pub. Offices Comm'n, Sup. Ct. Op. No. 3295 (File No. S-1598), 763 P.2d 703 (1988).*

penalties. — A statement of reasons should be given by the commission when it imposes the maximum civil penalties under this section. *Voco Int'l, Inc. v. Alaska Pub. Offices Comm'n, Sup. Ct. Op. No. 3295 (File No. S-1598), 763 P.2d 703 (1988).*

Stated in *State, Pub. Offices Comm'n v. Marshall, Sup. Ct. Op. No. 2406 (File No. 5614), 633 P.2d 227 (1981).*

Sec. 15.13.130. Definitions. In this chapter

(1) "candidate" means a person who files for election to the state legislature, for governor, for lieutenant governor, for municipal office, for retention in judicial office, or for constitutional convention delegate, or who campaigns as a write-in candidate for any of these offices;

(2) "contribution" means purchase, payment, promise or obligation to pay, loan or loan guarantee, deposit or gift of money, goods or services for which charge is ordinarily made and which is made for the purpose of influencing the nomination or election of a candidate, and in AS 15.13.010(b) for the purpose of influencing a ballot proposition or question, including the payment by a person other than a candidate or political party, or compensation of the personal services of another person which are rendered to the candidate or political party; however, "contribution" does not include

(A) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or ballot proposition or question, but it does include professional services volunteered by individuals for which they ordinarily would be paid a fee or wage;

(B) services provided by an accountant or other person to prepare reports and statements required by this chapter;

(C) ordinary hospitality in a home;

(3) "expenditure" means a purchase or a transfer of money or anything of value, or promise or agreement to purchase or transfer money or anything of value, incurred or made for the purpose of (A) influencing the nomination or election of a candidate or of any individual who files for nomination at a later date and becomes a candidate; (B) use by a political party; (C) the payment by a person other than a candidate or political party of compensation for the personal services of another person which are rendered to a candidate or political party; or (D) influencing the outcome of a ballot proposition or question; however, "expenditure" does not include a candidate's filing fee or the cost of preparing reports and statements required by this chapter;

(4) "group" means every state and regional executive committee of a political party and, in addition, means any combination of two or more persons or individuals acting jointly who take action the major purpose of which is to influence the outcome of an election; a group that makes expenditures or receives contributions with the authorization or consent, express or implied, or under the control, direct or indirect, of a candidate shall be considered to be controlled by that candidate; a group whose major purpose is to further the nomination, election, or candidacy of only one person, or intends to expend more than 50 per cent of its money on a single candidate, shall be considered to be controlled by that candidate and its actions done with the candidate's knowledge and consent unless, within 10 days from the date the candidate learns of the existence of the group the candidate files with the commission, on a form provided by the commission, an affidavit that the group is operating without the candidate's control; a group organized for more than one year preceding an election and endorsing candidates for more than one office or more than one political party is presumed not to be controlled by a candidate; however, a group that contributes more than 50 per cent of its money to or on behalf of one candidate shall be considered to support only one candidate for purposes of AS 15.13.070, whether or not control of the group has been disclaimed by the candidate;

(5) "individual" means a natural person;

(6) *(Repealed, § 88 ch 74 SLA 1985.)*

(7) "person", in addition to the terms set out in AS 01.10.060, includes a labor union. (§ 1 ch 76 SLA 1974; am § 28 ch 189 SLA 1975; am § 88 ch 74 SLA 1985)

Revisor's notes. — Reorganized in amendment repealed paragraph (6), 1985 to alphabetize the defined terms. which defined "municipality."
Effect of amendments. — The 1985

APOC may limit campaign profit

By BRIAN S. AKRE
The Associated Press

11/9/89 ADN

JUNEAU — The Alaska Public Offices Commission is considering a major overhaul of Alaska's campaign-disclosure regulations, including revisions that could make running for office less profitable.



Sen. Pat Pourchot

One proposal under consideration would ban candidates from using surplus campaign money as personal income.

Karia Forsythe, APOC executive director, said Wednesday the commission primarily wants to make the regulations more practical and easier to understand. They were last revised in 1986.

The chairman of a legislative committee that's studying campaign-finance reform said the proposals are an attempt to pressure lawmakers to act on a reform bill next year. Sen. Pat Pourchot, D-Anchorage, also said lawmakers will question the commis-

sion's authority to make such changes on its own.

"I think the legislature would like to address some of those issues statutorily rather than through regulation," Pourchot said.

The commission staff has proposed limiting the use of surplus campaign money to future campaigns, charitable donations and repayment of contributors or volunteers.

Forsythe said commissioners favor eliminating the personal-income provision because they believe campaign contributions should be used strictly for influencing elections. Few candidates use their surpluses as income, and

Please see Page C-2, APOC

APOC: Changes considered

Continued from Page C-1

Forsythe said she does not expect the proposal to generate much controversy.

Some legislators, however, use surpluses for their legislative office expenses, and are unlikely to support a ban on that practice, Pourchot said.

Pourchot favors a provision allowing elected officials to take surpluses as income only for legitimate office expenses. The \$4,000 each legislator gets annually to run his or her office is not enough, he said.

"I have subsidized my office expenses a couple of thousand dollars every year, and I use my campaign money out of my own pocket for that," he said.

The commission also is looking at a \$1,000 limit on how much surplus campaign money can be held for future campaigns. "I don't think the legislature would favor that tight of a regulation," Pourchot said.

Other changes under consideration include:

- Requiring more detailed information on contribution and expenditure reports.

- Allowing fund raising after an election only to pay election debts, or for a future campaign only if the candidate has declared for office.

- Exempting from the definition of a reportable contribution the cost of publishing or broadcasting an editorial and providing time for candidates to express their views, "if equal access is provided for all candidates." The "equal-access" provision could face opposition from the news media.

- Exempting groups from campaign reporting and registration requirements if they contribute or spend \$250 or less.

- Limiting contributions from payroll savings plans to \$1,000.

The commission began discussing the changes informally last April and is still in the initial review. A public hearing is scheduled Nov. 30 in Anchorage, and there will be additional chances for public comment in 1990.

The commission staff plans to rewrite the regulations early next year based on the initial review. A formal public review will follow and adoption will come later in the year, Forsythe said.

"Their timeline allows for a full session of legislative action," said Pourchot, whose Senate State Affairs Committee is looking at some of the same issues. "These are not draft regs, they're discussion points."

11/1/89

IMPORTANT MESSAGE FROM THE ALASKA PUBLIC OFFICES COMMISSION

**TO : All Persons and Groups Interested in the Campaign
Disclosure Regulations**

**SUBJ : Your Comments on Proposed Changes to Campaign Reporting
Rules**

The Alaska Public Offices Commission is working on revisions to its campaign disclosure regulations. The formal regulation revision process will begin in Spring 1990. This means that no regulatory changes will go into effect until after the 1990 elections. The commission is contacting you now to let you know in advance about some of the changes under consideration, and to ask for your comments and ideas.

Possible Changes

The commission anticipates reorganizing the regulations, and rewriting them in language which is easier to understand. The commission also is considering several major changes:

1. Election day would be the deadline for recouping personal funds loaned to a campaign.
2. A candidate could transfer no more than \$1000 of any campaign surplus to his or her future campaign for any state or municipal elective office.
3. Surpluses could be used only to repay contributors or make charitable donations. Surpluses could not be taken as personal income.
4. Groups would not be required to register or report if they raise or spend \$250 or less.
5. A candidate could use all assets owned jointly with a spouse for purposes of making a personal contribution.

The commission is considering the following minor changes:

1. Payroll savings plans would be considered group activity; contributions from these plans would be limited to \$1000.
2. If a volunteer agrees to be paid from surplus and is paid by December 31, the volunteer's services would not be considered a contribution.

3. The regulation which now permits a \$50 exemption for an in-kind donation would more clearly state it is a one-time exemption.
4. Additional information would be required on independent expenditure reports.
5. Telefacsimile filing of 24 hour reports would be permitted.
6. Groups would be permitted to designate acting treasurers to certify reports as long as a written designation was filed with APOC.

Public Comment

Next spring the commission will hold formal public hearings on a draft of revised campaign disclosure regulations. Before starting work on the draft, commission members want to know your views about things that should be changed, as well as your views about changes the commission already is considering.

The commission is scheduling time for public comment at its next meeting on Thursday, November 30, 1989 beginning at 9:00 a.m. The meeting will be held at commission offices in Anchorage.

Make your views known to the commission!

1. Come to the meeting and comment in person. If you plan to attend the meeting, please contact Denise Withers at 276-4176. Briefly explain the subject of your comments. Ms. Withers will schedule a mutually convenient time for you to appear.
2. Persons in locations other than Anchorage, or who are unable to attend the meeting in person, can comment over the telephone during the meeting. Please call Ms. Withers to arrange a mutually convenient time for APOC staff to place a call to you.
3. You can write to the commission on the attached form which is pre-addressed and which can be folded for easy mailing, or in a separate letter.
4. You can send your comments by fax to 276-7018.
5. You can call any staff member and express your views. Staff will confirm your comments in writing, and send a copy to you as well as to commission members.

If you would like more information about the changes the commission is considering, or copies of the campaign disclosure law and current regulations, please call Denise Withers at 276-4176.

ELECTIONS

Table 5.6
CAMPAIGN FINANCE LAWS: LIMITATIONS ON CONTRIBUTIONS
BY INDIVIDUALS
(As of January 1986)

<i>State or other jurisdiction</i>	<i>Individual</i>	<i>Candidate</i>	<i>Candidate's family member</i>	<i>Government employees</i>	<i>Anonymous or in name of another</i>
Alabama.....	Unlimited.	Unlimited.	Unlimited.	No solicitation of state employees for state political activities. City employees may contribute to county/state political activities; county employees may contribute to city/state political activities.	...
Alaska(a).....	Limited to \$1,000 per year for each elective office.	Unlimited.	Same as individual.	Contribution may not be required of state employees.	Prohibited.
Arizona.....	Unlimited.	Unlimited.	Unlimited.	...	...
Arkansas(a).....	Limited to \$1,500 per candidate, per election.	Unlimited.	Same as individual.	Contribution may not be required of state employees. State division of social services/county board of public welfare employees may not solicit, nor may certain judges solicit for campaigns other than their own.	Anonymous contribution must be less than \$50 per year. Contribution in the name of another prohibited.
California(a).....	Unlimited.	Unlimited.	Unlimited.	Local agency employees may not solicit employees of their agency except incidentally through a large solicitation.	Anonymous contribution must be less than \$100 per year. Contribution in the name of another prohibited.
Colorado(a).....	Unlimited.	Unlimited.	Unlimited.	...	Contribution in the name of another prohibited.
Connecticut(a).....	Limited to an aggregate of \$15,000 per election and \$2,000 for governor; \$1,500 for other statewide office; \$1,000 for sheriff; \$500 for state senator or probate judge; \$250 for state representative, town, city or borough office; \$5,000 per year to state party.	Unlimited.	Unlimited.	May not be required. State department heads and deputy department heads may not solicit.	Anonymous contribution must be less than \$15. Contribution in the name of another prohibited.
Delaware(a).....	Limited to \$1,000 per statewide candidate, per election; \$500 per non-statewide candidate per election.	Limited to \$5,000 per election.	Same as candidate.	...	Prohibited.
Florida(a).....	Limited to \$3,000 for statewide office candidate per election; \$2,000 for candidate for retention as district court of appeal judge; \$1,000 for any other candidate or committee per election.	Unlimited.	Same as individual.	Judges not elected in public elections between competing candidates may not make contributions. Solicitation generally prohibited for state employees. Judges may not solicit contributions.	Contribution in the name of another prohibited.

ELECTIONS

LIMITATIONS ON CONTRIBUTIONS BY INDIVIDUALS—Continued

<i>State or other jurisdiction</i>	<i>Individual</i>	<i>Candidate</i>	<i>Candidate's family member</i>	<i>Government employees</i>	<i>Anonymous or in name of another</i>
Georgia.....	Unlimited.	Unlimited.	Unlimited.	State employee may not coerce another state employee into contributing.	Anonymous contribution prohibited.
Hawaii(a).....	Limited to \$2,000 in any election period.	Limited to an aggregate of \$30,000 in any election year.	Same as candidate.	Solicitation of contributions prohibited. Contribution to other employees is prohibited.	Prohibited.
Idaho.....	Unlimited.	Unlimited.	Unlimited.	Contributions permitted. State employee may not coerce another state employee into contributing.	Anonymous contribution must be \$50 or less. Contribution in the name of another prohibited.
Illinois.....	Unlimited.	Unlimited.	Unlimited.	Generally prohibited.	Prohibited.
Indiana.....	Unlimited.	Unlimited.	Unlimited.	Contribution may not be required. Employees may not solicit or receive contributions.	Contribution in the name of another prohibited.
Iowa.....	Unlimited.	Unlimited.	Unlimited.	...	Prohibited.
Kansas.....	Limited to \$3,000 per statewide candidate, per election; and \$750 per candidate per election for other offices.	Unlimited.	Spouse is unlimited.	Contribution may not be required.	Anonymous contribution must be \$10 or less. Contribution in the name of another prohibited.
Kentucky(a).....	Limited to \$3,000 per candidate per election.	Unlimited.	Same as individual.	Contribution may not be required. Contribution may be prohibited, depending on who is recipient.	Anonymous contribution must be \$50 or less. Contribution in the name of another prohibited.
Louisiana(a).....	Unlimited.	Unlimited.	Unlimited.	Contribution may not be solicited.	Anonymous contribution generally prohibited if more than \$25. Contribution in the name of another prohibited.
Maine.....	Limited to an aggregate of \$25,000 in a calendar year and \$1,000 per candidate, per election.	Unlimited.	Spouse is unlimited.	State employee may not coerce another state employee into contributing.	Contribution in the name of another prohibited.
Maryland(a).....	Limited to an aggregate of \$2,500 per election and \$1,000 per candidate per election.	Unlimited.	Spouse is unlimited.	Contribution may not be required.	Prohibited.
Massachusetts(a).....	Limited to \$1,000 per candidate, per year. Minors limited to \$25 per year.	Unlimited.	Same as individual.	Contribution may not be required. Solicitation generally prohibited.	Contribution in the name of another prohibited.
Michigan(a).....	Limited to \$1,700 for statewide office, \$450 for state senator, \$250 for state representative candidates per election.	Limited to \$25,000 per gubernatorial campaign.	Same as candidate.	Contribution may not be required.	Prohibited.

ELECTIONS

LIMITATIONS ON CONTRIBUTIONS BY INDIVIDUALS—Continued

<i>State or other jurisdiction</i>	<i>Individual</i>	<i>Candidate</i>	<i>Candidate's family member</i>	<i>Government employees</i>	<i>Anonymous or in name of another</i>
Minnesota	Limited to \$60,000 per election year for governor/li. governor (\$12,000 in non-election years); \$10,000 per election year for attorney general (\$2,000 in non-election years); \$5,000 per election year for other statewide offices (\$1,000 in non-election years); \$1,500 per election year for state senate (\$300 in non-election years); \$750 per election year for state representative (\$150 in non-election years).	Unlimited.	Same as individual.	Contribution may not be required. Solicitation prohibited during hours of employment.	Anonymous contribution must be less than \$20. Contribution in the name of another prohibited.
Mississippi	Unlimited, except in contributions to judicial office primary candidates (\$250 limit).	Same as individual.	Same as individual.	Contribution may not be required. Highway patrol or correctional system employees may not contribute. Solicitation prohibited for state correctional system employees.	...
Missouri(a)	Unlimited.	Unlimited.	Unlimited.	...	Anonymous contribution must be \$10 or less. Contribution in the name of another prohibited.
Montana	Limited for all elections in a campaign to \$1,500 for governor/li. governor; \$750 for other statewide candidates; \$400 for public service commissioner, district court judge, or state senator; \$250 for other candidates.	Unlimited.	Same as individual.	Contributions by municipal employees in city with municipal commission form of government prohibited. Solicitation by municipal government employees prohibited.	Prohibited.
Nebraska(a)	Unlimited.	Unlimited.	Unlimited.	Solicitation prohibited during hours of employment.	Prohibited.
Nevada	Unlimited.	Unlimited.	Unlimited.	Employees may not solicit from other employees.	...
New Hampshire	Limited to \$5,000.	Unlimited.	Same as individual.	Contribution may not be solicited or required from classified state employees.	Prohibited.
New Jersey	Unlimited, except in contribution to governor in any primary or general election (\$800 limit). Contributor's spouse may contribute up to \$800 for governor in general election.	Unlimited, but if receiving public funds for governor, limited to \$25,000 per election from own funds.	Unlimited, except in contribution to governor in any primary or general election (\$800 limit).	Prohibited to demand from other public employees.	Prohibited.

ELECTIONS

LIMITATIONS ON CONTRIBUTIONS BY INDIVIDUALS—Continued

<i>State or other jurisdiction</i>	<i>Individual</i>	<i>Candidate</i>	<i>Candidate's family member</i>	<i>Government employees</i>	<i>Anonymous or in name of another</i>
New Mexico	Unlimited.	Unlimited.	Unlimited.	Solicitation prohibited while on duty.	Anonymous contribution in excess of \$50 subject to special report.
New York(a)	Limited to an aggregate of \$150,000 in a calendar year and a maximum aggregate per office. Statewide: \$0.025 x voters (voters in party in primaries). Senate or assembly: \$0.05 x voters in district (voters in party in primaries) with \$2,500 min./\$50,000 max. for assembly member, and \$4,000 min./\$50,000 max. for senator.	Unlimited.	Spouse is unlimited. Other family member contributions are aggregated and subject to a maximum aggregate per office. Statewide: \$0.025 x voters (voters in party in primaries). Senate or assembly: \$0.25 x voters in district (voters in party in primaries) with \$20,000 min./\$100,000 max. for senator; \$12,500 min./\$100,000 max. for assembly member.	Contributions permitted, but may not be required. Judicial candidates may not solicit government employees or receive contributions from them. Police force members may not solicit for contributions from government employees. State employees may not coerce other state employees into contributing.	Prohibited.
North Carolina(a) ...	Limited to \$4,000 per committee or candidate, per election.	Unlimited.	Unlimited.	State employee may not coerce another state employee into contributing.	Prohibited.
North Dakota	Unlimited.	Unlimited.	Unlimited.	...	Prohibited.
Ohio(a)	Unlimited.	Unlimited.	Unlimited.	Classified service employees may not solicit or be solicited. Judge may not contribute to a political party in the year of candidacy. Court employees may not be solicited for a judicial candidate.	Anonymous contribution generally prohibited. Contribution in the name of another prohibited.
Oklahoma	Limited to \$5,000 to a political party or organization or a state office, and \$1,000 for a local office candidate, per person or family.	Unlimited.	Same as individual.	State employee may not solicit. Certain state employees may not receive contributions.	Prohibited.
Oregon	Unlimited.	Unlimited.	Unlimited.	Contribution may not be required. Solicitation prohibited during hours of employment.	Prohibited.
Pennsylvania(a)	Unlimited.	Unlimited.	Unlimited.	State employees may not be solicited, and may not solicit from other state employees.	Prohibited.
Rhode Island	Unlimited.	Unlimited.	Unlimited.	State classified employees may not be solicited, and may not solicit other state employees.	Prohibited.
South Carolina	Unlimited.	Unlimited.	Unlimited.	...	...
South Dakota	Limited to \$1,000 for any statewide candidate; \$250 for any other candidate; or \$3,000 to a political party in any calendar year.	Unlimited.	Unlimited.	...	...

ELECTIONS

LIMITATIONS ON CONTRIBUTIONS BY INDIVIDUALS—Continued

<i>State or other jurisdiction</i>	<i>Individual</i>	<i>Candidate</i>	<i>Candidate's family member</i>	<i>Government employees</i>	<i>Anonymous or in name of another</i>
Tennessee	Unlimited.	Unlimited.	Unlimited.	Superiors may not solicit their employees. Certain government contractors may not be solicited.	....
Texas	Unlimited.	Unlimited.	Unlimited.	....	Contribution in the name of another prohibited unless there is disclosure.
Utah	Unlimited.	Unlimited.	Unlimited.	Solicitation prohibited during hours of employment.	...
Vermont(a)	Limited to \$1,000 per candidate or committee, per election.	Unlimited.	Unlimited.	Solicitation by employees prohibited.	...
Virginia	Unlimited.	Unlimited.	Unlimited.	....	....
Washington	Unlimited, except aggregate contributions of more than \$5,000 may not be made to a candidate or political committee within 21 days of a general election.	Same as individual.	Unlimited.	....	Prohibited.
West Virginia(a)	Limited to \$1,000 per candidate, per election.	Same as individual.	Same as individual.	Contribution may not be solicited.	Anonymous contribution prohibited. Contributor disclosure required for contribution in the name of another.
Wisconsin	Limited to \$10,000 for statewide candidates; \$1,000 for state senator; \$500 for state representative; other offices by formula, with an aggregate limit of \$10,000.	Unlimited, unless candidate receives a grant from the election campaign fund, then limited to 200% of individual limit.	Unlimited as to funds or property owned jointly or as marital property by candidate and spouse.	Contribution and solicitation prohibited during hours of employment, or while engaged in official duties.	Anonymous contribution must be less than \$10. Contribution in the name of another prohibited.
Wyoming	Limited to an aggregate of \$25,000 and \$1,000 per candidate in any general election and the year preceding.	Unlimited.	Unlimited.	....	....

ELECTIONS

LIMITATIONS ON CONTRIBUTIONS BY INDIVIDUALS—Continued

State or other jurisdiction	Individual	Candidate	Candidate's family member	Government employees	Anonymous or in name of another
Dist. of Col.(a)	Limited to an aggregate of \$4,000 per election and \$2,000 for mayor, \$1,500 for council chairman, \$1,000 for council member at-large, \$400 for council member from a district or board of education member at-large, \$200 for board of education member from a district or a party official, \$25 for neighborhood advisory commission member.	Same as individual.	Same as individual.	Contributions permitted, but district employees may not solicit or collect political contributions.	Contribution in the name of another prohibited.

Source: James A. Palster and Edward D. Feigenbaum. *Campaign Finance Law 1986*. (Washington, D.C.: National Clearinghouse on Election Administration, Federal Election Commission, 1986).

Note: Consult state statutes for more details.

Key:

. . . —No reference to contribution in the law.

(a) Restriction on cash contributions. In Alaska, Arkansas, Florida, Kentucky, Maryland, New York, North Carolina, and Ohio: must be \$100

or less. In California and Colorado: must be less than \$100. In Connecticut, Delaware, Massachusetts, Nebraska, Vermont, West Virginia: must be \$50 or less. In Hawaii and Missouri: cash contribution of more than \$100 requires a receipt to the donor and a record of the transaction. In Louisiana: cash contributions of more than \$300 must be by written instrument. In Michigan: must be \$20 or less. In Pennsylvania: must be \$100 or less per candidate. In District of Columbia: must be less than \$50.

