

**SB**

**191**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/22/96

DATE TURNED INTO OFFICE: 5-1-96

The Finance Committee considered SENATE BILL NO. 191

Relating to election campaign finance reform; etd.

and recommends:

- be replaced with CS 5B 191 (Fix)
- adopt previous CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:
- same title
  - new title
- House Bill:
- same title
  - technical change
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Steve Nigro</i>	✓	<i>Paul P. Z...</i>	✓		
<i>Bill E. Hill</i>	✓				
<i>Dave Donker</i>	✓				
<i>Scott May</i>	✓				
Co-Chair: <i>[Signature]</i>	✓	Co-Chair:			
Co-Chair: <i>Richard Halford</i>	✓	Co-Chair: <i>Unless Am.</i>			

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal

DC+RA	3/20/96	0	

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal

#3 DOA (APD)	3/29/96		98.7
#7 DOLA	3/21/96		47.5
#6 LAA	3/21/96	0	
#5 Gov./Elect	1/23/96	0	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 1

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Bill Version: SB 191  
(S) Publish Date: 3-20-96

Revision Date: \_\_\_\_\_  
Title: An Act regulating campaigns, campaign financing and lobbyists' campaign activities...  
Sponsor: Senator Kelly  
Requestor: \_\_\_\_\_

Department Affected: Administration  
BRU: Public Offices Commission  
Component: Public Offices Commission  
COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	144	148.6	99.2	102.1	105	108.3
TRAVEL	2.5	0	2.5	0	0	0
CONTRACTUAL	18.0	2.0	1.2	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	17.7	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
<b>TOTAL OPERATING</b>	<b>182.2</b>	<b>150.6</b>	<b>102.9</b>	<b>102.1</b>	<b>105.0</b>	<b>108.3</b>

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ( )	0	0	0	0	0	0
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FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	182.2	150.6	102.9	102.1	105.0	108.3
1005 GF/Program Receipts	0	0	0	0	0	0
1037 GF/Mental Health	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	<b>182.2</b>	<b>150.6</b>	<b>102.9</b>	<b>102.1</b>	<b>105.0</b>	<b>108.3</b>

Estimate of any current year (FY 96) cost: \$1.2

POSITIONS:

FULL-TIME	1	1	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED. THIS IS A DRAFT FISCAL NOTE PREPARED BY COMMISSION STAFF. THE COMMISSION HAS NEITHER REVIEWED NOR APPROVED THIS FISCAL NOTE. THEY WILL BE DOING SO SHORTLY AND A FINAL REVISED FISCAL NOTE WILL BE SUBMITTED AT THAT TIME.

Prepared by: Karen Boorman  
Division: Public Offices Commission

Phone: 270-4170  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer  
Agency: Department of Administration

Date: 4/15/96

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## ANALYSIS: SB 191

### 1 Assumption

This expenditure detail is based upon the assumption that SB 191 will have an effective date during the 1996 election cycle.

### 2. Program Summary

This bill would require extensive education of all candidates and contributors of the new limits on contributions, expenditures and behavior. New manuals and forms would be necessary to provide immediate help. Regulations, civil penalty assessments, advisory opinions and adjudication of complaints would provide long term guidance. The computer tracking system would have to be significantly upgraded to accommodate the increased number of registrations and reports as well as the new and significantly expanded civil penalty structure.

#### a. positions

1. An investigator III/associate coordinator would write advisory opinions, handle complex civil penalty assessments and inquiries from the public, train candidates and contributors and investigate complaints.

2. An administrative clerk III would be responsible for processing filed reports, statements and registrations as well as accurate and prompt input of data about contributors' and candidates' registering and reporting. This position would assign work to and supervise an existing administrative clerk II, answer inquiries from the public about APOC's expanded databases, and compose reports of contribution, expenditure and candidate activity.

3. A regulations specialist II would draft regulations interpreting this bill's new provisions for consideration by the commission and the Department of Law. This position would also draft new forms and manuals. This is a two year position.

#### b. other expenditures

Travel costs cover training in Fairbanks, Barrow, Kenai and Ketchikan as well as an additional commission teleconference to approve new manuals and forms. Contractual costs cover printing and mailing new manuals and forms, and reprogramming the current computer tracking system. Equipment costs cover computer equipment for the new positions as well as an improved backup system and scanner. Funds in two election years for newspaper ads in six communities would tell the public of the new limitations.

#### c. funding

Undesignated revenue to the General Fund from civil penalties is likely to increase, but the amount of any increase is speculative. Any increased revenue would go to the general fund, not APOC.

# FISCAL NOTE

Revision Date: January 24, 1996 Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to election campaigns, election campaign financing, the oversight BRU: none  
 Component: none  
 Sponsor: Senator Kelly, Phillips  
 Requestor: Senate State Affairs COMPONENT SERIAL NO. \_\_\_\_\_

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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REVENUE FUND SOURCE:						
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FUNDING (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

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

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach in separate page if necessary)

This legislation would have no fiscal impact on the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4706  
 Division: Division of Administrative Services Date: 1/24/96  
 Approved by Commissioner: *[Signature]* Date: 1/24/96  
 Agency: Community & Regional Affairs

# FISCAL NOTE

No. 2

Bill Version: SB 191  
(S) Publish Date: 3-20-96

Revision Date: January 24, 1996 Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to election campaigns. BRU: none  
election campaign financing, the oversight Component: none  
 Sponsor: Senator Kelly, Phillips  
 Requestor: Senate State Affairs COMPONENT SERIAL NO. \_\_\_\_\_

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE:						

FUNDING (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1008 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS

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

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This legislation would have no fiscal impact on the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 1/24/96  
 Approved by Commissioner: *[Signature]* Date: 1/24/96  
 Agency: Community & Regional Affairs

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# FISCAL NOTE

1/19/96 #3

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

NO. \_\_\_\_\_  
BILL VERSION: SB 191  
PUBLISH DATE: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: "An Act relating to election campaigns, election campaign financing, the oversight and regulation...  
Sponsor: Senator Kelly  
Requestor: Senate State Affairs

Department Affected: Legislative Affairs Agency  
BRU: All  
Component: All

COMPONENT SERIAL NO:

**Expenditures/Revenues: (Thousands of Dollars)**

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	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: (Thousands of Dollars)**

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE						
<b>TOTAL</b>	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 impact: \_\_\_\_\_

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

Zero fiscal impact.

Prepared By: Karla Schofield, Deputy Director Phone: 465-3852  
Division: Administrative Services Date: 1/19/96

Approved By: Pamela A. Varni, Executive Director Date: 1/19/96  
Agency: Legislative Affairs Agency

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

NO. \_\_\_\_\_ No. 3  
BILL VE Bill Version: SB 191  
PUBLIS (S) Publish Date: 3-20-96

Revision Date \_\_\_\_\_  
Title "An Act relating to election campaigns,  
election campaign financing, the oversight and regulation...  
Sponsor Senator Kelly  
Requestor Senate State Affairs

Department Affected: Legislative Affairs Agency  
BRU: All  
Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
GRANTS/CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 (Thousands of Dollars)

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

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 impact: \_\_\_\_\_

ANALYSIS (Attach a separate page if necessary)

Zero fiscal impact.

Prepared By: Karla Schotfeld, Deputy Director Phone: 465-3852  
Division: Administrative Services Date: 3-19-96

Approved By: Pamela A. Varni, Executive Director Date: 1/19/96  
Agency: Legislative Affairs Agency

Distribution (by preparer): Leg. Finance, Legislative Sponsor, Requestor, OMB, Gov. & Impacted Agency(ies)

# FISCAL NOTE

#14

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: "...election campaigns, election campaign  
financing, the oversight and regulation of election campaigns..." BRU: Civil Division  
 Sponsor: Senator Kelly Component: General Legal Services  
 Requester: Senate State Affairs Committee COMPONENT SERIAL NO. 2087

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	34.6	23.0	23.0			
TRAVEL	2.8	2.8	2.8			
CONTRACTUAL	9.1	7.7	7.7			
SUPPLIES	1.0	0.8	0.8			
EQUIPMENT	0.3	0.2	0.2			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	47.5	34.1	34.1			
1006 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

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

SB 191 is an extensive revision of Alaska campaign finance law with new reporting requirements for political contributions and expenditures, revised civil penalties and criminal sanctions, and many other changes directly affecting the Alaska Public Offices Commission (APOC).

Section 18 of SB 191 repeals AS 15.13.120(d) and reenacts the statute to allow a person to file a superior court action relating to a violation of AS 15.13 (under current law, a person may only file a complaint with APOC). The civil action could seek an injunction or civil penalties. Section 18 requires the person to serve the attorney general and APOC with a copy of the summons and complaint. The impact on the Department of Law is that APOC could intervene as a matter of right in the superior court action, which will mean that APOC would require more attorney resources. Because the bill deletes the current version of AS 15.13.120(d), APOC would no longer refer violations of AS 15.13 to the attorney general for possible criminal prosecution under that statute.

Prepared by: Richard I. Pegues, Director Phone: 465-3672  
 Division: Administrative Services Division Date: 1/30/96  
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 1/30/96  
 Agency: Department of Law

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

ANALYSIS CONTINUATION:

Section 17 repeals AS 15.13.120(e) and reenacts it to allow a person to file a complaint with APOC relating to a violation of AS 15.13 (similar to the current version of AS 15.13.120(d)). The revision notes that APOC would not have exclusive jurisdiction over such violations. The impact on the Department of Law should not be significant because APOC processes administrative complaints under current law, except that the department's attorney representing APOC would also be required to monitor or intervene in a separate court action relating to the same violation as noted above for Section 18.

Section 20 of SB 191 expands and amends the criminal sanctions in AS 15.58 relating to campaign finance contributions, expenditures and reporting violations, which will not impact the Department of Law.

If it is enacted, SB 191 very likely will prompt litigation concerning the constitutionality or legal validity of restrictions on various contributions and expenditures (for example, SB 191 prohibits contributions to certain Alaska political candidates from non-Alaskans), which will require the department to defend such lawsuits.

Last, because of the bill's extensive revision of Alaska campaign finance law, all of APOC's regulations will have to be rewritten, which will require substantial assistance from the Department of Law. It is our estimate that about 30 percent of additional attorney time will be required in the first year after the bill is in effect (10 percent for regulations and 20 percent for increased representation). This will decrease to 20 percent in the following two years. Although this increase in workload is not sufficient to warrant a new position, the increase does warrant fiscal note costs. This is because the department's civil division budget has been severely reduced and the division faces increasing workloads in non-discretionary work in child protection and labor relations litigation. Consequently, assuming other additional workload is problematic at best. Therefore the addition of fiscal note funds to reduce position vacancy, currently near the maximum permitted, will allow the department to handle the SB 191 workload increase by proportionately increasing attorney staff time. The amounts shown on the fiscal note represent 30 percent of the annual cost of an Attorney IV, including associated support costs, in conformance with the department's cost allocation plan and attorney rate methodology. In addition, \$7,500 is also included for out-of-pocket litigation costs.

# FISCAL NOTE

No. 4

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Bill Version: SB191  
(S) Publish Date: 3-20-96

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: ...election campaigns, election campaign BRU: Civil Division  
financing, the oversight and regulation of election campaigns... Component: General Legal Services  
 Sponsor: Senator Kelly  
 Requester: Senate State Affairs Committee COMPONENT SERIAL NO. 2087

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	34.5	23.0	23.0			
TRAVEL	2.6	2.6	2.6			
CONTRACTUAL	9.1	7.7	7.7			
SUPPLIES	1.0	0.6	0.6			
EQUIPMENT	0.3	0.2	0.2			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	47.5	34.1	34.1			
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

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

SB 191 is an extensive revision of Alaska campaign finance law with new reporting requirements for political contributions and expenditures, revised civil penalties and criminal sanctions, and many other changes directly affecting the Alaska Public Offices Commission (APOC).

Section 16 of SB 191 repeals AS 15.13.120(d) and reenacts the statute to allow a person to file a superior court action relating to a violation of AS 15.13 (under current law, a person may only file a complaint with APOC). The civil action could seek an injunction or civil penalties. Section 16 requires the person to serve the attorney general and APOC with a copy of the summons and complaint. The impact on the Department of Law is that APOC could intervene as a matter of right in the superior court action, which will mean that APOC would require more attorney resources. Because the bill deletes the current version of AS 15.13.120(d), APOC would no longer refer violations of AS 15.13 to the attorney general for possible criminal prosecution under that statute.

Prepared by: Richard I. Pequis, Director Phone: 465-3872  
 Division: Administrative Services Division Date: 1/30/96  
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 1/30/96  
 Agency: Department of Law

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## FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

### ANALYSIS CONTINUATION:

Section 17 repeals AS 15.13.120(e) and reenacts it to allow a person to file a complaint with APOC relating to a violation of AS 15.13 (similar to the current version of AS 15.13.120(d)). The revision notes that APOC would not have exclusive jurisdiction over such violations. The impact on the Department of Law should not be significant because APOC processes administrative complaints under current law, except that the department's attorney representing APOC would also be required to monitor or intervene in a separate court action relating to the same violation as noted above for Section 16.

Section 20 of SB 191 expands and amends the criminal sanctions in AS 15.56 relating to campaign finance contributions, expenditures and reporting violations, which will not impact the Department of Law.

If it is enacted, SB 191 very likely will prompt litigation concerning the constitutionality or legal validity of restrictions on various contributions and expenditures (for example, SB 191 prohibits contributions to certain Alaska political candidates from non-Alaskans), which will require the department to defend such lawsuits.

Last, because of the bill's extensive revision of Alaska campaign finance law, all of APOC's regulations will have to be rewritten, which will require substantial assistance from the Department of Law. It is our estimate that about 30 percent of additional attorney time will be required in the first year after the bill is in effect (10 percent for regulations and 20 percent for increased representation). This will decrease to 20 percent in the following two years. Although this increase in workload is not sufficient to warrant a new position, the increase does warrant fiscal note costs. This is because the department's civil division budget has been severely reduced and the division faces increasing workloads in non-discretionary work in child protection and labor relations litigation. Consequently, assuming other additional workload is problematic at best. Therefore the addition of fiscal note funds to reduce position vacancy, currently near the maximum permitted, will allow the department to handle the SB 191 workload increase by proportionately increasing attorney staff time. The amounts shown on the fiscal note represent 30 percent of the annual cost of an Attorney IV, including associated support costs, in conformance with the department's cost allocation plan and attorney rate methodology. In addition, \$7,500 is also included for out-of-pocket litigation costs.

1/24/96 #5

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

Revision Date 1/23/96 Dept. Affected Office of the Governor  
 Title An Act relating to election campaigns, election BRU Elective Operations  
campaign financing Component Elections  
 Sponsor Senators Kelly and Phillips  
 Requester Senate State Affairs COMPONENT SERIAL NO. 21

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	0.0					
TRAVEL	0.0					
CONTRACTUAL	0.0					
SUPPLIES	0.0					
EQUIPMENT	0.0					
LAND & STRUCTURES	0.0					
GRANTS, CLAIMS	0.0					
MISCELLANEOUS	0.0					
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

SB 191 does not have a fiscal impact on the Division of Elections.

Prepared by Dana LaTour Phone 465-5347  
 Division Division of Elections Date 1/23/96

Approved by LT Governor Fran Ulmer Date 1/23/96  
 Commissioner John Lundblad  
 Agency Office of the LT Governor

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# FISCAL NOTE

No. 5

Bill Version: CS SB 191 (STA)

(S) Publish Date: 3-20-96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Revision Date: <u>1/23/96</u>	Dept. Affected: <u>Office of the Governor</u>
Title: <u>An Act relating to election campaigns, election campaign financing</u>	BRU: <u>Elective Operations</u>
Sponsor: <u>Senators Kelly and Phillips</u>	Component: <u>Elections</u>
Requester: <u>Senate State Affairs</u>	COMPONENT SERIAL NO. <u>21</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 100	FY 01	FY 02
PERSONAL SERVICES	00					
TRAVEL	00					
CONTRACTUAL	00					
SUPPLIES	00					
EQUIPMENT	00					
LAND & STRUCTURES	00					
GRANTS, CLAIMS	00					
MISCELLANEOUS	00					
<b>TOTAL OPERATING</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	00					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

Estimate of any current year (FY96) cost: \$ 00

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

SB 191 does not have a fiscal impact on the Division of Elections.

Prepared by: <u>Dana LaTour</u>	Phone: <u>465-5347</u>
Division: <u>Division of Elections</u>	Date: <u>1/23/96</u>
Approved by: <u>LI Governor Fran Ulmer</u>	Date: <u>1/23/96</u>
Commissioner: <u>John Zundbald</u>	
Agency: <u>Office of the LI Governor</u>	

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# FISCAL NOTE

3/21/96 #6  
Jul, Fin

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

NO. \_\_\_\_\_  
BILL VERSION: CSSB 191(STA)  
PUBLISH DATE: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act relating to election campaigns, election campaign financing, the oversight and ...  
Sponsor: Senator Kelly  
Requestor: Senate State Affairs

Department Affected: Legislative Affairs Agency  
BRU: All  
Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUNDING (Thousands of Dollars)

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

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 impact \_\_\_\_\_

ANALYSIS (Attach a separate page if necessary)

Zero fiscal impact.

Prepared By Karla Schofield Deputy Director *Karla Schofield* Phone 465-3852  
Division Administrative Services Date 3/21/96

Approved By Pamela A Varni Executive Director *Pamela Varni*  
Agency Legislative Affairs Agency Date 3/21/96

# FISCAL NOTE

No. 6

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

... Bill Version: CS SB 191 (STA)

(S) Publish Date: 3-25-96

Revision Date: \_\_\_\_\_  
 Title: \*An Act relating to election campaigns,  
 election campaign financing, the oversight and....  
 Sponsor: Senator Kelly  
 Requestor: Senate State Affairs

Department Affected: Legislative Affairs Agency  
 BRU: All  
 Component: All

COMPONENT SERIAL NO:

**Expenditures/Revenues: (Thousands of Dollars)**

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
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						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

REVENUE FUND SOURCE	0	0	0	0	0	0
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**FUNDING: (Thousands of Dollars)**

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

**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 impact: \_\_\_\_\_

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

Zero fiscal impact.

