

SB

49

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: March 31, 1993

FURTHER REFERRALS:

Date of Committee Action: 4/23/93

The FINANCE Committee considered:

SB 49

SENATE BILL NO. 49

YEAR-END CAMPAIGN FINANCE REPORTS

"An Act relating to preelection reports; closing the two-day reporting gap in those reports; setting the date of February 15 for filing year-end campaign finance reports; and requiring reporting of zero year-end reports."

RECOMMENDATIONS: [] the same title
 be replaced with _____ [] a new title

[] have attached amendments(s)

[] do pass

[] do not pass

[] no recommendations

[] individual recommendations

[] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

[] fiscal impact _____

[] fiscal note(s) _____

[] zero fiscal note _____

[] zero fiscal note(s) Admin 2/1/93

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Cileen P. Maclean</i>	✓	<i>[Signature]</i>			
<i>Russell J. Larson</i>	x				
<i>Alan Parnell</i> <small>Parney</small>	x	<i>Mark Stanley</i> <small>Hanley</small>		x	
<i>Ben Grussendorf</i> <small>grussendorf</small>	x	<i>Perry Martin</i> <small>Martin</small>		x	
<i>Mike Navarre</i> <small>Navarre</small>	✓	<i>Frank Hoffman</i> <small>Hoffman</small>		✓	
<i>Richard Foster</i> <small>Foster</small>	x	<i>Lay Brown</i> <small>Brown</small>		✓	
		<i>Cecilia Therrault</i> <small>Therrault</small>		x	




 CO-CHAIRMAN'S SIGNATURE

BISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. HCS SB 49 (STA)

Revision Date: _____ Dept. Affected: Administration
 Title: "An Act relating to preelection reports; closing the two-day reporting gap in those reports;..." BRU: Alaska Public Offices Commission
 Component: Alaska Public Offices Commission
 Sponsor: Senator Kelly
 Requestor: _____ COMPONENT SERIAL NO. 70

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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
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REVENUE FUND SOURCE:	0	0	0	0	0	0
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FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	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

Estimate of current year (FY93) impact: \$ none

ANALYSIS: (attach a separate page if necessary.)

Prepared By: Karen Boorman, Director Phone: 276-4176
 Division: Alaska Public Offices Commission Date: _____

Approved by Commissioner: Nancy Bear Usery Date: 4/12/93
 Agency: Department of Administration

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SENATOR TIM KELLY

SPONSOR STATEMENT & ANALYSIS FOR SB 49:

"RELATING TO THE FILING OF CAMPAIGN FINANCE REPORTS"

This legislation makes some long needed adjustments to our campaign reporting laws, the major feature of which is closing the two-day reporting gap (Sec. 2, page 2, line 13).

The law, since its inception in 1974, has contained an inadvertent two-day gap which occurs between the seven day pre-election report and the 24 hour reports. The reporting period for the 7 day pre-election report ends three days prior to the report due date. The 24 hour reports for contributions which exceed \$250 do not begin until 7 days prior to the election. Thus, contributions exceeding \$250 received the 9th and 8th days before the election are not reported until the 10 day post election report. This has the effect of obscuring the public's right to know.

In addition, SB 44 would change the deadline for filing year-end campaign reports from December 31st to February 15th (Sec. 1, page 2, line 7). In recognition of the impracticality of the December 31st deadline, the Alaska Public Office Commission (APOC) has allowed year-end reports to be filed on January 15th, well after the statutory date, for several years. The February 15th deadline would allow candidates and groups the use of December bank statements, and provide a longer time period to prepare a year-end report.

This legislation was introduced in the 17th Legislature and, after passage in the House, passed the Senate Ethics Reform and Judiciary Committees. APOC had previously requested the following amendments which have been included in SB 44:

1) In Section 1, on page 1, lines 8-14, new language clarifies the scope of the year-end report. The year-end reporting period starts with the most recent report filed or with the beginning of the campaign, whichever is later. The reporting period ends with the previous calendar year, i.e. on December 31.

2) In Section 1, on page 2, lines 8-10, the filing of zero reports are made mandatory. This allows APOC to monitor report filing and notify filers if no report is received. More importantly, mandatory filing would help avoid the problem of discovering at a later date that a report should have been filed and that a significant fine has accrued.

1991 LEGISLATION
POSITION PAPER
DEPARTMENT OF ADMINISTRATION

Division Alaska Public Offices Commission Bill Number HB 86

Bill Title An Act relating to the date for filing of year-end campaign finance reports.

Position Statement: Explain briefly what bill does, its impacts and Department's position, i.e.
a) support, b) do not support, c) neutral or d) oppose.