Table S.7
 CAMPAIGN FINANCE LAWS: LIMITATIONS ON EXPENDITURES
 (As of January 1986)

State or other jurisdiction	Who may make expenditures	Total expenditures allowed	Expenditures prior to first filing	For certain purposes	Use of surplus funds(a)
Alabama	Committee named and designated by candidate.				Candidate's travel, filing fees, stenographic work, clerks for mailings, communications and

TABLE 21
 LOBBYISTS: DEFINITION, REGISTRATION, AND PROHIBITED ACTIVITIES
 (As of January 1, 1988)

Jurisdiction	Definition of Lobbyist Includes:							Required To Register:		Number of Registered During Typical Year:		Registration Fees:		Prohibited Activities Involving Lobbyists:					
	Legislative/Parliamentary lobbying	Administrative agency lobbying	Elective officials as lobbyists	Public employees as lobbyists	Compensation standard	Expenditure standard	Time standard	Those having actual contact with state officials	Those employing individuals having actual contact	Public officials lobbying in their official capacity	Other	As Lobbyists	As Lobbyist Employees	Amount of Fee	Period Covered	Lobbyists making campaign contributions at any time	Lobbyists making campaign contributions during legislative sessions	Lobbyists making expenditures in excess of \$ per official per year	Solicitation of lobbyists by officials or employees for contributions or gifts	Other
Alabama	*	*	|	|	|	|	|	*	*	|	350	325	\$0	Annual	|	|	|	*	|
Alaska	*	*	|	|	|	|	|	*	*	(a)	225	225	0	Annual	|	|	|	|	|
Arizona	*	*	|	|	|	|	|	*(b)	*(b)	|	4,500	600	0	Annual	|	|	|	|	|
Arkansas	|	|	|	|	|	|	|	|	|	|	N.A.		0		|	|	|	|	|
California	*	*	|	|	*	|	*(c)	*	*	|	700		25	Biennial	|	|	|	|	(d)
Colorado	*	|	*	|	*	*	|	*	|	|	475-500	250	0	Annual	|	|	|	|	|
Connecticut	*	*	|	|	*	*	|	(e)	(e)	(e)	1,000	450-500	20	Annual	|	|	50	*(d)	(f,g,h)
Delaware	*	|	|	|	|	*	|	(f)	|	|	130		0	Permanent	|	|	|	|	|
Florida	*	|	*	|	|	|	|	|	|	*(j)	3,500-4,000		0	Biennial	|	|	|	*	(k,l,m)
Georgia	*	|	|	|	|	|	|	(i)	|	|	600		5	Annual	|	|	|	|	(f,k)
Hawaii	*	*	::	|	*	*	*	*	*	|	150	100	0	Biennial	|	|	|	|	(l)
Idaho	*	|	|	|	*	|	|	*	|	|	270		10	Annual	|	|	|	|	|
Illinois	|	|	|	|	|	|	|	|	|	(n)	600	100	0	Annual	|	|	|	|	(l)
Indiana	*	|	|	|	*	|	|	*	*	|	500	400	20	Annual	|	|	|	*	|
Iowa	*	|	*	|	*	|	|	*	|	|	600		0	Annual	|	|	|	|	|
Kansas	*	*	|	|	|	|	|	*	|	(o)	675		15	Annual	|	|	\$100	|	(p)
Kentucky	*	|	|	|	|	|	|	|	|	(q)	575		0		|	|	|	|	(r)
Louisiana	*	|	|	|	*	|	|	(s)	|	|	400		10	Annual	|	|	|	|	(t)
Maine	*	|	|	|	*	|	|	*	*	|	250-320		75	Annual	|	|	|	|	|
Maryland	*	*	|	|	*	|	|	*	*	(u)	620	24	0	Annual(v)	|	|	|	*	(l)
Massachusetts	*	*	|	|	|	|	|	*	*	|	500	50	35	Annual	|	|	\$100	|	|
Michigan	*	*	|	|	*	|	|	*	*	|	1,700	700	0	Permanent	|	|	(d)	|	|

TABLE 21 (continued)
 LOBBYISTS: DEFINITION, REGISTRATION, AND PROHIBITED ACTIVITIES
 (As of January 1, 1988)

Jurisdiction	Definition of Lobbyist Includes:					Required To Register:				Number of Registered During Typical Year:		Registration Fees:		Prohibited Activities Involving Lobbyists:					
	Legislative/Parliamentary lobbying	Administrative agency lobbying	Elective officials as lobbyists	Public employees as lobbyists	Compensation standard	Expenditure standard	Time standard	Those having actual contact with state officials	Those employing individuals having actual contact	Public officials lobbying in their official capacity	Other	As Lobbyists	As Lobbyist Employees	Amount of Fee	Period Covered	Lobbyists making campaign contributions at any time	Lobbyists making campaign contributions during legislative sessions	Lobbyists making expenditures in excess of \$ per official per year	Solicitation of lobbyists by officials or employees for contributions or gifts	Other
Minnesota	*	*	-	-	-	*	*	*	*	(w)	1,100		0	Permanent	-	-	-	-	(x)
Mississippi	*	-	-	-	-	-	-	*	*	-	N.A.		25	Annual	-	-	-	-	(i)
Missouri	*	-	-	-	-	-	(s)	*	*	-	1,000		0	Permanent	-	-	-	-	-
Montana	*	-	-	-	-	-	*	*	-	-	750	300	10	Biennial	-	-	-	-	-
Nebraska	*	*	-	-	-	-	(y)	-	-	-	308	571	35	Biennial	-	-	25	*	-
Nevada	*	-	-	-	-	-	*	-	-	-	500		50(z)	Biennial	-	-	100	*	(f,h,m,aa)
New Hampshire	*	-	-	-	-	-	-	-	-	(s)	250		50	Annual	-	-	-	-	-
New Jersey	*	-	-	-	-	-	*	*	-	-	N.A.		0	-	-	-	-	-	-
New Mexico	*	-	-	-	-	-	*	-	-	(s)	750		25	Annual	-	-	-	-	(f)
New York	*	*	-	-	-	-	*	-	-	(ab)	1,590	770	50	Annual	-	-	-	-	(i)
North Carolina	*	-	-	-	-	-	-	-	-	(s)	777		75	Biennial	-	-	-	-	(i)
North Dakota	*	*	-	-	-	-	*	-	-	-	450(ac)		10	Annual	-	-	-	-	-
Ohio	*	-	-	-	-	-	*	-	-	-	1,500	1,100	0	Biennial	-	-	-	-	-
Oklahoma	*	-	-	-	-	-	(e)	-	-	-	315	315	0	Biennial	-	-	-	*	(f,maa)
Oregon	*	-	-	-	-	-	*	*	*	(ad)	700	900	0	Permanent	*	-	-	*	(f,m)
Pennsylvania	*	*	-	-	-	-	*	*	-	-	700	600	0	Annual	-	-	-	-	-
Rhode Island	*	-	-	-	-	-	-	-	-	-	350-400	350-400	5	Annual	-	-	-	-	-
South Carolina	*	-	-	-	-	-	*	-	-	-	N.A.		10	Permanent	-	-	-	-	(i)
South Dakota	*	-	-	-	-	-	*	*	-	-	N.A.		10	Annual	-	-	-	-	-
Tennessee	*	*	-	-	-	-	-	-	-	(ae)	500-600		25	Annual	-	-	-	-	-
Texas	*	*	-	-	-	-	*	-	-	-	800		100	Biennial	*	-	-	-	(f,al)
Utah	*	*	-	-	-	-	-	-	-	-	800-900		10	Biennial	-	-	-	-	-

TABLE 21 (continued)
 LOBBYISTS: DEFINITION, REGISTRATION, AND PROHIBITED ACTIVITIES
 (As of January 1, 1988)

Jurisdiction	Definition of Lobbyist Includes:							Required to Register:				Number of Registered During Typical Year:		Registration Fees:			Prohibited Activities Involving Lobbyists:				
	Legislative/Parliamentary lobbying	Administrative agency lobbying	Elective officials as lobbyists	Public employees as lobbyists	Compensation standard	Expenditure standard	Time standard	Those having actual contact with state officials	Those employing individuals having actual contact	Public officials lobbying in their official capacity	Other	As Lobbyists	As Lobbyist Employees	Amount of Fee	Period Covered	Lobbyists making campaign contributions at any time	Lobbyists making campaign contributions during legislative sessions	Lobbyists making expenditures in excess of \$ per official per year	Solicitation of lobbyists by officials or employees for contributions or gifts	Other	
Vermont	*	-	-	-	*	-	-	*	*	-	-	414	169	5	Annual	-	-	-	-	-	
Virginia	*	-	-	-	-	*	*	*	*	-	-	800	-	30	Annual	-	-	-	-	-	
Washington	*	*	-	-	-	*	-	*	*	-	-	800	700	0	Biennial	-	-	-	-	-	
West Virginia	*	-	-	-	-	-	-	-	-	(ah)	-	300	-	0	Annual	-	-	-	-	-	
Wisconsin	*	*	-	-	*	*	*	*	-	-	-	340	450	25	(ai)	*	-	0	*	(f,h)	
Wyoming	*	-	-	-	*	-	-	-	-	(ag)	-	802	429	0	(aj)	-	-	-	-	-	
District of Columbia	*	*	-	-	*	*	*	*	-	-	-	100	100	0	Annual	-	-	100	-	-	
U.S.A. (federal)	-	-	-	-	-	-	-	-	-	-	-	N.A.	-	-	-	-	-	-	-	-	
Canada (Federal/ All provinces)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	

Note: Responses from Canada indicated that the material in this table was not applicable there.

- Key:
 * Application exists
 - Application does not exist
 N.A. Not available
 (a) Those compensated to have contact and the clients of the lobbyist.
 (b) Principal must register and identify their lobbyist(s).
 (c) Number of contacts.
 (d) Lobbyists making gifts in excess of the following thresholds to state officials: California, \$10 per month per official; Connecticut, \$50 per gift; Michigan, \$31 per gift; Nebraska, \$25 per month per official.
 (e) Those receiving and/or expending above the following threshold amounts for lobbying purposes: Connecticut, \$500 per year; Oklahoma, \$250 per calendar quarter (for lobbying with any state official); New York, \$2,000 per year.

TABLE 21 (continued)
LOBBYISTS: DEFINITION, REGISTRATION, AND PROHIBITED ACTIVITIES
(As of January 1, 1988)

- (f) Contingency basis lobbying.
- (g) Placing public officials under personal obligation.
- (h) Instigating legislative and/or administrative action for the purpose of obtaining employment in support or defeat thereof.
- (i) Those having contact with legislators.
- (j) All persons seeking to influence the passage, modification or defeat of legislation in the House, Senate or any committee, thereof.
- (k) Offering or proposing anything which may be reasonably be construed to improperly influence a legislator's official acts, decisions or votes.
- (l) Attempting to influence the selection of officers and employees of the House.
- (m) Making false statements or misrepresentation to legislators.
- (n) Those who (1) for compensation, (2) on behalf of another, or (3) as a part of his/her duties promotes or opposes legislation by the general assembly or veto or approval by the governor.
- (o) Any person employed in considerable degree to lobby; any person formally appointed as the primary representative of an organization or other person to lobby on state-owned or leased property; and any person who makes expenditures in an aggregate amount of \$100 in a calendar year for lobbying.
- (p) Paying or agreeing to pay any state officer or employee or candidate for state office compensation for property or services substantially in excess of that charged in the ordinary course of business.
- (q) Those lobbying with private pecuniary interests.
- (r) \$3,000 limitation per campaign.
- (s) Those compensated for attempting to influence the outcome of legislative matters.
- (t) Purchase anything other than food and drink for state officials.
- (u) Grass roots lobbyists.
- (v) Can register for less than a year.
- (w) Those using others to communicate with other public officials.
- (x) Political contributions not to be included in Lobbyist Disbursement Reports.
- (y) Those having actual contact on behalf of another.
- (z) Professionals - \$50. Uncompensated lobbyists - \$5.
- (aa) Using information from lobbyists reports in soliciting contributions.
- (ab) Those reaching the statutory threshold of \$2,000.
- (ac) During session, 450; during interim, 150.
- (ad) Anyone exceeding sixteen hours or \$50 in a calendar quarter, influencing or attempting to influence legislative action (not limited to direct communication.)
- (ae) Any person communicating directly or indirectly with any official in the legislative or the executive branch with the purpose of influencing any legislative action or administrative action.
- (af) Restricted from the floor of either house while in session.
- (ag) Any person paid to represent interest of another in affecting legislation.
- (ah) Anyone who lobbies the legislature.
- (ai) Lobbyists: biennial fee of \$25. Employers: permanent fee of \$50.
- (aj) Lobbyists are requested to purchase a \$3.00 name tag but not required by statute.

(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner of any other State, \$10,000.

(e) *Certification and publication of estimated voting age population.* During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term "voting age population" means resident population, 18 years of age or older.

(f) *Prohibited contributions and expenditures.* No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

(g) *Attribution of multi-state expenditures to candidate's expenditure limitation in each State.* The Commission shall prescribe rules under which any expenditure by a candidate for presidential nominations for use in 2 or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

(h) *Senatorial candidates.* Notwithstanding any other provision of this Act, amounts totaling not more than \$17,500 may be contributed to a candidate for nomination for election, or for election, to the United States Senate during the year in which an election is held in which he is such a candidate, by the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party, or any combination of such committees.

↓
§ 441b. Contributions or expenditures by national banks, corporations, or labor organizations

(a) It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organi-

zation, to make a contribution or expenditure in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person knowingly to accept or receive any contribution prohibited by this section, or any officer or any director of any corporation or any national bank or any officer of any labor organization to consent to any contribution or expenditure by the corporation, national bank, or labor organization, as the case may be, prohibited by this section.

(b) (1) For the purposes of this section the term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(2) For purposes of this section and section 791(h) of title 15, the term "contribution or expenditure" shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization, in connection with any election to any of the offices referred to in this section, but shall not include—

(A) communications by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and their families on any subject;

(B) nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive or administrative personnel and their families, or by a labor organization aimed at its members and their families; and

(C) the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

(3) It shall be unlawful—

(A) for such a fund to make a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues, fees, or other moneys required as a condition of membership in a labor organization or as a condition of employment, or by moneys obtained in any commercial transaction;

(B) for any person soliciting an employee for a contribution to such a fund to fail to inform such employee of the political purposes of such fund at the time of such solicitation; and

(C) for any person soliciting an employee for a contribution to such a fund to fail to inform such employee, at the time of such solicitation, of his right to refuse to so contribute without any reprisal.

(4) (A) Except as provided in subparagraphs (B), (C), and (D), it shall be unlawful—

(i) for a corporation, or a separate segregated fund established by a corporation, to solicit contributions to such a fund from any person other than its stockholders and their families and its executive or administrative personnel and their families, and

(ii) for a labor organization, or a separate segregated fund established by a labor organization, to solicit contributions to such a fund from any person other than its members and their families.

(B) It shall not be unlawful under this section for a corporation, a labor organization, or a separate segregated fund established by such corporation or such labor organization, to make 2 written solicitations for contributions during the calendar year from any stockholder, executive or administrative personnel, or employee of a corporation or the families of such persons. A solicitation under this subparagraph may be made only by mail addressed to stockholders, executive or administrative personnel, or employees at their residence and shall be so designed that the corporation, labor organization, or separate segregated fund conducting such solicitation cannot determine who makes a contribution of \$50 or less as a result of such solicitation and who does not make such a contribution.

**CHAPTER 50.
ALASKA PUBLIC OFFICES COMMISSION:
CONFLICT OF INTEREST, CAMPAIGN
DISCLOSURE AND REGULATION
OF LOBBYING**

Editor's Note: As of Register 78, the Alaska Public Offices Commission regulations which were formerly located in 6 AAC 29 are now located in 2 AAC 50, in light of Executive Order No. 41 (1980). The history notes under the sections in their new location carry forward the history of those provisions from their old location.

Article

1. Conflict of Interest
(2 AAC 50.010-2 AAC 50.200)
2. Campaign Disclosure
(2 AAC 50.310-2 AAC 50.405)
3. Campaign Disclosure and Regulation of Lobbying Complaints and Investigations
(2 AAC 50.450-2 AAC 50.470)
4. Regulation of Lobbying
(2 AAC 50.505-2 AAC 50.545)
5. General Provisions
(2 AAC 50.905-2 AAC 50.920)

**ARTICLE 1.
CONFLICT OF INTEREST**

Section

10. Reporting sources of income for retail businesses
15. Reporting sources of income and indebtedness from political campaigns, political groups, and gifts for office expenses
20. Reporting interests in real property
30. Reporting financial data of family members
40. Loans and indebtedness
50. Retail charge accounts
60. Write-in candidates
70. Income
80. Controlling interest in a corporation
90. Municipalities as instrumentalities of the state
100. Claiming constitutional or statutory exemption
105. Filing by a state public official
110. Civil penalty assessments for late filing of a report by a state official

115. Procedures followed upon a refusal or failure by the ombudsman, or a hired or appointed official in the executive branch, or a board member, to file the conflict-of-interest statement when due
120. Procedures followed upon a refusal or failure by a judicial officer to file the conflict-of-interest statement when due
125. (Repealed)
126. Procedures for failure or refusal of an incumbent state elected official to file the annual conflict-of-interest statement by the April 15 due date
127. Procedures for failure or refusal to file, or filing an incomplete statement, by a candidate for elective state office
130. Filing by a municipal officer
135. Civil penalty assessments for late filing by municipal officers
140. Procedures followed upon a refusal or failure by a municipal officer to file the conflict-of-interest statement when due
145. Substantial or continuing noncompliance
200. Definitions.

2 AAC 50.010. REPORTING SOURCES OF INCOME FOR RETAIL BUSINESSES. Retail businesses are characterized by high volume sales of fixed-maximum-price-goods or services available to the general public. For purposes of reporting sources of income over \$100 in accordance with AS 39.50.030(b)(1), a reporting official is not required to list individual customers of a retail business that is conducted on a cash or cash equivalent basis. However, customers who represent ongoing business through an established line of credit not payable in a single billing cycle; a contract to purchase multiple goods or services; or a discount not available to the general public on volume sales, are required to be disclosed. The business itself must also be reported as a source of income. (Eff. 8/20/75, Reg. 55; am 5/16/76, Reg. 58; am 1/26/86, Reg. 97)

Authority: AS 15.30.030(10)
AS 39.50.030
AS 39.50.050(b)

2 AAC 50.015. REPORTING SOURCES OF INCOME AND INDEBTEDNESS FROM POLITICAL CAMPAIGNS, POLITICAL GROUPS, AND GIFTS FOR OFFICE EXPENSES. For purposes of reporting sources of income over \$100 and indebtedness over \$500 in accordance with AS 39.50.030(b)(1) and (6) the following must be included:

(1) a transfer of funds from a political campaign, which must be reported either as a source of personal income or as a loan from the campaign account:

(2) funds, goods, or services donated or loaned to a public official for personal or professional use, including donations or loans for office expenses connected with holding public office. (Eff. 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 39.50.030
AS 39.50.050(b)

2 AAC 50.020. REPORTING INTERESTS IN REAL PROPERTY. The reporting of interests in real property shall include a description of the nature of interest held in the property, the location of the property, and the current use of the property. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.030(10)
AS 39.50.030(b)(4)

2 AAC 50.030. REPORTING FINANCIAL DATA OF FAMILY MEMBERS. For purposes of AS 39.50.030(a), reporting of information for members of the official's family "to the extent that it is ascertainable" means an affirmative good faith effort to obtain the information and also requires reporting of all required information actually known. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.030(10)
AS 39.05.030(a)

2 AAC 50.040. LOANS AND INDEBTEDNESS. AS 39.50.030(b)(6) includes all loans or indebtedness of \$500 or more made or still outstanding during the preceding calendar year, including all personal and business loans that have been cosigned by the official or the official's spouse. (Eff. 5/16/76, Reg. 58; am

5/14/80, Reg. 74; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 39.50.030(b)(6)
AS 35.50.050(b)

2 AAC 50.050. RETAIL CHARGE ACCOUNTS. For purposes of reporting liabilities under AS 39.50.030(a) and 39.50.030(b)(6), the reporting official is not required to report retail charge accounts, revolving charge accounts or credit card obligations. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.030(10)
AS 39.50.030(a)
AS 39.50.030(b)(6)

2 AAC 50.060. WRITE-IN CANDIDATES. A public statement by an individual not appearing on the ballot that he will seek elective office constitutes a declaration of candidacy under AS 39.50.020. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 39.50.020

2 AAC 50.070. INCOME. In this chapter and in AS 39.50, "income" includes gross income under Section 61 of the Internal Revenue Code (26 USC § 61) in effect on May 16, 1976. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.030(10)
AS 39.50.030(b)(1)

2 AAC 50.080. CONTROLLING INTEREST IN A CORPORATION. In AS 39.50.200(8), "controlling interest" in a corporation means ownership of more than 50 percent of the outstanding shares of a corporation at any time during the year for which a report is being filed. In this section, the rules of constructive ownership in Section 318 of the Internal Revenue Code (26 USC § 318) in effect on May 16, 1976, will be used to determine ownership of a corporation's shares. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.030(10)
AS 39.50.200

2 AAC 50.090. MUNICIPALITIES AS INSTRUMENTALITIES OF THE STATE. In AS 39.50.200(5), "instrumentality of the state" includes municipalities. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.030(10)
AS 39.50.200(5)

2 AAC 50.100. CLAIMING CONSTITUTIONAL OR STATUTORY EXEMPTION FROM THE REPORTING REQUIREMENTS OF AS 39.50.030(b)(1). (a) Disclosure of another person's name in a report is not required and should not be made where that disclosure alone would likely result in disclosing sensitive information which the person would want to keep private and which, if made public, would tend to cause substantial concern, anxiety, or embarrassment to a reasonable person. The names of the following persons should not be disclosed:

(1) a patient of a physician whose primary practice is generally known to be in contraception or abortion;

(2) a patient of a psychiatrist;

(3) a patient of a psychologist;

(4) a patient of a physician whose primary practice is generally known to be in treating sexual problems or venereal disease;

(5) a married client who seeks legal or medical assistance without the spouse's knowledge, if disclosure would likely cause substantial embarrassment or opprobrium;

(6) a minor who seeks medical treatment without parental knowledge, if disclosure would likely cause substantial embarrassment or opprobrium;

(7) a client whose identity is prohibited by law or ordinance from disclosure.

(b) A physician, pursuant to (g) of this section, may request an exemption on behalf of any other patient similarly situated where the disclosure of that patient's name would likely result in disclosing information which he would want to keep private and which, if made public, would tend to cause substantial concern, anxiety, or embarrassment to a reasonable person, to be determined on a case-by-case basis as set forth in (g) of this section.

(c) A patient of a physician not exempted by (a) of this section may request, under (g) of this section, that the physician apply for an

exemption on the patient's behalf if the disclosure of the patient's name would likely result in disclosing information which the patient would want to keep private and which, if made public, would tend to cause substantial concern, anxiety, or embarrassment to a reasonable person. A determination will be made as set out in (g) of this section.

(d) The commission recommends that a self-employed individual who becomes subject to the requirements of AS 39.50, and whose business or profession is such that disclosure of the names of his or her clients or customers may significantly infringe on their constitutional guarantees to right of privacy, apprise those clients or customers not exempted by (a) of this section of the individual's reporting requirements under law and the options available as set out in (b), (c), and (g) of this section.

(e) An individual who must submit a statement under AS 39.50, and who is required to list the names of clients or customers, but who claims an exemption for some or all of the clients or customers under (a) of this section, shall file a sworn, written request. The request, which must be attached to and filed with the individual's conflict-of-interest statement, and signed under oath and on penalty of perjury. It must include the following information:

(1) if the individual is claiming total exemption from the requirement, as in (a)(1), (2), (3), or (4) of this section, then he or she must

(A) state that the primary focus of the practice is the treatment of patients seeking psychiatric or psychological therapy, or seeking treatment related to sexual problems, venereal disease, contraception, or abortion, and that the physician is generally known as specializing in that practice; and

(B) state that all income resulting from patients which was not derived as described in (A) of this paragraph was received in the practice of his or her profession, and that all nonprofession-related income is reported separately in Part 3 of the report, and is followed by the letters "NE" (not exempt) to so identify it; or

(2) if the individual is claiming an exemption for some, but not all, of his or her clients or customers, then the individual must state the number of exemptions being claimed in each of the applicable exempted categories listed on the form.

(f) An individual who must submit a report pursuant to AS 39.50, and who is required to list the names of his clients or customers, but who has been granted an exemption pursuant to (b), (c), or (g) of this section, will be furnished a completed copy of APOC Form 39-0, entitled "Claimed Exemption Report," from the commission within 10 days of the favorable decision granting the exemption. The original of the form will be placed in the individual's file.

(g) A person not exempted by (a) of this section may claim an exemption either under the Alaska Constitution, art. I, sec. 22 (right of privacy) or under AS 39.50.035 (legally privileged professional relationship that may preclude complete compliance) by proceeding as follows:

(1) As soon as practicable, but not later than the time for filing the initial Conflict of Interest Statement, or, in the case of the annual filing, by April 15 of each following year, advise the commission of the claimed exemption and the reason for it, and request a staff ruling on the matter. If, in doing so, the person claiming the exemption finds that it may be necessary to reveal to the staff information which he or she believes is confidential, the person shall so indicate, and that information must be kept confidential until an unappealed staff or commission ruling is made or the release is authorized by a court of competent jurisdiction.

(2) The staff will rule on a request within 30 days after its receipt. If the ruling of the staff is favorable to the person claiming the exemption, the exempted information need not be disclosed, and that ruling is final and closed with respect to the report for that year. If a claim for an exemption is made in a future year on the same grounds, it will be granted unless a relevant change of facts or law, or the general understanding of either, has intervened.

(3) If the ruling of the staff is adverse to the person claiming the exemption, the person may

appeal to the commission by filing a written notice of appeal, and stating reasons for it, with the commission's staff no later than 30 days after receiving notice of the staff's ruling. Unless the notice and statement of reasons for it are filed within the 30-day period, the staff's ruling is final.

(4) A timely appeal will be heard by the commission at its next regular meeting held more than 30 days after the appeal is filed, unless the appellant and the commission agree upon another time for a hearing.

(5) The hearing will be recorded. At the hearing, appellant may be represented by counsel and may request that the hearing be held in executive session under AS 44.62.310(c). The appellant's case will be presented first, followed by the staff's case. Strict rules of evidence do not apply. Witnesses are sworn and testify under oath and on penalty of perjury. Legal arguments may be supported by a written memorandum. Either the appellant or the commission staff may, upon request to the commission — and shall upon the request of the commission — made no later than at the close of the hearing, file a post-hearing memorandum in support of its position within 15 days after the close of the hearing.

(6) Within 30 days after the close of the hearing the commission will make its decision and immediately after that notify the appellant of the result.

(7) If the commission's decision is favorable to the appellant, the appellant need not disclose, and that decision is final and closed with respect to the report for that year. If a claim for an exemption is made in a future year, based on the same grounds, it will be granted unless a relevant change of facts or law, or general understanding or either, has intervened.

(8) If the commission's decision is adverse, the appellant has 30 days in which to appeal on the record to the superior court under Rule 601 of the Appellate Rules of the Alaska Court System. If a timely appeal is not made and the appellant continues not to disclose, the matter will be referred to the attorney general for appropriate action.

(9) Tapes of the hearing must be made available upon request to the appellant or the appellant's attorney or agent, for listening within the offices of the commission. Transcripts of the hearing must be prepared by the commission staff upon request, with costs to be borne by the appellant.

(h) In considering the request for a ruling on the claimed exemption, the commission staff may seek an opinion from the attorney general as to whether it may reasonably be said that the state courts have determined that the constitutional right of privacy or legally privileged professional relationships preclude complete compliance with respect to the exemption claimed. If the attorney general finds that state courts have so determined, the staff ruling must be in favor of the person claiming the exemption, unless the facts adduced fail to show that the person falls within the scope of the exemption. If, in the attorney general's opinion, the courts have not determined that there is a bar to complete compliance with respect to the exemption claimed, the staff shall rule adversely.

(i) Until the matter has been finally decided administratively or judicially against the person, a person claiming an exemption from disclosure requirements is not considered to be in wilful violation of the law for failure to disclose or file a report with respect to the subject of the claimed exemption, unless after that the person continues to refuse or fails to disclose, or unless it is judicially determined that the claim of exemption was not made in good faith but rather was made without any reasonable prospect for success.

(j) Nothing in this section precludes the commission or its staff from determining on its own initiative that information disclosed to it is either protected by the constitutional right of privacy or legally privileged, even if neither is claimed. Upon that determination, the information must be placed in a secure, confidential place, and, if it is also determined that there cannot reasonably be a good reason for retaining the information, it must be destroyed. (Eff.

9/9/78, Reg. 67; am 5/14/80, Reg. 74; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 39.50.035
AS 39.50.050(b)

2 AAC 50.105. FILING BY A STATE PUBLIC OFFICIAL OR A CANDIDATE FOR STATE ELECTIVE OFFICE. (a) All reports required to be filed under the provisions of AS 39.50 and this chapter must be received by the commission on or before the due date. "Received" means either

(1) hand-carried to the commission's central office or its branch office in the state capital; or

(2) postmarked. The date shown by the postmark is presumed to be the date it was deposited in the United States mail.