Prepared By: Karla Schofield, Deputy Director *Karla Schofield*  
 Division: Administrative Services

Phone: 465-3852

Date: 3/21/96

Approved By: Pamela A. Varni, Executive Director *Pamela Varni*  
 Agency: Legislative Affairs Agency

Date: 3/21/96

Distribution (by preparer): Leg. Finance, Legislative Sponsor, Requestor, OMB, Gov., & Impacted Agency(ies).

# FISCAL NOTE

# 7

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191 (STA)

Revision Date: <u>3/21/96</u>	Dept. Affected: <u>Department of Law</u>
Title: <u>*...election campaigns, election campaign</u>	BRU: <u>Civil Division</u>
Financing, the oversight and regulation of election campaigns...*	Component: <u>General Legal Services</u>
Sponsor: <u>Senator Kelly</u>	
Requester: <u>Senate State Affairs Committee</u>	COMPONENT SERIAL NO. <u>2087</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	34.5	23.0	23.0			
TRAVEL	2.6	2.6	2.6			
CONTRACTUAL	9.1	7.7	7.7			
SUPPLIES	1.0	0.6	0.6			
EQUIPMENT	0.3	0.2	0.2			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	47.5	34.1	34.1			
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

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

CSSB 191 (STA) is an extensive revision of Alaska campaign finance law with new reporting requirements for political contributions and expenditures, revised civil penalties and criminal sanctions, and many other changes directly affecting the Alaska Public Offices Commission (APOC).

Section 19 of CSSB 191 (STA) repeals AS 15.13.120(d) and reenacts the statute to allow a person to file a superior court action relating to a violation of AS 15.13 under certain circumstances (under current law, a person may only file a complaint with APOC). The person must still file an administrative complaint with APOC. If APOC does not complete a report of a preliminary investigation within 60 days following the filing of the administrative complaint, the person may file a superior court action. The civil action could seek an injunction or civil penalties. Section 19 requires the person to serve the attorney general and APOC with a copy of the summons and complaint. The impact on the Department of Law is that APOC could intervene as a matter of right in the superior court action, which will mean that APOC would require more attorney resources. Because

Prepared by: Richard I. Pegues, Director  
 Division: Administrative Services Division  
 Approved by Commissioner: Richard I. Pegues  
 Agency: Department of Law

Phone: 465-3672  
 Date: 3/21/96  
 Date: 3/21/96

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## FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191 (STA)

### ANALYSIS CONTINUATION:

the bill deletes the current version of AS 15.13.120(d), APOC would no longer refer violations of AS 15.13 to the attorney general for possible criminal prosecution under that statute.

Section 20 repeals AS 15.13.120(e) and reenacts it to allow a person to file a complaint with APOC relating to a violation of AS 15.13 (similar to the current version of AS 15.13.120(d)). The revision notes that APOC would not have exclusive jurisdiction over such violations. The impact on the Department of Law should not be significant because APOC processes administrative complaints under current law, except that the department's attorney representing APOC would also be required to monitor or intervene in a separate court action relating to the same violation as noted above for Section 19.

Section 24 of CSSB 191 (STA) expands and amends the criminal sanctions in AS 15.56 relating to campaign finance contributions, expenditures and reporting violations, which will not impact the Department of Law.

If it is enacted, CSSB 191 (STA) very likely will prompt litigation concerning the constitutionality or legal validity of restrictions on various contributions and expenditures (for example, SB 191 limits the amount of contributions which certain Alaska politicians are able to receive in the aggregate from non-Alaskans), which will require the department to defend such lawsuits.

Last, because of the bill's extensive revision of Alaska campaign finance law, all of APOC's regulations will have to be rewritten, which will require substantial assistance from the Department of Law. It is our estimate that about 30 percent of additional attorney time will be required in the first year after the bill is in effect (10 percent for regulations and 20 percent for increased representation). This will decrease to 20 percent in the following two years. Although this increase in workload is not sufficient to warrant a new position, the increase does warrant fiscal note costs. This is because the department's civil division budget has been severely reduced and the division faces increasing workloads in non-discretionary work in child protection and labor relations litigation. Consequently, assuming other additional workload is problematic at best. Therefore the addition of fiscal note funds to reduce position vacancy, currently near the maximum permitted, will allow the department to handle the CSSB 191 (STA) workload increase by proportionately increasing attorney staff time. The amounts shown on the fiscal note represent 30 percent of the annual cost of an Attorney IV, including associated support costs, in conformance with the department's cost allocation plan and attorney rate methodology. In addition, \$7,500 is also included for out-of-pocket litigation costs.

# FISCAL NOTE

No. 7

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Bill Version: CS SB191(STA)

(S) Publish Date: 3-25-96

Revision Date: <u>3/21/96</u>	Dept. Affected: <u>Department of Law</u>
Title: <u>...election campaigns, election campaign financing, the oversight and regulation of election campaigns...</u>	BRU: <u>Civil Division</u>
Sponsor: <u>Senator Kelly</u>	Component: <u>General Legal Services</u>
Requester: <u>Senate State Affairs Committee</u>	COMPONENT SERIAL NO. <u>2087</u>

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	34.5	23.0	23.0			
TRAVEL	2.6	2.6	2.6			
CONTRACTUAL	9.1	7.7	7.7			
SUPPLIES	1.0	0.6	0.6			
EQUIPMENT	0.3	0.2	0.2			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF	47.5	34.1	34.1			
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 00

**POSITIONS**

POSITIONS	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

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

CSSB 191 (STA) is an extensive revision of Alaska campaign finance law with new reporting requirements for political contributions and expenditures, revised civil penalties and criminal sanctions, and many other changes directly affecting the Alaska Public Offices Commission (APOC).

Section 19 of CSSB 191 (STA) repeals AS 15.13.120(d) and reenacts the statute to allow a person to file a superior court action relating to a violation of AS 15.13 under certain circumstances (under current law, a person may only file a complaint with APOC). The person must still file an administrative complaint with APOC. If APOC does not complete a report of a preliminary investigation within 60 days following the filing of the administrative complaint, the person may file a superior court action. The civil action could seek an injunction or civil penalties. Section 19 requires the person to serve the attorney general and APOC with a copy of the summons and complaint. The impact on the Department of Law is that APOC could intervene as a matter of right in the superior court action, which will mean that APOC would require more attorney resources. Because

Prepared by: <u>Richard I. Pegues, Director</u>	Phone: <u>465-3672</u>
Division: <u>Administrative Services Division</u>	Date: <u>3/21/96</u>
Approved by Commissioner: <u>Richard M. Botelho</u>	Date: <u>3/21/96</u>
Agency: <u>Department of Law</u>	

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191 (STA)

ANALYSIS CONTINUATION:

the bill deletes the current version of AS 15.13.120(d), APOC would no longer refer violations of AS 15.13 to the attorney general for possible criminal prosecution under that statute.

Section 20 repeals AS 15.13.120(e) and reenacts it to allow a person to file a complaint with APOC relating to a violation of AS 15.13 (similar to the current version of AS 15.13.120(d)). The revision notes that APOC would not have exclusive jurisdiction over such violations. The impact on the Department of Law should not be significant because APOC processes administrative complaints under current law, except that the department's attorney representing APOC would also be required to monitor or intervene in a separate court action relating to the same violation as noted above for Section 19.

Section 24 of CSSB 191 (STA) expands and amends the criminal sanctions in AS 15.56 relating to campaign finance contributions, expenditures and reporting violations, which will not impact the Department of Law.

If it is enacted, CSSB 191 (STA) very likely will prompt litigation concerning the constitutionality or legal validity of restrictions on various contributions and expenditures (for example, SB 191 limits the amount of contributions which certain Alaska politicians are able to receive in the aggregate from non-Alaskans), which will require the department to defend such lawsuits.

Last, because of the bill's extensive revision of Alaska campaign finance law, all of APOC's regulations will have to be rewritten, which will require substantial assistance from the Department of Law. It is our estimate that about 30 percent of additional attorney time will be required in the first year after the bill is in effect (10 percent for regulations and 20 percent for increased representation). This will decrease to 20 percent in the following two years. Although this increase in workload is not sufficient to warrant a new position, the increase does warrant fiscal note costs. This is because the department's civil division budget has been severely reduced and the division faces increasing workloads in non-discretionary work in child protection and labor relations litigation. Consequently, assuming other additional workload is problematic at best. Therefore, the addition of fiscal note funds to reduce position vacancy, currently near the maximum permitted, will allow the department to handle the CSSB 191 (STA) workload increase by proportionately increasing attorney staff time. The amounts shown on the fiscal note represent 30 percent of the annual cost of an Attorney IV, including associated support costs, in conformance with the department's cost allocation plan and attorney rate methodology. In addition, \$7,500 is also included for out-of-pocket litigation costs.

FISCAL NOTE

4102  
300,000

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191(STA)

Revision Date: \_\_\_\_\_  
Title: 'An Act Regulating Campaigns, Campaign Financing And Lobbyists' Campaign Activities...  
Sponsor: Senator Kelly  
Requestor: (S) Judiciary, Finance

Department Affected: Administration  
BRU: Public Offices Commission  
Component: Public Offices Commission  
COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	72	146.3	121.9	100.7	103.5	106.7
TRAVEL	0	0	2.5	0	2.5	0
CONTRACTUAL	9.0	10.1	3.2	0	1.2	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	17.7	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
<b>TOTAL OPERATING</b>	<b>98.7</b>	<b>156.4</b>	<b>129.6</b>	<b>100.7</b>	<b>107.2</b>	<b>106.7</b>

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ( )	0	0	0	0	0	0
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FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	98.7	156.4	129.6	100.7	107.2	106.7
1005 GF/Program Receipts	0	0	0	0	0	0
1037 GF/Mental Health	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	<b>98.7</b>	<b>156.4</b>	<b>129.6</b>	<b>100.7</b>	<b>107.2</b>	<b>106.7</b>

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

FULL-TIME	3	3	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED

Prepared by: Karen Boorman  
Division: Public Offices Commission

Phone: 276-4176  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer  
Agency: Department of Administration

Date: 3/29/96

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191(STA)

ANALYSIS: (continued)

1. Assumption

This expenditure detail is based upon the assumption that SB 191 will take effect midway through FY 97. The first elections to which the new law would apply are the FY 97 Anchorage municipal election including mayoral in April and municipal elections in the fall.

2. Program Summary

This bill would require extensive education of all candidates and contributors of the new limits on contributions, expenditures and behavior. New manuals and forms would be necessary to provide immediate help. Regulations, civil penalty assessments, advisory opinions and adjudication of complaints would provide long term guidance. The computer tracking system would have to be significantly upgraded to accommodate the increased number of reports as well as the new civil penalty structure.

a. Positions

Positions would not be established until January 1, 1997.

1. An investigator III/associate coordinator would write advisory opinions, handle complex civil penalty assessments and inquiries from the public, train candidates and contributors and investigate complaints.
2. An administrative clerk III would be responsible for processing filed reports, statements and registrations as well as accurate and prompt input of data about contributors' and candidates' registering and reporting. This position would assign work to and supervise an existing administrative clerk II; answer inquiries from the public about APOC's expanded databases; and compose reports of contribution, expenditure and candidate activity.
3. A regulations specialist II would draft regulations interpreting this bill's new provisions for consideration by the commission and the Department of Law. This position would also draft new forms and manuals. This is a two year position and would end six months into FY 99.

b. Other expenditures

Travel costs in FY 99 and FY 01 cover training in Fairbanks, Barrow, Kenai and Ketchikan as well as an additional commission teleconference to approve new manuals and forms. Contractual costs in FY 97 cover printing and mailing new manuals and forms, additional office space for 1 1/2 years, and reprogramming the current computer tracking system in FY 98. Equipment costs in FY 97 cover computer equipment for the new positions as well as an improved backup and storage system. Funds in two election years, FY 99 and FY 01 for newspaper ads in six communities would tell the public of the new limitations.

c. Funding

Undesignated revenue to the general fund from civil penalties is likely to increase, but the amount of any increase is speculative. Any increased revenue would go to the general fund, not APOC.

PROPOSED AMENDMENTS

BILL NO. CSSB191(STA)

The Commission proposes the following technical and substantive amendments to CSSB191(STA):

Page 4, line 18. Section 7. AS 18.13.040. The Commission supports this exemption at \$1000.00 threshold. A \$2500.00 exemption would eliminate most municipal reporting.

Page 12, line 15. Section 14. AS 15.13.090(b). This section refers to subsection AS 15.13.090(a) which does not exist in current code and has not been established by this section.

Page 15, line 11. Section 18. AS 15.13.112(c). Subsection (c) should read: "Campaign contributions held by a candidate may not be contributed to another candidate or to a group other than a political party." This change would eliminate a conflict between this subsection and AS 15.13.110(a)(3)(A) and AS 15.13.074(g)(2).

Page 15, line 13. Section 18. AS 15.13.114. Disposition of Prohibited Contributions. This section applies to both candidates and groups but the cross-referenced violations (AS 15.13.072 and .074) only specify candidates and persons not groups do not give sufficient guidance to groups on the nature of prohibited contributions. By amending AS 15.13.074(a)(b) and (e) page 7 lines 28 and 30 and page 9, line 16 to "A person or group", this would be corrected.

Page 17, line 21. Section 19. AS 15.13.120(d). The Commission recommends the following wording for the next two sections as a more workable procedure. This establishes a reasonable time period to evaluate a complaint, eliminates the concerns regarding concurrent jurisdiction but allows the public an opportunity to take a complaint to court if the commission can't or won't open an investigation.

Section 19. AS 15.13.120(d) is repealed and reenacted to read:

(d) A member of the commission, the commission's executive director, a person or group who believes a violation of this chapter or a regulation adopted under it has occurred may file an administrative complaint with the commission within four years of the date of the alleged violation. If a member of the commission has filed the complaint, that member may not participate as a commissioner in any proceeding of the commission with respect to the complaint. If the commission accepts the complaint and opens a

preliminary investigation, it shall do so within 90 days of the filing date of the complaint and shall investigate the complaint. After affording the respondent notice and an opportunity to be heard, if the commission finds that the respondent has engaged in or is about to engage in an act or practice that constitutes or will constitute a violation of this chapter or a regulation adopted under it, the commission shall enter an order requiring the violation to cease and to be remedied, and shall assess civil penalties under AS 15.13.125. A commission order may be appealed to the superior court.

Page 18, line 2. Section 20. AS 15.13.120(e). The Commission recommends the following wording. See preceding comments.

Section 20. AS 15.13.120(e) is repealed and reenacted to read:

(e) If the commission does not open a preliminary investigation within 90 days of the filing date of the complaint, the complaint is rejected. A filer whose complaint is rejected may file a complaint in superior court alleging a violation of this chapter by a person, group or entity. A complaint may not be filed in superior court under this subsection if more than four years have elapsed from the date of the alleged violation. Nothing in this subsection creates a private cause of action against the commission.

Page 18, line 20. Section 21. AS 15.13.125. This section establishes civil penalties for most late or incomplete reports as well as letters of intent and write in candidacies. There are, however, no civil penalties specified for late registration statements. (Adding references to AS 15.13.050 and .060 would accomplish this.) There are also no references and therefore no civil penalties for late or incomplete individual contribution reports (AS 15.13.080 and .040(d)), independent expenditure reports (AS 15.13.040(d)), missing identifications of communication (AS 15.13.090) as well as no civil penalties for the new prohibitions and requirements that are specified in this bill.

This section should be identified as AS 15.13.125(a) as (b) has been established in the bill but (a) has not.

Page 21, line 3. Section 23. AS 15.13.145. Money of the State and its Political Subdivisions. The inclusion of a candidate for federal office in the list of prohibited uses for state funds may conflict with federal jurisdiction of federal elections.

Page 22, line 2. Section 23. AS 15.13.155. This section establishes restrictions on honorarium and earned income. It will be difficult to enforce as nothing beyond what is already required in AS 39.50 and AS 24.60 regarding personal financial

disclosure is required here. Reporting periods under current laws cover the previous calendar year and only AS 24.60 requires amounts and then only in some circumstances. In addition no penalties exist for this section in AS 15.13.

Page 24, line 6 Section 23. AS 15.13.400(11), AS 15.13.050, AS 15.13.140. Although there is a new definition, it is still unclear as to what "publicly funded entity" refers. If "person" has the meaning in AS 01.10.060 and includes association, corporation, organization, company, labor union, natural person, etc., and the "state and its political subdivisions" includes state agencies, the University, state corporations, municipalities, school districts and REAAS, what entity does not already fall under these categories?

FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Bill Version: CSSB/91(CSTA)  
(S) Publish Date: 4/9/96  
No. 8

Revision Date: \_\_\_\_\_  
Title: "An Act Regulating Campaigns, Campaign Financing And Lobbyists' Campaign Activities..."  
Sponsor: Senator Kelly  
Requestor: (S) Judiciary, Finance

Department Affected: Administration  
BRU: Public Offices Commission  
Component: Public Offices Commission  
COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	77	146.3	123.9	100.7	103.5	108.7
TRAVEL	0	0	2.5	0	2.5	0
CONTRACTUAL	9.0	10.1	3.2	0	1.2	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	17.7	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLUMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	98.7	156.4	129.6	100.7	107.2	106.7

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ( )	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	98.7	156.4	129.6	100.7	107.2	106.7
1005 GF/Program Receipts	0	0	0	0	0	0
1037 GF/Mental Health	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	98.7	156.4	129.6	100.7	107.2	106.7

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

FULL-TIME	1	1	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

SEE ATTACHED

Prepared by: Karen Duorman  
Division: Public Offices Commission

Phone: 276-4179  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Bauer  
Agency: Department of Administration

Date: 3/19/96

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191(STA)

ANALYSIS: (continued)

1. Assumption

This expenditure detail is based upon the assumption that SB 191 will take effect midway through FY 97. The first elections to which the new law would apply are the FY 97 Anchorage municipal election including mayoral in April and municipal elections in the fall.