SEE ATTACHED

APPROVED:

Director Karen Boorman Division AK Public Offices Commission
print name

Signature Karen Boorman Date 2/12/91

Commissioner Millet Keller

Signature _____ Date _____

(For more information, call Barbara Pritchett 465-2200)

Rev. 1/23/91

Annie Laurie Howard Date 2-12-91
Annie Laurie Howard, Chair
Alaska Public Offices Commission

POSITION PAPER

APOC

HB 86

"An Act relating to the date for filing of year-end campaign finance reports."

This bill extends the deadline for year-end campaign disclosure reports from December 31 of each year to February 15 of the following year. This will allow candidates and groups the use of January bank statements and a longer time period to prepare a year-end report.

The Alaska Public Offices Commission has reviewed HB 86. This bill impacts the campaign disclosure law, AS 15.13 which the commission administers. The commission supports this legislation. The one month delay in year-end campaign disclosure report availability to the public is offset by more complete and accurate reports. (By APOC regulation 2 AAC 50.390, fines are not assessed until after January 16.)

The commission would like to request three additional changes to the legislation.

Amendment 1

The first clarifies the scope of the February 15 (year-end) report. The year-end reporting period starts with the most recent report filed or with the beginning of the campaign, whichever is later. The reporting period ends with the previous calendar year, not on February 12. This allows six weeks to fill out and file year-end reports.

Section 1, lines 6 and 7 ". . . day covered by the most recent

previous report[,] (or i) If it is a first report, it shall cover all contributions received and expenditures made before three days before the due date of the report. If it is a report due February 15, it shall cover the period beginning on the last day covered by the most recent previous report or the beginning of the campaign, whichever is later, and ending with February 22 of the prior year. The report shall be filed . . .".

Amendment 2

The second would make zero year-end reports mandatory. This would allow APOC to monitor report filing and notify filers if no report is received. Currently, reports are filed only if activity has taken place since the last report. Filing a zero activity report is optional. APOC has no way of knowing and subsequently reminding a candidate or group whether a report should be filed. Requiring zero reports will avoid the problem of discovering at a later date that a report should have been filed and a significant fine has accrued.

Section 1, lines 13 and 14 "(4) February 15 [December 31 of each year for expenditures and contributions received which were not reported that year]."

When read in conjunction with 2 AAC 50.332(a), this change makes it clear that zero year-end reports are mandatory.

Amendment 3

The third suggestion involves a separate issue. Currently the statute is worded such that an inadvertent two day reporting gap occurs between the seven day pre-election reports and the 24 hour reports. Contributions over \$250 that should be reported during

the week before the election are not reported until the 10 day post-election report.

Amend AS 15.13.110(b) 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 candidate or campaign treasurer.

Since this last request changes the twenty four hour report filing, the title should be amended to delete "year-end".

REPORTING DATES

<u>REPORT TITLE</u>	<u>REPORTING PERIOD</u>	<u>DUE DATE</u>
1989 YEAR END	BEGINNING OF CAMPAIGN OR JANUARY 1 - DECEMBER 31, 1989	JANUARY 16, 1990
	<u>PRIMARY ELECTION</u> <u>AUGUST 28, 1990</u>	
30 DAY PRE-PRIMARY	BEGINNING OF CAMPAIGN - JANUARY 1, 1990 - JULY 28, 1990	JULY 30, 1990
7 DAY PRE-PRIMARY two day gap	JULY 27, 1990 - AUGUST 18, 1990	AUGUST 21, 1990
24 HOUR REPORT	AUGUST 21, 1990 - AUGUST 27, 1990	WITHIN 24 HOURS OF RECEIPT OF +\$250.
10 DAY POST-PRIMARY	AUGUST 19, 1990 - SEPTEMBER 4, 1990	SEPTEMBER 7, 1990
	<u>GENERAL ELECTION</u> <u>NOVEMBER 6, 1990</u>	
30 DAY PRE-GENERAL	SEPTEMBER 5, 1990 - OCTOBER 4, 1990	OCTOBER 9, 1990
7 DAY PRE-GENERAL two day gap	OCTOBER 5, 1990 - OCTOBER 27, 1990	OCTOBER 30, 1990
24 HOUR REPORT	OCTOBER 30, 1990 - NOVEMBER 5, 1990	WITHIN 24 HOURS OF RECEIPT OF +\$250.
10 DAY POST-GENERAL	OCTOBER 28, 1990 - NOVEMBER 13, 1990	NOVEMBER 16, 1990
1990 YEAR-END	NOVEMBER 14, 1990 - DECEMBER 31, 1990	JANUARY 15, 1991