(b) A person hired or appointed as an ombudsman, or hired or appointed within the executive branch as a department head, deputy department head, or division head, or as an assistant to the governor, shall file a conflict-of-interest statement

(1) within 30 days after appointment; and

(2) no later than April 15 in each following year.

(c) A person hired or appointed as a commission chairman, or member of a state commission or board specified in AS 39.50.200(9) must file a conflict-of-interest statement

(1) within 30 days of the date the board member signs his oath of office; and

(2) no later than April 15 in each following year.

(d) A judicial officer must file a conflict-of-interest statement

(1) within 30 days of the date the judicial officer is sworn into office; and

(2) no later than April 15 in each following year.

(e) A legislator, the governor, and the lieutenant governor must file a conflict-of-interest statement no later than April 15 of each year.

(f) An incumbent state public official who campaigns for state public office need not file a conflict-of-interest statement at the time of filing a declaration of candidacy, nor within 30 days after filing a petition, nor within 30 days after becoming a candidate by any other means, if a statement covering the preceding year is currently on file with the commission. However, an incumbent state public official filing for elective municipal office shall file a separate statement with the clerk of the municipality in which the official seeks public office.

(g) An incumbent municipal official who becomes a candidate for state elective office shall file a state conflict-of-interest statement with the commission, or as provided in (h) of this section. A photocopy of the municipal statement for the current reporting period, with an original signature, may be submitted instead.

(h) It is preferable that a candidate for state elective office file the required statement directly with the commission. However, a state candidate may initially submit a statement to the division of elections at the time of filing a declaration of candidacy, or within 30 days after becoming a candidate by any other means, and request that it be forwarded to the commission. (Eff. 9/9/78, Reg. 67; am 5/14/80, Reg. 74; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 39.50.020
AS 39.50.050(b)

2 AAC 50.110. CIVIL PENALTY ASSESSMENTS FOR LATE FILING OF A REPORT BY A STATE PUBLIC OFFICIAL. (a) The conflict-of-interest statement of a state public official is delinquent, if not received by the commission on or before the due date. The due dates are: within 30 days after appointment, and April 15 in each following year.

(b) The statement continues to be delinquent and subject to a civil penalty until received by the commission, or until the state public official resigns or is removed from office for refusal or

failure to file. Resignation or removal from office, however, does not relieve the official from the requirement that he or she file the conflict-of-interest statement.

(c) Commission staff will send notice to the state public official that the official's statement is delinquent, and that the official is subject to a civil penalty.

(d) Upon receipt of a delinquent conflict-of-interest statement, commission staff will

(1) determine the appropriate civil penalty as follows:

(A) \$5 a day through the first 15 days of delinquency; and

(B) \$10 a day for the 16th day and subsequent days of delinquency;

(2) within five days of receipt of a delinquent statement, send a notice of the civil penalty assessed against the state public official, and include

(A) a statement of the amount of his assessment; and

(B) an affidavit appeal form.

(e) A state public official subject to a civil penalty shall either

(1) submit, within 30 days after receipt of the assessment notice described in (d)(2) of this section, an affidavit stating reasons for late filing to show why a civil penalty should not be assessed; an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to administer oaths or, if none of the preceding alternatives is available, may be signed by the official without benefit of the oath so long as the official states, in writing, that the affidavit is signed under penalty for perjury; or

(2) pay, within 30 days' receipt of the assessment notice described in (d)(2) of this section, the civil penalty that was assessed.

(f) If a state public official subject to a civil penalty assessment for the late filing of a conflict-of-interest statement refuses, or fails within the time required, to submit an affidavit or make payment, then commission staff will refer the matter to the attorney general for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(g) An affidavit timely filed with the commission will be considered at the next regular meeting of the commission. If a state public official's appeal is

(1) denied by the commission, commission staff will notify the official of the decision within 15 days, and require that he or she pay the civil penalty originally assessed within 30 days after the date of the letter containing notification of the commission's decision; or

(2) accepted by the commission, commission staff will notify the official of the decision within 15 days, that the civil penalty assessment has been waived and that the matter is considered closed; or

(3) accepted in part by the commission, commission staff will notify the official of the decision within 15 days, and require that he or she pay the reduced civil penalty assessment within 30 days after the date of the letter containing notification of the commission's decision.

(h) Under Rule 601 of the Appellate Rules of the Alaska Court System, a state public official may appeal the commission's decision to deny or partially accept the reasons for lateness to the superior court within 30 days after receipt of the notice. If no appeal is made within 30 days and no payment is made, the matter will be referred to the attorney general for appropriate action. (Eff. 9/9/78, Reg. 67; am 5/14/80, Reg. 74; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10) AS 39.50.110
AS 39.50.020 AS 39.50.120
AS 39.50.050(b) AS 39.50.130
AS 39.50.070 AS 39.50.135
AS 39.50.080

2 AAC 50.115. PROCEDURES FOLLOWED UPON A REFUSAL OR FAILURE BY THE OMBUDSMAN, OR A HIRED OR APPOINTED OFFICIAL IN THE EXECUTIVE BRANCH, OR A BOARD MEMBER, TO FILE THE CONFLICT-OF-INTEREST STATEMENT WHEN DUE. (a) If an initial conflict-of-interest statement is not filed within the 30-day time period required by 2 AAC 50.105(b)(1) or (c)(1), the commission will simultaneously

(1) notify the official by certified mail, return receipt requested, that 30 days have passed since the applicable due date, that the initial conflict-of-interest statement is delinquent, and that the official is subject to civil penalties described in 2 AAC 50.110, in addition to criminal penalties;

(2) inform the Department of Administration that the official has not filed an initial statement, and request that all salary, per diem, travel expenses, and any other emoluments be forfeited until the department is notified by the commission of the official's compliance; and

(3) inform the attorney general that the official has not filed an initial statement.

(b) If the annual statement is not filed by April 15, pursuant to 2 AAC 50.105(b)(2) and (c)(2), the commission will

(1) not later than the eighth day of delinquency, notify the public official by certified mail, return receipt requested, that his or her statement has not been received, that he or she is now subject to civil penalties and that failure to file by the 30th day of delinquency will subject the official to removal from office and criminal penalties;

(2) on the 22nd day of delinquency, notify the public official by telegram that failure to file by the 30th day of delinquency will result in a request that the governor remove the official from office and a request that misdemeanor proceedings be initiated by the attorney general.

(c) If the annual statement is not filed by the 30th day of delinquency, on the 31st day of delinquency, commission staff will notify the commission, and under commission direction will

(1) inform the governor of the public official's failure to file his or her conflict-of-interest statement and request that the governor remove the official from office; and

(2) inform the attorney general that the public official has not complied, that the governor has been notified and is being requested to remove the public official from office, and request that the attorney general initiate misdemeanor proceedings. (Eff. 9/9/78, Reg. 67; am 10/18/81, Reg. 80; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10) AS 39.05.060
AS 39.50.020 AS 39.50.070
AS 39.50.050(b)

2 AAC 50.120. PROCEDURES FOLLOWED UPON A REFUSAL OR FAILURE BY A JUDICIAL OFFICER TO FILE THE CONFLICT-OF-INTEREST STATEMENT WHEN DUE. (a) If a judicial officer's initial conflict-of-interest statement is not filed within 30 days after being sworn in, as required by 2 AAC 50.105(d)(1), the commission will simultaneously

(1) notify the judicial officer by certified mail, return receipt requested, that 30 days have passed since the applicable due date, that the initial conflict-of-interest statement is delinquent, and that the judicial officer is subject to civil penalties described in 2 AAC 50.110, in addition to criminal penalties;

(2) inform the administrator of courts that the judicial officer has not filed an initial statement, and request that all salary, per diem, travel expenses, and any other emoluments be forfeited until notified by the commission of the officer's compliance; and

(3) inform the attorney general that the judicial officer has not filed an initial statement.

(b) If the annual statement is not filed by April 15, pursuant to 2 AAC 50.105(d)(2), the commission will

(1) on or before the eighth day of delinquency, notify the judicial official by certified mail, return receipt requested, that his or her statement has not been received, that he or she

is now subject to civil penalties and that failure to file by the 30th day of delinquency will subject the official to loss of pay, removal from office and criminal penalties;

(2) on the 22nd day of delinquency, notify the judicial official by telegram that failure to file by the 30th day of delinquency will result in a loss of pay, a request that the official be removed from office, and a request that misdemeanor proceedings be initiated by the attorney general.

(c) If the annual statement is not filed by the 30th day of delinquency, on the 31st day of delinquency, staff will notify the commission, and under commission direction will

(1) inform the administrator of courts that the judicial officer has failed to file his or her conflict-of-interest statement and that he or she is now subject to loss of pay and recommend the administrator take the appropriate action:

(2) inform the Commission on Judicial Qualifications and the senate of the judicial officer's failure to file his or her statement, that he or she is now subject to removal from office, and request that the appropriate action be taken; and

(3) inform the attorney general that the judicial officer has not complied, that the Commission on Judicial Qualifications, the senate, and the administrator of courts have been notified and are being asked to take appropriate action, and request that the attorney general initiate misdemeanor proceedings. (Eff. 9/9/78, Reg. 67; am 10/18/81, Reg. 80; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10) AS 39.50.060
AS 39.50.020 AS 39.50.110
AS 39.50.050(b)

2 AAC 50.125. PROCEDURES FOLLOWED UPON A REFUSAL OR FAILURE BY A STATE ELECTED OFFICIAL TO FILE THE CONFLICT-OF-INTEREST STATEMENT WHEN DUE. Repealed 10/18/81.

2 AAC 50.126. PROCEDURES FOR FAILURE OR REFUSAL OF AN INCUMBENT STATE ELECTED OFFICIAL TO FILE THE ANNUAL CONFLICT-OF-INTEREST STATEMENT BY THE APRIL 15 DUE DATE. (a) If the annual statement is not filed by April 15, in accordance with AS 39.50.120 or 39.50.130 and 2 AAC 50.105, the commission staff will

(1) on or before the eighth day of delinquency, notify the public official by certified mail, return receipt requested, that his or her statement has not been received and that he or she is now subject to civil penalties and that failure to file by the 30th day of delinquency will subject the official to loss of pay and criminal penalties;

(2) on the 22nd day of delinquency, notify the public official by telegram that failure to file by the 30th day of delinquency will result in loss of pay and a request that misdemeanor proceedings be initiated by the attorney general.

(b) If the annual statement is not filed by the 30th day of delinquency, on the 31st day of delinquency, staff will notify the commission, and under commission direction will

(1) inform the Department of Administration and the Legislative Affairs Agency that the elected official has not filed his or her conflict-of-interest statement and request that salary, per diem, travel expenses, etc., be forfeited until notification by the commission of the official's compliance; and

(2) inform the attorney general that the elected official has not complied and request that misdemeanor proceedings be initiated. (Eff. 10/18/81, Reg. 80)

Authority: AS 15.13.030(10) AS 39.50.120
AS 15.13.020 AS 39.50.130
AS 39.50.050(b) AS 39.50.200(1)
AS 39.50.060

2 AAC 50.127. PROCEDURES FOR FAILURE OR REFUSAL TO FILE, OR FILING AN INCOMPLETE STATEMENT, BY A CANDIDATE FOR ELECTIVE STATE OFFICE. (a) A candidate for elective state office may file the required conflict-of-interest statement either

with the division of elections or with the commission. A statement filed only with a municipal clerk is not considered timely filed. If the commission determines that a candidate has not filed a conflict-of-interest statement by the applicable deadline, the commission will recommend that the lieutenant governor remove the candidate's name from the ballot.

(b) A candidate for state office who files a statement that is in substantial noncompliance with AS 39.50 and this chapter will be given notice of the required information that is outstanding, and of the opportunity to amend the statement. The deadline for amending a statement is one week before the deadline for withdrawal of candidacy.

(c) One week before the withdrawal deadline, commission staff will notify the commission of those who have not completed the conflict-of-interest statement. The commission will convene a meeting at a designated site, or by teleconference, to review the incomplete filings. The meeting will be recorded. Candidates will be given notice of the meeting. The commission will determine which candidates have not supplied required information on major sources of income or indebtedness, and will recommend that the lieutenant governor remove those names from the ballot.

(d) If information is discovered after the withdrawal-of-candidacy deadline, which indicates that a candidate's statement may be in substantial noncompliance with AS 39.50 and this chapter, the commission will proceed with a preliminary investigation in accordance with 2 AAC 50.460. If a hearing is held, the commission will determine the appropriate penalty. These penalties include:

(1) recommendation for removal from the ballot, or decertification, made to the lieutenant governor;

(2) assessment of civil penalties in accordance with 2 AAC 50.145 for the late filing of a properly completed report; and

(3) referral to the office of the Attorney General as a violation of the law. (Eff. 1/26/86, Reg. 97)

Authority: AS 15.13.030(10) AS 39.50.060
 AS 39.50.020 AS 39.50.120
 AS 39.50.030 AS 39.50.130
 AS 39.50.050(b) AS 39.50.135

2 AAC 50.130. FILING BY A MUNICIPAL OFFICER. (a) All conflict-of-interest statements required to be filed by a municipal officer under the provisions of AS 39.50 and this chapter must be received by the municipal clerk or other municipal official in his community designated to receive the statements on or before the due date. Filing such a statement with the commission is not considered proper filing. "Received" means either

(1) hand-carried to the clerk or designated municipal official's office; or

(2) postmarked. The date shown by the postmark is presumed to be the date it was deposited in the United States mail.

(b) A borough or city mayor, borough assemblyman, city councilman, school board member, elected utility board member, city or borough manager, and a member of a city or borough planning or zoning commission must file a conflict-of-interest statement

(1) within 30 days of

(A) the first day of work for which compensation is received by the officer; or

(B) the date a municipal board or commission member takes the oath of office; or

(2) no later than April 15 in each year following

(A) his election to municipal office; or

(B) his hiring or appointment to a municipal position described in this section. (Eff. 9/9/78, Reg. 67; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
 AS 39.50.020
 AS 39.50.050(b)

Editor's Note: Register 74 inadvertently dropped subsection (b) of what is now 2 AAC 50.130. It has been restored as of Register 82.

2 AAC 50.135. CIVIL PENALTY ASSESSMENTS FOR LATE FILING BY MUNICIPAL OFFICERS. (a) The conflict-of-interest statement of a municipal officer is delinquent if not received by the municipal clerk or designated official on or before the due date.

(b) The statement continues to be delinquent and subject to a civil penalty until received by the municipal clerk or designated official.

(c) The municipal clerk or designated official shall notify the commission within five days

(1) by telegram or telephone of the name and address of any municipal officer who has refused or failed to file a conflict-of-interest statement by the due date; and

(2) verify that all other municipal officers have filed.

(d) Commission staff will notify the municipal officer that he is delinquent, and subject to a civil penalty, within five days of notification by the municipal clerk or designated official of the municipal officer's delinquency.

(e) The municipal clerk or designated official shall notify the commission by telegram or telephone of the name and address of any municipal officer who filed a delinquent conflict-of-interest statement and the date on which the late statement was received by the clerk or designated official. Upon notification of the receipt of a delinquent conflict-of-interest statement, commission staff will

(1) determine the appropriate civil penalty, as follows:

(A) \$1 a day through the first seven days a statement is delinquent;

(B) \$5 a day for the eighth day and subsequent days of delinquency.

(2) within five days after notification by the municipal clerk or designated official of receipt

of a delinquent statement, send a notice of the civil penalty assessed against the municipal officer, and include

(A) a statement of the amount of the assessment; and

(B) an affidavit appeal form.

(f) The municipal officer subject to a civil penalty may

(1) submit, within 30 days of receipt of the assessment notice described in (e)(2) of this section, an affidavit stating reasons for his late filing to show why a civil penalty should not be assessed against him; an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to administer oaths or, if none of the preceding alternatives is available, may be signed by the officer without benefit of the oath so long as the officer states, in writing, that the affidavit is signed under penalty for perjury; or

(2) pay, within 30 days of receipt of the assessment notice described in (e)(2) of this section, the civil penalty assessed against him.

(g) If a municipal officer subject to a civil penalty assessment for the late filing of a conflict-of-interest report refuses or fails, within the time required, to submit an affidavit or to make payment, then the commission staff will refer the matter to the Office of the Attorney General for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(h) An affidavit timely filed with the commission will be considered at the next regular meeting of the commission. If a municipal officer's appeal is

(1) denied by the commission, commission staff will notify him of its decision within 15 days', and require that he pay the civil penalty originally assessed against him within 30 days of the date of the letter containing notification of the commission's decision; or

(2) accepted by the commission, commission staff will notify him of its decision within 15 days, informing him that the civil penalty assessment has been waived and the matter is considered closed; or

(3) accepted, in part, by the commission, commission staff will notify him of its decision within 15 days, and require that he pay the reduced civil penalty assessment within 30 days of the date of the letter containing notification of the commission's decision.

(i) Under Rule 601 of the Appellate Rules of the Alaska Court System a municipal officer may appeal the commission's decision to deny or partially accept the officer's reasons for lateness to the superior court within 30 days after receipt of the notice. If no appeal is made within 30 days and no payment is made, the matter will be referred to the attorney general for appropriate action. (Eff. 9/9/78, Reg. 67:

am 5/14/80, Reg. 74; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 39.50.020

AS 39.50.050(b)

AS 39.50.135

2 AAC 50.140. PROCEDURES FOLLOWED UPON A REFUSAL OR FAILURE BY A MUNICIPAL OFFICER TO FILE THE CONFLICT-OF-INTEREST STATEMENT WHEN DUE. (a) If a municipal officer's conflict-of-interest statement is not filed by the applicable due dates described in 2 AAC 50.130(b), the commission will notify the municipal officer by certified mail, return receipt requested, that the applicable due date has passed, that his or her conflict-of-interest statement is delinquent, and that failure to file by the 30th day of delinquency may subject the official to criminal penalties:

(b) If the statement is not filed within 30 days of the applicable due dates described in 2 AAC 50.130(b), the commission will simultaneously

(1) notify the municipal officer that the commission is notifying the Office of the Attorney General of his noncompliance and requesting that the attorney general take appropriate action:

(2) inform the applicable municipal clerk that the municipal officer has been notified of his failure, and that the attorney general is being notified; and

(3) inform the Office of the Attorney General that the municipal officer has not filed his statement, and request that appropriate proceedings be initiated by that office. (Eff. 9/9/78, Reg. 67; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 39.50.020

AS 39.50.050(b)

AS 39.50.060

2 AAC 50.145. SUBSTANTIAL OR CONTINUING NONCOMPLIANCE. If, upon review of a conflict-of-interest statement, the commission staff finds substantial or continuing non-compliance with the reporting requirements of AS 39.50 or a provision of this chapter, the maximum civil penalty of \$10 per day applies.

from the time the information was due until it is received. The staff findings may be appealed to the commission. Substantial or continuing noncompliance includes

(1) failure to fully respond to a written request for further filings within the time prescribed; or

(2) failure to fully describe major sources of income, real property interests, business involvements, or indebtedness. (Eff. 1/26/86, Reg. 97)

Authority: AS 15.13.010(10)
 AS 39.50.030
 AS 39.50.050(b)
 AS 39.50.135

2 AAC 50.200. DEFINITIONS. In 2 AAC 50.010 – 2 AAC 50.200

(1) "board member" means a member of a state commission or board specified in AS 39.50.200(9);

(2) "judicial officer," as defined in AS 39.50.200(2), does not include a person appointed as an acting magistrate. (Eff. 9/9/78, Reg. 67)

Authority: AS 15.13.030(10)
 AS 39.50.050(b)
 AS 39.50.200(2) and (9)

**ARTICLE 2.
 CAMPAIGN DISCLOSURE**

Section

- 310. Filing
- 313. Definition of "contribution"
- 314. Definition of "group"; reporting by businesses
- 315. Contribution limitation exemption
- 316. Personal contributions by a candidate
- 319. Designated campaign depository
- 320. General recordkeeping requirements for candidates and groups
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- 322. (Repealed)
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- 324. Shared campaign reporting
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- 326. Recordkeeping requirements and exemptions when reporting a fund-raiser

- 330. (Repealed)
- 332. Reporting zero contribution or expenditure activity
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- 340. Expenditures to advertising agencies or campaign management services
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- 350. (Repealed)
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- 363. Subcommittees of a candidate's campaign committee or of a controlled group
- 369. Proper identification of political communications
- 370. Objects too small to contain the proper identification
- 375. Communications by incumbent elected officials
- 380. Early campaigning
- 385. (Repealed)
- 390. Civil penalty assessments for the late filing of a campaign disclosure report
- 395. (Repealed)
- 397. Reporting by persons outside the state
- 400. Disbursement of a surplus balance in a campaign account
- 401. Post-election fundraising by candidates and controlled groups
- 405. Definitions for 2 AAC 50.310–2 AAC 50.405 and AS 15.13

2 AAC 50.310. FILING. (a) All reports that are required to be filed under the provisions of AS 15.13 and this chapter must be received by the commission on or before the due date. Except for the 24 Hour Report, "received" means either

(1) hand-carried to the commission's central office or its branch office in the state capital; or

(2) postmarked. The date shown by the postmark is presumed to be the date it was deposited in the United States mail.

(b) The 24 Hour Report required by AS 15.13.110(b) must be filed with the commission's central office either by a collect telegram or by actual physical delivery within the prescribed time. 24 Hour Reports may not be mailed.

(c) All forms will be available at the commission's central and branch offices, at district offices during state election years, and at the participating municipalities. (Eff. 5/14/80, Reg. 74)

Authority: AS 15.13.020(j) and (k)
AS 15.13.030(10)
AS 15.13.110(a) and (b)

2 AAC 50.313. DEFINITION OF "CONTRIBUTION." (a) In 2 AAC 50.310 — 2 AAC 50.405, except as otherwise provided in this section, "contribution" includes a payment, gift, subscription, loan, advance, transfer, deposit of money, services, or anything of value made by a person or group for the purpose of influencing an election for state or municipal office or influencing the passage or defeat of a ballot proposition or question; and includes a personal contribution as described in 2 AAC 50.316.

(b) In this section and in 2 AAC 50.321, "loan" includes a guarantee, endorsement, and any other form of security. The following apply to loans:

(1) A loan that exceeds the contribution limitations of AS 15.13.070 is unlawful, whether or not it is repaid;

(2) A loan is a contribution at the time it is made;

(3) Except for a personal contribution loan as described in 2 AAC 50.316(d), a loan is a contribution by each endorser or guarantor. Each endorser or guarantor is considered to have contributed that portion of the total amount for which he or she agreed to be liable in a written agreement. If the agreement does not state the portion of the loan for which each endorser or guarantor is liable, the loan is considered a loan by each endorser or guarantor in the same proportion that each endorser or guarantor bears to the total number of endorsees or guarantors.

(c) In this section, "money" includes currency of the United States or of any foreign nation, checks, money orders, or any negotiable instruments payable on demand.

(d) In this section "anything of value" includes facilities, equipment, polling information, supplies, advertising services, membership lists, mailing lists, any item of real or personal property, and personal services of any kind, the cost or consideration for which is paid by a person other than the candidate or group for whom the services are rendered.

(e) The provision of goods or services without charge, or at a charge which is less than the usual and normal charge for the goods and services in the market, is a contribution. If goods or services are provided at less than the usual or normal charge in the market, the amount of the nonmonetary contribution is the difference between the usual and normal charge for the goods or services at the time of the contribution and the amount charged.

(f) The entire amount paid to attend or participate in a fundraiser or other political event, and the entire amount paid as the purchase price for a fundraising item sold by a group or candidate, is a contribution.

(g) The payment by a person of compensation for the personal services of another person to a group or candidate for any purpose, except for legal and accounting services necessary to complete reports, is a contribution. No contribution results in the following circumstances:

(1) when an employee paid on an hourly or salaried basis engages in political activity during what would otherwise be a regular work period, if the time spent is made up by the employee within a reasonable period of time;

(2) when an employee paid on a commission or piecework basis, or an employee paid only for work actually performed whose time is considered the employee's own, engages in political activity during normal working hours;

(3) if time used by the employee during normal working hours to engage in political activity is bona fide vacation or other earned leave time.

(h) The extension of credit by a person to a candidate or political group for a length of time beyond normal business practice is a contribution, unless the creditor has made a commercially reasonable attempt to collect the debt, or pursued its remedies in a manner similar in intensity to that employed by the creditor in pursuit of a non-political debtor, including lawsuits if filed in similar circumstances.

(i) A debt owed by a political group or candidate, which is forgiven or settled for less than the amount owed is a contribution. The commission will, in its discretion, consider the following factors before directing staff to commence a preliminary investigation:

(1) whether, at the time the debt was incurred, both the creditor and the candidate or political group expected full repayment within a reasonable period of time;

(2) whether the campaign has made a good faith effort to repay all outstanding debts;

(3) whether the creditor has taken steps it normally takes against debtors in the same financial condition as the campaign;

(4) whether the proposed settlement agreement between the creditor and the campaign is similar to previous settlements made by the creditor and other debtors;

(5) whether the campaign has treated equally all creditors since it became aware of the difficulty in repaying all debts;

(6) whether the proposed settlement agreement is similar to others proposed by the campaign.

(j) An expenditure made by a person in cooperation, consultation, or in concert with, or at the request or suggestion of a candidate, the candidate's campaign committee, campaign agents, or campaign consultants is a contribution to the candidate. The financing by a person of the issuance, republication, or distribution of a broadcast or of a written, graphic, or other form of campaign material provided by the candidate, the candidate's campaign committee, campaign agents, or campaign consultants is a

contribution to the candidate. This includes an expenditure:

(1) based on information about the candidate's plans, projects, or needs provided by the candidate or the candidate's campaign agents;

(2) made by or through a person who is, or has been, authorized to raise or expend money for the candidate, who is, or has been, an agent of a candidate's campaign, or who has received any form of compensation or reimbursement from the candidate, members of the candidate's campaign committee, campaign agents, or campaign consultants;

(3) made by any person or group based on data from a candidate's pollster or campaign consultant or any other person who has received, or is receiving, compensation or reimbursement from the campaign;

(4) made by a political group for soliciting contributions to be paid or delivered directly to a candidate or the candidate's campaign agents.