2. Program Summary

This bill would require extensive education of all candidates and contributors of the new limits on contributions, expenditures and behavior. New manuals and forms would be necessary to provide immediate help. Regulations, civil penalty assessments, advisory opinions and adjudication of complaints would provide long term guidance. The computer tracking system would have to be significantly upgraded to accommodate the increased number of reports as well as the new civil penalty structure.

a. Positions

Positions would not be established until January 1, 1997.

1. An investigator III/associate coordinator would write advisory opinions, handle complex civil penalty assessments and inquiries from the public, train candidates and contributors and investigate complaints.
2. An administrative clerk III would be responsible for processing filed reports, statements and registrations as well as accurate and prompt input of data about contributors' and candidates' registering and reporting. This position would assign work to and supervise an existing administrative clerk II; answer inquiries from the public about APOC's expanded databases; and compose reports of contribution, expenditure and candidate activity.
3. A regulations specialist II would draft regulations interpreting this bill's new provisions for consideration by the commission and the Department of Law. This position would also draft new forms and manuals. This is a two year position and would end six months into FY 99.

b. Other expenditures

Travel costs in FY 99 and FY 01 cover training in Fairbanks, Barrow, Kenai and Ketchikan as well as an additional commission teleconference to approve new manuals and forms. Contractual costs in FY 97 cover printing and mailing new manuals and forms, additional office space for 1 1/2 years, and reprogramming the current computer tracking system in FY 98. Equipment costs in FY 97 cover computer equipment for the new positions as well as an improved backup and storage system. Funds in two election years, FY 99 and FY 01 for newspaper ads in six communities would tell the public of the new limitations.

c. Funding

Undesignated revenue to the general fund from civil penalties is likely to increase, but the amount of any increase is speculative. Any increased revenue would go to the general fund, not APOC.

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO: CS 88 191 (STA)

Revision Date: 3/28/96 Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to election campaign financing, BRU: none  
the oversight and regulation of Component: none  
 Sponsor: Senator Kelly  
 Requestor: Senate State Affairs Committee COMPONENT SERIAL NO. \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>						
Revenue Code						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GE Match						
1004 GE						
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of current year (FY 96) impact: \$ none

**POSITIONS:**

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

**ANALYSIS (Attach a separate page if necessary)**

This bill would have no fiscal impact on the department.

Prepared By: Remond Henderson *Remond Henderson* Phone: 465-4708  
 Division: Director, Div. of Administrative Services Date: 3/28/96  
 Approved by Commissioner: Mike Inman *Mike Inman* Date: 3/28/96  
 Agency: Mike Inman, Dept. of Community & Reg. Affairs

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191(JUD)

Revision Date: \_\_\_\_\_  
Title: "An Act Regulating Campaigns, Campaign Financing And Lobbyists' Campaign Activities."  
Sponsor: Senator Kelly  
Requestor: (S) Finance

Department Affected: Administration  
BRU: Public Offices Commission  
Component: Public Offices Commission

COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	72	146.3	123.9	100.7	103.5	106.7
TRAVEL	0	0	2.5	0	2.5	0
CONTRACTUAL	9.0	10.1	3.2	0	1.2	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	17.7	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
<b>TOTAL OPERATING</b>	<b>98.7</b>	<b>156.4</b>	<b>129.6</b>	<b>100.7</b>	<b>107.2</b>	<b>106.7</b>

CAPITAL EXPENDITURES	0	0	0	0	0	0
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CHANGE IN REVENUES ( )	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	98.7	156.4	129.6	100.7	107.2	106.7
1005 GF/Program Receipts	0	0	0	0	0	0
1037 GF/Mental Health	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	<b>98.7</b>	<b>156.4</b>	<b>129.6</b>	<b>100.7</b>	<b>107.2</b>	<b>106.7</b>

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

FULL-TIME	3	3	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED

Prepared by: Karen Boorman  
Division: Public Offices Commission

Phone: 270-4170  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Doxey  
Agency: Department of Administration

Date: 4/20/00

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 191(JUD)

ANALYSIS: (continued)

1. Assumption

This expenditure detail is based upon the assumption that SB 191 will take effect midway through FY 97. The first elections to which the new law would apply are the FY 97 Anchorage municipal election including mayoral in April and municipal elections in the fall.

2. Program Summary

This bill would require extensive education of all candidates and contributors of the new limits on contributions, expenditures and behavior. New manuals and forms would be necessary to provide immediate help. Regulations, civil penalty assessments, advisory opinions and adjudication of complaints would provide long term guidance. The computer tracking system would have to be significantly upgraded to accommodate the increased number of reports as well as the new civil penalty structure.

a. Positions

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1. An investigator III/associate coordinator would write advisory opinions, handle complex civil penalty assessments and inquiries from the public, train candidates and contributors and investigate complaints.
2. An administrative clerk III would be responsible for processing filed reports, statements and registrations as well as accurate and prompt input of data about contributors' and candidates' registering and reporting. This position would assign work to and supervise an existing administrative clerk II, answer inquiries from the public about APOC's expanded databases, and compose reports of contribution, expenditure and candidate activity.
3. A regulations specialist II would draft regulations interpreting this bill's new provisions for consideration by the commission and the Department of Law. This position would also draft new forms and manuals. This is a two year position and would end six months into FY 99.

b. Other expenditures

Travel costs in FY 99 and FY 01 cover training in Fairbanks, Barrow, Kenai and Ketchikan as well as an additional commission teleconference to approve new manuals and forms. Contractual costs in FY 97 cover printing and mailing new manuals and forms, additional office space for 1 1/2 years, and reprogramming the current computer tracking system in FY 98. Equipment costs in FY 97 cover computer equipment for the new positions as well as an improved backup and storage system. Funds in two election years, FY 99 and FY 01 for newspaper ads in six communities would tell the public of the new limitations.

c. Funding

Undesignated revenue to the general fund from civil penalties is likely to increase, but the amount of any increase is speculative. Any increased revenue would go to the general fund, not APOC.

5-1-96  
RP  
moved  
Adopted

AMENDMENT

<sup>H</sup>  
①

TO: CSSB 191, VERSION H

PAGE 3, LINE 5

After AS 15.13.400, add the words: "or a political group as that term is defined in AS 15.60."

Reason for Amendment: In the Election Code, AS 15.13 is entitled State Election Campaigns; AS 15.60 is entitled General Provisions. Both sections contain a definition of 'group' or 'political group.' The amendment clarifies the fact that 'group' is covered in both cases.

5-1-96  
RP  
moved  
Adapted

CS FOR SENATE BILL NO. 191( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
NINETEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): SENATORS KELLY, Phillips

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to election campaigns, election campaign financing, the  
2 oversight and regulation of election campaigns, the activities of lobbyists that  
3 relate to election campaigns, the definitions of offenses of campaign misconduct,  
4 and to the use of the net proceeds of charitable gaming activities in election  
5 campaigns; and providing for an effective date."

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

7 \* Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that, under existing  
8 laws,

9 (1) campaigns for elective public office last too long, are often uninformative,  
10 and are too expensive;

11 (2) highly qualified citizens are dissuaded from running for public office due to  
12 the high cost of election campaigns;

13 (3) organized special interests are responsible for raising a significant portion of

1 all election campaign funds and may thereby gain an undue influence over election campaigns  
2 and elected officials, particularly incumbents;

3 (4) incumbents enjoy a distinct advantage in raising money for election  
4 campaigns, and many elected officials raise and carry forward huge surpluses from one campaign  
5 to the next, to the disadvantage of challengers;

6 (5) because, under existing laws, candidates are completely free to convert  
7 campaign funds to personal income, there is great potential for bribery and political corruption;  
8 and

9 (6) penalties for violations of the existing campaign finance laws are far too  
10 lenient to deter misconduct.

11 (b) It is the purpose of this Act to substantially revise Alaska's election campaign  
12 finance laws in order to restore the public's trust in the electoral process and to foster good  
13 government.

14 • Sec. 2. AS 05.15.150(a) is amended to read:

15 (a) The authority to conduct the activity authorized by this chapter is contingent  
16 upon the dedication of the net proceeds of the charitable gaming activity to the awarding  
17 of prizes to contestants or participants and to political, educational, civic, public,  
18 charitable, patriotic, or religious uses in the state. "Political, educational, civic, public,  
19 charitable, patriotic, or religious uses" means uses benefiting persons either by bringing  
20 them under the influence of education or religion or relieving them from disease,  
21 suffering, or constraint, or by assisting them in establishing themselves in life, or by  
22 providing for the promotion of the welfare and well-being of the membership of the  
23 organization within their own community, or through aiding candidates for public office  
24 or groups that support candidates for public office, or by erecting or maintaining public  
25 buildings or works, or lessening the burden on government, but does not include

26 (1) the direct or indirect payment of any portion of the net proceeds of  
27 a bingo or pull-tab game to a lobbyist registered under AS 24.45; [OR]

28 (2) the erection, acquisition, improvement, maintenance, or repair of real,  
29 personal, or mixed property unless it is used exclusively for one or more of the permitted  
30 uses; OR

31 (3) the direct or indirect payment of any portion of the net proceeds  
32 of a charitable gaming activity, except the proceeds of a raffle and lottery.

1 (A) to aid candidates for public office or groups that support  
 2 or oppose candidates for public office;

3 (B) to a political party or to an organization affiliated with  
 4 a political party; or

5 (C) to a group, as that term is defined in AS 15.1.00, that  
 6 seeks to influence the outcome of an election.

7 • Sec. 3. AS 15.13.010(a) is amended to read:

8 (a) This chapter applies

9 (1) in every election for governor, lieutenant governor, a member of the  
 10 state legislature, a delegate to a constitutional convention, or judge seeking electoral  
 11 confirmation;

12 (2) ~~(. IT ALSO APPLIES)~~ to every candidate for election to a municipal  
 13 office in a municipality with a population of more than 1,000 inhabitants according to  
 14 the latest United States census figures or estimates of population certified as correct for  
 15 administrative purposes by the Department of Community and Regional Affairs unless  
 16 the municipality has exempted itself from the provisions of this chapter: a (. A)  
 17 municipality may exempt its elected municipal officers from the requirements of this  
 18 chapter if a majority of the voters voting on the question at a regular election, as defined  
 19 by AS 29.71.800(20), or a special municipality-wide election called for that purpose,  
 20 votes [VOTE] to exempt its elected municipal officers from the requirements of this  
 21 chapter; the [. THE] question of exemption from the requirements of this chapter may  
 22 be submitted by the governing body by ordinance or by initiative election. **[THIS**  
 23 **CHAPTER DOES NOT PROHIBIT A MUNICIPALITY FROM REGULATING BY**  
 24 **ORDINANCE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES.]**

25 • Sec. 4. AS 15.13.010 is amended by adding a new subsection to read:

26 (c) This chapter does not prohibit a municipality from regulating by ordinance  
 27 election campaign contributions and expenditures in municipal elections, or from  
 28 regulating those campaign contributions and expenditures more strictly than provided in  
 29 this chapter.

30 • Sec. 5. AS 15.13.040(a) is amended to read:

31 (a) Except as provided in (g) of this section, each [EACH] candidate shall  
 32 make a full report, upon a form prescribed by the commission, listing the date and

1 amount of all expenditures made by the candidate, the total amount of all contributions,  
2 including all funds contributed by the candidate, and for all contributions in excess of  
3 \$100 in the aggregate a year, the name, address, principal occupation, and employer of  
4 the contributor and the date and amount contributed by each contributor. The report  
5 shall be filed in accordance with AS 15.13.110 and shall be certified correct by the  
6 candidate or campaign treasurer.

7 • Sec. 6. AS 15.13.040(d) is amended to read:

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

11 (1) any contribution of cash, goods, or services valued at more than \$250  
12 a year to any group or candidate; or

13 (2) unless exempted from reporting by (h) of this section, any  
14 expenditure whatsoever for advertising in newspapers or other periodicals, on radio, or  
15 on television; or, for the publication, distribution, or circulation of brochures, flyers, or  
16 other campaign material for any candidate or ballot proposition or question.

17 • Sec. 7. AS 15.13.040 is amended by adding new subsections to read:

18 (g) The provisions of (a) of this section do not apply if a candidate

19 (1) indicates, on a form prescribed by the commission, an intent not to  
20 raise and not to expend more than \$2,500 in seeking election to office, including both  
21 the primary and general elections;

22 (2) accepts contributions totaling not more than \$2,500 in seeking  
23 election to office, including both the primary and general elections; and

24 (3) makes expenditures totaling not more than \$2,500 in seeking  
25 election to office, including both the primary and general elections.

26 (h) The provisions of (d)(2) of this section do not apply to one or more  
27 expenditures made by an individual acting independently of any group and  
28 independently of any other individual if the expenditures

29 (1) cumulatively do not exceed \$250 during a calendar year; and

30 (2) are made only for billboards, signs, or printed material concerning  
31 a ballot proposition or question.

32 • Sec. 8. AS 15.13.050 is amended to read:

1           Sec. 15.13.050. REGISTRATION BEFORE EXPENDITURE [GROUPS].

2           (a) Before [EACH GROUP, BEFORE] making an expenditure in support [ON  
3           BEHALF] of [,] or in opposition to [,] a candidate or before making an expenditure  
4           in support of or in opposition to a ballot proposition or question, each person other  
5           than an individual [A CONTRIBUTION TO A CANDIDATE] shall register, on forms  
6           provided by the commission, with the commission.

7           (b) If a [THE] group intends to support [OR OPPOSE] only one candidate, or  
8           to contribute to or expend on behalf of [, OR IN OPPOSITION TO,] one candidate  
9           33 1/3 [50] percent or more of its funds, the name of the candidate shall be a part of the  
10          name of the group. If the group intends to oppose only one candidate, or to  
11          contribute its funds in opposition to or make expenditures in opposition to a  
12          candidate, the name of the candidate whom the group opposes may not appear  
13          as a part of the name of the group. Promptly upon receiving the registration, the  
14          commission shall notify the candidate of the group's organization and intent.

- 15          • Sec. 9. AS 15.13 is amended by adding new sections to read:

16                Sec. 15.13.065. WHO MAY MAKE CONTRIBUTIONS. (a) Individuals,  
17                groups, and political parties may make contributions to a candidate. An individual may  
18                make a contribution to a group or to a political party.

19                (b) A political party may contribute to a subordinate unit of the political party,  
20                and a subordinate unit of a political party may contribute to the political party of  
21                which it is a subordinate unit.

22                Sec. 15.13.067. WHO MAY MAKE EXPENDITURES. Only the following  
23                may make an expenditure in an election for candidates for elective office:

- 24                    (1) the candidate;  
25                    (2) an individual; and  
26                    (3) a group that has registered under AS 15.13.050.

- 27          • Sec. 10. AS 15.13.070 is repealed and reenacted to read:

28                Sec. 15.13.070. LIMITATIONS ON AMOUNT OF POLITICAL  
29                CONTRIBUTIONS. (a) An individual or group may make contributions, subject only  
30                to the limitations of this chapter and AS 24.45, including the limitations on the  
31                maximum amounts set out in this section.

32                (b) An individual may contribute not more than

1 (1) \$500 per year to a candidate, to an individual who conducts a write-  
2 in campaign as a candidate, or to a group that is not a political party;

3 (2) \$5,000 per year to a political party.

4 (c) A group that is not a political party may contribute not more than \$1,000  
5 per year

6 (1) to a candidate, or to an individual who conducts a write-in  
7 campaign as a candidate; or

8 (2) to another group or to a political party.

9 (d) A political party may contribute to a candidate, or to an individual who  
10 conducts a write-in campaign, for the following offices an amount not to exceed

11 (1) \$100,000 per year, if the election is for governor or lieutenant  
12 governor;

13 (2) \$15,000 per year, if the election is for the state senate;

14 (3) \$10,000 per year, if the election is for the state house of  
15 representatives; and

16 (4) \$5,000 per year, if the election is for

17 (A) delegate to a constitutional convention;

18 (B) judge seeking retention; or

19 (C) municipal office.

20 • Sec. 11. AS 15.13 is amended by adding new sections to read:

21 Sec. 15.13.072. RESTRICTIONS ON SOLICITATION AND ACCEPTANCE  
22 OF CONTRIBUTIONS. (a) A candidate or an individual who has filed with the  
23 commission the document necessary to permit that individual to incur election-related  
24 expenses under AS 15.13.100 may not solicit or accept a contribution from

25 (1) a person not authorized by law to make a contribution;

26 (2) an individual who is not a resident of the state at the time the  
27 contribution is made except as provided in (e) of this section;

28 (3) a group organized under the laws of another state, resident in  
29 another state, or whose participants are not residents of this state at the time the  
30 contribution is made; or

31 (4) a person registered as a lobbyist if the contribution violates

1 AS 15.13.074(g) or AS 24.45.121(a)(8).

2 (b) A candidate or an individual who has filed with the commission the  
3 document necessary to permit the individual to incur election-related expenses under  
4 AS 15.13.100, or a group, may not solicit or accept a cash contribution that exceeds  
5 \$100.

6 (c) An individual, or one acting directly or indirectly on behalf of that  
7 individual, may not solicit or accept a contribution

8 (1) before the date for which contributions may be made as determined  
9 under AS 15.13.074(c)(1) - (3); or

10 (2) later than the day after which contributions may not be made as  
11 determined under AS 15.13.074(c)(4).

12 (d) A candidate or an individual who has filed with the commission the  
13 document necessary to permit that individual to incur election-related expenses under  
14 AS 15.13.100 may not solicit or accept a contribution if the legislature is convened in  
15 a regular or special legislative session, and the candidate or individual is a member of  
16 the legislature, or employed as a member of the legislator's staff or as a member of  
17 the staff of a legislative committee.