(k) In (j) of this section, "campaign agents" includes all officers, campaign managers, treasurers, deputy treasurers, campaign consultants, and persons who reasonably appear to have authority to make expenditures and solicit contributions for a candidate's campaign.

(l) In 2 AAC 50.310 — 2 AAC 50.405, "contribution" does not include the following payments, services, or other things of value:

(1) costs incurred in covering or carrying a news story by a broadcasting station, newspaper, or periodical of regular publication, unless the facility is owned by or controlled by a political party, political group, or candidate; in that case, the cost of the news story is a contribution, unless the news story is a bona fide news account that is part of a general pattern of campaign-related news accounts which gives reasonably equal coverage to all opposing candidates in the circulation or listening area;

(2) a non-monetary contribution or in-kind donation of a single item with a usual and normal cost of \$50.00 or less;

(3) a payment made by any individual for his or her own travel expenses, if such payments are voluntary and are made without any understanding that they will be directly or indirectly repaid;

(4) a payment made by a business, corporation, trade association, labor organization, or other organization not organized primarily to influence elections to communicate directly with its members or employees, or their families, on any subject, if the communication is of the same format and nature used by the organization when it has communicated in the past on nonpolitical subjects, does not request members or their families to do anything other than exercise the right to vote, and does not solicit individual contributions to a clearly identified candidate or group chosen by the organization;

(5) a gift, subscription, loan, advance, or deposit of money or anything of value made with respect to a recount of a state or municipal election.

(m) A contribution made by a married individual is not attributed to that individual's spouse, unless otherwise specified in writing by the spouse at the time the contribution is made. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10) AS 15.13.070
AS 15.13.040 AS 15.13.130

2 AAC 50.314. DEFINITION OF "GROUP"; REPORTING BY BUSINESSES. (a) In 2 AAC 50.310 - 2 AAC 50.405, "group" includes

(1) every combination of two or more persons who are elected, appointed, or otherwise chosen, or who cooperate for the purpose of raising, soliciting, collecting, or disbursing money or anything of value, or for directing or controlling those activities to secure or defeat the election to public office of an individual or candidate or to secure or defeat a ballot proposition;

(2) a political action committee, draft group, association, club, corporation, partnership, trade association, incorporated or unincorporated association, or labor organization organized to aid or promote the nomination, election, defeat, or recall, of any candidate for political office

or to aid the passage or defeat of a ballot proposition;

(3) two or more persons who jointly make a contribution in the name of another as described in 2 AAC 50.357.

(b) A corporation, partnership, sole proprietorship, trade association, fraternal or charitable organization, incorporated or unincorporated association, firm, or business trust may report its contributions and expenditures as required by AS 15.13.040(d) and (e) as an individual if

(1) all contributions and expenditures to influence the outcome of an election are made from the organization's general day-to-day operating account;

(2) the organization does not conduct a fundraising drive or assessment among its members or employees for the purpose of influencing an election;

(3) the organization does not exercise direction, control, or discretion over the choice of the recipient candidate or group, and the organization does not exercise direction, control, or discretion over the expenditure of money or other things of value collected, pooled, solicited, or otherwise paid by others for the purpose of influencing an election. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.040
AS 15.13.130(3)

2 AAC 50.315. CONTRIBUTION LIMITATION EXEMPTION. (a) Groups that nominated a candidate for governor who received at least three percent of the total vote cast at the 1982 general election for governor are considered to be exempt from the contribution limitation set out in AS 15.13.070(a).

(b) Until the effective date of a statutory definition of "political party" that replaces AS 15.60.010(20) as it exists on the effective date of this section (and was held invalid in *Vogler v. Miller*, 660 P.2d 1192 [Alaska 1983]), a group, other than a group described in (a) of this section, desiring an exemption from the contribution limitation set out in AS 15.13.070(a) must submit to the commission an application

for exemption. In accordance with (c) of this section, the commission will review the application and, in its discretion and on a case-by-case basis, grant the exemption.

(c) Among the criteria which will be considered in deciding whether to grant an exemption are:

(1) an organized membership, composed of registered voters, which represents a political program;

(2) prior history as a political group under AS 15.13.050 including the receipt of substantial contributions and the disbursement of substantial expenditures made for the purpose of influencing the election of legislative candidates in more than one district; and

(3) the percentage of votes received by a statewide candidate nominated in the name of the group in the preceding general election.

(d) Groups satisfying the criteria of (a) of this section and groups granted exemptions under (b) of this section are subject to the requirement that political parties report contributions and expenditures as provided by AS 15.13. (Eff. 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 15.13.040

AS 15.13.070

2 AAC 50.316. PERSONAL CONTRIBUTIONS BY A CANDIDATE. (a) A candidate may make unlimited personal contributions from assets which, under Alaska law, the candidate had legal right of access to or control over and to which the candidate had legal and rightful title at the time he or she became a candidate. These assets include salary and other earned income from bona fide employment; dividends; proceeds from the sale of investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy; and gifts of a personal nature which had been customarily received before candidacy.

(b) A candidate may use a portion of jointly owned assets as a personal contribution. The portion of the jointly owned assets that may be

used is the candidate's share under the instruments of conveyance or ownership. With respect to spouses, if no specific share is indicated by an instrument of conveyance or ownership, the value of one-half of the property is considered the personal funds of the candidate. In the case of property jointly owned by a non-spouse, if there is no instrument of conveyance or ownership, the portion of the asset belonging to the candidate is the pro rata share of the purchase price paid by the candidate, or, if no purchase was made, the amount determined by dividing the present value by the number of owners.

(c) A candidate's donation of goods remaining from a prior campaign is a personal contribution.

(d) A loan of money by a regulated banking institution to a candidate is a personal contribution if the loan is made in accordance with applicable banking laws and regulations; bears the usual and customary interest rate for the category of the loan involved; is evidenced by a written instrument; and is subject to a due date or amortization schedule. Loans under this section are reported as a candidate's personal contribution.

(e) The absolute sale of all legal and equitable interest of a candidate's real or personal property is not a contribution from the purchasers if the proceeds are received by a candidate in a legitimate arm's length transaction documented in writing. Sale proceeds used by a candidate in a campaign must be reported as personal contributions. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 15.13.040

AS 15.13.070

AS 15.13.130

2 AAC 50.319. DESIGNATED CAMPAIGN DEPOSITORY. (a) Each candidate and political group intending to raise or spend more than \$5,000 in a calendar year shall designate on a registration statement or on the first campaign disclosure statement filed with the commission, one or more regulated banking institutions as its campaign depository or depositories. Each account title must indicate that it is a campaign account.

(b) All monetary contributions to, and expenditures by, a candidate or political group must be deposited to or made from a designated campaign depository.

(c) A candidate or political group required by (a) of this section to designate a campaign depository may obtain and use credit cards in making travel-related campaign expenditures for transportation, lodging, meals, and other expenses in connection with traveling for campaign purposes. The credit card account name must indicate that it is a campaign account.

(d) Contributions that appear to be illegal must, within ten days after receipt, be returned to the contributor.

(e) A campaign treasurer shall make his or her best efforts to determine the legality of a contribution. If a contribution cannot be determined to be legal, a refund must be made within a reasonable time, and the treasurer shall note the refund by amending the current report or noting the change on the next required report. Alternatively, the contribution may be deposited into the campaign depository and reported. If it is deposited, the treasurer shall make and retain a written record noting the basis for the appearance of illegality. A statement noting that the legality of the contribution is in question must be included in the next required report. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030 AS 15.13.060
AS 15.13.050 AS 15.13.070

2 AAC 50.320. GENERAL RECORDKEEPING REQUIREMENTS FOR CANDIDATES AND GROUPS. (a) Every candidate and group required to report contributions or expenditures under the provisions of AS 15.13 shall maintain detailed records of all contributions received and expenditures made in accordance with the uniform methods of bookkeeping set out in the commission's bookkeeping guide.

(b) A candidate or his treasurer, and the treasurer of a group, may issue a receipt, and shall record the receipt of every contribution received, unless otherwise exempted by this chapter, regardless of the dollar amount or value of the contribution. While the identity of a person who has contributed no more than \$100

to a campaign is not required to be individually reported by the treasurer on a campaign disclosure report, the name of such a contributor, along with the amount and type of his contribution, must be recorded by the treasurer and maintained by the treasurer, for comparative purposes, in case that person makes additional contributions which total over \$100.

(c) The identity of a person who has contributed over \$100 in the aggregate per year to a candidate's or group's campaign must be reported in accordance with 2 AAC 50.321.

(d) Each bookkeeping record required under this section shall be maintained by the candidate or the treasurer of a group and may not be destroyed for a period of four years from the date of the contribution. The records shall be available for inspection by the commission upon request of the commission. (Eff. 5/14/80, Reg. 74)

Authority: AS 15.13.020(2) AS 15.13.040
AS 15.13.030(10) AS 15.13.120(e)

2 AAC 50.321. REPORTING CONTRIBUTIONS AND EXPENDITURES. (a) Each candidate or group filing reports under AS 15.13 must identify

(1) each monetary contribution, or aggregate of contributions from the same contributor, which totals in excess of \$100 by reporting

(A) the date received;

(B) the check number;

(C) the name and address of the contributor;

(D) the principal occupation and employer of the contributor; and

(E) the amount;

(2) each nonmonetary contribution, or aggregate of nonmonetary contributions from the same contributor, valued at more than \$100 a year, by reporting

(A) the date received;

(B) the name and address of the contributor;

(C) the principal occupation and employer of the contributor;

(D) a description of the contributions; and

(E) its estimated fair market value;

(3) each loan, or aggregate of loans from the same contributor, which totals in excess of \$100, by reporting

(A) the date received;

(B) the name and address of the lender, guarantor or cosigner;

(C) the principal occupation and employer of the lender, loan guarantor or cosigner;

(D) the interest rate; and

(E) the amount;

(4) each paid expenditure by reporting

(A) the date of the payment;

(B) the check number;

(C) the name and address of the payee;

(D) the purpose of the expenditure; and

(E) the amount; and

(5) each accrued expenditure by reporting

(A) the date the expenditure was incurred;

(B) the name and address of the business or individual with whom the debt was incurred;

(C) the purpose of the accrued expenditure; and

(D) the amount.

(b) When reporting monetary and nonmonetary contributions or loans, a cumulative total must be kept by each candidate or group of the contributions (including loans) made to it, regardless of the total, and reported pursuant to (a) of this section when

(1) monetary contributions by the same contributor bring the total to over \$100; or

(2) nonmonetary contributions by the same contributor bring the estimated total value to over \$100; or

(3) loans by the same lender, guarantor, or cosigner bring the total to over \$100; or

(4) a combination of monetary or nonmonetary contributions or loans by the same contributor brings the total to over \$100. (Eff. 7/22/78, Reg. 67)

Authority: AS 15.13.030(10)

AS 15.13.040(a) and (b)

AS 15.13.130(2) and (4)

2 AAC 50.322. RECORDKEEPING REQUIREMENTS FOR AUCTIONS AND GARAGE SALES. Repealed 5/14/80.

2 AAC 50.323. RECORDKEEPING REQUIREMENTS FOR CONTRIBUTIONS RECEIVED FROM THE SALE OF CAMPAIGN MATERIAL. Repealed 5/14/80.

2 AAC 50.324. SHARED CAMPAIGN REPORTING. Except for expenditures by the candidates for governor and lieutenant governor of the same political party who have been nominated to run in the general election, the following provisions apply to all candidates and groups, other than a political party, subject to the provisions of AS 15.13 and this chapter:

(1) The use, by one candidate, of the money, goods or services raised or generated by his campaign, to influence the election of another candidate, is considered a contribution and cannot exceed the \$1,000 limitation set by AS 15.13.070(a); nothing in AS 15.13 or this chapter, however, limits an individual's right to make any expenditure whatsoever to influence the election of a candidate, so long as that expenditure is not made at the suggestion of that

candidate, directly or indirectly paid for by that candidate, or otherwise controlled by that candidate.

(2) An expenditure made by one group, other than a political party, on behalf of another group which is controlled by a candidate is considered a contribution and may not exceed the \$1,000 limitation set by AS 15.13.070(a).

(3) A candidate may not join his campaign committee with that of one or more candidates in order that they may file a single report of their joint campaign, nor may a group join with one or more groups in order that they may file a single report of their joint efforts.

(4) Candidates or groups prohibited from forming a joint campaign under (3) of this section may share in campaign efforts, under (5) of this section, so long as they keep separate campaign accounts and file separate statements of their contributions and expenditures under AS 15.13 and 2 AAC 50.

(5) Two or more candidates, or two or more groups, may share in campaign efforts so long as the cost of, and receipts from, shared efforts are allocated equally to each participating candidate or group's campaign.

(6) So long as the costs of, and receipts from, shared efforts are allocated equally to each participant of a shared campaign, neither the costs or receipts are considered as a contribution from one participant to any of the other participants.

(7) Each candidate or group filing reports pursuant to AS 15.13 and 2 AAC 50 must complete an APOC Form 15-SA, the "Shared Campaign Activities" form, which represents his or its proportionate share of the receipts and expenditures of a shared campaign effort.

(8) A proportionate share of the amount of an expenditure benefiting one or more candidates, or one or more groups, of a shared campaign effort, but paid for in full by one of the candidates, or by one of the groups, will be considered a contribution by

(A) the paying candidate to the other candidates; or

(B) the paying group to the other groups.

(9) Media communications regarding a shared campaign activity are considered properly identified so long as the identification includes the words "paid for by" and the name of each candidate or group sharing in the cost of the communications. The address and treasurer of each participating candidate or group need not be listed. However, if a communication is paid for in its entirety by only one of the participants then, in accordance with 2 AAC 50.369, full and proper identification is required. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 6/29/84, Reg. 90)

Authority: AS 15.13.030(10)

AS 15.13.040(a) and (b)

AS 15.13.070(a)

AS 15.13.090

2 AAC 50.325. RECORDKEEPING REQUIREMENTS FOR NONMONETARY CONTRIBUTIONS. Repealed 1/4/86.

2 AAC 50.326. RECORDKEEPING REQUIREMENTS AND EXEMPTIONS WHEN REPORTING A FUND-RAISER. (a) A candidate or his treasurer, and the treasurer of a group, shall report all the contribution and expenditure activity related to a campaign fund-raiser in a format designated by the commission, and in accordance with this section. Fund-raisers sponsored in conjunction with several candidates or groups are viewed as shared fund-raising activities and, while subject to the provisions of this section, must be reported separately on APOC Form 15-3SA and in accordance with 2 AAC 50.324.

(b) When reporting a fund-raiser, a candidate or his treasurer, and the treasurer of a group, shall state the total number of contributing participants, the date and place where the event was held, if applicable, a description of the type of fund-raising activity, and the total costs of, and receipts from, the event.

(c) For the purposes of this section, "fund-raiser" includes, but is not limited to, a garage sale; a raffle or drawing; an auction; a spaghetti feed or potluck dinner; the sale of campaign material, such as posters, buttons, stickers, clothing, key chains and ashtrays; or a sponsored concert.

(d) The requirement in AS 15.13.040 and 2 AAC 50.320 that a candidate or his treasurer, or the treasurer of a group, must record the name of every person making a contribution, regardless of the amount of that contribution, does not apply to events which meet the following criteria:

(1) fund-raisers, similar in nature to spaghetti feeds, bingo games, dances, or concerts, where

(A) there are 25 or more paying participants; and

(B) except as described in (f) of this section, the cash amount received from any one person does not exceed \$50;

(2) fund-raisers, such as a raffle, lottery or a drawing, where

(A) 25 or more tickets are sold; and

(B) except as described in (f) of this section, the price of a ticket or the amount received from any one person purchasing chances does not exceed \$50;

(3) fund-raisers, the income from which is based on the sale of campaign material, where, except as described in (g)

(A) the price of an item being sold does not exceed \$10; or

(B) the amount received from any one person purchasing items does not exceed \$50;

(4) fund-raisers, such as garage sales and auctions, where, except as described in (g)

(A) the fair market value of an item donated for sale or auction does not exceed \$50; or

(B) the amount received from any one person purchasing items at the garage sale or auction does not exceed \$50.

(e) When reporting receipts from a fundraiser which meets the recording exemption set out in (d) of this section, the candidate or his

treasurer, or the treasurer of a group, need only report the total amount of contributions received from or generated by the fund-raiser, along with the total number of paying participants, tickets sold, or items purchased, as applicable.

(f) If a person contributes in excess of the exempted amounts stated in (d)(1)(B) or (d)(2)(B) of this section, then the name of that person, and the amount and type of that contribution, must be recorded as set out in 2 AAC 50.320.

(g) If the cost of or value of an item exceeds the exempted amount, or if a person contributes or pays in excess of the exempted amounts stated in (d)(3) or (4), then the name of that contributor or buyer must be recorded as set out in 2 AAC 50.320.

(h) A contribution made by a person to attend or otherwise participate in a "fund-raiser," as defined in (c) of this section, whether or not exempted from full recording under this section, may not be received by or on behalf of a candidate in violation of AS 15.13.070(a). (Eff. 5/14/80, Reg. 74; am 5/24/81, Reg. 78; am 6/29/84, Reg. 90)

Authority: AS 15.13.030(10)
AS 15.13.040

2 AAC 50.330. REPORTING CAMPAIGN EXPENDITURES FOR TRANSPORTATION. Repealed 1/4/86.

2 AAC 50.332. REPORTING ZERO CONTRIBUTION OR EXPENDITURE ACTIVITY.

(a) Each candidate or group required to file a full report of all contributions received and expenditures made in accordance with AS 15.13 and this chapter shall report in accordance with the reporting schedule set out in AS 15.13.110(a), regardless of the amount of their reportable contributions or expenditures. In the absence of any contribution or expenditure activity whatsoever during a reporting period, each candidate or group not already exempt from reporting under (b) or (c) of this section shall submit by the appropriate due date the "Short Form" on Schedule A of the Campaign Disclosure Statement certifying that no contributions have been received or expenditures made.

(b) A candidate who does not intend to receive or accept contributions, or make expenditures during his campaign for municipal or state public office, including any personal campaign contributions or expenditures, may file APOC Form 15-0, the "Campaign Reporting Exemption Form." A candidate who files the exemption form is not required to submit any other reports to the commission concerning his campaign. The reporting exemption is revoked if a candidate accepts contributions or spends money to influence his election. A candidate whose exemption is revoked must immediately register his change of status on APOC Form 15-1 and, in accordance with AS 15.13.110, must disclose his campaign contribution and expenditure activity beginning with the first campaign disclosure report due following his change in status. Failure to report campaign contribution or expenditure activity after the reporting exemption is revoked subjects the candidate to both civil and criminal penalties for noncompliance with the reporting requirements of AS 15.13 and 2 AAC 50.

(c) The treasurer of a political party subdivision or political action committee previously registered with the commission which does not intend to receive or accept contributions, or make expenditures, during a municipal campaign may, in accordance with the requirements set forth in (b) of this section, file APOC Form 15-0. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 15.13.040(a) and (b)
AS 15.13.110

2 AAC 50.333. REPORTABLE DATE OF A CONTRIBUTION. A contribution is considered received, and reportable as such, on the day in which that contribution is in the possession of a candidate, or a treasurer or deputy treasurer of a candidate or group, in accordance with AS 15.13.070(e) and this chapter. (Eff. 7/22/78, Reg. 67)

Authority: AS 15.13.030(10)
AS 15.13.070(e)

2 AAC 50.334. PERSONS WHO MAY ACCEPT CONTRIBUTIONS. (a) A candidate's campaign committee, or a group, may authorize a person who is not registered as a deputy trea-

surer to accept or solicit campaign contributions on its behalf for any single event. Campaign committees or groups are not in violation of AS 15.13.070(e) if contributions collected by the authorized person are turned over to a candidate, treasurer, or deputy treasurer of the intended committee or group within 72 hours.

(b) An individual who is, or will be, fundraising on a regular basis throughout a political campaign must be registered as a deputy treasurer in accordance with AS 15.13.060(e).

(c) Individuals that have not been "authorized" to accept campaign contributions by either a candidate or his treasurer, or the treasurer of a group, are prohibited from collecting campaign contributions on behalf of a candidate's campaign committee or a group. (Eff. 4/28/79, Reg. 70; am 5/14/80, Reg. 74)
Authority: AS 15.13.030(10) AS 15.13.070(e)
AS 15.13.060 AS 15.13.130(2)

2 AAC 50.340. EXPENDITURES TO ADVERTISING AGENCIES OR CAMPAIGN MANAGEMENT SERVICES. Whenever a required report includes an expenditure to an advertising agency, or to an individual or business which provides campaign consultation or management services, the report shall be accompanied by a statement detailing all services rendered, including the identity of each business from which campaign goods or services were purchased or subcontracted, or media advertising placed, and their costs. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 15.13.040(f)

2 AAC 50.342. REGISTRATION OF GROUPS SUPPORTING OR OPPOSING BALLOT ISSUES. Each group, before making an expenditure in support of or in opposition to a ballot proposition, shall register with the commission on forms provided by the commission. (Eff. 5/14/80, Reg. 74)

Authority: AS 15.13.010(b) AS 15.13.040(b)
AS 15.13.030(10) AS 15.13.050

2 AAC 50.350. CONTRIBUTION OF PROFESSIONAL SERVICES. Repealed 1/4/86.

2 AAC 50.351. INDEPENDENT EXPENDITURES. (a) An independent expenditure is a disbursement of funds which is made expressly to support or oppose an individual's candidacy or a ballot issue. An independent expenditure is not made with the cooperation, consent, in consultation with, or at the request or suggestion of, a candidate, a candidate's campaign committee, or a group, and must be reported in accordance with AS 15.13.040(d)(2) and (e) by the maker of the expenditure.

(b) An expenditure made at the request of, in consultation with, or at the suggestion of a candidate, a candidate's campaign committee, or a group supporting or opposing a ballot issue, is considered an in-kind contribution by the person making the expenditure, and must be reported in accordance with AS 15.13.040(a) by the candidate or group benefiting from the contribution, and by the "contributor" in accordance with AS 15.13.040(d)(1) and (e).

(c) There is no limit on the amount or frequency of independent expenditures.

(d) The report of an expenditure to influence the outcome of a ballot issue required to be filed under AS 15.13.040(d)(2) will be closed to the public only if the commission determines, in response to a written request, that the individual who makes the expenditure would likely be subject to undue harassment, threats, or economic reprisals as the result of public disclosure. After publication, the person granted an exemption shall provide the commission with a copy of the communication in order to enable the commission to verify which communications were sponsored by that person. (Eff. 5/14/80, Reg. 74; am 6/29/84, Reg. 90)

Authority: AS 15.13.030(10)
AS 15.13.040
AS 15.13.090

2 AAC 50.355. LOANS. Repealed 1/4/86.

2 AAC 50.357. CONTRIBUTIONS IN THE NAME OF ANOTHER. (a) No contribution may be made, directly or indirectly, by a person other than in the legal name of the original source of the contribution.

(b) No person, employer, principal, supervisor, or contractor may lend, pay, advance, or reimburse employees, agents, or other persons for contributions to a candidate or group in the employee's, agent's, or other person's name, or in a name other than the original source of the contribution.

(c) A contribution made at the direction of another person, including a parent organization, subsidiary, division, department, branch, or local unit, is a contribution in the name of another. Contributions by two or more organizations to the same recipient are in the name of another if the organizations

(1) share the majority of members of their board of directors;

(2) share two or more corporate or organizational officers;

(3) are owned or controlled by the same shareholders or members; or

(4) are in a parent-subsidiary relationship.

(d) If a minor makes a contribution of money or any thing of value given to the child by a parent for that purpose, the parent has made a contribution in the name of another. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10) AS 15.13.070
AS 15.13.040 AS 15.13.130

2 AAC 50.360. MUNICIPALITIES. (a) If a municipality seeks to influence the outcome of an election, using budgeted municipal funds, it shall report as an individual under AS 15.13.040 (d) and (e).

(b) All communications which are paid for by a municipality and which are related to an election are considered to be intended to influence the outcome of an election unless they are only notices of the election or unless they are required by statute, charter, or ordinance.

(c) The municipality shall file with the commission a list of candidates and their mailing addresses within seven days following the deadline for filing for municipal office.

(d) If when a municipality seeks to influence the outcome of an election using funds contributed to it for that purpose, it shall register and report as a group under AS 15.13.040(b) and (c) and AS 15.13.050. (Eff. 5/16/76, Reg. 58; am 1/4/86, Reg. 97)

Authority: AS 15.13.010 AS 15.13.050
AS 15.13.030(10) AS 15.13.090
AS 15.13.040

2 AAC 50.361. REPORTING BY SPECIAL INTEREST GROUPS. Repealed 10/18/81.

2 AAC 50.362. DRAFT GROUPS. (a) A draft group must report its contribution and expenditure activity as a group, under the requirements of AS 15.13 and this chapter.

(b) A draft group

(1) may make expenditures in order to raise, through contributions to the group, the money necessary to

(A) defray its own administrative costs; and

(B) attempt to draft persons to become candidates, including the expenditure of money to

(i) extoll the qualities of persons the group is attempting to draft; and

(ii) inform the general public both of the group's position on issues, as well as the qualities of leadership it seeks in potential candidates; and

(2) may not

(A) engage in any political activity other than an activity described in (b)(1) and (c) of this section;

(B) accept contributions in excess of \$1,000 from any person or group;

(C) except for personal travel expenses, opinion surveys, or polls, make any expenditure that might benefit a person who the group has successfully drafted for office and who has made it known that he or she will be

seeking election to public office; however, the group may continue in its attempts to draft other persons for elective office; and

(D) except as provided in (c) of this section, make contributions to, contribute previously produced material to, or expend funds on behalf of, any person who has declared that he or she is seeking office or who has filed a declaration of candidacy or nominating petition or become a candidate by any other means.

(c) A draft group that expends more than 50 percent of its funds in an effort to draft one individual or, in the case of gubernatorial and lieutenant gubernatorial candidates, a team of individuals, to campaign for public office is, for the purposes of AS 15.13.130(3) and this chapter, considered a controlled group. If the person or team subject to the draft formally declares for public office, then the amount contributed to the draft group must be added to any contributions made the same year to the drafted candidate's or team's own campaign committee, in order to determine whether a contributor has made the maximum allowable contribution as outlined in AS 15.13.070(a). As a controlled group, the draft group may contribute the maximum allowed by law to the candidate or team of candidates. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 6/29/84, Reg. 9J)

Authority: AS 15.13.010
AS 15.13.030(10)
AS 15.13.040(b)
AS 15.13.070(a)
AS 15.13.100
AS 15.13.130(2), (3) and (4)

2 AAC 50.363. SUBCOMMITTEES OF A CANDIDATE'S CAMPAIGN COMMITTEE OR OF A CONTROLLED GROUP. A subcommittee may be created within a candidate's campaign committee or within a controlled group. These subcommittees are not considered separate groups and shall not maintain separate bank accounts and records or file separate reports. The name of the candidate or controlled group must be a part of the name of the subcommittee. The name of the subcommittee shall not be used when identifying political advertising

under AS 15.13.090 and 2 AAC 50.369. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10) AS 15.13.050
AS 15.13.040(a) AS 15.13.090

2 AAC 50.369. PROPER IDENTIFICATION OF POLITICAL COMMUNICATIONS. (a) Except as provided in (d) of this section, "proper identification" of a communication intended to influence the election of a candidate or the outcome of a ballot issue means that the communication is clearly identified with the words "paid for by," followed by the name and full address of the candidate, group, or individual actually paying for the advertising. The name of the campaign chairman must also be identified. If the candidate and the chairman are the same person, the name need not be repeated.

(b) Standard English abbreviations may be used in the written identification.

(c) "Clearly identified," as used in AS 15.13.090, means that

(1) in all printed communications, the proper identification must be visible, separate from the text of the advertisement itself, and large enough to be read by a person with average vision without the aid of corrective lenses;

(2) in all audio-visual communications, the proper identification must either

(A) be visual, and of sufficient size and duration to be read in full by the viewer; or

(B) be spoken, and played at the same audio level as the text of the communication itself; or

(C) be both visual and spoken, in accordance with (A) and (B) of this paragraph:

(3) in all audio communications, the proper identification must be spoken at the same audio level as the text of the communication itself.

(d) If the commission determines, under 2 AAC 50.351(d), that an expenditure report will not be made public, the political communication intended to influence the outcome of a ballot proposition or question is properly identified

if, in place of the "paid for by" phrase, the communication includes, in the manner required by (c) of this section, the commission waiver identification number assigned by the commission to that communication.

(e) In this section and in AS 15.13.090, "communications" include all material related to campaign fund-raisers, campaign letterhead, thank you notes, and press releases but does not include envelopes paid for by the campaign which are used solely to convey the campaign's properly identified communications. (Eff. 4/28/79, Reg. 70; am 10/18/81, Reg. 80; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.090

2 AAC 50.370. OBJECTS TOO SMALL TO CONTAIN THE PROPER IDENTIFICATION. If the size of an object used for a campaign advertisement is such that it is impractical to print the identification of the candidate, group, or person paying for the advertisement on the object, the advertisement must instead be identified in a regular expenditure report to the commission. Objects considered too small for full identification include pencils, pens, buttons, and other objects that are smaller than 3 1/2" x 5" in size. All media advertisements must be identified, regardless of size. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.090

2 AAC 50.375. COMMUNICATIONS BY INCUMBENT ELECTED OFFICIALS. (a) A communication by an incumbent state elected official, who is also a declared candidate for elective office, with his constituency via a newsletter or other printed matter, or a paid radio or television spot, does not constitute a reportable campaign expense unless it specifically and expressly advocates the election or defeat of a candidate (including himself), or the passage or defeat of a ballot issue.

(b) A communication by an incumbent municipal elected officer who is also a declared candidate for elective office, with his constituency via a newsletter or other printed matter, or a paid radio or television spot, does not constitute a reportable campaign expense

unless it specifically and expressly advocates the election or defeat of a candidate (including himself), or the passage or defeat of a ballot issue.

(c) The commission will, in its discretion, review a communication by an incumbent elected official when a question concerning whether or not the communication is a reportable campaign expense arises. (Eff. 7/22/78, Reg. 67)

Authority: AS 15.13.010 AS 15.13.090
AS 15.13.030(10) AS 15.13.130(4)
AS 15.13.045

2 AAC 50.380. EARLY CAMPAIGNING. (a) An individual wishing to campaign for municipal elective office shall comply with AS 15.13.100 by providing written notification to the commission of his or her candidacy only if the filing period has not yet opened. An individual wishing to campaign for state elective office shall comply with AS 15.13.100 by filing a declaration of candidacy with the lieutenant governor or a letter of intent with the commission.

(b) A letter of intent filed under (a) of this section is valid only for the next election or until it is withdrawn by the individual, whichever occurs first. A letter of intent must include a statement certifying that the individual will comply with the requirements of AS 15.13 although he or she has not satisfied the filing requirements as a candidate. A letter of intent need not include the specific seat for which the individual may file. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.100

2 AAC 50.385. REPORTING BY ORGANIZATIONS AND BUSINESS OR TRADE ASSOCIATIONS. Repealed 1/4/86.

2 AAC 50.390. CIVIL PENALTY ASSESSMENTS FOR THE LATE FILING OF A CAMPAIGN DISCLOSURE REPORT. (a) A report required to be filed within the time required by AS 15.13.110(a) and (b) is delinquent if not received, in accordance with 2 AAC 50.310, on or before the due date.

(b) The report continues to be delinquent and subject to a civil penalty until received.

(c) Commission staff will send notice to each candidate or group of his or its delinquency under AS 15.13.110(a) within five working days after the due date of the report.

(d) Upon receipt of a delinquent campaign disclosure report of contributions received by a candidate or a group, commission staff will

(1) calculate the initial civil penalty, for each day of delinquency, as follows:

(A) \$10 a day for each 30-day report or 10-day report;

(B) \$10 a day for each year-end report received after January 16;

(C) \$50 a day for each 7-day report; and

(D) \$50 a day up to a maximum of \$300 for each 24-hour report;

(2) send notice of the civil penalty assessed against the candidate or group within five working days after receipt of a delinquent report, or in the case of non-receipt of a report required by AS 15.13.110(b), within 15 working days after receiving the information, and include

(A) a statement of the amount of the assessment; and

(B) an affidavit appeal form.

(e) A candidate or group subject to a civil penalty assessment may

(1) submit, within 30 days after receipt of the assessment notice described in (d)(2) of this section, an affidavit stating reasons for the late filing to show why a civil penalty should not be assessed: an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to

administer oaths or, if none of the preceding alternatives is available, may be signed by the official without benefit of the oath so long as the official states in writing, that the affidavit is signed under penalty of perjury: or

(2) pay, within 30 days after receipt of the assessment notice described in (d)(2) of this section, the civil penalty assessed.

(f) If a candidate or group subject to a civil penalty assessment for the late filing of a campaign disclosure report refuses, or fails, within the time required, to submit an affidavit or make payment, then commission staff will refer the matter to the attorney general for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(g) An affidavit timely filed with the commission will be considered at the next regular meeting of the commission. If a candidate or group's appeal is

(1) denied by the commission, commission staff will notify the candidate or group of its decision within 15 days, and require that the civil penalty originally assessed be paid within 30 days after the date of the letter containing notification of the commission's decision: or

(2) accepted by the commission, commission staff will notify the candidate or group of its decision within 15 days, informing him or it that the civil penalty assessment has been waived and that the matter is considered closed: or

(3) accepted, in part, by the commission, commission staff will notify the candidate or group of its decision within 15 days, and require that the reduced civil penalty assessment be paid within 30 days after the date of the letter containing notification of the commission's decision.

(h) A candidate or group may appeal the commission's decision to deny or partially accept reasons for lateness to the superior court within 30 days after his receipt of the notice under Rule 45 of the Appellate Rules of the Alaska Court System. If no appeal is made within 30

days and no payment is made, the matter will be referred to the attorney general for appropriate action.

(i) If, upon review of a report required by AS 15.13.110(a), (b), or (e), the commission's staff finds substantial or continuous noncompliance with AS 15.13 or any provision of this chapter, or with requests by staff for information required to be reported under this chapter, the matter must be brought to the commission for review. The commission will, in its discretion, reduce or waive any initial civil penalty, uphold any initial civil penalty, increase the amount of any initial civil penalty to an amount not exceeding the maximum amount established in AS 15.13.125, or instruct its staff to begin preliminary investigation into the matter. Where no initial civil penalty has been assessed, the commission will, in its discretion, assess a civil penalty up to the maximum amount established in AS 15.13.125 if the candidate or group in question does not comply. (Eff. 7/22/78, Reg. 67: am 5/14/80, Reg. 74: am 5/24/81, Reg. 78: am 10/18/81, Reg. 80: am 6/29/84, Reg. 90: am 1/4/86, Reg. 97)

Authority: AS 15.13.010
AS 15.13.030(10)
AS 15.13.125

2 AAC 50.395. REPORTING BY A BUSINESS ENTITY OR LABOR ORGANIZATION. Repealed 1/4/86.

2 AAC 50.397. REPORTING BY PERSONS OUTSIDE THE STATE. Persons residing outside the State of Alaska are subject to the same reporting requirements, restrictions, and responsibilities under AS 15.13 as those placed upon persons residing within the state. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10)

2 AAC 50.400. DISBURSEMENT OF A SURPLUS BALANCE IN A CAMPAIGN ACCOUNT. (a) The disbursement of a surplus balance of a candidate or group's campaign account must be reported to the commission within 10 days after final disposition of the balance.

(b) A candidate disbursing the surplus balance in his campaign account may

- (1) give the money to charity;
- (2) repay his contributors;
- (3) repay himself, if he made contributions to his own campaign;
- (4) take, as income, any money which exceeds the amount which he personally contributed to his campaign;

(5) leave the money in a campaign account until the next time he campaigns for elective office; however, any interest realized from a surplus in a campaign account must remain in the account and be reported on the first report required of him when he is again a candidate for elective office;

(6) contribute the money to another candidate or a group controlled by a candidate, not to exceed the \$1,000 limitation, or to a political party or group supporting a ballot proposition or question; or

(7) transfer the money to his office allowance fund.

(c) A group disbursing the surplus balance in its campaign account may

- (1) give the money to charity; or
- (2) repay its contributors; or

(3) leave the money in a campaign account until the following election, if the group plans to remain active; however, any interest realized from a surplus in a campaign account must remain in the account and be reported on the first report required of the group when it is again active in an election; or

(4) contribute the money to a candidate or a group controlled by a candidate, subject to the \$1,000 limitation and other prohibitions under AS 15.13 and 2 AAC 50, or to a political party or group supporting a ballot proposition or question.

(d) Any candidate or group wishing to disburse the surplus balance in a campaign account in a manner not described in (b) or (c) of this

section may request commission review and approval of the manner in which he or it wishes to disburse the surplus. (Eff. 7/22/78, Reg. 67: am 10/18/81, Reg. 80)

Authority: AS 15.13.030(10)

2 AAC 50.401. POST-ELECTION FUND-RAISING BY CANDIDATES AND CONTROLLED GROUPS. (a) A candidate or a candidate-controlled group may make post-election expenditures for the purpose of raising money to discharge a debt from a prior campaign, in accordance with (c) of this section.

(b) Absent a debt arising from a prior campaign, a candidate may not spend money for the purpose of seeking public office unless the individual is in compliance with AS 15.13.100, the early campaigning provisions of 2 AAC 50.380, or an advisory opinion issued under (c) of this section and 2 AAC 50.905.

(c) A candidate who is in debt from a prior campaign and who has not complied with either AS 15.13.100 or 2 AAC 50.380 by December 31st of the year after the election, shall request an advisory opinion under 2 AAC 50.905 concerning the applicability of AS 15.13.100 to further expenditures to pay off the debt. Absent an advisory opinion request, the commission staff may commence a preliminary investigation to review the applicability of AS 15.13.100 to expenditures by the candidate.

(d) A debt arising from a prior campaign includes

(1) a candidate's personal contributions made before the date of the prior election;

(2) campaign debts to others that were reported on a 10-day post-election campaign disclosure statement;

(3) post-election expenditures made for the purpose of discharging a debt arising from a prior campaign; and

(4) the costs reasonably associated with winding up the affairs of the prior campaign, including social events held immediately after the election for the benefit of campaign workers

or volunteers, communications of acknowledgment, and legal and accounting fees reasonably incurred to comply with AS 15.13 and 2 AAC 50.310 - 2 AAC 50.405. (Eff. 1/4/86, Reg. 97)
Authority: AS 15.13.030(10) AS 15.13.100
AS 15.13.040 AS 15.13.110
AS 15.13.070 AS 15.13.130

2 AAC 50.405. DEFINITIONS FOR 2 AAC 50.310 - 2 AAC 50.405 AND AS 15.13. In 2 AAC 50.310 - 2 AAC 50.405 and in AS 15.13

(1) "business entity" means a sole proprietorship, partnership, corporation or professional corporation, company, firm, business trust, or any other business entity or a combination of these:

(2) "draft group" means a group of two or more persons organized for the purpose of drafting one or more individuals to run for elective office by becoming a candidate as defined in AS 15.13.130(1):

(3) "labor organization" means a local, national, or international union, or labor council, or any other labor organization recognized under state or federal law:

(4) repealed 1/4/86.
(Eff. 7/22/78, Reg. 67; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.130

ARTICLE 3.
CAMPAIGN DISCLOSURE AND
REGULATION OF LOBBYING
COMPLAINTS AND INVESTIGATIONS

Section

- 450. Complaints
- 460. Preliminary investigation
- 470. Hearings

2 AAC 50.450. COMPLAINTS. (a) A complaint filed with the commission must be in writing and must contain the following:

(1) the full name and mailing address of the person making the complaint;

(2) the name of the person or group alleged to be in violation;

(3) allegations of specific facts which, if true, would constitute

(A) a violation of AS 15.13 or of a provision of 2 AAC 50.310 - 2 AAC 50.405; or

(B) a violation of AS 24.45 or of a provision of 2 AAC 50.505 - 2 AAC 50.545;

(C) a violation of AS 39.50 or of a provision of 2 AAC 50.010 - 2 AAC 50.200;

(4) the basis of the complainant's knowledge of the alleged facts, differentiating between statements made upon personal knowledge and those made upon other sources of information and belief;

(5) any documentation, relevant to the facts alleged, which is available to the complainant.

(b) The complaint shall be signed by the complainant and the signature shall be verified by a notary public, municipal clerk, court clerk, postmaster, or any person authorized to administer oaths. Notarial service will be provided by the commission without cost.

(c) Upon receipt of a complaint properly filed and sworn, the commission staff shall promptly

(1) acknowledge receipt to the complainant; and

(2) determine whether the complaint sets out facts which, if true, would constitute a violation of law.

(d) If the staff determines that a complaint does not set out facts which, if true, would constitute a violation of the law, it shall promptly inform the complainant, inform the respondent, and close the file. Following a determination under the subsection:

(1) the staff, upon request of the respondent, shall furnish a copy of all of the information in its file on the complaint to the respondent;

(2) the complainant may request that the commission review the staff's determination: the review will be conducted in closed session: following the review, the commission will, by majority vote

(A) uphold the staff's determination and close the matter: or

(B) determine that the complaint is sufficient on its face, and it will be handled under (e) of this section.

(e) If the staff or the commission under (d)(2)(B) of this section determines that a complaint sets out facts which, if true, would constitute a violation of the law, the staff will

(1) notify the complainant:

(2) notify the respondent, providing a copy of the complaint, any accompanying documents, and a copy of the commission's investigative and hearing procedures:

(3) inform the commission that a complaint has been filed, providing a copy of the complaint and any accompanying documents; and

(4) begin a preliminary investigation.

(f) A person against whom a complaint is filed may file an answer. The answer must

(1) specifically admit or deny all material allegations of the complaint:

(2) state any defenses expected to be raised by the respondent;

(3) include any relevant documentation in the possession of the respondent; and

(4) be a signed and sworn statement. (Eff. 5/16/76, Reg. 58; am 12/29/77, Reg. 64; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(8) AS 24.45.021(b)
AS 15.13.030(10) AS 24.45.131
AS 15.13.045 AS 39.50.050(b)
AS 15.13.120(d)

(1) a properly filed and sworn complaint has been found to be sufficient: or

(2) information has been obtained by the commission or staff in the normal course of business which, if true, would constitute a violation of the law.

(b) When the staff initiates an investigation based on (a)(2) of this section, it shall set out in writing the facts, information, and law involved, along with documentation, and process this material in accordance with 2 AAC 50.450(e).

(c) In conducting a preliminary investigation, the staff may use any of the methods set out in AS 15.13.045. It may also

(1) request written and sworn statements from any party, witness, or other person which are relevant to the investigation; and

(2) use the services of the Alaska State Troopers or private investigators to secure factual information pertinent to the investigation.

(d) Upon completion of a preliminary investigation, the staff shall provide a written summary of the investigation to the commission at the next regularly scheduled meeting, or at a special meeting. The summary must include a staff recommendation for dismissal, for continued investigation, that the matter be addressed in a hearing, or that civil penalties be assessed subject to appeal as provided in 2 AAC 50.110(e), 2 AAC 50.135(f), 2 AAC 50.390(e), or 2 AAC 50.507(e). Notice of the meeting and a copy of the summary must be provided to the respondent and complainant in advance of the meeting. The decision of the commission with respect to the findings of the preliminary investigation will be sent by certified mail to the complainant and respondent. (Eff. 5/16/76, Reg. 58; am 12/29/77, Reg. 64; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(8) AS 18.65.090
AS 15.13.030(10) AS 24.45.021(b)
AS 15.13.045(a) AS 24.45.131
AS 15.13.120(d) AS 39.50.050(b)

2 AAC 50.460. PRELIMINARY INVESTIGATION. (a) The commission staff shall undertake a preliminary investigation if

2 AAC 50.470. HEARINGS. (a) If the commission decides that a hearing will be held, notice of hearing will be sent to the respondent by personal service or by certified mail, return receipt requested. If the respondent cannot be found after diligent effort, service will be made by publishing notice of the hearing in a newspaper of general circulation once a week for four weeks, the final notice appearing at least 30 days before the hearing.

(b) Notice of a hearing must be provided to all parties at least 30 days before a hearing. The time and place of the hearing will be set with due regard and consideration for the convenience of the parties, and the commission will consider a party's request for a change in the time or place of a hearing. The commission will, in its discretion, for any good cause and upon proper notice, change the time and place of a hearing.

(c) Repealed 1/4/86.

(d) The commission staff is responsible for presenting the facts, verified by investigation, which it has determined appear to constitute a violation of the law. In the course of the hearing, the staff will be given no special consideration, but will be considered as a party to the hearing.

(e) The only parties to the hearing will be the staff, representing the complainant or itself, and the respondent.

(f) A party has the right to present evidence and be represented by an attorney. Entities may be represented by an official within the entity, an authorized agent, counsel, or a combination of these.

(g) The rules of evidence are in AS 44.62.460. In addition

(1) documentary evidence may be presented in the form of copies if the original is not readily available: upon request, the parties will be given the opportunity to compare the copy to the original;

(2) in the discretion of the hearing officer, nonparties may present a sworn statement; if

such a statement is presented, all parties will be given an opportunity to challenge, cross-examine, or rebut;

(3) depositions or affidavits may be presented if a witness is unable to testify at a hearing.

(h) Repealed 1/4/86.

(i) Depositions must be taken according to AS 44.62.440(a).

(j) Before the hearing, upon request during regular business hours, the respondent will have access to read or copy at cost any information contained in the case file held by the staff, with the exception of internal memos and documents privileged under the attorney-client privilege.

(k) At the discretion of the hearing officer, all or part of the hearing may be conducted by telephone, audio or video teleconferencing, or other electronic means, provided the parties have an opportunity to participate in the hearing while it is taking place.

(l) The hearing will be recorded by tape recording or stenographic notes at the commission's expense. The recording will be maintained with the public file of the proceedings. The commission will not prepare a transcript unless such a requirement is imposed by law. If the hearing is open, and at the commission's discretion, any person may pay for additional recordings or for a transcript from the commission's recording. If a transcript is prepared by the commission, the respondent may have access to it for the purpose of duplication.

(m) A hearing will be open to the public except when the respondent requests a closed hearing and the hearing officer finds that it should be closed under AS 44.62.310. If the hearing is open but is conducted by telephone, audio or video teleconferencing, or other electronic means, the public notice will designate at least one public access place.

(n) Repealed 1/4/86.

(o) Repealed 1/4/86.

(p) Repealed 1/4/86.

(q) If the commission decides to forward a case to the attorney general's office for prosecution, the staff shall prepare and send to the attorney general's office a record comprised of

(1) a copy of the commission's hearing decision, including its findings of fact and conclusions of law;

(2) a verbatim transcript of the proceedings before the commission; and

(3) copies of all documentary evidence, memoranda, exhibits, correspondence, and other tangible evidence contained in the public file of the proceeding.

(r) The commission will, in its discretion, reconsider its decision in accordance with AS 44.62.540. A request for reconsideration must be filed within 10 days after the vote under (o) of this section has been taken, and must state specific grounds upon which reconsideration is requested. A decision will be reconsidered only if

(1) there was a substantial procedural error in the original proceeding;

(2) the commission acted without jurisdiction in the original proceeding;

(3) the original vote was based on fraud, misrepresentation, material mistake of fact or law; or

(4) new evidence has come to light.

(s) Contempt before the commission will be handled under AS 44.62.590.

(t) A commission member is disqualified from participation in a hearing if the member has a substantial financial relationship with the complainant or with the alleged violator. A commission member is disqualified from participation in a hearing if the member feels, and states on the public record, that he or she is unable to consider the complaint in an unbiased manner and reach a fair and impartial decision.

(u) A commission member has a conflict of interest if the member, a person in the member's immediate family, the member's employer, business, or business associate has a financial relationship with the complainant or the alleged violator or with an immediate family member, business, or business associate of the complainant or alleged violator. The commission member shall state publicly the nature of the conflict and a majority of the remaining members present may authorize the member to participate. Other relationships with the principals of the hearing, which may cause an appearance of impropriety or conflict, must be publicly disclosed by a member, and the member's participation is subject to approval by the majority of the remaining members present. In conflict cases, approval to participate will depend upon whether

(1) the financial relationship or interest is relatively insignificant; and

(2) the interest held by the member or the member's family, business, or business associate is similar to that possessed by a large class of persons; or

(3) the nonfinancial relationship is such that a reasonable person would believe the member capable of fair and impartial judgment. (Eff. 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(8) AS 24.45.021(b)
AS 15.13.030(10) AS 24.45.131
AS 15.13.045 AS 39.50.050(b)
AS 15.13.120(d)

**ARTICLE 4.
REGULATION OF LOBBYING**

Section

- 505. Filing
- 507. Civil penalty assessments
- 510. (Repealed)
- 511. Registering and reporting by a representational lobbyist and his employer
- 512. Filing a zero report
- 513. Agency enforcement of administrative lobbying activities
- 515. Registering and reporting by a business entity retained to lobby
- 520. Registering and reporting by the employer retaining a business entity as a lobbyist
- 525. Associations as employers of lobbyists
- 530. Reporting on the accrual basis by the lobbyist
- 535. (Repealed)
- 536. Reporting on the accrual basis by the employer of lobbyist
- 540. Reporting compensation or payments by the employer of lobbyist
- 542. Gifts and exchanges
- 545. Definitions for 2 AAC 50.505-2 AAC 50.545

2 AAC 50.505. **FILING.** The timely filing for registering and reporting may be accomplished in one of two ways: either hand-carried to the commission's office on or before the due date, or placed in the mail so that it is postmarked on or before the due date. The date shown by the postmark is presumed to be the date it was deposited in the United States mail. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b) AS 24.45.061
AS 24.45.041 AS 24.45.081
AS 24.45.051

2 AAC 50.507. **CIVIL PENALTY ASSESSMENTS.** (a) A report required to be filed within the time required by AS 24.45.041, 24.45.051, 24.45.061, and 24.45.081 is delinquent if not received on or before the due date.

(b) The report continues to be delinquent and subject to a civil penalty until received.

(c) Commission staff will notify each lobbyist or employer of a lobbyist of his or her de-

linquency within 10 days after the due date of the report. If a report is more than 30 days delinquent, the commission will automatically assess a civil penalty of \$135 and forward the name of that lobbyist or employer of lobbyist to the attorney general for failure to comply with the reporting requirements of AS 24.45 if the report is not received within 15 days of the date of the civil penalty assessment.

(d) Upon receipt of a delinquent report, commission staff will, unless the maximum civil penalty has already been assessed as described in (c) of this section

(1) calculate the initial civil penalty, as follows:

(A) \$1 a day from the first through the 10th day of delinquency;

(B) \$5 a day from the 11th through the 25th day of delinquency; and

(C) \$10 a day from the 26th through the 30th day of delinquency;

(2) within five days after receipt of a delinquent report, send a notice of the civil penalty assessed against the lobbyist or employer of a lobbyist, and include

(A) a statement of the amount of the assessment; and

(B) an affidavit appeal form.

(e) A lobbyist or employer of a lobbyist subject to a civil penalty assessment may

(1) submit, within 30 days after receipt of the assessment notice described in (c) or (d)(2) of this section, an affidavit stating reasons for the late filing to show why a civil penalty should not be assessed; an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to administer oaths or, if none of the preceding alternatives is available, may be signed by the

official without benefit of the oath so long as the official states, in writing, that the affidavit is signed under penalty for perjury; or

(2) pay, within 30 days after receipt of the assessment notice described in (c) or (d)(2) of this section, the civil penalty assessed.