18 (e) A candidate or an individual who has filed with the commission the  
19 document necessary to permit that individual to incur election-related expenses under  
20 AS 15.13.100 may solicit or accept contributions from an individual who is not a  
21 resident of the state at the time the contribution is made if the amounts contributed by  
22 individuals who are not residents do not exceed

23 (1) \$20,000, if the candidate or individual is seeking the office of  
24 governor or lieutenant governor;

25 (2) \$5,000, if the candidate or individual is seeking the office of state  
26 senator;

27 (3) \$3,000, if the candidate or individual is seeking the office of state  
28 representative or municipal or other office.

29 (f) A group or political party may solicit or accept contributions from an  
30 individual who is not a resident of the state at the time the contribution is made, but  
31 the amounts accepted from individuals who are not residents may not exceed 10

1 percent of total contributions made to the group or political party during the calendar  
2 or group year in which the contributions are received.

3 Sec. 15.13.074. PROHIBITED CONTRIBUTIONS. (a) A person or group  
4 may not make a contribution if the making of the contribution would violate this  
5 chapter.

6 (b) A person or group may not make a contribution anonymously, using a  
7 fictitious name, or using the name of another.

8 (c) A person or group may not make a contribution

9 (1) to a candidate for governor or lieutenant governor or an individual  
10 who files with the commission the document necessary to permit that individual to  
11 incur certain election-related expenses as authorized by AS 15.13.100 for governor or  
12 lieutenant governor, when the office is to be filled at a general election, before the  
13 later of the following dates:

14 (A) the date the individual

15 (i) becomes a candidate; or

16 (ii) files with the commission the document necessary  
17 to permit the individual to incur certain election-related expenses as  
18 authorized by AS 15.13.100; or

19 (B) January 1 of the year of the general election;

20 (2) to a candidate for the state legislature or an individual who files  
21 with the commission the document necessary to permit that individual to incur certain  
22 election-related expenses as authorized by AS 15.13.100 for the state legislature, when  
23 the office is to be filled at a general election, while the legislature is convened in its  
24 regular legislative session and before the later of the following dates:

25 (A) the date the individual

26 (i) becomes a candidate; or

27 (ii) files with the commission the document necessary  
28 to permit the individual to incur certain election-related expenses as  
29 authorized by AS 15.13.100; or

30 (B) January 1 of the year of the general election;

31 (3) to a candidate or an individual who files with the commission the

1 document necessary to permit that individual to incur certain election-related expenses  
2 as authorized by AS 15.13.100 for an office that is to be filled at a special election or  
3 municipal election before the later of the following dates:

4 (A) the date the individual

5 (i) becomes a candidate; or

6 (ii) files with the commission the document necessary  
7 to permit that individual to incur certain election-related expenses as  
8 authorized by AS 15.13.100;

9 (B) is nine months before the date of the general or regular  
10 municipal election or that is before the date of the proclamation of the special  
11 election at which the candidate or individual seeks election to public office; or

12 (4) to any candidate later than the 45th day

13 (A) after the date of a primary election if the candidate

14 (i) has been nominated at the primary election or is  
15 running as a write-in candidate; and

16 (ii) is not opposed at the general election;

17 (B) after the date of the primary election if the candidate was  
18 not nominated at the primary election; or

19 (C) after the date of the general election, or after the date of a  
20 municipal or municipal runoff election, if the candidate was opposed at the  
21 general, municipal, or municipal runoff election.

22 (d) A person or group may not make a contribution to a candidate or a person  
23 or group who is prohibited by AS 15.13.072(c) from accepting it.

24 (e) A person or group may not make a cash contribution that exceeds \$100.

25 (f) A corporation, company, partnership, firm, association, organization,  
26 business trust or surety, labor union, or publicly funded entity that does not satisfy the  
27 definition of group in AS 15.13.400 may not make a contribution to a candidate or  
28 group.

29 (g) An individual required to register as a lobbyist under AS 24.45 may not  
30 make a contribution to a candidate for the legislature at any time the individual is  
31 subject to the registration requirement under AS 24.45 and for one year after the date

1 of the individual's initial registration or its renewal. However, the individual may  
2 make a contribution under this section to a candidate for the legislature in a district in  
3 which the individual is eligible to vote or will be eligible to vote on the date of the  
4 election. An individual who is subject to the restrictions of this subsection shall report  
5 to the commission, on a form provided by the commission, each contribution made  
6 while required to register as a lobbyist under AS 24.45. This subsection does not  
7 apply to a representational lobbyist as defined in regulations of the commission.

8 (h) Notwithstanding AS 15.13.070, a candidate for governor or lieutenant  
9 governor and a group that is not a political party and that, under the definition of the  
10 term "group," is presumed to be controlled by a candidate for governor or lieutenant  
11 governor, may not make a contribution to a candidate for another office, to a person  
12 who conducts a write-in campaign as a candidate for other office, or to another group  
13 of amounts received by that candidate or controlled group as contributions between  
14 January 1 and the date of the general election of the year of a general election for an  
15 election for governor and lieutenant governor. This subsection does not prohibit

16 (1) the group described in this subsection from making contributions  
17 to the candidates for governor and lieutenant governor whom the group supports; or

18 (2) the governor or lieutenant governor, or the group described in this  
19 subsection, from making contributions under AS 15.13.116(a)(3)(A).

20 Sec. 15.13.076. AUTHORIZED RECIPIENTS OF CONTRIBUTIONS. A  
21 contribution to a

22 (1) candidate may be received only by

23 (A) the candidate; or

24 (B) the candidate's campaign treasurer or a deputy campaign  
25 treasurer;

26 (2) group may be received only by the group's campaign treasurer or a  
27 deputy treasurer.

28 Sec. 15.13.078. CONTRIBUTIONS AND LOANS FROM THE CANDIDATE.

29 (a) The provisions of this chapter do not prohibit the individual who is a candidate from  
30 giving any amount of the candidate's own money or other thing of value to the campaign  
31 of the candidate. Donations made by the candidate to the candidate's own campaign  
32 shall be reported as contributions in accordance with AS 15.13.040 and 15.13.110.

1 (b) The provisions of this chapter do not prohibit the individual who is a  
 2 candidate from lending any amount to the campaign of the candidate. Loans made by  
 3 the candidate shall be reported as contributions in accordance with AS 15.13.040 and  
 4 15.13.110. However, the candidate may not

5 (1) recover, under this section and AS 15.13.116(a)(5), the amount of a  
 6 loan made by the candidate to the candidate's own campaign that exceeds

7 (A) \$25,000, if the candidate ran for governor or lieutenant  
 8 governor;

9 (B) \$10,000, if the candidate ran for

10 (i) the legislature; or

11 (ii) delegate to a constitutional convention;

12 (C) \$10,000, if the candidate was a judge seeking retention;

13 (D) \$5,000, if the candidate ran in a municipal election; or

14 (2) repay a loan that the candidate has made to the candidate's own  
 15 campaign unless, within five days of making the loan, the candidate notifies the  
 16 commission, on a form provided by the commission, of the candidate's intention to repay  
 17 the loan under AS 15.13.116(a)(5).

18 (c) On and after the date determined under AS 15.13.110 as the last day of the  
 19 period ending three days before the due date of the report required to be filed under  
 20 AS 15.13.110(a)(1) and until the date of the election for which the report is filed, a  
 21 candidate may not give or loan to the candidate's campaign the candidate's money or  
 22 other thing of value of the candidate in an amount that exceeds \$5,000.

23 (d) The provisions of this section apply only to the individual who is a  
 24 candidate, as that term is defined by AS 15.13.400(1)(A), and do not apply to authorize  
 25 a contribution or loan under this section by an individual described in the definition of  
 26 the term "candidate" under AS 15.13.400(1)(B).

27 \* Sec. 12. AS 15.13.080 is amended to read:

28 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. (a) Each of the  
 29 following shall file statements as required by this section:

30 (1) an individual who contributes to a candidate

31 (A) more than [A PERSON OR GROUP CONTRIBUTING TO  
 32 A CANDIDATE OVER] \$250; or

1 (B) [CONTRIBUTING] goods or services [TO A CANDIDATE]  
2 with a value of more than \$250;

3 (2) an individual who, during the period between the 90th day before  
4 an election and the date of the election, contributes to more than one group and  
5 whose aggregate contributions to all groups, in money or in the value of goods and  
6 services, or both, exceed \$1,000 per year [TO INFLUENCE THE ELECTION OF A  
7 CANDIDATE SHALL FURNISH THE COMMISSION A SIGNED STATEMENT, ON  
8 A FORM MADE AVAILABLE BY THE COMMISSION].

9 (b) An individual required to file a contributor's statement under (a) of this  
10 section shall file on a form made available by the commission. The statement must

11 (1) identify the contributor and the candidate and all groups  
12 receiving contributions;

13 (2) [SHALL] itemize the contributions and goods; and

14 (3) state that the contributor is not [A PERSON OR GROUP] prohibited  
15 by law from contributing and that the contribution consists of funds or property  
16 belonging to the contributor and has not been given or furnished by another person or  
17 group.

18 (c) The contributor's statement shall be filed with the commission by the  
19 contributor no later than 10 days after the contribution is made. [A COPY OF THE  
20 STATEMENT SHALL BE FURNISHED THE CANDIDATE, CAMPAIGN  
21 TREASURER, OR DEPUTY CAMPAIGN TREASURER AT THE TIME THE  
22 CONTRIBUTION IS MADE.]

23 • Sec. 13. AS 15.13 is amended by adding new sections to read:

24 Sec. 15.13.082. LIMITATIONS ON EXPENDITURES. (a) A candidate or  
25 group may not make an expenditure in cash that exceeds \$100 unless the candidate, or  
26 the campaign treasurer or deputy campaign treasurer, obtains from the person to whom  
27 the expenditure is made a written receipt and files a copy of the receipt with the  
28 commission.

29 (b) A candidate or group may not make an expenditure unless the source of the  
30 expenditure has been disclosed as required by this chapter.

31 (c) If a candidate receives a contribution in the form of cash, check, money  
32 order, or other negotiable instrument and is subject to being reported to the commission

1 under this chapter, the candidate may neither expend the contribution nor, in the case of  
2 a negotiable instrument, convert it to cash unless the candidate, campaign treasurer, or  
3 deputy campaign treasurer first records the following information for disclosure to the  
4 commission:

5 (1) the name, address, principal occupation, and employer of the  
6 contributor; and

7 (2) the date and amount of the contribution.

8 Sec. 15.13.084. PROHIBITED EXPENDITURES. A person may not make an  
9 expenditure

10 (1) anonymously, unless the expenditure is

11 (A) paid for by an individual acting independently of any group  
12 and independently of any other individual;

13 (B) made to influence the outcome of a ballot proposition or  
14 question; and

15 (C) made for

16 (i) a billboard or sign; or

17 (ii) printed material, other than an advertisement made in  
18 a newspaper or other periodical;

19 (2) using a fictitious name or using the name of another.

20 Sec. 15.13.086. AUTHORIZED MAKERS OF EXPENDITURES. An  
21 expenditure

22 (1) authorized by or in behalf of a candidate may be made only by

23 (A) the candidate; or

24 (B) the candidate's campaign treasurer or a deputy campaign  
25 treasurer;

26 (2) authorized by AS 15.13.067(3) by or in behalf of a group may be  
27 made only by the group's campaign treasurer.

28 \* Sec. 14. AS 15.13.090 is amended by adding a new subsection to read:

29 (b) The provisions of (a) of this section do not apply when the advertisement

30 (1) is paid for by an individual acting independently of any group and  
31 independently of any other individual;

32 (2) is made to influence the outcome of a ballot proposition or question;

1 and

2 (3) is made for

3 (A) a billboard or sign; or

4 (B) printed material other than an advertisement made in a  
5 newspaper or other periodical.

6 • Sec. 15. AS 15.13.110(a) is amended to read:

7 (a) Each candidate and group shall make a full report in accordance with  
8 AS 15.13.040 for the period ending three days before the due date of the report and  
9 beginning on the last day covered by the most recent previous report. If the report is a  
10 first report, it shall cover the period from the beginning of the campaign to the date three  
11 days before the due date of the report. If the report is a report due February 15, it shall  
12 cover the period beginning on the last day covered by the most recent previous report  
13 or on the day that the campaign started, whichever is later, and ending on December 31  
14 of the prior year. The report shall be filed

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

18 (2) one week before the election;

19 (3) 10 days after the election; and

20 (4) February 15 for expenditures made and contributions received that  
21 were not reported during the previous year, including, if applicable, all amounts  
22 expended from a legislative office account established under AS 15.13.116(a)(9) and  
23 all amounts expended from a municipal office account under AS 15.13.116(a)(10),  
24 or when expenditures were not made or contributions were not received during the  
25 previous year.

26 • Sec. 16. AS 15.13.110(b) is amended to read:

27 (b) Each contribution [OR EXPENDITURE] that exceeds \$250 and that is made  
28 within nine days of the election shall be reported to the commission by date, amount, and  
29 contributor [OR RECIPIENT] within 24 hours of receipt [OR EXPENDITURE] by the  
30 candidate, group, [OR] campaign treasurer, or deputy campaign treasurer.

31 • Sec. 17. AS 15.13.110(c) is amended to read:

32 (c) [THE REPORTS OF CANDIDATES SHALL BE FILED WITH THE

1 COMMISSION'S CENTRAL OFFICE.) All reports required by this chapter shall be  
2 filed with the commission's central office and shall be kept open to public inspection.  
3 Within 30 days after each election, the commission shall prepare a summary of each  
4 report which shall be made available to the public at cost upon request. Each summary  
5 shall use uniform categories of reporting.

6 • Sec. 18. AS 15.13 is amended by adding new sections to read:

7 Sec. 15.13.112. USES OF CAMPAIGN CONTRIBUTIONS HELD BY  
8 CANDIDATE OR GROUP. (a) Except as otherwise provided, campaign contributions  
9 held by a candidate or group may be used only to pay the expenses of the candidate or  
10 group, and the campaign expenses incurred by the candidate or group, that reasonably  
11 relate to election campaign activities, and in those cases only as authorized by this  
12 chapter.

13 (b) Campaign contributions held by a candidate or group may not be

14 (1) used to give a personal benefit to the candidate or to another person;

15 (2) converted to personal income of the candidate;

16 (3) loaned to a person;

17 (4) knowingly used to pay more than the fair market value for goods or  
18 services purchased for the campaign;

19 (5) used to pay a criminal fine;

20 (6) used to pay civil penalties; however, campaign contributions held by  
21 a candidate or group may be used to pay a civil penalty assessed under this chapter if  
22 authorized by the commission or a court after it first determines that

23 (A) the candidate, campaign treasurer, and deputy campaign  
24 treasurer did not cause or participate in the violation for which the civil penalty  
25 is imposed and exercised a reasonable level of oversight over the campaign; and

26 (B) the candidate, campaign treasurer, and deputy campaign  
27 treasurer cooperated in the revelation of the violation and in its immediate  
28 correction; or

29 (7) used to make contributions to another candidate or to a group.

30 Sec. 15.13.114. DISPOSITION OF PROHIBITED CONTRIBUTIONS. (a) A  
31 candidate or group that receives and accepts a contribution given in violation of  
32 AS 15.13.072 or 15.13.074 shall immediately, upon discovery that the contribution is

1 prohibited, return it to the contributor. A candidate or group that receives and accepts  
2 a contribution in excess of the limitation on contributions set out in AS 15.13.070 shall  
3 immediately, upon discovery of the prohibited excess contribution, return the excess to  
4 the contributor. If the contribution or excess amount cannot be returned in the same  
5 form, the equivalent value of the contribution or excess amount shall be returned.

6 (b) An anonymous contribution is forfeited to the state unless the contributor is  
7 identified within five days of its receipt. Money that forfeits to the state under this  
8 subsection shall be delivered immediately to the Department of Revenue for deposit in  
9 the general fund.

10 Sec. 15.13.116. DISBURSEMENT OF CAMPAIGN ASSETS AFTER  
11 ELECTION. (a) A candidate who, after the date of the general, special, municipal, or  
12 municipal runoff election or after the date the candidate withdraws as a candidate,  
13 whichever comes first, holds unused campaign contributions shall distribute the amount  
14 held within 90 days. The distribution may only be made to

15 (1) pay bills incurred for expenditures reasonably related to the campaign  
16 and the winding up of the affairs of the campaign, and to pay expenditures associated  
17 with post-election fund raising that may be needed to raise funds to pay off campaign  
18 debts;

19 (2) pay for a victory or a thank you party costing less than \$500, or to  
20 give a thank you gift of a value of less than \$50 to a campaign employee or volunteer;

21 (3) make donations, without condition, to

22 (A) a political party;

23 (B) the state's general fund;

24 (C) a municipality of the state; or

25 (D) the federal government;

26 (4) make donations, without condition, to organizations qualified as  
27 charitable organizations under 26 U.S.C. 501(c)(3), provided the organization is not  
28 controlled by the candidate or a member of the candidate's immediate family;

29 (5) repay loans from the candidate to the candidate's own campaign  
30 under AS 15.13.078(b);

31 (6) repay contributions to contributors, but only if repayment of the  
32 contribution is made pro rata in approximate proportion to the contributions made using

1 one of the following, as the candidate determines:

2 (A) to all contributors;

3 (B) to contributors who have contributed most recently; or

4 (C) to contributors who have made larger contributions;

5 (7) establish a fund for, and from that fund to pay, attorney fees or costs  
6 incurred in the prosecution or defense of an administrative or civil judicial action that  
7 directly concerns a challenge to the victory or defeat of the candidate in the election;

8 (8) transfer all or a portion of the unused campaign contributions to an  
9 account for a future election campaign; a transfer under this paragraph is limited to

10 (A) \$50,000, if the transfer is made by a candidate for governor  
11 or lieutenant governor;

12 (B) \$10,000, if the transfer is made by a candidate for the state  
13 senate;

14 (C) \$5,000, if the transfer is made by a candidate for the state  
15 house of representatives; and

16 (D) \$5,000, if the transfer is made by a candidate for an office  
17 not described in (A) - (C) of this paragraph;

18 (9) transfer all or a portion of the unused campaign contributions to a  
19 legislative office account; a transfer under this paragraph is subject to the following:

20 (A) the authority to transfer is limited to candidates who are  
21 elected to the state legislature;

22 (B) the legislative office account established under this paragraph  
23 may be used only for expenses associated with the candidate's serving as a  
24 member of the legislature;

25 (C) all amounts expended from the legislative office account shall  
26 be annually accounted for under AS 15.13.110(a)(4); and

27 (D) a transfer under this paragraph is limited to \$2,500 per  
28 election district represented by the candidate elected to the state legislature  
29 multiplied by the number of years in the term to which the candidate is elected;  
30 and

31 (10) transfer all or a portion of the unused campaign contributions to  
32 a municipal office account; a transfer under this paragraph is subject to the following:

1 (A) the authority to transfer is limited to candidates who are  
2 elected to municipal office, including a municipal school board;

3 (B) the municipal office account established under this  
4 paragraph may be used only for expenses associated with the candidate's  
5 serving as mayor or as a member of the assembly, city council, or school  
6 board;

7 (C) all amounts expended from the municipal office account  
8 shall be annually accounted for under AS 15.13.110(a)(4); and

9 (D) a transfer under this paragraph is limited to \$5,000.