(f) If a lobbyist or employer of a lobbyist subject to a civil penalty assessment for the late filing of a report refuses, or fails, within the time required, to submit an affidavit or make payment, then commission staff will refer the matter to the attorney general for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(g) An affidavit filed with the commission will be considered at the next regular meeting of the commission. If a lobbyist's or employer of a lobbyist's appeal is

(1) denied by the commission, commission staff will notify the lobbyist or employer of a lobbyist of its decision within 15 days, and require that the civil penalty originally assessed be paid within 30 days after the date of the letter containing notification of the commission's decision; or

(2) accepted by the commission, commission staff will notify the lobbyist or employer of a lobbyist of its decision within 15 days, informing him or it that the civil penalty assessment has been waived and that the matter is considered closed; or

(3) accepted, in part, by the commission, commission staff will notify the lobbyist or employer of lobbyist of its decision within 15 days, and require that the reduced civil penalty assessment be paid within 30 days after the date of the letter containing notification of the commission's decision.

(h) a lobbyist or employer of a lobbyist may appeal the commission's decision to deny or partially accept his reasons for lateness to the superior court within 30 days after his receipt of the notice under Rule 45 of the Appellate Rules of the Alaska Court System. If no appeal is made within 30 days and no payment is made, the matter will be referred to the attorney general for appropriate action.

(i) If, upon review of a report or registration, the commission's staff finds substantial or continuous noncompliance with AS 24.45 or a provision of this chapter, the matter must be brought to the commission for review. The commission, will, in its discretion, reduce or waive

the initial civil penalty, uphold the initial civil penalty, increase the amount of the initial civil penalty to an amount not exceeding the maximum in AS 24.45.141, or instruct its staff to begin a preliminary investigation into the matter. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 5/24/81, Reg. 78)

Authority: AS 24.45.021(b)
AS 24.45.041
AS 24.45.051
AS 24.45.061
AS 24.45.081
AS 24.45.131(a)(1)
AS 24.45.141

2 AAC 50.510. PERSONS EXEMPT FROM REGISTERING AND REPORTING AS A LOBBYIST. Repealed 4/28/79.

2 AAC 50.511. REGISTERING AND REPORTING BY A REPRESENTATIONAL LOBBYIST AND HIS EMPLOYER. (a) An individual who attempts to influence legislative or administrative action, and receives only reimbursement for his travel and personal living expenses, is considered a representational lobbyist. "Representational lobbyist" means that the individual is not employed by the person or group on whose behalf he is lobbying and receives no salary, fee, retainer, or any economic consideration whatsoever, other than reimbursement of travel and personal living expenses, for his services as a lobbyist. A representational lobbyist need not submit reports pursuant to AS 24.45.051, but must register his representation on a form prescribed by the commission. "Personal living expenses" is considered to be an amount equal to the per diem currently allowed by the Administrative Manual of the State of Alaska. "Travel" means the cost of traveling to the capital city or the location of official proceedings of standing, interim, or special legislative or administrative committees or agencies.

(b) The person or group which reimburses a representational lobbyist for his expenses must register and report as the employer of a lobbyist in accordance with the requirements of AS 24.45.061 and 2 AAC 50. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10) AS 24.45.061
AS 24.45.021(b) AS 24.45.171(8)
AS 24.45.031(a)(1)

2 AAC 50.512. FILING A ZERO REPORT. Each lobbyist or employer of a lobbyist required to file a report of his or her activities in accordance with AS 24.45 and this chapter shall report in accordance with the reporting periods set forth in AS 24.45.081, regardless of the amount of the expenditures made or payments received, for so long as the lobbyist or the employer of a lobbyist remains registered. In the absence of any reportable lobbying activity during a reporting period, a lobbyist or the employer of a lobbyist shall certify that no expenditures were made or payments received by submitting a zero report for that period. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10) AS 24.45.061
AS 24.45.021(b) AS 24.45.081
AS 24.45.051

2 AAC 50.513. AGENCY ENFORCEMENT OF ADMINISTRATIVE LOBBYING ACTIVITIES. For the purpose of enforcing AS 24.45.171(1) and 2 AAC 50, reportable administrative lobbying does not include those attempts to influence

(1) a proceeding or action to determine the rights or duties of a person under existing laws, regulations, or policies;

(2) a proceeding involving the issuance, amendment, or revocation of a permit, license, or entitlement for use;

(3) a proceeding or action to enforce compliance with existing law or to impose sanctions for violations of existing law;

(4) a proceeding at which an action is taken involving the purchase or sale of property, goods, or services by the agency;

(5) a proceeding at which an action is taken awarding a grant or contract;

(6) a proceeding or action involving the issuance of, or ensuring compliance with, a legal opinion; and

(7) a proceeding or action to establish or enforce the terms and conditions of a collective

bargaining agreement. (Eff. 4/28/79, Reg. 70; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 24.45.021(b)
AS 24.45.171(1)

2 AAC 50.515. REGISTERING AND REPORTING BY A BUSINESS ENTITY RETAINED TO LOBBY. (a) A firm, corporation, or other business entity which is retained for the purpose of influencing legislative or administrative action shall register as required by AS 24.45.041, on a form prescribed by the commission, stating the name of the business entity and, in addition, the names of any members, employees, or agents of the business entity who will be assigned to lobby by the business entity on behalf of the employer.

(b) A business entity as described in (a) of this section shall report on a form prescribed by the commission and need only report in the aggregate the information required by AS 24.45.051 for all members, employees, or agents assigned to lobby by the business entity on behalf of the employer. The individual members, employees, or agents of the business entity who have been assigned to lobby need not file separate reports with the commission. However, individual records must be maintained for each member, employee or agent assigned to lobby by the business entity and must be available to the commission upon request. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.041
AS 24.45.051

2 AAC 50.520. REGISTERING AND REPORTING BY THE EMPLOYER RETAINING A BUSINESS ENTITY AS A LOBBYIST. (a) Any person retaining a firm, corporation, or other business entity as a lobbyist for the purpose of influencing legislative or administrative action shall file a statement as required by AS 24.45.061(a), on a form prescribed by the commission, stating the name of the business entity retained to lobby and, in addition, the names of those members, employees, or agents of the business entity who will be assigned to lobby on behalf of the employer.

(b) An employer of a lobbyist as described in (a) of this section shall report on a form prescribed by the commission the information required by AS 24.45.061(b). The employer need file only one report covering all lobbying activities for the business entity retained and need not file a separate report for each of the members, employees, or agents assigned to lobby by the business entity on behalf of the employer. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.061

2 AAC 50.525. ASSOCIATIONS AS EMPLOYERS OF LOBBYISTS. (a) When a lobbyist is employed by a bona fide association, including any bona fide business, trade union, or membership organization, association or society, that association is an employer of lobbyist. The members of the association are not employers of that lobbyist under AS 24.45.061(a) merely because of that membership and the names of the members need not be reported.

(b) Dues or similar payments made by any person for membership in a bona fide association, including any bona fide business, trade union, or membership organization, association or society, some portion of which is used to influence legislative or administrative action, need not be included for the purpose of determining whether a person must file reports pursuant to AS 24.45.061(b).

(c) For purposes of (a) and (b) of this section, "bona fide association," including any bona fide business, trade union, or membership organization, association or society, means

(1) an association certified by an officer of the association as having legal status as a corporation or partnership;

(2) an association certified by an officer of the association as operating on the dues of its members, with no one member paying in excess of 25 percent of the total paid by all members;

(3) an association certified by an officer of the association as operating on the dues of its members, having a sliding dues-assessment scale under which no member exceeds an allotted assessment by 25 percent solely for the purpose of supporting lobbying activities, unless

that member's name is reported to the commission; or

(4) an association certified by an officer of the association as having annual expenditures for administrative and legislative lobbying, as based on the previous year's experience or current year's estimate, which do not equal or exceed 50 percent of its total expenditures for the year.

(d) The commission will in its discretion determine, on a case-by-case basis, the reporting requirements and procedures pursuant to AS 24.45 for those associations not qualifying for the exemptions under (a) and (b) of this section. (Eff. 12/29/77, Reg. 64; am 10/18/81, Reg. 80)

Authority: AS 24.45.021(b) AS 24.45.071
AS 24.45.061 AS 24.45.131

2 AAC 50.530. REPORTING ON THE ACCRUAL BASIS BY THE LOBBYIST. For the purposes of filing reports required by AS 24.45.051, the lobbyist shall report all costs incurred and income earned during the reporting period, whether or not actual cash payments and receipts have been made or received. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.051

2 AAC 50.535. REPORTING ON A CASH BASIS BY THE EMPLOYER OF LOBBYIST. Repealed 2/22/79.

2 AAC 50.536. REPORTING ON THE ACCRUAL BASIS BY THE EMPLOYER OF LOBBYIST. For the purpose of filing reports as required by AS 24.45.061(b), the employer shall report the date and amount of all payments made, or costs incurred, for the purpose of influencing legislative or administrative action during a reporting period. When reporting food and beverage on the accrual basis, it is not necessary to list the date and amount of each item charged to the employer. In such instances, the amount of payments made or incurred by the employer to each vendor during the reporting period must be listed in the aggregate. (Eff. 2/22/79, Reg. 69)

Authority: AS 15.13.030(10)
AS 24.45.021(b)
AS 24.45.061(b)
AS 24.45.171(9)

2 AAC 50.540. REPORTING COMPENSATION OR PAYMENTS BY THE EMPLOYER OF LOBBYIST. When reporting compensation to a lobbyist or payment to an employee, as required by AS 24.45.171(10)(A), (B), (D) and (E), the amount shown must include the gross wages paid or payable, and prorated as applicable, plus any benefits which are in place of wages, such as stock options or the purchase of annuities. Routine fringe benefits such as the employer's contribution to health plans, retirement plans, etc., which are made on behalf of all employees and the payment of employer's payroll taxes, are not payments to influence legislative or administrative action and are not reportable. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)

AS 24.45.061(b)(3) and (6)

AS 24.45.171(10)(A),(B),(D)
and (E)

2 AAC 50.542. GIFTS AND EXCHANGES. "Gifts" and "exchanges," as used in AS 24.45.051(3) and (4), and for the purposes of AS 24.45 and 2 AAC 50, are not reportable by the lobbyist under AS 24.45.051 if the gift or exchange of an item of value is between members of the immediate family of the lobbyist. (Eff. 7/22/78, Reg. 67)

Authority: AS 24.45.021(b)

2 AAC 50.545. DEFINITIONS FOR 2 AAC 50.505 - 2 AAC 50.545. (a) In 2 AAC 50.505 - 2 AAC 50.545

(1) "person," in addition to the terms set out in AS 01.10.060(7), includes a labor union;

(2) "public official" means a public official as defined in AS 39.50.200(1), however, it does not include a judicial officer or an elected or appointed municipal officer.

(b) "Administrative action," as defined in AS 24.45.171(1), does not include normal inquiries of administrative agencies, or routine actions made necessary by law, or the actions of a person who limits his lobbying activities to appearances before any public proceeding of a regulatory or administrative agency which conducts proceedings in open public hearing for which public notice is given and which creates a record of all proceedings and provides access to the public records or transcripts and to all

material which is submitted as part of the record.

(c) "Communicate directly," as used in AS 24.45.171(8)(A), means to talk, either in person or by telephone, with any public official or legislative employee; it does not include time spent in the research, drafting, preparation, or adaptation of documents for use by the lobbyist.

(d) "Legislative action," as defined in AS 24.45.171(7), includes the actions of an "employee of the legislature acting in his official capacity," and any attempt to influence legislative action includes not only the elected official, but an employee of the legislature as well; money and time spent on lobbying activities involving a legislative employee is reportable by the lobbyist as required by AS 24.45.051 and the employer of a lobbyist as required by AS 24.45.061(b) and by this chapter. "Legislative employee" means any employee of the legislature acting in his "official capacity," as that term is used in AS 24.45.171(7).

(e) "Payments in support of or assistance to a lobbyist or his activities," as used in AS 24.45.171(10)(B), includes direct costs and expenses incurred by the employer in the current research, drafting, preparation and adaptation of documents for use by the lobbyist for the purpose of influencing legislative or administrative action.

(f) "Substantial or regular," as used in AS 24.45.171(8)(A), means that a person who is not employed specifically for the purpose of influencing legislative or administrative action, or a person whose contractual services are not specifically for the purpose of influencing legislative or administrative action, is considered to be a lobbyist if, within a 30-day period, he spends in excess of four hours in direct communication with a public official or legislative employee in activities directed toward

influencing legislative or administrative action as defined in AS 24.45.171(1), (6), (7) and this chapter; when a person becomes a lobbyist upon meeting the tests of this section, he must register in accordance with AS 24.45.041 and must report in accordance with AS 24.45.051 and 2 AAC 50. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.041
AS 24.45.051
AS 24.45.061(b)
AS 24.45.171(1),(6),(7),(8)(A),
(10)(B),(11) and (12)

**ARTICLE 5.
GENERAL PROVISIONS**

Section

- 905. Advisory opinions
- 910. Availability of reports filed with the commission
- 920. Definitions

2 AAC 50.905. ADVISORY OPINIONS. (a) A person or group may request an advisory opinion concerning AS 15.13, AS 39.50, AS 24.45, or this chapter.

(b) Each advisory opinion request must describe a specific transaction or activity that the requesting person or group is presently engaged in, or intends to undertake in the future. Advisory opinion requests must include a complete description of all relevant facts. Requests posing a hypothetical situation, or regarding the activities of third parties, will not be considered by the commission staff.

(c) The commission staff shall review all requests for advisory opinions submitted under this section. If the staff determines a request is incomplete or does not qualify for consideration under (a) and (b) of this section, it shall notify the requesting person or group and specify the deficiencies in the request.

(d) Advisory opinion requests and advisory opinions are public records.

(e) The commission staff shall issue a proposed advisory opinion approving or disapproving of the activity, and may make other recommendations to the commission.

(f) The commission will review the proposed advisory opinion and will, in its discretion, review written or oral comments by any person, or any other relevant evidence. The commission will approve, disapprove, or modify the proposed advisory opinion. The commission will approve an advisory opinion by the affirmative vote of at least four members, or else the advisory opinion will be considered disapproved.

(g) An advisory opinion rendered by the commission may be relied upon to the extent that commission staff may not commence a preliminary investigation under 2 AAC 50.390(i), 2 AAC 50.460, or 2 AAC 50.507(i) of

(1) any person involved in the specific transaction or activity with respect to which an advisory opinion approving of the activity was rendered.

(2) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which an advisory opinion was rendered.

(h) The commission will, in its discretion, reconsider an advisory opinion at any time upon the motion of a commissioner who voted with the majority that originally approved the opinion, and if the commission adopts the motion to reconsider by the affirmative vote of at least four members. Adoption of a motion to reconsider vacates the advisory opinion to which it relates. Actions taken in good faith reliance by the requesting party before they receive written notice of reconsideration may not be the subject of a preliminary investigation under 2 AAC 50.390(i), 2 AAC 50.460, or 2 AAC 50.507(i). (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030

2 AAC 50.910. AVAILABILITY OF REPORTS FILED WITH THE COMMISSION. Except as provided under 2 AAC 50.351(d), copies of any report required to be filed with the commission may be obtained at cost. (Eff. 5/16/76, Reg. 58; am 1/4/86, Reg. 97)
 Authority: AS 15.13.030(10) AS 39.50.020(b)
 AS 15.13.040(f) AS 39.50.050(c)
 AS 15.13.110(c)

2 AAC 50.920. DEFINITIONS. In this chapter, "commission" means the Alaska Public Offices Commission. (Eff. 5/16/76, Reg. 58)
 Authority: AS 15.13.020(a)
 AS 15.13.030(10)

**CHAPTER 55.
PUBLIC BROADCASTING COMMISSION**

Editor's Note: In light of the Executive Order No. 50 (1981) relocation of the Alaska Public Broadcasting Commission from the Department of Education to the Department of Administration, the commission's regulations have been relocated from 4 AAC 63 to 2 AAC 55, as of Register 1 (January 1983). The history notes under each section in the new location carry forward the history from the old location.

Section

- 10. Commission goals
- 20. Financial support
- 30. Qualified corporations
- 40. Requirements of qualified corporations
- 50. Noncompliance
- 60. Requirements for institutional licensees to receive financial support
- 70. Commission designee
- 80. Definitions

2 AAC 55.010. COMMISSION GOALS. The goals of the commission are to

(1) assist in the establishment and support of public broadcasting facilities in the state in order to provide the people of Alaska with the opportunity to

(A) make informed decisions as participants in local, state, and national governments;

(B) understand complex issues in both the private and public sectors;

(C) further their general education, welfare, health, safety, cultural enrichment, and entertainment;

(D) understand in detail the problems, needs, and strengths of their local communities and encourage them to participate in solving those problems, meeting those needs, and celebrating those strengths; and

(E) have access to public broadcast media.

(2) provide Alaskans with the goals and objectives of public broadcasting as defined in the Public Broadcasting Act of 1967 (47 USC § 396) and the Carnegie Commission Report. (Eff.

9/1/73, Reg. 47; am 6/24/79, Reg. 70; am 7/10/83, Reg. 87)

Authority: AS 44.21.264
AS 44.21.266
AS 44.21.268

2 AAC 55.020. FINANCIAL SUPPORT. The commission will, in its discretion, make grants of funds and property to nonprofit corporations which use the funds or property to establish and operate public broadcasting stations in accordance with the provisions of this chapter, and with the understanding that all property purchased with commission-granted money reverts to the commission if the nonprofit corporation is dissolved, or if the broadcast facility declares a surplus. (Eff. 9/1/73, Reg. 47; am 6/24/79, Reg. 70)

Authority: AS 44.21.264
AS 44.21.266

2 AAC 55.030. QUALIFIED CORPORATIONS. A corporation is qualified to receive funds and properties from the commission and to establish and operate public broadcasting facilities in this state if

(1) the corporation is organized as a nonprofit organization under AS 10.20 and is qualified as tax exempt by the United States Internal Revenue Service; and

(2) the corporation's articles of incorporation provide for

(A) a board of directors consisting of a minimum of five members representative of the geographic area and population served by the facility;

(B) a plan for rotation of membership on the board of directors among the people served by the facility;

(C) an agent of the commission to be a nonvoting, ex-officio member of the board of directors;

(D) all meetings of the board of directors to be open to the public;

(E) the giving of reasonable notice to the public of board of directors meetings;

(F) board of directors meetings to be held at least quarterly on a specified day of specified months;

(G) a prohibition against the use of proxies at board of directors meetings, however proxies may be used to establish a quorum at membership meetings of the corporation;

(H) any action taken at a board of directors meeting which is not a public meeting to be void;

(I) all meetings to be consistent with the provisions of AS 44.62.310 and 44.62.312 regarding public meetings, as if the qualified corporation where a governmental entity subject to AS 44.62.310 and 44.62.312; and

(J) a prohibition against allowing any employee of the corporation to be a board member. (Eff. 9/1/73, Reg. 47; am 6/24/79, Reg. 70; am 7/10/83, Reg. 87)

Authority: AS 44.21.264
AS 44.21.266
AS 44.21.268

2 AAC 55.040. REQUIREMENTS OF QUALIFIED CORPORATIONS. If a corporation qualifies under 2 AAC 55.030, it shall then

(1) provide the commission, for its review and comment,

(A) a statement of objectives responsive to the needs of the area served by the facility;

(B) a schedule of proposed programs that would meet identified objectives as described in (A) of this paragraph;

(C) proposed position descriptions, staff chart, personnel policies, and salary schedules; and

(D) a proposed budget showing all anticipated sources of income and objects of expenditures;

(2) agree to

(A) submit to the executive director of the commission, for review and comment, the

Municipality of Anchorage



JIM BARNETT
Assemblyman
10050 Prospect Drive
Anchorage Alaska 99516

P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 264-4311

January 15, 1990

Senator Pat Fourchot
Representative David Finkelstein
P. O. Box V
Juneau, AK 99811

Dear Pat and David:

Recently I was invited, along with other persons holding elective office in the State, to comment on proposed regulations now being contemplated by the Alaska Public Offices Commission. My reply did not concentrate on the issues raised by the Commission, but instead expounded upon the significant abuses which exist in the current law.

In recent conversations with AFOC staff, they indicated that recommendations about these abuses needed to be directed to the Legislature, as their are apparently bills being authored by you both for consideration this session.

As a result, I recommend changes to AS 15.13.070(a) to eliminate the exemption of political parties and their subdivisions from the \$1,000 per year campaign contribution limitation. If such a change is considered too sensitive in the highly charged partisan atmosphere surrounding legislative and statewide races, I recommend at least that the exemption be eliminated for non-partisan races.

The best example I can give is from Assembly races from South Anchorage. In both campaigns that I have been involved, and the campaigns of Assemblyman Evans, our opponents have received substantial monetary and in-kind contributions from the Republican Party and its subdivisions--substantially in excess of \$1000! This year, for example, my opponent received \$1,500 from the Republican Party and was the beneficiary of a last-minute slur brochure

paid for by District 3 Republicans valued at another \$2,239.80. (They called me a "Democrat attorney!")

I received no contributions from the Democratic Party, or its subdivisions, and did not solicit any.

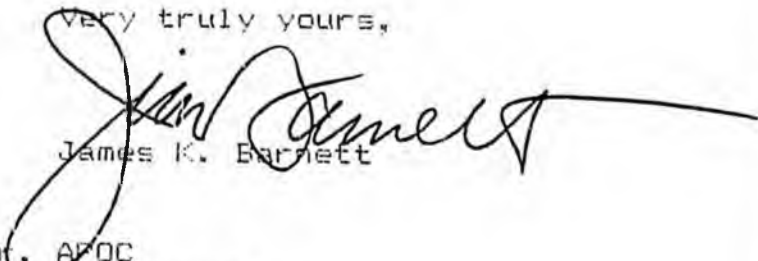
It is unclear to me why the parties and their subdivisions are afforded this exemption, since they seem to be the most excessive in their political chicanery. Nonetheless, as an Anchorage Assemblyman, it is problematic to me whether parties should be permitted to participate at any level in non-partisan, Municipal races. Assuming for the sake of argument that some level of participation by the parties in non-partisan races should be permitted, I strongly recommend that they bear the \$1,000 limit like everyone else.

This loophole in the law is, in my view, compounded by permitting unlimited contributions to political parties. A substantial precedent was achieved by AFDC with the VECCO employee donation scheme utilized to funnel large sums to certain candidates several years ago. It seems that VECCO would have been within its rights under current law to have those funds laundered through the Republican Party to those same favored candidates, and the \$1,000 limit would have been inapplicable! Certainly the Legislature must close this loophole as well.

I would be grateful for your consideration and support of this change. If you deem it advisable, I will assist in drafting and/or advocacy of this position before the Legislature this session.

By copy of this letter to Jean Ruppert, Assembly Budget Analyst, I ask that she prepare an Assembly Resolution to obtain Anchorage Assembly support for the elimination of the exemption for political parties in non-partisan races.

Very truly yours,


James K. Barnett

cc: Ms. Karla Forsythe, Director, AFDC
Ms. Jean Ruppert, Assembly Budget Analyst

STATE OF ALASKA
THE LEGISLATURE

FOUCHY STATE CAPITOL
JUNEAU ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 16, 1990

SUBJECT: Meaning of "Nonpartisan Informational Purposes"
(CSSB 384(SA))

TO: Senator Pat Pourchot
Chair, Senate State Affairs Committee

FROM: David R. Dierdorff *D. R. Dierdorff*
Revisor of Statutes

Enclosed is the redraft you requested.

You have also asked for a brief discussion of the probable judicial interpretation of the phrase "nonpartisan informational purposes," used in sec. 4 of the draft. The terms "nonpartisan" and "informational" both have commonly accepted meanings, and, in the context of this legislation, those meanings are reinforced by the prohibition against the use of public funds for advocacy purposes. I am confident that a court would look at the communication as a whole, both its content and the manner of presentation, and determine whether the communication is an objective, neutral, and factual presentation related to the ballot proposition or question. The ultimate test would be whether the primary purpose of the communication was to inform the voters or to convince them to vote a certain way. The duty of the public agency would be similar to that given the Legislative Affairs Agency under AS 15.58.020(6)(C), which requires the agency to provide a "neutral summary" of ballot propositions.

I would suggest, however, that you substitute "neutral" for "nonpartisan". Ballot questions rarely are partisan issues; that is, issues in which one political party is pitted against the other. Strictly speaking, "nonpartisan" means "nonpolitical" rather than "neutral".

DRD:lmb
L9/125

Enclosure

STATE OF ALASKA
THE LEGISLATURE

POUCHY STATE CAPITOL
JUNEAU ALASKA 998
907 463 1500

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 13, 1990

SUBJECT: Election campaigns
(CSSB 384 (State Affairs))

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

FROM: Richard A. Bradley *RAB/LMB*
Legislative Counsel

Jeanne Larson has asked that I comment on a series of questions.

I. Expenditure limitations.

Her first question asks generally about limitations on expenditures. The committee understands that there are essentially two kinds of expenditures. A candidate or a group makes "expenditures" when they pay bills incurred in an election campaign; this occurs under AS 15.13.040(a): "Each candidate shall make a full report, * * * listing the date and amount of all expenditures made by the candidate"

An entirely different kind of "expenditure" report, required under AS 15.13.040(d)(2), occurs when the so-called "independent expenditure" is made. AS 15.13 confuses the issue by using the same term for each: "expenditure", but experience has taught us that they are quite different.

The problem arises when an individual or group makes an "independent expenditure." The "independent" usage arises because to qualify as such, it must be made without the supervision or control of the candidate or group; under the law, if the candidate or group participates in the decision on how to spend the "independent expenditure," it ceases to be "independent" and becomes a contribution to the candidate or group for whose benefit it was intended.

In Buckley v. Valeo, the U.S. Supreme Court held that an independent expenditure was a species of free speech protected by the First Amendment and not subject to limitation. The court used the telling analogy that permitting an individual to say anything the person wanted limited by a dollar amount was like saying that a driver can drive anywhere he wants on a single tank of gasoline. Independent expenditures are not subject to limitation by either the Congress or state legislatures.

II. Limitations on executive spending.

Your next question asked that I comment on the extent to which the legislature could control executive spending in favor of or in opposition to a candidate or a ballot proposition or ballot question.

I believe that the legislature may (that is, has the power to) prohibit the executive branch from making expenditures of public funds in any of these areas. The more difficult question arises as to whether it wishes to-- or if it wishes to, how does it achieve it.