10 (b) After a general, special, municipal, or municipal runoff election, a candidate  
11 may retain the ownership of one computer and one printer and of personal property,  
12 except money, that was acquired by and for use in the campaign. The current fair  
13 market value of the property retained, exclusive of the computer and printer, may not  
14 exceed \$2,500. All other property shall be disposed of, or sold and the sale proceeds  
15 disposed of, in accordance with (a) or (c) of this section.

16 (c) Property remaining after disbursements are made under (a) - (b) of this  
17 section is forfeited to the state. Within 30 days, the candidate shall deliver the property  
18 to the Department of Revenue. The Department of Revenue shall deposit any money  
19 received into the general fund and dispose of any other property in accordance with law.

20 • Sec. 19. AS 15.13.120(d) is repealed and reenacted to read:

21 (d) A member of the commission, the commission's executive director, or a  
22 person who believes a violation of this chapter or a regulation adopted under this chapter  
23 has occurred or is occurring may file an administrative complaint with the commission  
24 within four years of the date of the alleged violation. If a member of the commission  
25 has filed the complaint, that member may not participate as a commissioner in any  
26 proceeding of the commission with respect to the complaint. If the commission accepts  
27 the complaint and opens a preliminary investigation, it shall do so within 90 days of the  
28 filing date of the complaint and shall investigate the complaint. After affording the  
29 respondent notice and an opportunity to be heard, if the commission finds that the  
30 respondent has engaged in or is about to engage in an act or practice that constitutes or  
31 will constitute a violation of this chapter or a regulation adopted under it, the commission  
32 shall enter an order requiring the violation to be ceased or to be remedied, and shall

1 assess civil penalties under AS 15.13.125. A commission order may be appealed to the  
2 superior court by either the complainant or respondent within 30 days. The commission  
3 or the commission's executive director shall promptly report to the attorney general  
4 concerning any acts or practices that may constitute violations of this chapter or  
5 regulations adopted under this chapter, or concerning the violation of any order of the  
6 commission.

7 • Sec. 20. AS 15.13.120(e) is repealed and reenacted to read:

8 (e) If the commission does not open a preliminary investigation within 90 days  
9 of the filing date of the complaint or complete action on the complaint within 180 days  
10 of the filing, the complainant may file a complaint in superior court alleging a violation  
11 of this chapter by a respondent in the administrative complaint. The complainant may  
12 provide copies of the complaint filed in the superior court to the commission and the  
13 attorney general. The state may intervene in a timely manner. A complaint may not be  
14 filed in superior court under this subsection if more than two years have elapsed from  
15 the date of the alleged violation. This subsection does not create a private cause of  
16 action against the commission.

17 • Sec. 21. AS 15.13.125 is amended to read:

18 Sec. 15.13.125. CIVIL PENALTY: LATE FILING OF REQUIRED REPORTS.

19 A person who fails to file a properly completed and certified report within the time  
20 required by ~~AS 15.13.040(d) - (f), 15.13.050, 15.13.060(b) - (d), 15.13.080(c)~~  
21 ~~[AS 15.13.040(f), 15.13.110(a)(1), (3), or (4), (e), or (f) [OR 15.13.110(f)]~~ is subject  
22 to a civil penalty of not more than ~~\$50~~ ~~[\$10]~~ a day for each day the delinquency  
23 continues as determined by the commission subject to right of appeal to the superior  
24 court. A person who fails to file a properly completed and certified report within the  
25 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not  
26 more than ~~\$500~~ ~~[\$50]~~ a day for each day the delinquency continues as determined by the  
27 commission subject to right of appeal to the superior court. A person who violates a  
28 provision of this chapter, except a provision requiring filing of a report within a  
29 time required as otherwise specified in this subsection, is subject to a civil penalty  
30 of not more than \$50 a day for each day the violation continues as determined by  
31 the commission, subject to right of appeal to the superior court. An affidavit stating  
32 facts in mitigation may be submitted to the commission by a person against whom a civil

1 penalty is assessed. However, the imposition of the penalties prescribed in this section  
2 or in AS 15.13.120 does not excuse that person from filing reports required by this  
3 chapter.

4 • Sec. 22. AS 15.13.125 is amended by adding new subsections to read:

5 (b) When an administrative complaint has been filed under AS 15.13.120(d), the  
6 commission shall give the respondent due notice and an opportunity to be heard. If, at  
7 the conclusion of the hearing, the commission determines that the respondent engaged  
8 in the alleged violation, the commission shall assess

- 9 (1) civil penalties under (a) of this section;  
10 (2) the commission's costs of investigation and adjudication; and  
11 (3) reasonable attorney fees.

12 (c) The commission's determination under (b) of this section may be appealed  
13 to the superior court under AS 44.62 (Administrative Procedure Act).

14 (d) When an action has been filed in the superior court under AS 15.13.120(e),  
15 upon proof of the violation, the court shall enter a judgment in the amount of the civil  
16 penalty authorized to be collected by (a) of this section.

17 (e) If the commission or superior court finds that the violation was not a repeat  
18 violation or was not part of a series or pattern of violations, was inadvertent, was quickly  
19 corrected, and had no adverse effect on the campaign of another, the commission or the  
20 court may

- 21 (1) suspend imposition of the penalties; and  
22 (2) order the penalties set aside if the person does not engage in a similar  
23 violation for a period of one year.

24 (f) A party who has filed a civil action under AS 15.13.120(e)

- 25 (1) is not entitled to trial by jury on the civil action;  
26 (2) is not entitled to be represented by legal counsel at public expense.

27 • Sec. 23. AS 15.13 is amended by adding new sections to read:

28 Sec. 15.13.135. INDEPENDENT EXPENDITURES FOR OR AGAINST  
29 CANDIDATES. (a) Only an individual or group may make an independent  
30 expenditure supporting or opposing a candidate for election to public office. An  
31 independent expenditure supporting or opposing a candidate for election to public  
32 office shall be reported in accordance with AS 15.13.040 and 15.13.100 - 15.13.110

1 and other requirements of this chapter.

2 (b) An individual or group who makes independent expenditures for a mass  
3 mailing, for distribution of campaign literature of any sort, for a television, radio,  
4 newspaper or magazine advertisement, or any other communication that supports or  
5 opposes a candidate for election to public office

6 (1) shall comply with AS 15.13.090; and

7 (2) shall place the following statement in the mailing, literature,  
8 advertisement, or other communication so that it is readily and easily discernible:

9 This NOTICE TO VOTERS is required by Alaska law. (I/we)  
10 certify that this (mailing/literature/advertisement) is not authorized, paid  
11 for, or approved by the candidate.

12 Sec. 15.13.137. RESTRICTIONS ON CONTRIBUTIONS TO INDIVIDUALS  
13 MAKING INDEPENDENT EXPENDITURES FOR OR AGAINST CANDIDATES.  
14 An individual who makes an independent expenditure supporting or opposing a  
15 candidate may not accept a contribution to help pay for the expenditure from another  
16 individual or group that exceeds the amount an individual may contribute to a group  
17 under AS 15.13.070(b)(2).

18 Sec. 15.13.140. INDEPENDENT EXPENDITURES FOR OR AGAINST  
19 BALLOT PROPOSITION OR QUESTION. (a) This chapter does not prohibit a  
20 person from making independent expenditures in support of or in opposition to a ballot  
21 proposition or question.

22 (b) An independent expenditure for or against a ballot proposition or question

23 (1) shall be reported in accordance with AS 15.13.040 and 15.13.100 -  
24 15.13.110 and other requirements of this chapter; and

25 (2) may not be made if the expenditure is prohibited by AS 15.13.145.

26 Sec. 15.13.145. MONEY OF THE STATE AND ITS POLITICAL  
27 SUBDIVISIONS. (a) Except as provided in (b) and (c) of this section, each of the  
28 following may not use money held by the entity to influence the outcome of the  
29 election of a candidate to a state or municipal office:

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

31 (2) the University of Alaska and its Board of Regents;

1 (3) municipalities, school districts, and regional educational attendance  
2 areas, or another political subdivision of the state; and

3 (4) an officer or employee of an entity identified in (1) - (3) of this  
4 subsection.

5 (b) Money held by an entity identified in (a)(1) - (3) of this section may be  
6 used to influence the outcome of an election concerning a ballot proposition or  
7 question, but only if the funds have been specifically appropriated for that purpose by  
8 a state law or a municipal ordinance.

9 (c) Money held by an entity identified in (a)(1) - (3) of this section may be  
10 used

11 (1) to disseminate information about the time and place of an election  
12 and to hold an election;

13 (2) to provide the public with nonpartisan information about a ballot  
14 proposition or question or about all the candidates seeking election to a particular  
15 public office.

16 (d) When expenditure of money is authorized by (b) or (c) of this section and  
17 is used to influence the outcome of an election, the expenditures shall be reported to  
18 the commission in the same manner as an individual is required to report under  
19 AS 15.13.040.

20 Sec. 15.13.150. ELECTION EDUCATIONAL ACTIVITIES NOT  
21 PROHIBITED. This chapter does not prohibit a person from engaging in educational  
22 election-related communications and activities, including

23 (1) the publication of the date and location of an election;

24 (2) the education of students about voting and elections;

25 (3) the sponsorship of open candidate debate forums;

26 (4) participation in get-out-the-vote or voter registration drives that do  
27 not favor a particular candidate, political party, or political position;

28 (5) the dissemination of the views of all candidates running for a  
29 particular office.

30 Sec. 15.13.155. RESTRICTIONS ON EARNED INCOME AND  
31 HONORARIA. (a) A candidate for the state legislature, for governor, or for

1 lieutenant governor, including an individual campaigning as a write-in candidate for  
2 the office, may not

3 (1) seek or accept compensation for personal services that involves  
4 payments that are not commensurate with the services rendered taking into account the  
5 higher rates generally charged by specialists in a profession; or

6 (2) accept a payment of anything of value, except for actual and  
7 necessarily incurred travel expenses, for an appearance or speech; this paragraph does  
8 not apply to the salary paid to the candidate for making an appearance or speech as  
9 part of the candidate's normal course of employment.

10 (b) Notwithstanding (a) of this section, a candidate for the state legislature, for  
11 governor, or for lieutenant governor, including an individual campaigning as a write-in  
12 candidate for the office, may accept a payment for an appearance or speech if the  
13 appearance or speech is not connected with the individual's status as a state official or  
14 as a candidate.

15 Sec. 15.13.400. DEFINITIONS. In this chapter,

16 (1) "candidate"

17 (A) means an individual who files for election to the state  
18 legislature, for governor, for lieutenant governor, for municipal office, for  
19 retention in judicial office, or for constitutional convention delegate, or who  
20 campaigns as a write-in candidate for any of these offices; and

21 (B) when used in a provision of this chapter that limits or  
22 prohibits the donation, solicitation, or acceptance of campaign contributions, or  
23 limits or prohibits an expenditure, includes

24 (i) a candidate's campaign treasurer and a deputy  
25 campaign treasurer;

26 (ii) a member of the candidate's immediate family;

27 (iii) a person acting as agent for the candidate;

28 (iv) the candidate's campaign committee; and

29 (v) a group that makes expenditures or receives  
30 contributions with the authorization or consent, express or implied, or  
31 under the control, direct or indirect, of the candidate;

1 (2) "commission" means the Alaska Public Offices Commission;

2 (3) "contribution"

3 (A) means a purchase, payment, promise or obligation to pay,  
4 loan or loan guarantee, deposit or gift of money, goods, or services for which  
5 charge is ordinarily made and that is made for the purpose of influencing the  
6 nomination or election of a candidate, and in AS 15.13.010(b) for the purpose  
7 of influencing a ballot proposition or question, including the payment by a  
8 person other than a candidate or political party, or compensation for the  
9 personal services of another person, that are rendered to the candidate or  
10 political party;

11 (B) does not include

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

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

19 (iii) ordinary hospitality in a home;

20 (4) "expenditure"

21 (A) means a purchase or a transfer of money or anything of  
22 value, or promise or agreement to purchase or transfer money or anything of  
23 value, incurred or made for the purpose of

24 (i) influencing the nomination or election of a candidate  
25 or of any individual who files for nomination at a later date and  
26 becomes a candidate;

27 (ii) use by a political party;

28 (iii) the payment by a person other than a candidate or  
29 political party of compensation for the personal services of another  
30 person that are rendered to a candidate or political party; or

31 (iv) influencing the outcome of a ballot proposition or

1 question;

2 (B) does not include a candidate's filing fee or the cost of  
3 preparing reports and statements required by this chapter;

4 (5) "group" means

5 (A) every state and regional executive committee of a political  
6 party; and

7 (B) any combination of two or more individuals acting jointly  
8 who organize for the principal purpose to influence the outcome of one or more  
9 elections and who take action the major purpose of which is to influence the  
10 outcome of an election; a group that makes expenditures or receives  
11 contributions with the authorization or consent, express or implied, or under the  
12 control, direct or indirect, of a candidate shall be considered to be controlled  
13 by that candidate; a group whose major purpose is to further the nomination,  
14 election, or candidacy of only one individual, or intends to expend more than  
15 50 percent of its money on a single candidate, shall be considered to be  
16 controlled by that candidate and its actions done with the candidate's  
17 knowledge and consent unless, within 10 days from the date the candidate  
18 learns of the existence of the group the candidate files with the commission,  
19 on a form provided by the commission, an affidavit that the group is operating  
20 without the candidate's control; a group organized for more than one year  
21 preceding an election and endorsing candidates for more than one office or  
22 more than one political party is presumed not to be controlled by a candidate;  
23 however, a group that contributes more than 50 percent of its money to or on  
24 behalf of one candidate shall be considered to support only one candidate for  
25 purposes of AS 15.13.070, whether or not control of the group has been  
26 disclaimed by the candidate;

27 (6) "immediate family" means the spouse, parents, children, including  
28 a stepchild and an adoptive child, and siblings of an individual;

29 (7) "independent expenditure" means an expenditure that is made  
30 without the direct or indirect consultation or cooperation with, or at the suggestion or  
31 the request of, or with the prior consent of, a candidate, a candidate's campaign

1 treasurer or deputy campaign treasurer, or another person acting as a principal or agent  
2 of the candidate;

3 (8) "individual" means a natural person;

4 (9) "person" has the meaning given in AS 01.10.060, and includes a  
5 labor union and a group;

6 (10) "political party" means

7 (A) an organized group of voters that represents a political  
8 program and that nominated a candidate for governor who received at least  
9 three percent of the total votes cast at any one of the last five preceding general  
10 elections for governor; and

11 (B) a subordinate unit of the organized group of voters  
12 qualifying as a political party under (A) of this paragraph if, consistent with the  
13 rules or bylaws of the political party, the unit conducts or supports campaign  
14 operations in a municipality, neighborhood, election district, or precinct;

15 (11) "publicly funded entity" means a person, other than an individual,  
16 that receives half or more of the money on which it operates during a calendar year  
17 from government, including a public corporation.

18 \* Sec. 24. AS 15.56 is amended by adding new sections to read:

19 Sec. 15.56.012. CAMPAIGN MISCONDUCT IN THE FIRST DEGREE. (a)

20 Except as provided in AS 15.56.014 and 15.56.016, a person commits the crime of  
21 campaign misconduct in the first degree if the person knowingly engages in conduct  
22 that violates a provision of AS 15.13 or a regulation adopted under authority of  
23 AS 15.13.

24 (b) Violation of this section is a corrupt practice.

25 (c) Campaign misconduct in the first degree is a class A misdemeanor.

26 Sec. 15.56.014. CAMPAIGN MISCONDUCT IN THE SECOND DEGREE.

27 (a) A person commits the crime of campaign misconduct in the second degree if the  
28 person

29 (1) knowingly circulates or has written, printed or circulated a letter,  
30 circular, or publication relating to an election, to a candidate at an election, or an  
31 election proposition or question without the name and address of the author appearing

1 on its face;

2 (2) except as provided by AS 15.13.090(b), knowingly prints or  
3 publishes an advertisement, billboard, placard, poster, handbill, paid-for television or  
4 radio announcement or other communication intended to influence the election of a  
5 candidate or outcome of a ballot proposition or question without the words "paid for  
6 by" followed by the name and address of the candidate, group or individual paying for  
7 the advertising or communication and, if a candidate or group, with the name of the  
8 campaign chair;

9 (3) knowingly writes or prints and circulates, or has written, printed and  
10 circulated, a letter, circular, bill, placard, poster or advertisement in a newspaper, on  
11 radio or television

12 (A) containing false factual information relating to a candidate  
13 for an election;

14 (B) that the person knows to be false; and

15 (C) that would provoke a reasonable person under the  
16 circumstances to a breach of the peace or that a reasonable person would  
17 construe as damaging to the candidate's reputation for honesty, integrity, or the  
18 candidate's qualifications to serve if elected to office.

19 (b) Violation of this section is a corrupt practice.