In the nature of things, the governor and other executive officials make political statements. In my view, this is not regrettable; it is necessary that they be free to argue their view of the development of the public policy of the state. The question that arises in my mind is whether a prohibition against the expenditure of public funds (in favor of or in opposition to a candidate or ballot proposition or ballot question) is implicated when these officials make their political statements.

I believe that it is effective to provide

The state, agencies of the state, public corporations of the state, and the University of Alaska may not use public funds of the state to support or oppose the election of a candidate. Public funds of the state . . . may not be used to urge the adoption of or the rejection of a ballot proposition or question. This . . . does not prohibit the use of public funds of the state to provide information on a public issue, including a ballot proposition or question, if the information does not advocate a particular position.

Senator Pat Fourchot
Page 3
February 13, 1990

III. Limitations on municipal spending.

The municipalities of the state are creatures of law; the legislature may control their actions. What it may do as to the executive it may certainly do as to municipalities.

And I include school districts within the understanding of "municipality."

If I may be of further assistance, please advise.

RAB:gc
G13/090

STATE OF ALASKA
THE LEGISLATURE

COPY

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 463 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 3, 1990

SUBJECT: Election campaigns
(CSSB 384 (State Affairs))

TO: Senator Pat Pourchot

FROM: Richard A. Bradley
Legislative Counsel

Jeanne Larson has requested a committee substitute.

As I have advised her, I am unaware of any state that has sought to limit contributions to candidates only to those from individuals or parties, closing off PAC contributions ("groups", in Alaska). While I can only speculate on the constitutionality of seeming First Amendment free speech limitations, I do note that the Governor's bill, SSSB 231, contained just such a limitation. See Sec. 2.

Since I assume that the Attorney General's office signed off on the contents of that bill, it seems that they are prepared to defend the constitutionality of the proposition.

At that point, I have no reservations.

RAB:pl:mi
WKP1/089

STATE OF ALASKA
THE LEGISLATURE

COPY

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 2, 1990

SUBJECT: Election Campaigns (CSSB 384 (SA))
TO: Senator Pat Pourchot
FROM: Richard A. Bradley
Legislative Counsel

Jeanne Larson has asked for a CS that would do two things that I am concerned about.

First, it would apparently set independent expenditure limits. I believe that the U.S. Supreme Court, in Buckley v. Valeo, determined that such independent expenditures were an aspect of free speech and not subject to federal or state regulation. I note that an article in "State Legislatures," a NCSL publication, agrees that independent expenditures are constitutionally protected. See the copy enclosed.

Second, I understand that the committee would like to prohibit contributions from political action committees to candidates while permitting such contributions to the support or defeat of ballot propositions or questions. I am not aware of that having been tried before and I am aware of no court decisions addressing that matter. But some language from Buckley seems to suggest that the courts may not favor the prohibition of contributions from specified segments of society.

The Act's contribution and expenditure limitations also impinge on protected associational freedoms. Making a contribution, like joining a political party, serves to affiliate a person with a candidate. In addition, it enables like-minded persons to pool their resources in furtherance of common political goals. The Act's contribution ceilings thus limit one important means of associating with a candidate or committee, but leave the contributor free to become a member of any political association and to assist personally in the association's efforts on behalf of candidates. And the Act's

Senator Pat Pourchot
Page 2
February 2, 1990

contribution limitations permit associations and candidates to aggregate large sums of money to promote effective advocacy. Buckley, at 44 U.S.L.W. 4133.

The Court may not have used its terminology carefully. When it suggested that the laws then permitted individuals to become members of "political associations", I do not believe that it was only talking about parties. Permitting them to associate but, under your proposal, not to make contributions, seems too strong a limitation.

RAB:pl
WKP1/085

Enclosure

YEARLY CONTRIBUTION LIMITS

	<u>Alaska</u>	<u>Other States</u>
Candidate	Unlimited	43 states: unlimited 3 states: same as individual 5 states: varies from \$5K to \$50K
Individuals (other than candidate or family)	\$1,000 per year for each elective office	Ranges from no limit in 25 states to \$60K (in MN for Gov. and Lt. Gov. in election year, down to \$150 (in MN for state Representative in nonelection year). *
Candidate's family	Same as individual	11 states: same as individual 3 states: same as candidate 31 states: unlimited 5 states: spouse unlimited
Corporations	Same as individual	20 states: prohibit 15 states: unlimited 16 states: some limitations, from \$500 to \$5K.
Labor Unions	Same as individual	8 states: prohibit 22 states: unlimited 13 states: same as corporations 6 states: some limits
PACS	Same as individual	29 states: unlimited 9 states: same as corporations 6 states: same as labor unions 4 states: some limits
Party	No limit	33 states: unlimited 8 states: some limits 4 states: same as corporations 2 states: same as unions

Note

Some states have varying limitations depending on the office, such as Minnesota. New York, for example, has different limits depending on party and bases contribution limit for state legislative races on the number of registered voters in candidate's district.

PROPOSED CS FOR SB 384
"CAMPAIGN FINANCE REFORM"

- 1) Prohibit post-election fund-raising after December 31 following November election or 45 days after local election.
- 2) Prohibit any use of campaign funds as personal income.
- 3) Mandate closure of campaign account and disposal of surplus campaign funds by January 12 of year following election.
- 4) Limit use of surplus campaign funds to the following:
 - a) Transfer to a legislative office account; expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Transfer to an account for a future election campaign.
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 5) Prohibit a registered lobbyist from serving as a campaign treasurer or deputy treasurer or from collecting, or handling, campaign contributions for a candidate. Would not include representational lobbyists or volunteer lobbyists and would not specifically bar "solicitation" of funds.
- 6) Close the current preelection reporting gap for contributions received on days 8 and 9 before the election.
- 7) Mandate a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign.
- 8) Codify existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less.
- 9) Revise APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement.

Senator Pourchot
January 29, 1990

ADDITIONAL DISCUSSION ITEMS FOR INCLUSION
IN THE CS FOR SB 384 -
CAMPAIGN FINANCE REFORM

- 1) Prohibition of contributions by businesses, corporations or labor unions.
- 2) Prohibition of contributions by PACs.
- 3) Limitations on contributions to and/or from political parties.
- 4) Prohibition or limitation of contributions by local or state governments.

SB 384 - ELECTION CAMPAIGNS

Proposed CS

Prohibits acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election; immediate effective date.

Prohibits use of campaign funds as personal income.

Limits use of surplus campaign funds.

Prohibits transfer of more than \$10,000 to an account for a future election campaign.

Closure of campaign account by Jan. 12.

Disposal of surplus campaign funds by Jan. 12.

Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.

Prohibits lobbyist from collecting or handling campaign contributions or serving as campaign treasurer or deputy treasurer; immediate effective date.

Contributions or expenditures exceeding \$250 made within 9 days of election must be reported to commission within 24 hours (Closes reporting gap for days 8 and 9.); immediate effective date.

Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less; immediate effective date.

Existing Law

Not addressed in statute.

No restrictions.

No real restrictions because surplus can be taken as personal income.

No restriction.

No deadline.

No restrictions.

January 16 deadline for submission of year-end report.

No restrictions other than registering as campaign treasurer or deputy treasurer.

Current statute specifies money received within 7 days of election must be reported to commission with 24 hours.

Not addressed in statute. Codifies existing APOC procedures.

Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication; immediate effective date.

Currently a criminal violation.

Prohibits local or state use of public funds on behalf of a candidate or ballot initiative except for informational neutral purposes; subject to APOC reporting requirements; immediate effective date.

Restriction on local or state government contributions to candidates unclear - no limit on ballot measures. Local government must report to APOC; reporting requirement for state government unclear.

AMENDMENT

(1) Place a \$10,000 cap on contributions to a political party.

No restrictions.

Senator Pourchot
February 21, 1990

SUMMARY OF CS FOR SB 384
"ELECTION CAMPAIGNS"

- 1) Prohibits post-election contributions after December 31 following November election or 45 days after local election. (Section 2)
- 2) Prohibits any use of campaign funds as personal income. (Section 4)
- 3) Mandates closure of campaign account and disposal of surplus campaign funds by January 12 of year following election. (Section 2)
- 4) Limits use of surplus campaign funds to the following: (Section 2)
 - a) Transfer to a legislative office account; expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Transfer up to \$10,000 to an account for a future election campaign.
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 5) Mandates a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign. (Section 6)
- 6) Prohibits a person who has registered as a lobbyist within the last 12 months from serving as a campaign treasurer or deputy treasurer or from collecting, or handling, campaign contributions for a candidate. Would not include representational lobbyists or volunteer lobbyists and would not specifically bar "solicitation" of funds. (Section 5)
- 7) Closes the current preelection reporting gap for contributions received on days 8 and 9 before the election. Immediate effective date. (Section 7)
- 8) Codifies existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less. Immediate effective date. (Section 1)
- 9) Revises APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement. Immediate effective date. (Section 8)

- 10) Prohibits state or local government (including school districts) from using public funds to a) support a candidate or b) on behalf of a ballot initiative except for informational neutral purposes only; expenditures subject to APOC reporting requirements; immediate effective date.
(Section 3)
- 11) Sections 1, 3, 5, 7 and 8 have immediate effective dates. Sections 2, 4 and 6 become effective February 1, 1991.

Proposed Amendment

- 1) Place a \$10,000 cap on contributions to a political party.

SB 384 - ELECTION CAMPAIGNS

Proposed CS

Prohibits acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election; immediate effective date.

Prohibits use of campaign funds as personal income.

Limits use of surplus campaign funds.

Closure of campaign account by Jan. 12.

Disposal of surplus campaign funds by Jan. 12.

Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.

Prohibits lobbyist from collecting or handling campaign contributions or serving as campaign treasurer or deputy treasurer; immediate effective date.

Contributions or expenditures exceeding \$250 made within 9 days of election must be reported to commission within 24 hours (Closes reporting gap for days 8 and 9.); immediate effective date.

Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less; immediate effective date.

Existing Law

Not addressed in statute.

No restrictions.

No real restrictions because surplus can be taken as personal income.

No deadline.

No restrictions.

January 16 deadline for submission of year-end report.

No restrictions other than registering as campaign treasurer or deputy treasurer.

Current statute specifies money received within 7 days of election must be reported to commission with 24 hours.

Not addressed in statute. Codifies existing APOC procedures.

February 16, 1990

Page 2

Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication; immediate effective date.

Currently a criminal violation.

Prohibits local or state use of public funds on behalf of a candidate or ballot initiative except for informational neutral purposes; subject to APOC reporting requirements; immediate effective date.

Restriction on local or state government contributions to candidates unclear - no limit on ballot measures. Local government must report to APOC; reporting requirement for state government unclear.

AMENDMENTS

(1) Place a \$10,000 cap on contributions to a political party.

No restrictions.

SUMMARY OF PROPOSED CS FOR SB 384
"ELECTION CAMPAIGNS"

- 1) Prohibit post-election contributions after December 31 following November election or 45 days after local election. (Section 2)
- 2) Prohibit any use of campaign funds as personal income. (Section 5)
- 3) Mandate closure of campaign account and disposal of surplus campaign funds by January 12 of year following election. (Section 2)
- 4) Limit use of surplus campaign funds to the following: (Section 2)
 - a) Transfer to a legislative office account; expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Transfer to an account for a future election campaign.
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 7) Mandate a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign. (Section 8)
- 5) Prohibit a person who has registered as a lobbyist within the last 12 months from serving as a campaign treasurer or deputy treasurer or from collecting, or handling, campaign contributions for a candidate. Would not include representational lobbyists or volunteer lobbyists and would not specifically bar "solicitation" of funds. (Section 6)
- 6) Close the current preelection reporting gap for contributions received on days 8 and 9 before the election. Immediate effective date. (Section 9)
- 8) Codify existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less. Immediate effective date. (Section 1)
- 9) Revise APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement. Immediate effective date. (Section 10)

Include

Change limited (6) on p. 2 "Contributions to another candidate"

date change from Dec. 31

new

Change

new
10) Prohibition of campaign contributions from local or state government or Political Action Parties except for ballot measures. Requires report to APOC. Immediate effective date. (Section 4) (Conforming amendment in Section 3.)

new
11) Sections 1, 9 and 10 have immediate effective dates. All other sections become effective February 1, 1991.

Proposed Amendment

- 1) Place a \$10,000 cap on contributions to a political party.
- 2) Place a \$10,000 cap on transfer of surplus campaign funds to a future campaign account.

DISCUSSION TOPICS

1. The extent to which the legislature can legally control use of public monies spent on behalf of election campaigns or in support of a ballot measure. Addressed in the 2/13/90 legal opinion.

Choices:

- a. Prohibit expenditure of public funds in support of or in opposition to a candidate, (Section 4) and/or
- b. Limit or prohibit use of public funds in support of or in opposition to a ballot proposition or question (Section 4, limits contributions)
- c. Allow use of public funds for informational purposes only, but not to advocate a particular position. (Washington law)

Other Considerations:

- Washington State adopted legislation (14 years ago) prohibiting use of public funds for partisan issues.
- APOC supports our adoption of similar measure.
 - More work intensive but easier to administer.
 - Additional funding would be needed.
- Possible veto if there is attempt to curtail Governor's ability to spend discretionary monies as he/she sees fit.

Some candidates may have already accepted 1990 money from PACs.

2. Extent to which Legislature can restrict contributions from PACs to candidates or on behalf of ballot measures. Addressed in 2/2/90 legal opinion:

Choices:

- Prohibit any and all PAC contributions.
- Prohibit contributions from PACs to candidates (in Sec. 4 of bill) only - not ballot initiatives.
- Keep status quo on PAC contributions
- Limit instead contributions from unions and corporations.
 - House State Affairs recently passed bill prohibiting contributions from unions and corporations, but not PACS.

Considerations:

- PACs can evade restriction by incorporating.
- Restrictions on PACs will impact unions more than corps.
- Courts may not favor the prohibition of contributions from specified segments of society.
- The A.G. signed off on Governor's bill (SB 231) so apparently is prepared to defend constitutionality of provision.

- PAC channel is way of keeping special interest money regulated and open to public scrutiny.
 - In 1988 elections, PACs money was only 8% of total received by candidates.
 - Doesn't address "independent expenditures".
4. Independent expenditures can be limited only if coupled with public funding of elections. Addressed in 2/2 and 2/13/90 legal opinions
 5. Contribution limits.

Choices:

- Limit amount contributed to political parties (proposed amendment)
- Limit amount candidate may contribute to a future campaign from surplus campaign funds (proposed amendment)

Effective dates:

Adopt immediate effective date for provision prohibiting local and state government from contributing to a candidate.

Senator Pourchot
February 14, 1990

SB 384 - ELECTION CAMPAIGNS

<u>Proposed Changes in CS</u>	<u>Existing Law</u>
Prohibit acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election.	Not addressed in statute.
Prohibit use of campaign funds as personal income.	No restrictions.
Limit use of surplus campaign funds.	No real restrictions because surplus can be taken as personal income.
Closure of campaign account by Jan. 12.	No deadline.
Disposal of surplus campaign funds by Jan. 12.	No restrictions.
Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.	January 16 deadline for submission of year-end report.
Prohibit lobbyist from collecting or handling campaign contributions or serving as campaign treasurer or deputy treasurer.	No restrictions other than registering as campaign treasurer or deputy treasurer.
Contributions or expenditures exceeding \$250 made within 9 days of election must be reported to commission within 24 hours. (Closes reporting gap for days 8 and 9.)	Current statute specifies money received within 7 days of election must be reported to commission with 24 hours.
Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less.	Not addressed in statute. Codifies existing APOC procedures.
Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication.	Currently a criminal violation.

Prohibits campaign contributions by PACs, except for ballot measures which must be reported to APOC.

PACs may contribute up to \$1,000/candidate/year; no limit on ballot measures. Must report to APOC.

Prohibits campaign contributions by local or state government, except for ballot measures which must be reported to APOC.

Restriction on local or state government contributions to candidate unclear - no limit on ballot measures. Local government must report to APOC; reporting requirement for state government unclear.

AMENDMENTS

(1) Place a \$10,000 cap on contributions to a political party.

No restrictions.

(2) Place a \$10,000 cap on transfer of surplus campaign funds to future campaign account.

No restrictions.

ALASKA
STATE LEGISLATURE
MEMORANDUM

DATE: February 17, 1990

FROM: Senator Pourchot

RE: Committee Substitute for
SB 384

The Senate State Affairs Committee will hold a hearing on Wednesday, February 21 1:30 p.m. in the Beltz Room, 211 Capitol Building. Enclosed: copy of the latest draft committee substitute for SB 384 and a summary reviewing this bill in comparison to current law.

DRAFT

Senator Pourchot
January 17, 1990

SUMMARY

SB 388, an Act relating to election campaigns, addresses important policy questions.

1. Restricts allowable uses of campaign account funds to the following:
 - a. Prohibits the taking of contributions as personal income.
 - b. Campaign account funds used by a legislator for his legislative office must qualify as a business expense under the IRS.
 - c. Funds may be transferred to an account for a future election campaign.
 - d. Funds may be donated to an organization that qualifies as a charitable organization under the IRS.
 - e. Funds may be returned to contributors.
 - f. Funds may be donated to the state general fund or a municipality.
 - ?- g. Funds may be contributed to another candidate or group by making independent expenditures.
2. Prohibits acceptance of campaign contributions after December 31 of the year in which the candidate sought office. *Should I include the 45-day provision for Maine candidates?*
3. Requires a candidate to dispose of his/her campaign account by January 1 of the year.
4. Requires that the campaign year-end report include a report on the disposal of any campaign funds that were not spent or obligated - including campaign funds transferred to an account for a future campaign.
5. Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1000 or less.
6. Establishes civil penalty of not more than \$10 a day for failure to properly identify who paid for a political advertisement and for failure to disclose the name and address of the campaign treasurer.

*

I need to check w/ Karla on this

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman
Sen. Al Adams
Sen. Tim Kelly
Sen. Rick Uehling



P.O. Box V
State Capitol
Juneau, Alaska 99811

907-465-3712

Senate State Affairs Committee

MEMORANDUM

TO: Senate State Affairs Committee Members
FROM: Senator Pat Pourchot
RE: Friday, February 23 Committee Hearing
DATE: February 22, 1990

On Friday, February 23 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hold a teleconference hearing on the following bills:

CS SB 384. An Act relating to election campaigns and providing for an effective date.

Continuation of Wednesday hearing. Scheduled for final action.

Proposed CS for SS SB 150. An Act establishing a senior housing office and loan program in the Department of Community and Regional Affairs; and authorizing the issuance of bonds for senior housing.

Continuation of Wednesday hearing, brief update.

SB 416. An Act relating to the office of the ombudsman and to the powers and duties of the ombudsman.

This bill was introduced by the Legislative Council at the request of Duncan Fowler, State Ombudsman. The major provisions are to keep reports to agencies confidential while the agencies prepare responses to preliminary ombudsman reports; to ensure the ombudsman's access to confidential records; and general administrative changes such as requiring the appointment of a designee should the ombudsman become incapacitated, formalizing the office's relationship with the LAA and clarifying how school districts could opt for ombudsman services.

SJR 61. Relating to persons immigrating to and requesting asylum in the United States. Sponsored by Senator Faiks, this resolution urges the U.S. Immigration and Naturalization Service to allow political asylum to persons from Eastern Bloc countries, regardless of date of application and to not revoke political asylum already granted to persons from those Eastern Bloc countries of Hungary, Poland, East Germany, the Union of Soviet Socialist Republics, Czechoslovakia, Bulgaria and Romania. A copy of the companion house bill, CS HJR 63 is attached, showing the amendments.

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Senate State Affairs Committee

SUMMARY

SB 384, an Act relating to election campaigns, addresses important policy questions.

1. Restricts allowable uses of surplus campaign account funds to the following:
 - a. Prohibits the taking of contributions as personal income.
 - b. Campaign account funds used by a legislator for his legislative office must qualify as a business expense under the IRS Code.
 - c. Funds may be transferred to an account for a future election campaign.
 - d. Funds may be donated to an organization that qualifies as a charitable organization under the IRS Code.
 - e. Funds may be returned to contributors.
 - f. Funds may be donated to the state general fund or a municipality.
2. Prohibits acceptance of campaign contributions after December 31 of the year in which the candidate sought office.
3. Requires a candidate to dispose of his/her campaign account by January 1.
4. Requires that the campaign year-end report include a report on the disposal of any campaign funds that were not spent or obligated - including campaign funds transferred to an account for a future campaign.
5. Codifies existing procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1000 or less.
6. Establishes civil penalty for failure to properly identify who paid for a political advertisement and for failure to disclose the name and address of the campaign treasurer.
7. Closes preelection reporting gap for contributions received on days 8 and 9 before the election.

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Senate State Affairs Committee

MEMORANDUM

TO: Senate State Affairs Committee Members
FROM: Senator Pat Pourchot
RE: Wednesday, February 14 Committee Hearing
DATE: February 13, 1990

On Wednesday, February 14 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hold a work session on the following bill:

Proposed CS SB 384. An Act relating to election campaigns.

At the January 29th hearing, our committee reviewed a list of provisions for a proposed CS. I have incorporated many of the committee's suggestions into the attached CS. CS SB 384 includes the following:

Provisions with February 1st, 1991 effective date:

prohibits use of campaign funds as personal income, provides account closure date and limits on use of surplus campaign funds, restricts registered lobbyists role in campaigns, prohibits post-election contributions after certain dates, prohibits contributions from local or state government or PACs except for ballot measures.

Provisions with immediate effective dates:

establishes civil penalties for failure to properly identify who paid for political advertising and/or information on campaign treasurer, closes preelection reporting gap, exempts municipal candidates with financial activity of \$1000 or less.

1/12/90

1. Ashley Reed (279-5350) will not be testifying but would like to pass along a recommendation: Require all contributions be reported, for the purpose of catching "organized contributions" i.e. VECO.

2. re: SB 384 Jim Crawford (563-0700) will be traveling on Wed. but has comments for Pat's attention: He would be prepared to support this bill if the political parties are included as potential recipients and asks that a careful analysis of Section 2 C.6 (line 20,21,22 of page 2) be completed by committee and eliminated if it increases level of expenditure. Feels this is a very dangerous provision.

3. SB 231: Pat Smutz (463-5422) feels the Gov's bill is targeted at labor unions and businesses but in reality only impacts unions. His feeling is that the business sector has a multitude of wealthy executives who can and do make individual contributions. Unions do not have this core of people and unions are strictly regulated by federal government whereas businesses are not. Feels this bill directly hurts democrats and helps republicans.

4. Jeanne has requested the fiscal note for SB 384

Contacted re: hearing *=will testify

Rep. Finkelstein: will attend

Rep. Brown

John Pugh; AK. Demo. Party

John Shively

AKPIRG

Ashley Reed

John Shively

Av Gross; Av out of town for 2 weeks. Left info for Susan.

Jim Crawford: Repubs: see comments above. Will contact Cliff Groh to request he testify.

Don Mitchell; may be in Juneau on the 16th and will stay for hearing if it works out. He reminds Pat to look forward to seeing him!

Pat Smutz: Won't be testifying (we probably won't see any union testimony) but has comments on SB 231. see above.

*Mary Halloran: OMB will testify

CAMPAIGN FINANCING:

CS SB 384, (Pourchot) An act relating to Campaign Financing and providing for effective dates.

SB 435, (Coghill) An Act relating to election campaigns and providing for an effective date.

SS SB 231, (Governor's bill), An Act relating to election campaign financing.

NOTIFIED: * indicates will testify

*Karla Forsythe, APOC on telephone from Anchorage.

*Senator Coghill on SB 435

Mary Halloran, OMB

Representative Finkelstein

John Pugh

Jim Crawford

Av Gross

AKPIRG

Brooke Miles, Juneau APOC

Attorney General

NOTES;

CS SB 384: this is the ninth draft, the committee has seen 3 of the drafts. There may be some confusion, it will be difficult to know which one to refer to. The one the committee received in the blue notebook yesterday is the most recent.

CS SB 384: On the provision that prohibits acceptance of post-election campaign contributions after Dec. 31: Uehling may not like immediate effective date, according to Mike Abbott in his office.

SB 435: Coghill's office brought in volumes of papers referring to the constitutional convention, seemingly unrelated investigations by the Attorney General's office over the past 15 years and FCC rules on Political Broadcasting. I did not include in packets but he may refer to them.

CAMPAIGN FINANCING;

CS SB 384, (Pourchot) An act relating to Campaign Financing and providing for effective dates.

NOTIFIED: * indicates will testify

Karla Forsythe, APOC on telephone from Anchorage.

Mary Halloran, OMB

Representative Finkelstein

John Pugh

Jim Crawford

Av Gross

AKPIRG

Brooke Miles, Juneau APOC

Attorney General

NOTES;

CS SB 384: this is the tenth draft, the committee has seen 4 of the drafts. The working draft for today's hearing has J-2-22-90 in the upper right hand corner and it includes the change of wording to "less than \$1000" in Section 1.(a)

STATE OF ALASKA

STEVE COWPER, GOVERNOR

ALASKA PUBLIC OFFICES COMMISSION

REPLY TO:

- 2221 E. Northern Lights, Room 128
Anchorage, AK 99508
(907) 276-4176
- Juneau Branch Office
Box CO
Juneau, AK 99811-0222
(907) 465-4864

February 14, 1990

Senator Pat Pourchot
Pouch V
Juneau, Alaska 99811

Dear Senator Pourchot:

It is my understanding that the Senate State Affairs Committee will be considering a proposed committee substitute for SB 384 at a work session on Wednesday, February 14, 1990.

The Alaska Public Offices Commission met by teleconference the morning of February 9, 1990, to discuss this measure (Commission members Annie Laurie Howard, Jane Behlke, Rodman Wilson, and Winston Burbank participating). The commission would appreciate your consideration of the following comments on the most recent version of the proposed committee substitute.

Section 1

The commission favors this provision, which exempts small municipal campaigns from APOC reporting requirements.

Sections 2 and 8

The commission supports language contained in this section which provides that contributions may not be received by state candidates after December 31 of an election year (although the commission continues to prefer an end to contributions as of election day). The commission also supports the language which requires campaign account closure on January 12, and the language in section 8 which requires a report to the commission on January 31.