20 (c) Campaign misconduct in the second degree is a class B misdemeanor.

21 **Sec. 15.56.016. CAMPAIGN MISCONDUCT IN THE THIRD DEGREE. (a)**

22 A person commits the crime of campaign misconduct in the third degree if

23 (1) the person violates a provision of AS 15.13 or a regulation adopted  
24 under AS 15.13; or

25 (2) during the hours the polls are open and after election judges have  
26 posted warning notices as required by AS 15.15.170 or at the required distance in the  
27 form and manner prescribed by the chief municipal elections official in a local  
28 election, the person is within 200 feet of an entrance to a polling place, and

29 (A) violates AS 15.15.170; or

30 (B) circulates cards, handbills, or marked ballots, or posts  
31 political signs or posters relating to a candidate at an election or election

1 proposition or question.

2 (b) Campaign misconduct in the third degree is a violation.

3 Sec. 15.56.018. APPLICABILITY OF CAMPAIGN MISCONDUCT  
4 PROVISIONS. (a) For purposes of AS 15.56.012(a) and 15.56.016(a)(1), each day  
5 a violation continues constitutes a separate offense.

6 (b) When a person is convicted of violating AS 15.56.012, in addition to  
7 imposition of a sentence as authorized by AS 12.55.015, notwithstanding  
8 AS 12.55.015(c), the court shall order suspension, for a period of one year, of any  
9 license held by the defendant that allows the defendant to do business in the state.

10 Sec. 15.56.019. DEFINITION. In AS 15.56.012 - 15.56.018, the term  
11 "knowingly" has the meaning given in AS 11.81.900(a).

12 \* Sec. 25. AS 24.45.121(a) is amended to read:

13 (a) A lobbyist may not

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

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

18 (3) intentionally deceive or attempt to deceive any public official with  
19 regard to any material fact pertinent to pending or proposed legislative or  
20 administrative action;

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

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

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

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

31 (8) serve as a campaign manager or director, serve as a campaign

1 treasurer or deputy campaign treasurer on a finance or fund-raising committee, host a  
 2 fund-raising event, directly or indirectly collect contributions for, or deliver  
 3 contributions to, a candidate or otherwise [ACTIVELY] engage in the fund-raising  
 4 activity of a legislative campaign or campaign for governor or lieutenant governor  
 5 if the lobbyist has registered, or is required to register as a lobbyist, under this  
 6 chapter, during the calendar year; this paragraph does not apply to a representational  
 7 lobbyist as defined in the regulations of the Alaska Public Offices Commission, and  
 8 does not prohibit a lobbyist from making personal contributions to a candidate as  
 9 authorized by AS 15.13 or personally advocating on behalf of a candidate;

10 (9) offer, solicit, initiate, facilitate, or provide to or on behalf of a  
 11 person covered by AS 24.60, during a legislative session, a gift, other than food or  
 12 beverage for immediate consumption;

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

15 • Sec. 26. AS 24.60.031(b) is amended to read:

16 (b) In this section, "contribution" has the meaning given in AS 15.13.400,  
 17 [AS 15.13.130].

18 • Sec. 27. AS 15.13.120(a), 15.13.130, AS 15.56.010, and 15.56.020 are repealed.

19 • Sec. 28. CONSTRUCTION AND APPLICATION. Each provision of this Act shall be  
 20 construed to avoid a conflict with any federal law that, under the United States Constitution,  
 21 prevails over the state provision.

22 • Sec. 29. APPLICABILITY OF AS 15.13 TO PERSONS OTHER THAN INDIVIDUALS.  
 23 If a court determines that, under the federal or state constitutions, persons who are not  
 24 individuals must be allowed to contribute to candidates or groups, then the requirements,  
 25 monetary limitations, and restrictions of AS 15.13 are applicable to those persons.

26 • Sec. 30. SEVERABILITY. Under AS 01.10.030, if any provision of this Act, or the  
 27 application thereof to any person or circumstance, is held invalid, the remainder of this Act  
 28 and the application to other persons or circumstances is not affected thereby.

29 • Sec. 31. CAMPAIGN ASSET BALANCE HELD ON EFFECTIVE DATE OF THIS  
 30 SECTION. A person who was a candidate as that term is defined by AS 15.13.400, added  
 31 by sec. 23 of this Act, and who, on the effective date of this section, holds unused campaign

1 contributions obtained while the person was a candidate and before the effective date of this  
2 section may, notwithstanding AS 15.13.116, added by sec. 18 of this Act, retain those unused  
3 campaign contributions for a future election campaign. The person's use of the campaign  
4 contribution balance in a future election campaign makes those unused campaign contributions  
5 subject to the provisions of AS 15.13.010 - 15.13.400 relating to the use of campaign  
6 contributions, including AS 15.13.116, added by sec. 18 of this Act, relating to disbursement  
7 of campaign assets after election at the conclusion of that future election campaign.

8 \* Sec. 32. TAKING EFFECT OF ACT MADE CONDITIONAL. Sections 1 - 31 of this  
9 Act take effect only if, under art. XI, sec. 4, Constitution of the State of Alaska, and  
10 AS 15.45.210, the lieutenant governor determines that secs. 1 - 31 of this Act are substantially  
11 the same as the law proposed to be enacted by the Initiative entitled "An Initiative relating to  
12 election campaign financing and the Alaska Public Offices Commission; and providing for an  
13 effective date," identified by the division of elections as Initiative Petition 95 CFPO, filed with  
14 the lieutenant governor by the Initiative sponsors under AS 15.45.140 on December 15, 1995.

15 \* Sec. 33. If secs. 1 - 31 of this Act take effect, they take effect January 1, 1997.

16 \* Sec. 34. Section 32 of this Act takes effect immediately under AS 01.10.070(c).

# Campaign Finance Reform - - Now!

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2224 Turnagain Parkway  
Anchorage, Alaska 99517

Phone: 274-CFRN

April 30, 1996

Senator Rick Hallford, Co-Chair  
Senate Finance Committee  
State Capitol  
Juneau, Alaska 99801

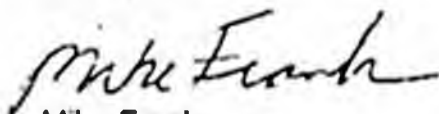
Dear Senator Hallford:

Thank you for this opportunity to provide comments on SB 191, which is now in your committee.

Our April 26, 1996 letter to you expressed our opposition to CSSB 191 (JUD), but we since have been provided with a new draft CS (Version /H dated 4/30/96). While it is not within our ability to determine if it is "substantially the same" as the initiative, Version /H is an acceptable approach that addresses the goals of the initiative.

Please feel free to call me if you have any further questions or issues arise concerning this subject. We appreciate the time the Legislature has spent to date addressing the need for campaign finance reform.

Sincerely,



Mike Frank

INITIATIVE	CSHB 368 (JUD)	CSSB 191 ( ) 4/30/96 - <i>UNDISJ H</i>
Contributions from individuals \$500/yr. to a candidate. \$250/yr. to a group. \$5,000/yr. to a political party.	Same as initiative.	\$500/yr. to a candidate. \$500/yr. to a group. \$5,000/yr. to a political party.
Contributions from parties \$5,000/yr. to legislative, municipal or other candidate. \$50,000/yr. to Gov. or Lt. Gov. candidate.	\$10,000/yr. to House. \$5,000/yr. to other candidates. \$15,000/yr. to Senate cand. \$100,000/yr. to Gov./Lt. Gov. candidate.	Same as House CS.
Contributions from groups of individuals \$500/yr. to a candidate.	\$1,000/ yr. to a candidate.	Same as House CS.
Candidate-to-candidate contributions Prohibited from campaign funds.	Same as initiative.	Same as initiative.
Lobbyists A for-profit lobbyist could contribute only to a candidates in the lobbyist's district.	Same as initiative.	Same as initiative.
When money can be raised A candidate could not accept a contribution 11 months before, or more than 30 days after the election.	June 1 to 45 days after for legis. candidates. Jan. 1 to 45 days after for Gov./Lt. Gov. 5 months before to 45 days after for other candidates.	Jan. 1 to 45 days after for Gov./Lt. Gov. and legis. candidates; 9 mo. before to 45 days after for other candidates. No fundraising by non-incumbent legis. candidates during session.
Personal use of campaign funds Prohibited.	Transfer of \$5,000 (House) or \$10,000 (Senate) to office account allowed.	Transfer of \$5,000 (House and municipal) or \$20,000 (Senate) to office account allowed.
Carry forward of campaign surpluses Prohibited.	Transfer of \$5,000 (House), \$7,500 (Senate), or \$50,000 (Gov./Lt. Gov.) to next campaign allowed.	Transfer of \$5,000 (House), \$10,000 (Senate), or \$50,000 (Gov./Lt. Gov.) to next campaign allowed.
Out-of-state contributions Prohibited.	Allowed up to \$2,000 (House or municipal), \$3,000 (Senate) or \$20,000 (Gov./Lt. Gov.).	Allowed up to \$3,000 (House or municipal), \$5,000 (Senate) or \$20,000 (Gov./Lt. Gov.) and 10% of group and party funds.
Ballot propositions Group limits apply.	Same as initiative.	Same as initiative.
Serious violations Intentional violations would be Class C felonies, and knowing violations would be Class A misdemeanors.	Penalties would be reduced by one step so the most severe penalty would be a Class A misdemeanor.	Same as House CS.
Civil penalties Minimums and maximums would increase. Court may impose treble penalties.	Maximums would increase. Court may impose treble penalties.	Maximums would increase. No treble penalties allowed.
Power to enforce Access to Superior Court for civil penalties	Citizen suits allowed only after complaint given to APOC for 120 days.	Citizen suits allowed only after complaint given to APOC for 180 days.
Complainant recovery Up to 50% of penalty amount.	Same as initiative.	No provision.

SENATE FINANCE COMMITTEE

SB 191 ELECTION CAMPAIGN FINANCE REFORM

PLEASE SIGN-IN BELOW

NAME: BROOKE MILES  
Co./Dept/Title: AIRC Phone: 4654865  
Address: 240 MAIN ST #201 Zip: 99401  
Do you wish to testify?  Yes  No  Respond to Questions

NAME: \_\_\_\_\_  
Co./Dept/Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond to Questions

NAME: \_\_\_\_\_  
Co./Dept/Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
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NAME: \_\_\_\_\_  
Co./Dept/Title: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Zip: \_\_\_\_\_  
Do you wish to testify?  Yes  No  Respond to Questions

# Campaign Finance Reform - - Now!

5/1/96  
am  
Telecom.  
Testimony

2224 Turnagain Parkway  
Anchorage, Alaska 99517

Phone: 274-CFRN

April 30, 1996

Senator Rick Hatford, Co-Chair  
Senate Finance Committee  
State Capitol  
Juneau, Alaska 99801

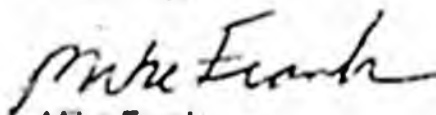
Dear Senator Hatford:

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Our April 26, 1996 letter to you expressed our opposition to CSSB 191 (JUD), but we since have been provided with a new draft CS (Version /H dated 4/30/96). While it is not within our ability to determine if it is "substantially the same" as the Initiative, Version /H is an acceptable approach that addresses the goals of the Initiative.

Please feel free to call me if you have any further questions or issues arise concerning this subject. We appreciate the time the Legislature has spent to date addressing the need for campaign finance reform.

Sincerely,



Mike Frank

INITIATIVE	CSHB 368 (JUD)	CSSB 191 (JUD)
Contributions from: ... Individuals \$500/yr. to a candidate. \$250/yr. to a group. \$5,000/yr. to a political party.	Same as initiative.	\$500/yr. to a candidate. \$500/yr. to a group. \$5,000/yr. to a political party.
Contributions from parties \$5,000/yr. to legislative, municipal or other candidate. \$50,000/yr. to Gov. or Lt. Gov. candidate.	\$10,000/yr. to House. \$5,000/yr. to other candidates. \$15,000/yr. to Senate cand. \$100,000/yr. to Gov./Lt. Gov. candidate.	Same as House CS.
Contributions from groups of individuals \$500/yr. to a candidate.	\$1,000/yr. to a candidate.	Same as House CS.
Candidate-to-candidate contributions Prohibited.	Same as initiative.	Allowed.
Lobbyists A for-profit lobbyist could contribute only to a candidate in the lobbyist's district.	Same as initiative.	No provision.
When money can be raised A candidate could not accept a contribution 11 months before, or more than 30 days after the election.	June 1 to 45 days after for legis. candidates. Jan. 1 to 45 days after for Gov./Lt. Gov. 5 months before to 45 days after for other candidates.	Same as House CS.
Personal use of campaign funds Prohibited.	Transfer of \$5,000 (House) or \$10,000 (Senate) to office account allowed.	Transfer of \$5,000 (House) or \$20,000 (Senate) to office account allowed.
Carry forward of campaign surpluses Prohibited.	Transfer of \$5,000 (House), \$7,500 (Senate), or \$50,000 (Gov./Lt. Gov.) to next campaign allowed.	Transfer of \$5,000 (House), \$10,000 (Senate), or \$50,000 (Gov./Lt. Gov.) to next campaign allowed.
Out-of-state contributions Prohibited.	Out-of-state contributions allowed up to \$2,000 (House), \$3,000 (Senate) or \$20,000 (Gov./Lt. Gov.)	Allowed.
Ballot propositions Group limits apply.	Same as initiative.	No limits.
Serious violations Intentional violations would be Class C felonies, and knowing violations would be Class A misdemeanors.	Penalties would be reduced by one step so the most severe penalty would be a Class A misdemeanor.	Same as House CS.
Civil penalties Minimums and maximums would increase. Court may impose treble penalties.	Maximums would increase. Court may impose treble penalties.	Maximums would increase. No treble penalties allowed.
Power to enforce Access to Superior Court for civil penalties.	Citizen suits allowed only after complaint to APOC.	Citizen suits allowed only after complaint to APOC.
Complaint recovery Up to 50% of penalty amount.	Same as initiative.	No provision.

### PROHIBITED CONTRIBUTORS

Corps, companies, partnerships, firms,  
unions, associations, organizations, trusts,  
and other entities prohibited from contributing.

Same as initiative

ONLY CARDS, UNIONS & PUBLICLY-  
FUNDED ENTITIES ARE SPECIFICALLY  
PROHIBITED FROM CONTRIBUTING.

APR 23 1996

MEMO

TENTH ALASKA LEGISLATURE  
ELEVENTH ALASKA LEGISLATURE  
TWELFTH ALASKA LEGISLATURE  
THIRTEENTH ALASKA LEGISLATURE  
FOURTEENTH ALASKA LEGISLATURE  
FIFTEENTH ALASKA LEGISLATURE  
SIXTEENTH ALASKA LEGISLATURE  
EIGHTEENTH ALASKA LEGISLATURE  
NINETEENTH ALASKA LEGISLATURE

ALASKA STATE SENATE



SENATOR TIM KELLY

STATE CAPITOL  
JUPITER ALASKA 99501 1182  
(907) 465-3822  
FAX (907) 465-3758

716 WEST 4TH SUITE 400  
ANCHORAGE ALASKA 99501  
(907) 258-8180  
FAX (907) 258-4524

1-800-770-3822  
(JANUARY 1996 - MAY 1996)  
INTERNET: <http://www.state.ak.us/>

TO: Senator Rick Halford

FROM: Senator Tim Kelly **TDK**

RE: Campaign Financing

DATE: April 23, 1996

I received the attached memo earlier today from Mike Frank, the Chair of the Campaign Finance Reform effort. (As you know, the Campaign Finance initiative will be on November's ballot unless the legislature passes a bill that is substantially similar.) Mr. Frank claims that "the Senate Judiciary Committee eliminated or modified virtually every major initiative provision." He also asserts that the Senate Judiciary committee substitute "clearly fails" the test for substantial similarity. Finally, he asks that the Senate return to the State Affairs approach "particularly as to contributions from non-residents, lobbyists, and partnerships." If not, he would prefer a vote on the issue in November.

*Sen. Halford*  
MICHAEL J FRANK

# Campaign Finance Reform - - Now!

2224 Turnagain Parkway  
Anchorage, Alaska 99517

Phone: 274-CFRN

April 23, 1996

Dear Senator:

Yesterday we received excerpts of the new SB 191 (Jud.) relating to campaign finance reform. When SB 191 was introduced in January, it had over 32,000 cosponsors from throughout Alaska. Unfortunately, under the banner of addressing potential constitutional issues, the Senate Judiciary Committee rewrote and eliminated important provisions of the initiative.

The constitutional issues raised in the Senate Judiciary Committee have not been resolved in any definitive way by the courts, however. For example, to our knowledge only one court in the United States has addressed the constitutionality of a ban on non-resident contributions in state elections, and this case is awaiting oral argument in the Ninth Circuit Court of Appeals. (As to other issues, see the attached February 21, 1996 letter to Senator Kelly.) In any event, potential constitutional issues are not a legitimate basis for removing an initiative from the ballot and depriving the people of their right to vote on it.

Until now, the many public policy issues of campaign finance reform have been treated fairly by Senator Kelly and other Senators, and in various House committee deliberations. The attached list shows that the Senate Judiciary Committee eliminated or modified virtually every major initiative provision. The Senate Judiciary Committee CS clearly fails the "substantially the same" test for initiatives set out in the Alaska Constitution, Article XI, Section 4. Equally important, legislation should not be used to strip the initiative of the kinds of electoral reforms that Alaskans overwhelmingly want.

At a minimum, we ask that the Senate return to the Senate State Affairs Committee approach, particularly as to contributions from non-residents, lobbyists, and partnerships. If the Legislature can do no better than the Senate Judiciary Committee CS, please let Alaskans vote on the initiative in November.

We would be most happy to discuss the initiative provisions with you or your staff at any time. Thank you for your consideration.

Sincerely,

*Mike Frank*  
248-5078 (h)

# Campaign Finance Reform -- Now!

---

2224 Turnagain Parkway  
Anchorage, Alaska 99517  
274-CFRN

## INITIATIVE PROVISIONS MODIFIED IN SB 191 (JUD) (partial listing)

Application to ballot propositions -- **ELIMINATED**  
Limitation on individual contributions -- **WEAKENED**  
Limitation on party contributions -- **DOUBLED**  
Limitation on group contributions -- **DOUBLED**  
Limitation on contributions to groups -- **DOUBLED**  
Ban on non-resident contributions -- **ELIMINATED**  
Limitation on lobbyist contributions -- **ELIMINATED**  
Ban on partnership contributions -- **ELIMINATED**  
Ban on candidate-to-candidate contributions -- **ELIMINATED**  
Ban on transfer to office accounts -- **ELIMINATED** (\$ limits)  
Ban on transfer to future campaigns -- **ELIMINATED** (\$ limits)  
Citizen right to sue -- **WEAKENED**  
Potential for triple court penalties -- **ELIMINATED**  
Potential recovery by plaintiff -- **ELIMINATED**  
Criminal penalties -- **WEAKENED**  
Time period for fundraising before election -- **SHORTENED**  
Time period for fundraising after election -- **LENGTHENED**  
Threshold for reporting -- **WEAKENED**  
Cash contribution limits -- **WEAKENED**

# SENATE COMMITTEE REPORT

DATE: 3/20/96

FURTHER: Finance

DATE TURNED INTO OFFICE: 4-19-96

The Judiciary Committee considered SENATE BILL NO. 191

Relating to election campaign finance reform.

*Q & A's*

and recommends:

- be replaced with CS SB 191 ( JUD )
- adopt previous CS (          )
- attached amendment(s)
- adopt Letter of Intent by          Committee
- further referral to the          Committee

- Senate Bill:
  - same title
  - new title
- House Bill:
  - same title
  - technical change
  - new SCR

SIGNING <u>DO PASS</u>	OP	OTHER RECOMMENDATIONS	SR	DNP	AM
<i>Lyle Green</i>	<input checked="" type="checkbox"/>	<i>Mike Miller</i>	<input checked="" type="checkbox"/>		
		<i>Cal Clark</i>	<input checked="" type="checkbox"/>		
CHAIR: <i>Adrian Foglia</i>				<input checked="" type="checkbox"/>	

**NEW FISCAL NOTE(S):**

Department                      Date      Zero      Fiscal


**PREVIOUS FISCAL NOTE(S):\***

Department                      Date      Zero      Fiscal

DOA	3/20/96		98.7
LAW	3/21/96		47.5
LAA	3/21/96	<input checked="" type="checkbox"/>	
Office of Gov.	3/23/96	<input checked="" type="checkbox"/>	
OC - RA	3/24/96	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill



Senate Finance Committee

To: Larry Stevens

From: J. J.

Date: 2 Dec 1996

Subject: Bill Number: SP 191 Version: \_\_\_\_\_

Fiscal Note WITHOUT a Senate Finance Committee Referral

Title: Election Campaign Finance Reform

Referrals: STA, JUD

Sponsor(s): Sen. Kelly

Department: Dept. of Law

BRU: Civil Division

Component: General Legal Services

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attachments:

- Fiscal Note(s)
- Bill History from BASIS

191

2/5/96



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### MEMORANDUM

TO: Senator Drue Pearce, President  
Alaska State Senate

FROM: Senator Rick Halford, Co-Chair  
Senate Finance Committee

DATE: February 5, 1996

SUBJECT: Fiscal Note(s) WITHOUT a Finance Committee Referral

**COPY**

---

A positive fiscal note has been issued by the Department of Law for SB 191, Election Campaign Finance Reform, which was referred to the Senate STA and JUD committees.

Please add a referral to the Senate Finance committee.

Thank you.

Attachment(s)

cc: Senator Mike Miller, Chairman  
Senate Rules Committee  
Attn: Mary Gore

Sen. Kelly

RH/lb

CURRENT STATUS: (S) STA

	JRN-DATE	JRN-PAGE		ACTION
1	12/29/95	2056	(S)	PREFILE RELEASED - 12/29/95
2	01/08/96	2056	(S)	READ THE FIRST TIME - REFERRAL(S)
3	01/08/96	2056	(S)	STA, JUD

SELECTION=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP	SUBJ	EXIT	MENU	TEXT	PRINT	BWD	FWD	CMT/JRNL	FIRST	LAST	QUIT
4B		H						==PC LINE 22 COL 14			

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: "...election campaigns, election campaign BRU: Civil Division  
financing, the oversight and regulation of election campaigns..." Component: General Legal Services  
 Sponsor: Senator Kelly  
 Requester: Senate State Affairs Committee COMPONENT SERIAL NO. 2087

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	34.5	23.0	23.0			
TRAVEL	2.8	2.8	2.8			
CONTRACTUAL	9.1	7.7	7.7			
SUPPLIES	1.0	0.8	0.8			
EQUIPMENT	0.3	0.2	0.2			
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
1002 Federal Receipts						
1003 GF Match						
1004 GF	47.5	34.1	34.1			
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>47.5</b>	<b>34.1</b>	<b>34.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ 0.0

**POSITIONS**

POSITIONS	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

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

SB 191 is an extensive revision of Alaska campaign finance law with new reporting requirements for political contributions and expenditures, revised civil penalties and criminal sanctions, and many other changes directly affecting the Alaska Public Offices Commission (APOC).

Section 18 of SB 191 repeals AS 15.13.120(d) and reenacts the statute to allow a person to file a superior court action relating to a violation of AS 15.13 (under current law, a person may only file a complaint with APOC). The civil action could seek an injunction or civil penalties. Section 18 requires the person to serve the attorney general and APOC with a copy of the summons and complaint. The impact on the Department of Law is that APOC could intervene as a matter of right in the superior court action, which will mean that APOC would require more attorney resources. Because the bill deletes the current version of AS 15.13.120(d), APOC would no longer refer violations of AS 15.13 to the attorney general for possible criminal prosecution under that statute.

Prepared by: Richard I. Proques, Director Phone: 465-3672  
 Division: Administrative Services Division Date: 1/30/96  
 Approved by Commissioner: Truce M. Botelho, Attorney General Date: 1/30/96  
 Agency: Department of Law

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FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

ANALYSIS CONTINUATION:

Section 17 repeals AS 15.13.120(e) and reenacts it to allow a person to file a complaint with APOC relating to a violation of AS 15.13 (similar to the current version of AS 15.13.120(d)). The revision notes that APOC would not have exclusive jurisdiction over such violations. The impact on the Department of Law should not be significant because APOC processes administrative complaints under current law, except that the department's attorney representing APOC would also be required to monitor or intervene in a separate court action relating to the same violation as noted above for Section 16.

Section 20 of SB 191 expands and amends the criminal sanctions in AS 15.56 relating to campaign finance contributions, expenditures and reporting violations, which will not impact the Department of Law.

If it is enacted, SB 191 very likely will prompt litigation concerning the constitutionality or legal validity of restrictions on various contributions and expenditures (for example, SB 191 prohibits contributions to certain Alaska political candidates from non-Alaskans), which will require the department to defend such lawsuits.

Last, because of the bill's extensive revision of Alaska campaign finance law, all of APOC's regulations will have to be rewritten, which will require substantial assistance from the Department of Law. It is our estimate that about 30 percent of additional attorney time will be required in the first year after the bill is in effect (10 percent for regulations and 20 percent for increased representation). This will decrease to 20 percent in the following two years. Although this increase in workload is not sufficient to warrant a new position, the increase does warrant fiscal note costs. This is because the department's civil division budget has been severely reduced and the division faces increasing workloads in non-discretionary work in child protection and labor relations litigation. Consequently, assuming other additional workload is problematic at best. Therefore the addition of fiscal note funds to reduce position vacancy, currently near the maximum permitted, will allow the department to handle the SB 191 workload increase by proportionately increasing attorney staff time. The amounts shown on the fiscal note represent 30 percent of the annual cost of an Attorney IV, including associated support costs, in conformance with the department's cost allocation plan and attorney rate methodology. In addition, \$7,500 is also included for out-of-pocket litigation costs.

Did not travel <sup>4/23/96</sup>  
w/bill. Does not  
show up in BASIS.  
Chronologically falls  
between #1 & #8.  
Copy to Larry w/note.  
Not yet copied for  
members' files.

2/5/96

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

Revision Date: \_\_\_\_\_  
Title: An Act regulating campaigns, campaign financing and  
lobbyists' campaign activities  
Sponsor: Sen. Kelly  
Requestor: (S) STA

Department Affected: Administration  
BRU: Public Offices Commission  
Component: Public Offices Commission  
COMPONENT SERIAL NO. 70

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

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	144.8	144.8	94.0	94.0	94.0	94.0
TRAVEL	2.5	0	2.5	0	0	0
CONTRACTUAL	18.0	2.0	1.2	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	17.7	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	144.8	144.6	94.0	94.0	94.0	94.0

TOTAL EXPENDITURES	0	0	0	0	0	0
--------------------	---	---	---	---	---	---

CHANGE IN REVENUES ( )	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

### FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	144.8	144.6	94.0	94.0	94.0	94.0
1005 GF/Program Receipts	0	0	0	0	0	0
1037 GF/Mental Health	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	144.8	144.6	94.0	94.0	94.0	94.0

Estimate of any current year (FY 96) cost: \$1.2

### POSITIONS:

FULL-TIME	3	3	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED.

Prepared by: Karen Boorman  
Division: Public Offices Commission

Phone: 276-4176  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Royce  
Agency: Department of Administration

Date: 2/1/96

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## FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 191

### ANALYSIS: (continued)

#### 1. Assumption

This expenditure detail is based upon the assumption that SB 191 will have an effective date during the 1996 election cycle.

#### 2. Program Summary

This bill would require extensive education of all candidates and contributors of the new limits on contributions, expenditures and behavior. New manuals and forms would be necessary to provide immediate help. Regulations, civil penalty assessments, advisory opinions and adjudication of complaints would provide long term guidance. The computer tracking system would have to be significantly upgraded to accommodate the increased number of registrations and reports as well as the new and significantly expanded civil penalty structure.

#### a. Positions

1. An investigator III/associate coordinator would write advisory opinions, handle complex civil penalty assessments and inquiries from the public, train candidates and contributors and investigate complaints.
2. An administrative clerk III would be responsible for processing filed reports, statements and registrations as well as accurate and prompt input of data about contributors' and candidates' registering and reporting. This position would assign work to and supervise an existing administrative clerk II, answer inquiries from the public about APOC's expanded databases, and compose reports of contribution, expenditure and candidate activity.
3. A regulations specialist II would draft regulations interpreting this bill's new provisions for consideration by the commission and the Department of Law. This position would also draft new forms and manuals. This is a two year position.

#### b. Other expenditures

Travel costs cover training in Fairbanks, Barrow, Kenai and Ketchikan as well as an additional commission teleconference to approve new manuals and forms. Contractual costs cover printing and mailing new manuals and forms, additional office space for two years, and reprogramming the current computer tracking system. Equipment costs cover computer equipment for the new positions as well as an improved backup and storage system. Funds in two election years for newspaper ads in six communities would tell the public of the new limitations.

#### c. Funding

Undesignated revenue to the general fund from civil penalties is likely to increase, but the amount of any increase is speculative. Any increased revenue would go to the general fund, not APOC.

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

P.O. BOX 110200  
JUNEAU, ALASKA 99811-0200  
PHONE (907) 465-2200  
FAX (907) 465-2135

January 31, 1996

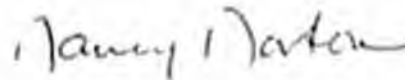
The Honorable Bert Sharp  
Chair  
Senate State Affairs  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear Mr. Chair:

At a teleconference January 29, the Commission reviewed SB 191. Enclosed is their analysis of the bill including fiscal and other impacts, concerns and suggestions for amendments. The Commission's position overall is to support the bill with amendments.

Thank you for your consideration of the Commission's ideas and concerns. Brooke Miles of APOC's Juneau office will be attending the hearings of the Committee and is available to answer questions or provide information. Likewise, I will be available to testify or to assist the Committee in whatever way would be helpful.

Sincerely,



Karen Boorman  
Executive Director

cc: Senator Tim Kelly  
Commissioner Denton Pearson  
Commissioner Sandra Stillion  
Commissioner James Adams  
Commissioner Marj O'Reilly  
Commissioner Julie Benson  
Pat Pourchot

## BILL ANALYSIS

BILL NO. SB 191

**Section 1. Findings and Purpose:** The Legislature finds several shortcomings with campaigns: they are too long; their high cost is a deterrent to highly qualified citizens to run; they create the possibility that organized special interests may gain undue influence; incumbents have a fund raising advantage over newcomers; great potential for bribery and corruption exists; and current penalties for violating campaign finance laws are too lenient to deter misconduct. This bill seeks to remedy these shortcomings, thereby restoring confidence in the electoral process and fostering good government.

**Section 2. AS 15.13.010(a)** This rewording does not change the current statute which allows municipalities to exempt themselves.

**Section 3. AS 15.13.010(c)** Municipalities could regulate campaign financing in municipal elections as long as the municipal requirement was at least as strict as state law.

**Section 4. AS 15.13.030** The commission would adjust (either upward or downward) the limits for contributions, loans and cash expenditures every five years using a recognized government index as a guide.

Promulgating new regulations every five years is a cumbersome, time consuming process resulting in rapidly shifting and confusing limits. It would be necessary to revise the manuals, clarify statutes and re-educate contributors and candidates every five years.

**Sections 5 and 6. AS 15.13.040(a) and AS 15.13.040(g)** Read together, these sections would exempt state and municipal candidates upon filing an exemption form, from reporting campaign finance activity if the campaign is under \$1000.00.

This would eliminate unnecessary reporting by small campaigns and is a practice the commission has allowed by policy for municipal candidates.

**Section 7. AS 15.13.050** Publicly funded entities and persons (people, associations, labor unions, and companies but not groups) would have to register with APOC before making an expenditure concerning a candidate or ballot question or a contribution to a candidate.

This appears inconsistent with Section 8 of this bill, which prohibits publicly funded entities, associations, labor unions and companies from contributing to candidates. It also appears inconsistent with Section 19 of this bill, which prohibits publicly funded entities, associations, labor unions and companies from making an independent expenditure concerning a candidate. It also appears inconsistent with AS 15.13.076(2) in Section 10 of this bill, groups would not be required to register and name their

treasurers and deputy treasurers, but only a group's treasurer and deputy treasurers may accept contributions. Groups which are concerned with only one candidate would no longer be required to include the candidate's name in the group's name. It appears that Section 7 should include candidates, individuals, and groups, not persons, to be consistent.

Section 8. AS 15.13.065, .067 The only legal contributors to groups would be people. Associations, labor unions, municipalities, companies and other groups could not contribute to groups. Based on current practice this would probably limit groups in using charitable gaming proceeds, as most gaming permits are held by associations which contribute charitable gaming proceeds to an affiliated group. Statewide parties and their subdivisions couldn't transfer funds among themselves. The only legal contributors to candidates would be people and groups. Associations, labor unions, municipalities and companies could not contribute to candidates. Only people and groups could make independent expenditures concerning candidates. Associations, labor unions, municipalities, school districts and companies could not. As Section 7 would not require any group to register, it is unclear why (b) of this section refers to groups which are required to register.

Section 9. AS 15.13.070 People could legally contribute \$500.00 each year to a candidate; \$5000.00 each year to a party, and \$250.00 to every other group. Political parties could legally contribute \$50,000.00 each year to a candidate in a state-wide race and \$5000.00 to every other candidate. Other groups could legally contribute \$500.00 to a candidate.

This section relies on a different interpretation of political party than the one which the commission now uses. Currently the commission views the party and each of its subdivisions as a separate party. This interpretation is based on the definition of "group" in AS 15.13.130(4).

Section 10. AS 15.13.072, .074 Candidates could not solicit or accept contributions from unauthorized individuals or groups, contributions from non-Alaska residents, most out of state groups (including for example, national Democratic and Republican Parties as well as labor union PACs which receive contributions from non-Alaskan members), and cash contributions over \$25. The earliest contributions could be accepted is 11 months before the state general election (or municipal election). The latest contributions could be accepted is the day of the state general election (or municipal election), if unopposed or 30 days after the general or municipal election if opposed. This section does not appear to address candidates who have lost the election in the primary.

Candidates for the legislature could not solicit or accept contributions from lobbyists during their registration and one year afterwards unless the lobbyist is or will be registered to vote in the candidate's district. Lobbyists would be prohibited from making contributions to legislative candidates outside their district, and would have to report all their contributions to the commission.

The governor, lieutenant governor, legislators and their staffs could neither solicit nor accept contributions during legislative sessions; the governor, lieutenant governor and the legislators would be prohibited from soliciting or accepting honoraria during session. Contributions and honoraria made during these prohibited times would be illegal, as would cash contributions over \$25.00.

The time restrictions on receiving contributions leave little time to retire debt, pay accrued expenditures, and reconcile bank accounts.

AS 15.13.076, 078 Candidates, their campaign treasurer and deputy treasurers and a group's treasurer and deputy treasurers are the only ones authorized to receive contributions. While candidates could loan their campaigns as much as they wish, they could recover only \$25,000.00 if they run for statewide office, \$10,000.00 for other state races, and \$5,000.00 for municipal races. Family members who loan money to a candidate could recover only \$1,000.00. This last provision establishes a contributions limit for family members different from that of other contributors.

Section 11. AS 15.13.080 People who contribute over \$250.00 to a candidate or who contribute over \$1000.00 a year to all groups and who also contribute to more than one group in the 90 days preceding an election would file a contributor statement with the commission within 10 days of making the contribution.

It is unclear why part (a) requires only individuals (people) to file a contributor statement and part (b) makes the same requirement of persons, a broader category. Part (d) is unclear because contributions are not filed with the commission. It will be difficult for the contributor to give a copy of the contributor statement to a group or its treasurer or campaign treasurer if the identity of groups' officers is not required to be publicly disclosed under Section 7 AS 15.13.050.