With regard to the language in the proposed committee substitute which provides that post-election contributions may be received by municipal candidates until 45 days after the election, it would be helpful if this language could be amended to provide that municipal campaign accounts must be closed 60 days after the election, with an additional two weeks allowed for filing a report with APOC. This amendment would conform the procedure for closing municipal campaigns with the proposed procedure for closing state campaigns.

Senator Pourchot
February 14, 1990
Page 2

As you know, the commission believes that surplus campaign funds should be returned pro rata to contributors or donated to charity. The commission has no objection to providing that these funds may be transferred to a general fund. With regard to pro rata return, the commission suggests return of contributions only if the amount to be returned exceeds \$100.

The commission continues to favor a prohibition on transferring surplus funds to a future campaign or to a legislative office account. It is the commission's view that each campaign is discrete, and that contributions from one campaign should not be used to fund a future, separate campaign.

As I have previously discussed with your staff, the portion of the committee substitute which authorizes transfer of surplus funds to future campaigns parallels a similar provision in existing commission regulations (2 AAC 50.400, copy attached). The Department of Law has advised that under current law a campaign can contribute no more than \$1000 to a future or different campaign. The reasoning is that a campaign is a group controlled by a candidate, and that a group may contribute no more than \$1,000 to a candidate. Since the commission currently plans to amend its regulations in accordance with this decision, the commission has suggested that Section 2 clearly indicate the legislature's intent on this issue.

It is my understanding that the committee will discuss a proposed amendment limiting transfers to future campaign accounts to \$10,000. Although the commission opposes transfer of funds in any amount, the commission appreciates the committee's effort to provide clear legislative intent.

Section 3

This section clarifies that groups would be required to report independent expenditures. The commission has no comment on this section.

Section 4

The proposed committee substitute prohibits group contributions, but allows union or corporate contributions to candidates. The commission continues to favor a complete ban on contributions by unions, corporations and political action committees.

Additionally, the commission does not favor a proposed amendment which would limit cap contributions to political parties

Senator Pourchot
February 14, 1990
Page 3

at \$10,000. The commission believes that political parties should not be limited in the amount of contributions they can receive.

This section also provides that state or municipal government may not contribute to a candidate.

A majority of commission members suggest the legislature adopt broader, more specific language which would include ballot propositions (copy attached). This is the approach taken by the State of Washington.

The commission further suggests that the subcommittee consider adopting a specific penalty for violations of this ban on public funds to support a candidate. Without additional language, the applicable penalty under AS 15.13 would be criminal prosecution for a misdemeanor. This could result in incarceration of borough assemblies and other municipal or state entities, which does not seem a rational remedy. The commission proposes including language authorizing the commission to assess a penalty, including personal liability for those persons who have authorized these expenditures, in an amount up to three times the amount expended. This would give the commission the flexibility to provide a penalty which is rationally related to the type of conduct involved. This approach is not unique to APOC; a similar penalty structure has been proposed for licensees or permittees found to have violated alcoholic beverage laws (see CSSB 157).

The commission is aware that administration of a provision similar to the Washington statute, could create substantial new responsibilities for the commission. The executive director of the Washington State Disclosure Commission has indicated that a large part of his agency's activities are devoted to these issues, particularly at the local level. He estimates that out of approximately 50 issues dealt with by his agency in the course of a year, from 10 to 25 involve use of public funds. The Washington Public Disclosure Commission has undertaken a preventive approach, through providing training and information to localities to help them avoid inadvertent violations of the law. Although this approach helps avoid complaints, it is also time-consuming. Since AS 15.13 authorizes complaint investigation as well as advice and assistance, adequate funding would be critical to effective administration of such a provision in Alaska law.

Section 5

The commission supports this section, which prohibits use of contributions as personal income.

Senator Pourchot
February 14, 1990
Page 4

Section 6

This section restricts lobbyist participation in fundraising. The commission believes this section has been adequately narrowed.

Section 7

This section amends AS 15.13.080 to eliminate the reference to groups.

Section 9

The commission supports the language in section 9, which would close the two day pre-election reporting gap.

Section 10

The commission supports the language in this section, which would provide a \$250 maximum civil penalty for failure to properly identify political communications, while retaining the criminal sanction in the event of an egregious violation. However, the commission also believes that substantive changes to AS 15.13.090 are needed to allow candidates more flexibility in identifying their communications.

The commission suggests one of two alternatives. The first alternative is to revise the statute to provide a more flexible approach to identification of political communications. Suggested language is attached. Alternatively, the commission suggests that the statute be amended to provide that political communications must be clearly identified as to source of payment, but that the remainder of existing law be deleted, with the commission given authority to determine by regulation what constitutes a clear communication.

Amendments to AS 15.13.090 could result in a positive change for both candidates and the commission, and the commission urges your consideration of these concerns.

* * *

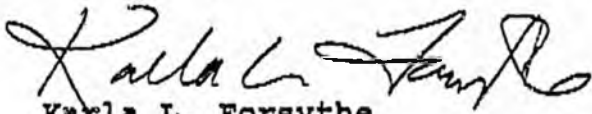
Although the commission does not agree with all of the proposed provisions in this bill, the commission commends the legislature, and the Senate State Affairs Committee for giving serious consideration to these issues. The commission will be glad to work with the committee to suggest alternative wording, or to offer any other assistance appropriate.

Senator Pourchot
February 14, 1990
Page 5

Thank you for the opportunity to submit comments.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



Karla L. Forsythe
Executive Director

Attachments:

1. 2 AAC 50.400
2. RCW 42.17.130
3. 2 AAC 50.313(1)(4)
4. Proposed language, section 6

cc: APOC Members
APOC Senior Staff
Sioux Plummer, Special Assistant
Dept. of Administration
Nancy Gordon, Assistant Attorney General

WASHINGTON STATE STATUTE
USE OF PUBLIC FUNDS IN CAMPAIGNS

RCW 42.17.130 Forbids use of public office or agency facilities in campaigns. No elective official nor any employee of his office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees or the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the office or agency: Provided, That the foregoing provisions of this section shall not apply to the following activities:

(1) Action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;

(2) A statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry;

(3) Activities which are part of the normal and regular conduct of the office or agency.

Proposed Addition to SB 384

Sec. 15.13.090 Repeal and rewrite to read:

Sec. 15.13.090. Identification of advertising.

(a) Advertisements, including handbills, billboards, yard signs and other communications intended to influence the election of a candidate or outcome of a ballot proposition or question, shall be clearly identified with the words "paid for by" followed by the name and address of the candidate, group, or individual paying for the advertisement.

(b) Lettering in an advertisement other than a newspaper shall be at least 3/8 inches high if the advertisement exceeds 12 inches in length or width.

(c) In radio and television advertisements the words "I paid for this ad" may be used and the address omitted if the words are spoken by the candidate.

(d) The "paid for by" line may be omitted from advertising items less than 3 inches in length or width and from motor vehicle bumper or window stickers.

If the above language is deemed to contain too much detail for a statute, rewrite Sec. 15.13.090, in order to allow more flexibility about the "paid for by" line, to read:

Sec. 15.13.090. Identification of communication.

Advertisements, including handbills, billboards, yard signs, other communications intended to influence the election of a candidate or outcome of a ballot proposition or question, and radio and television advertisements shall be identified as to payer in accordance with regulations promulgated by the commission.

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ADMINISTRATION

2 AAC 50.313

2 AAC 50.315

(3) a payment made by any individual for his or her own travel expenses, if such payments are voluntary and are made without any understanding that they will be directly or indirectly repaid;

(4) a payment made by a business, corporation, trade association, labor organization, or other organization not organized primarily to influence elections to communicate directly with its members or employees, or their families, on any subject, if the communication is of the same format and nature used by the organization when it has communicated in the past on nonpolitical subjects, does not request members or their families to do anything other than exercise the right to vote, and does not solicit individual contributions to a clearly identified candidate or group chosen by the organization;

(5) a gift, subscription, loan, advance, or deposit of money or anything of value made with respect to a recount of a state or municipal election.

(m) A contribution made by a married individual is not attributed to that individual's spouse, unless otherwise specified in writing by the spouse at the time the contribution is made. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10) AS 15.13.070
AS 15.13.040 AS 15.13.130

2 AAC 50.314. DEFINITION OF "GROUP"; REPORTING BY BUSINESSES. (a) In 2 AAC 50.310 - 2 AAC 50.405, "group" includes

(1) every combination of two or more persons who are elected, appointed, or otherwise chosen, or who cooperate for the purpose of raising, soliciting, collecting, or disbursing money or anything of value, or for directing or controlling those activities to secure or defeat the election to public office of an individual or candidate or to secure or defeat a ballot proposition;

(2) a political action committee, draft group, association, club, corporation, partnership, trade association, incorporated or unincorporated association, or labor organization organized to aid or promote the nomination, election, defeat, or recall, of any candidate for political office

or to aid the passage or defeat of a ballot proposition;

(3) two or more persons who jointly make a contribution in the name of another as described in 2 AAC 50.357.

(b) A corporation, partnership, sole proprietorship, trade association, fraternal or charitable organization, incorporated or unincorporated association, firm, or business trust may report its contributions and expenditures as required by AS 15.13.040(d) and (e) as an individual if

(1) all contributions and expenditures to influence the outcome of an election are made from the organization's general day-to-day operating account;

(2) the organization does not conduct a fund-raising drive or assessment among its members or employees for the purpose of influencing an election;

(3) the organization does not exercise direction, control, or discretion over the choice of the recipient candidate or group, and the organization does not exercise direction, control, or discretion over the expenditure of money or other things of value collected, pooled, solicited, or otherwise paid by others for the purpose of influencing an election. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.040
AS 15.13.130(3)

2 AAC 50.315. CONTRIBUTION LIMITATION EXEMPTION. (a) Groups that nominated a candidate for governor who received at least three percent of the total vote cast at the 1982 general election for governor are considered to be exempt from the contribution limitation set out in AS 15.13.070(n).

(b) Until the effective date of a statutory definition of "political party" that replaces AS 15.60.010(20) as it exists on the effective date of this section (and was held invalid in *Vogler v. Miller*, 660 P.2d 1192 [Alaska 1983]), a group, other than a group described in (a) of this section, desiring an exemption from the contribution limitation set out in AS 15.13.070(a) must submit to the commission an application

2 AAC
50.313
(1)(4)

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ADMINISTRATION

2 AAC 50.396

2 AAC 50.400

administer oaths or, if none of the preceding alternatives is available, may be signed by the official without benefit of the oath so long as the official states, in writing, that the affidavit is signed under penalty of perjury; or

(2) pay, within 30 days after receipt of the assessment notice described in (d)(2) of this section, the civil penalty assessed.

(f) If a candidate or group subject to a civil penalty assessment for the late filing of a campaign disclosure report refuses, or fails, within the time required, to submit an affidavit or make payment, then commission staff will refer the matter to the attorney general for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(g) An affidavit timely filed with the commission will be considered at the next regular meeting of the commission. If a candidate or group's appeal is

(1) denied by the commission, commission staff will notify the candidate or group of its decision within 15 days, and require that the civil penalty originally assessed be paid within 30 days after the date of the letter containing notification of the commission's decision; or

(2) accepted by the commission, commission staff will notify the candidate or group of its decision within 15 days, informing him or it that the civil penalty assessment has been waived and that the matter is considered closed; or

(3) accepted, in part, by the commission, commission staff will notify the candidate or group of its decision within 15 days, and require that the reduced civil penalty assessment be paid within 30 days after the date of the letter containing notification of the commission's decision.

(h) A candidate or group may appeal the commission's decision to deny or partially accept reasons for lateness to the superior court within 30 days after his receipt of the notice under Rule 45 of the Appellate Rules of the Alaska Court System. If no appeal is made within 30

days and no payment is made, the matter will be referred to the attorney general for appropriate action.

(i) If, upon review of a report required by AS 15.13.110(a), (b), or (c), the commission's staff finds substantial or continuous noncompliance with AS 15.13 or any provision of this chapter, or with requests by staff for information required to be reported under this chapter, the matter must be brought to the commission for review. The commission will, in its discretion, reduce or waive any initial civil penalty, uphold any initial civil penalty, increase the amount of any initial civil penalty to an amount not exceeding the maximum amount established in AS 15.13.125, or instruct its staff to begin preliminary investigation into the matter. Where no initial civil penalty has been assessed, the commission will, in its discretion, assess a civil penalty up to the maximum amount established in AS 15.13.125 if the candidate or group in question does not comply. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 5/24/81, Reg. 78; am 10/18/81, Reg. 80; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.010
AS 15.13.030(10)
AS 15.13.125

2 AAC 50.395. REPORTING BY A BUSINESS ENTITY OR LABOR ORGANIZATION. Repealed 1/4/86.

2 AAC 50.397. REPORTING BY PERSONS OUTSIDE THE STATE. Persons residing outside the State of Alaska are subject to the same reporting requirements, restrictions, and responsibilities under AS 15.13 as those placed upon persons residing within the state. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10)

2 AAC 50.400. DISBURSEMENT OF A SURPLUS BALANCE IN A CAMPAIGN ACCOUNT. (a) The disbursement of a surplus balance of a candidate or group's campaign account must be reported to the commission within 10 days after final disposition of the balance.

(b) A candidate disbursing the surplus balance in his campaign account may

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ADMINISTRATION

2 AAC 50.400
2 AAC 50.401

- (1) give the money to charity;
- (2) repay his contributors;
- (3) repay himself, if he made contributions to his own campaign;

(4) take, as income, any money which exceeds the amount which he personally contributed to his campaign;

(5) leave the money in a campaign account until the next time he campaigns for elective office; however, any interest realized from a surplus in a campaign account must remain in the account and be reported on the first report required of him when he is again a candidate for elective office;

(6) contribute the money to another candidate or a group controlled by a candidate, not to exceed the \$1,000 limitation, or to a political party or group supporting a ballot proposition or question; or

(7) transfer the money to his office allowance fund.

(c) A group disbursing the surplus balance in its campaign account may

- (1) give the money to charity; or
- (2) repay its contributors; or
- (3) leave the money in a campaign account until the following election, if the group plans to remain active; however, any interest realized from a surplus in a campaign account must remain in the account and be reported on the first report required of the group when it is again active in an election; or
- (4) contribute the money to a candidate or a group controlled by a candidate, subject to the \$1,000 limitation and other prohibitions under AS 15.13 and 2 AAC 50, or to a political party or group supporting a ballot proposition or question.

(d) Any candidate or group wishing to disburse the surplus balance in a campaign account in a manner not described in (b) or (c) of this

section may request commission review and approval of the manner in which he or it wishes to disburse the surplus. (Eff. 7/22/78, Reg. 67: am 10/18/81, Reg. 80)

Authority: AS 15.13.030(10)

2 AAC 50.401. POST-ELECTION FUND-RAISING BY CANDIDATES AND CONTROLLED GROUPS. (a) A candidate or a candidate-controlled group may make post-election expenditures for the purpose of raising money to discharge a debt from a prior campaign, in accordance with (c) of this section.

(b) Absent a debt arising from a prior campaign, a candidate may not spend money for the purpose of seeking public office unless the individual is in compliance with AS 15.13.100, the early campaigning provisions of 2 AAC 50.380, or an advisory opinion issued under (c) of this section and 2 AAC 50.905.

(c) A candidate who is in debt from a prior campaign and who has not complied with either AS 15.13.100 or 2 AAC 50.380 by December 31st of the year after the election, shall request an advisory opinion under 2 AAC 50.905 concerning the applicability of AS 15.13.100 to further expenditures to pay off the debt. Absent an advisory opinion request, the commission staff may commence a preliminary investigation to review the applicability of AS 15.13.100 to expenditures by the candidate.

(d) A debt arising from a prior campaign includes

- (1) a candidate's personal contributions made before the date of the prior election;
- (2) campaign debts to others that were reported on a 10-day post-election campaign disclosure statement;
- (3) post-election expenditures made for the purpose of discharging a debt arising from a prior campaign; and
- (4) the costs reasonably associated with winding up the affairs of the prior campaign, including social events held immediately after the election for the benefit of campaign workers

FAKS - will increase previous year campaigning.

Senator Pourchot
January 29, 1990

Immediate
per FAKS?

March 1st for
first year. May

PROPOSED CS FOR SB 384
"CAMPAIGN FINANCE REFORM"

1990?

Uchling?
40 days

- 1) Prohibit post-election fund-raising after December 31 following November election or 45 days after local election.
- 2) Prohibit any use of campaign funds as personal income.
- 3) Mandate closure of campaign account and disposal of surplus campaign funds by January 12 of year following election.
- 4) Limit use of surplus campaign funds to the following:
 - a) Transfer to a legislative office account; expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Transfer to an account for a future election campaign.
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.

tighten up
FAKS

- 5) Prohibit a registered lobbyist from serving as a campaign treasurer or deputy treasurer or from collecting, or handling, campaign contributions for a candidate. Would not include representational lobbyists or volunteer lobbyists and would not specifically bar "solicitation" of funds.

immediate 6)

- 6) Close the current preelection reporting gap for contributions received on days 8 and 9 before the election.

- 7) Mandate a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign.

- 8) Codify existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less.

immediate

- 9) Revise APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement.

ADDITIONAL DISCUSSION ITEMS FOR INCLUSION
IN THE CS FOR SB 384 -
CAMPAIGN FINANCE REFORM

- 1) Prohibition of contributions by businesses, corporations or labor unions.
- 2) Prohibition of contributions by PACs.
- 3) Limitations on contributions to and/or from political parties. — Kelly maybe, FAKS NO, Uehling, THW through.
- 4) Prohibition or limitation of contributions by local or state governments.

Support Kelly
Uehling
Not include

FAKS
yes with

→ FAKS (except for ballot initiative, which would be accounted for in legislative process (budget appropriation) and APOC report)

→ FAKS (Prohibit School District from pushing bonds/initiatives)

TO DO: Testimony by parents of ASD kids

Kelly — Ballot Information or Promotion Groups, separate issue. Allow

Uehling — Prohibit any ^{acceptance of} campaign funds for the last 10 days?
→ or 7

Kelly — 2 effective dates — determine which is which.

HB 45

1.29.90

Niilo Koponen

Yol Kilscher James Dugan:

Passed out with amendment

CAMPAIGN FINANCE:

Forsythe:

Pending issues: exempting municipal candidates for less than \$1000 — exempts them from all ethical restrictions

Filing Timelines — extend report date to Jan. 31st

Level Playing Field:

Narrowing lobbyist actions — APOC agrees

Pre-election window — yes, APOC supports.

Personal Income: APOC supports
Business/Union: APOC " plus PAC's.

APOC ^{supports} strengthens PARTY

??

Government Funds = for lobbyists

Public \$ for public purpose:

APOC recs:

Neither state nor municipal funds could be used to support a candidate: Atty. Gen. agrees.

Uehling Gov's office

Forsythe: Businesses / UNIONS / PAC'S

Attorney General:

Nothing in Campaign Disclosure that prohibits Senate from contributing

Uehling - Put in wordage to prohibit state, muni government from contributing to candidate.

Kelly: Legislative Branch should match Exec. Branch as to powers to expend funds i.e. to defeat initiatives

Halloran: SB 231 contributing to candidates
Not re: ballot initiatives

Pat: If muni could contribute, could they be subject to \$ limit.

Pat requested Attorney General to address... governments contributing to... candidates initiatives

Pat - would unions/businesses be limited to limit

Halloran

~~Govt~~ Unions/businesses:

2,000 to Pol. Party

Independent Expenditure

unlimited on ballot initiatives

BAW PACS Allow business unions with limits

Halloran:

or

If You want to ban all ^{business labor} PACS put limit on PACS limit \$ to Pol. Parties limit \$ to candidates

Repubs Kelly... get rid of PACS, allow business and union.

Vehling: ban all PACS with exception of those for ballot initiatives.

DAVID: PACS -> Federal - \$10,000 per election cycle.

Don't eliminate PACS

STATES - no great proliferation in states w/out business labor contribution.

(4)

Finkelstein = Adams? Still support
limit of \$500 — David — house
won't go along with.

Katie Hurley: Set spending limit
Jan. 22-28 — National Post Katie will send.
"Too much \$ in politics"...

Rick Lawber — Lobbyist

Page 2, Sec. 3

"registered lobbyist"

Terminate, register, terminate

How long would one be prohibited if
they engaged in campaign funding

PAT — Legislative lobbying — Not dealing
with administrative lobbying

Campaign Treasurers are not limited from
lobbying after ending Treasurer status

Lawber — by merely attaching to registered
lobbyists you're missing the point.

Risa Terrell — Assoc. Gen. Contractors

Public disclosure is

PAC supported by raffle — usually
individually.

Fishing Derby — more business blocks

Proposed GS

Faiks:



Accept #1-9 exempt #5

Faiks

Lobbyist - signed contract approach?
Needs more time - needs tightwng

Uehling - (#1) concern - not enough
time to deal with debts. 90 days?

Kelly - (#1) likes it - sets max
for responsibility.
Best if cleared up before
legislative session.

FAIKS - Page 2
Supp

Times 1125-90

Closing loopholes

ONE OF THE better ideas to emerge from the early days of this legislative session in Juneau seems — on the surface, at least — to be a proposal by Democratic Sen. Pat Pourchot and Republican Tim Kelly to plug a few leaky loopholes in the state's current campaign finance reporting law.

We hedge our endorsement a bit, because of a long-standing wariness that instinctively says some things introduced in the legislature may appear on the surface to be one breed of tabby cat, but somewhere down the line turn out to be a rabid tiger.

We do not suggest Mr. Pourchot and Mr. Kelly have any such smoke and mirrors in mind in their jointly sponsored bill to tighten some of the campaign laws. As a matter of fact, their proposal looks clean and neat.

IT IS A bill to change some of the requirements for reporting on campaign contributions and expenditures, and puts some limits on what can be done with surplus campaign money after the election is over and the bills are paid.

Good stuff.

For example, a candidate with money left over after a campaign could donate the dollars to charity or could give it to other candidates whose purses might have come up short.

If he doesn't want to do that, he could use the surplus bucks to help pay additional expenses in his legislative office. Or he could set the surplus aside for use in a future campaign.

But candidates would not, under this Pourchot-Kelly

bill, be able to pocket the money and take a trip to Hawaii or to buy a new car or to pay the dentist's bill.

He can do that under present law, which allows surplus campaign funds to be used for whatever personal need or whim the candidate so desires.

ANOTHER GOOD feature of the bill is that it would prohibit candidates in a state election from accepting contributions after Dec. 31 of the election year involved.

In local races, candidates could not accept a contribution more than 45 days after the balloting — and the campaign accounts would have to be balanced and closed out by year end.

Maybe it doesn't sound like much, all things considered.

But this bill addresses elements of campaign law that now can lead to abuse.

The bill might have its own loopholes, we acknowledge. It's unclear, for example, how the Alaska Public Offices Commission might track surplus funds held for future campaigns — if a candidate sat out future races over a 10-year period, and then just decided to bag politics forever, and in the process slip the money from a reserve account into his or her personal checking account.

But let's not nit-pick.

Any improvement is better than no improvement, and this bill with both Republican and Democratic sponsorship seems to offer that — in a way that shouldn't cause any kind of overt or covert opposition.

Taken from SB 231

10/31/89 Hearings
campaigns
10:10 am - 12 noon

Contacts

APOC: OK Karla Forsythe 276-4176
assess problems: many if not most of complaints
handled deal w/ specifics of race

OMB: OK Mary Halloran (Jetta) 3568
→ ACLU

call Thurs ^{general work} ^{back Thurs} ^{to: Pat Smutz}
Mano Fye AFL-CIO Labor 291 } 2501 Commercial
258-6284 } Dr Anch 9950
Resa PALS

Other: OK Ashley Reed Heidi Bohi, POB 10-1093, 99510 (Anch) H 274-6472
OK John Shively, AKPIRG 278-3661
OK + Dan Mitchell 1335 F St, 276-1681
OK + Av Gross W 586-2777

will try, or
will send
someone OK ~~John Pugh~~ ~~1011 D St 99801~~ W 789-4417
OK + Jim Crawford (Repub) # 276-4467 # 563-0700
405 W 36th Anch 99503 } or parcel to Tim Kelly

Leg: OK +inkelstein 561-7626
OK +Spohnholtz (of Anch Gov's Office) #758/3601 C street 99503
561-4228
OK +Brown 561-7627
OK +Abood 277-3102

~~Bob Mann...~~

Teleconference

Back-Up

AKPIRG initiative

SSSB 231

agenda

Jetta's history

SAC
~~Research~~ report
~~fed~~ outline

2.14.90

SB 384 =

Discussion Topics:

- 1.a) Want to prohibit public monies for candidates
- b) ? = " " for ballot measures
- c) Pat opposed to prohibiting

1.a.a. APOC: needs clear lines to enforce
i.e. McCLEAN case — Advocacy vs Information

? Muni / Sch. Dist — 15,6 Form
1989 = 5 muni / 5 sch. dist

Auch Muni — League of Women Voters on
Sale of Telephone Utility

Fails > Define information
Pat > Pursue Information only
Kelly > Partisan — Non-Partisan

2. PAC'S: Pat — complex, controversial
unless all Parties, PACS, unions, corps

PAT > are eliminated — why

Kelly, Fails > Dump PAC'S

4. Independent Expenditures

5. Contribution limits

Fails > opposed to Amendment 1
Kelly > supports Amendment 1

Pat > Supports Amendment 1

Faiks
Kelly
Pat
supports

Amendment 2:

Surplus funds to future campaign
(APOC reqs @ \$10,000)

Pat supports dollar maximum @ \$10,000

Kelly > Career instead one campaign at a time.
Differs with Karla's view.

(Karla — \$1,000 limit)

Karla: Public may not want to
contribute to next campaign

> Uehling: Josephson

Mary: ① language to clarify union ability
to contribute — follow federal
guidelines — Mechanical problem
Dump PACs

KELLY: ??

MARY:

② Ban \$ from regulated industries
utilities, telephone co's,

FAIKS NO

lobbying
and public expenditures > effective immediately

Barnett: ^{Prohibit} Parties unable to contribute to
NON-partisan