Section 12. AS 15.13.082, 084, 086 A candidate or group would have to get a receipt for cash expenditures over \$100.00 and file a copy with the commission. Candidates and groups would have to record information about the source of each contribution before spending or converting it to cash. Expenditures made anonymously or in the name of another would be prohibited. Only candidates, campaign treasurers and their deputies could make expenditures for a candidate; only the campaign treasurer (whose identity would not necessarily be publicly disclosed) could make expenditures for a group.

Section 13. AS 15.13.110(b) Groups as well as candidates would have to file 24 hour reports; deputy treasurers would be authorized to file them. Basically the same as current law.

Section 14. AS 15.13.110(c) All reports must be filed with the commission's Anchorage office. This wording doesn't change the current statute.

Section 15. AS 15.13.112, 114, 116 Contributions to candidates and groups could be used only for their own election campaign purposes. Contributions may not be used for personal benefit, personal income, personal loans, to pay more than fair market value, for criminal fines, and civil penalties except under this chapter. Illegal contributions would be required to be returned immediately; contributions which remain anonymous for five days are forfeited to the state general fund. Candidates would have to disburse any and all surplus campaign funds within 60 days after the election, at the latest. These surplus funds could only be used for campaign costs, including a legal challenge to the election of the candidate, donations to charity, government or a political party or to repay campaign loans. After the election, candidates could retain only \$2,500.00 worth of personal property; all property above this limit would be donated to the state or sold and the proceeds be disbursed along with any other surplus campaign funds. AS 15.13.116 does not allow return of contributions to contributors as a way of disbursing campaign assets.

Section 16. AS 15.13.120(d) People, companies and associations could file a complaint with APOC and/or a civil lawsuit for an injunction and civil penalties for a violation of the Campaign Disclosure Law or its regulations. The civil lawsuit must be filed within two years of the alleged violation. The commission could join in the lawsuit.

Section 17. AS 15.13.120(e) A commission member, its executive director and a member of the public could file a complaint with the commission within four years of the alleged violation. If the two year deadline for civil lawsuits had not yet passed, a person who had filed an administrative complaint could withdraw it and file a lawsuit. The procedure for handling a complaint whose subject matter was the same as that of an already filed lawsuit is unclear.

Sections 16 and 17 create concurrent jurisdiction of the court and the commission. This will be expensive, create possible conflicts and not necessarily be more efficient.

Section 18. AS 15.13.125 The commission currently has the power to impose civil penalties up to \$50.00 a day, but only for some late or incomplete reports. This section would authorize the commission to impose civil penalties up to \$500.00 a day for any violation of the Campaign Disclosure Law or its regulations. It would require the commission to assess the offender's mental state to establish the level of the civil penalty. Aggravating and mitigating factors for the amount of the civil penalty are specified. The commission would have to assess attorney's fees and costs of its investigation and adjudication against respondents in complaints. A court would be required to impose judgment for three times the maximum civil penalty against defendants who acted knowingly and didn't correct the violation within five days of its occurrence, as well as reasonable attorney's fees and costs.

These changes would result in higher civil penalty assessments of greater complexity, more civil penalties (fines), more appeals and possibly discouraging potential candidates and contributors. Simultaneous or overlapping processing of complaints or violations in

superior court and before the commission could occur, possibly resulting in different decisions and penalties for the same alleged violation. It is unclear if the commission could impose a civil penalty against a person if a court had already entered a judgment for the same conduct and vice versa.

Section 19. AS 15.13.135, 137 Only people and groups could make independent expenditures concerning candidates. Companies and associations couldn't. Independent expenditures for broadcast or print media would carry a disclaimer stating that the candidate did not authorize, pay and/or approve the effort. Contributions to a group that forms to make independent expenditures are, like contributions to any other group - limited to \$250.00.

AS 15.13.140 Independent expenditures may be made in support of or opposition to a ballot issue by an individual, association, company, or publicly funded entity but probably not a group.

AS 15.13.145, 150 The state, municipalities, school districts and other public bodies could not spend public money on contributions or independent expenditures concerning candidates, but may do so for ballot issues if specifically appropriated for that purpose. They could also spend public money which has been specifically appropriated for the purpose of disseminating nonpartisan information about ballot questions or all candidates for a particular public office. Expenditures must be reported. People, companies and associations could distribute neutral educational information about the views of all candidates, in a given race or sponsor open debate forums, and provide information about election dates and voter registration.

AS 15.13.400 For the purposes of this chapter when limits or prohibitions are placed on accepting contributions and making expenditures, "candidate" is defined to include campaign agents, the candidate's immediate family members and controlled groups.

The definitions of "contribution," "expenditure," "individual" and "person" are unchanged from the current statute.

"Group" would be more narrowly defined. The current definition of "group" includes combinations of associations and companies as well as combinations of people. The new definition of "group" includes only combinations of people. This definition could result in the formation of fewer groups.

"Honorarium" would be defined as payment of anything of value in exchange for an appearance, speech or article.

"Immediate family" would mean spouse, parents, siblings and children (natural, adopted and step).

"Independent expenditure" would mean an expenditure made completely separately from a candidate and all his or her agents.

"Publicly funded entity" has no definition. This is a new concept in AS 15.13 introduced in this bill. It is unclear in those sections where it occurs what entities are meant as other terms are used which refer to the State and its political subdivisions.

Section 20. AS 15.56.012, 014, 016, 018, 019 The crimes of campaign misconduct in the first, second and third degrees would be defined more broadly—and carry heavier sanctions—than under current statute. Any intentional, knowing or reckless violation of the Campaign Disclosure Law or its regulations would be campaign misconduct in the first, second or third degree, respectively. A person convicted of campaign misconduct in the first degree would lose all licenses allowing him or her to do business in Alaska for one year. This section would be enforced by the Criminal Division of the Department of Law. The Commission would refer allegations of campaign misconduct to the Department of Law.

Section 21. The scope of lobbyists' participation in the financial aspects of state campaigns would be reduced further. Lobbyists would not be able to collect or deliver contributions to any candidate in state or local races, and would not be able to engage at all in the fund raising activity of any state campaign.

Section 22. AS 24.60.031 This is a housekeeping measure which retains the definition of "contribution" in the Legislative Ethics Act by reference.

Section 23. The current provisions for criminal penalties in AS 15.13, some in AS 15.58 and definitions in AS 15.13 would be repealed. Sections 16, 18, and 20 and AS 15.13.400 in Section 19 would replace them. The net effect is that criminal violations will no longer be under the purview of the Commission for referral to the Attorney General.

Section 24. Construction. The bill's provisions would be construed to avoid a conflict with any prevailing federal law.

Section 25. Applicability. If persons who are not individuals (such as companies and associations) are adjudged to have a constitutional right to contribute to candidates or groups, then the Campaign Disclosure Law applies to them.

Section 26. Effective Date. If passed, by more than a two-thirds vote, this bill would take effect the day after the governor signs it, the day after the governor's veto is overridden, or the day after the period for the governor's action expires—whichever happens first. If passed by less than a two-thirds vote, this bill would become effective 90 days after its enactment.

Either scenario results in an effective date during the 1996 legislative campaigns. Changing requirements in the middle of the 1996 election cycle is of great concern to the

Commission.

PROPOSED AMENDMENTS

BILL NO. SE 191

{1} The term "person" is defined to include corporation, company, partnership, firm, association, organization, business trust, and society as well as natural person in AS 01.01.060. There are a number of places in this bill where the term "person" is used. Some of these may be more appropriately the term "individual," AS.15.13.080(b) for example.

{2} Section 4. AS 15.13.030. Duties of the Commission. This provision should be amended by changing AS.15.13.030(11) to require a revision at the Commission's discretion but based on a recognized government index. The Commission is sensitive to the balance needed between a stable set of rules that participants in campaign activity depend upon and the need to have limits which reflect a changing economy.

{3} Section 5. AS 15.13.040(a) and AS 15.13.040(b). Raise minimum contribution reporting requirement for candidates and groups from "in excess of \$100.00" to "in excess of \$250.00."

This would impose the same reporting level on candidates, groups and contributors to groups.

{4} AS 15.13.040(d) (2). As a result of the 1995 U.S. Supreme Court decision in McIntyre v. Ohio Election Commission regarding the requirements for identification of political communications, the Commission requests this amendment to current statute.

(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:

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

expenditures whose cumulative value does not exceed \$250.00 a year for billboards, signs or printed material concerning a ballot proposition or question paid for by an individual acting independently of any other individual or group.

- (5) This next amendment is suggested to clarify existing language and to simplify reporting of accrued expenditures.

AS 15.13.040(h) This provision should be amended by adding a new subsection to read:

(h) Accrued expenditures that in the aggregate total \$1000.00 or less a year per payee or account need not be included in the report of expenditures required under (a) and (b) (3) of this section. However, if an unreported accrued expenditure is not paid within 90 days after it is incurred, it becomes a contribution and must be reported as required by this section and AS 15.13.110. For purposes of this subsection, "accrued expenditures" means expenses incurred but not yet paid. This would establish a bright line rule for the point at which a campaign debt becomes a contribution to the campaign. It would also simplify reporting accrued expenditures.

- (6) Section 7. AS 15.13.050. Registration Before Contribution or expenditure. The term "publicly funded entity" is not defined in this bill. It is unclear what is meant. Is "publicly funded entity" synonymous "State and its political subdivisions" used in AS 15.13.145?

This provision should be amended by adding "groups" to the list of makers of contributions or expenditures which are required to register before making a contribution or expenditure and changing "publicly funded entity" to "entity". Requiring groups to register before making a contribution or expenditure would continue current law and eliminate the inconsistencies this section has with several other sections of this bill.

This provision should be further amended as follows regarding the naming of groups:

If a [THE] group, except a political party or its subdivision, intends to support or oppose only one candidate, or to contribute to or expend on behalf of, or in

opposition to, one candidate 33 1/3 [50] percent 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.

- (7) Section 8. AS 15.13.065. Who May Make Contributions. Subsection (b) of this section should be amended by deleting the language "a group that, if required by AS 15.13.050 to register, is registered, or a group not required to register under AS 15.13.050" and inserting " a group properly registered under AS 15.13.050".

Read in conjunction with the proposed amendment to AS 15.13.050, all groups would be required to register and would be allowed to make contributions and expenditures after registering.

Subsection (a) of this section should be amended to allow political parties and their subdivisions to contribute to each other.

- (8) Section 9. AS 15.13.070. Limitation On Amount Of Political Contribution. This section relies on a different interpretation of political party than the one which the Commission now uses. Currently the Commission views the party and each of its subdivisions as a separate entity with its own contributions. This interpretation is based on the definition of "group" in AS 15.13.103(4).

The Commission is concerned that if contributions by parties (including subdivisions) are limited it would weaken the parties or discourage grass roots activity. The Commission is concerned that if parties are limited in their contributions to candidates and other prohibitions remain as proposed, there will be more independent expenditures and less detailed disclosure to the public.

- (9) Section 10. AS 15.13.072. Restrictions On Solicitation And Acceptance of Contributions. Subsection (a)(3) of this section prohibits a candidate from soliciting or accepting contributions from a group whose participants are not Alaskan residents when the contribution is made and from groups which reside in another state. The Commission believes that national political parties should be exempt

from the provision in subsection (a)(3).

It would be difficult to determine the residency of groups who are active in both Alaskan and non-Alaskan campaigns and likewise hard to establish those groups whose "participants" are not all Alaskans.

Subsection (c)(2)(B) does not address candidates who have lost the primary. If the word "primary" is added to the list of elections in (B) this would be corrected. If only added to the second half of the sentence, it would give primary losers a longer, perhaps more reasonable, period to retire debt.

- {10} Section 10. AS 15.13.074. Prohibited Contributions. As currently worded this provision would limit fundraising to a maximum of an 11 month period, starting 11 months before the municipal or general election and ending on or before the day of the dispositive election. For state and municipal races, the Commission suggests limiting campaigning to five months before the election, election day and nine months after the election to allow sufficient time to retire debt and pay accrued expenditures. The Commission suggests allowing an additional 60 days after fundraising is no longer allowed to obtain bank statements, close bank accounts and disburse campaign assets. The Commission recommends keeping the limit on cash contributions at its current level of \$100.00 rather than reducing it to \$25.00.
- {11} Section 10. AS 15.13.078. Contributions And Loans From The Candidate And The Candidate's Family Members. The term "contribution" includes loan or loan guarantee by definition in AS 15.13.130. The Commission does not believe that the contribution limits for family members of a candidate should be different from that of other contributors.
- {12} Section 11. AS 15.13.080. Statement By Contributor. Subsection (d) of this provision should be reworded to require the contributor to file a copy of the contributor statement with the contribution's recipient at the time the contributor statement (rather than the contribution) is filed with the Commission.
- {13} Section 12. AS 15.062. Limitation on Expenditures. The Commission recommends adding the words "or group" to

subsection <sup>o</sup> as it is in subsection (a) and (b) which would require groups as well as candidates to record information about a contribution before spending it.

- {14} AS 15.13.090. Identification of Communication. The Commission requests this section of current law be amended to comply with the U.S. Supreme Court decision in McIntyre v. Ohio Election Commission and the requested change in AS 15.13.040 (d) (2).

Section AS 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 out come 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 advertisement except for billboards, signs or printed material, not including advertisements in newspapers or other periodicals, concerning a ballot proposition or question, which are paid for by an individual acting independently of any other individual or group.

- {15} Section 13. AS 15.13.110(b). Subsection 110(b) requires reporting of contributions and expenditures over \$250.00 during the nine days before the election within 24 hours of receipt. The Commission requests that the requirement for 24 hour expenditure reports be deleted. This information is no longer time critical since the campaign expenditure limits were repealed in 1986, and the Commission no longer enforces the requirement. All expenditures would still be reported on the 10 day election report.

- {16} Section 15. AS 15.13.116 Disbursement Of Campaign Assets After Election. The Commission recommends that the candidate's campaign be given sixty days following the final date of permissible fundraising activities to disburse the campaign's assets and close out bank accounts. (See Proposed Amendment Section 10, AS 15.13.074).

This section no longer allows candidates to return contributions to contributors as a way of disbursing campaign assets. This method of disbursing surplus campaign funds has not occurred very often and, when it has happened, has not been a problem. This method of disbursing campaign

assets should be retained. Although limiting the retention of campaign assets is a good idea, it would be difficult to enforce.

{17} Section 16 and 17. AS 15.13.120(d)(e). The Commission is concerned about the proposed concurrent jurisdiction of the Court and the Commission. This will be more expensive, create possible conflicts and not necessarily be more efficient. At this point, the Commission does not have a constructive alternative.

{18} Section 18, AS 15.13.125. Civil Penalties. The Commission currently has a statutory schedule for establishing civil penalties and mitigation criteria which allow flexibility in assessing penalties on a case by case basis. Currently, the classifying of violations by state of mind (reckless, negligent, knowing and intentional) applies only to criminal violations. Although maximum penalty amounts are tied to the length of time the violation exists under both current law and this provision, the state of mind classification is not necessary and will not necessarily result in better decisions as it is significantly more complex and time-consuming. Currently, civil penalties accrue until a violation is corrected and are set at a maximum of \$10.00 per day or \$50.00 per day depending upon the type of campaign report that is late or incomplete. Mitigation criteria are applied when a maximum penalty amount is appealed and the violator and/or staff sets forth extenuating circumstances.

The Commission adopted these mitigation criteria (based on almost two decades of experience) to give staff guidance in making penalty recommendations in civil penalty appeals. The criteria also give the Commission a yardstick upon which to exercise its discretion in making decisions in appeals of civil penalties. The Commission believes the current system for assessing penalties and the rate of civil penalties is adequate and should not be changed.

The Commission does support the scope of the civil penalty section which establishes that all violations of AS 15.13 are subject to civil penalties. This corrects a deficiency in current law which makes late filing of individual contributor reports and independent expenditure reports as well as not identifying political communications, a criminal

violation.

- {19} Section 19 AS 15.13.135 Independent Expenditures For Or Against Candidates. The last line of subsection (b) of this section requires a disclaimer that "the candidate" has neither authorized, paid for nor approved the campaign material. If the campaign material opposes [rather than supports] a candidate, it is obvious that "the candidate" who is the subject of the material didn't authorize, pay for or approve it. Replacing "the candidate" with "any of the candidates for this elective office" would expand the scope of the disclaimer to include all of the candidates who are running for the particular office, and thus be appropriate on material that opposes rather than supports a candidate.
- {20} Section 26 Effective Date. The immediate effective date of this bill is of concern to the Commission, especially in a legislative election year. An effective date of January 1, 1997 would allow campaigns currently underway to continue under the same rules through the end of the calendar year, as well as allow staff time to revise manuals and forms.
- {21} Although not directly related to campaign finance reform, the Commission requests consideration of the following housekeeping measures to AS 24.45 Regulation of Lobbying. These changes streamline some procedures and eliminate several unnecessary or unused provisions.

Amend AS 24.45.031(b) to read:

(b) The Commission may

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

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

(3) prepare, publish, and make available to the public, semi-annual (PERIODIC, BUT AT LEAST QUARTERLY AND ANNUALLY,) summaries of the statements and reports received; these

summaries shall list separately individual lobbyists and employers of lobbyists.

Amend AS 24.45.041(e) to read:

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

Amend AS 24.45.061(a) to read:

(a) A person who employs, retains, or contracts for the services of a lobbyist shall sign the lobbyist's registration statement verifying that employment, retention, or contract for lobbying services. [WITHIN 15 DAYS AFTER EMPLOYING, RETAINING OR CONTRACTING FOR THE EMPLOYMENT OR RETENTION OF A LOBBYIST, THE PERSON WHO EMPLOYS, RETAINS OR WHO CONTRACTS FOR THE SERVICES OF A LOBBYIST SHALL FILE A STATEMENT WITH THE COMMISSION AUTHORIZING OR VERIFYING THAT EMPLOYMENT, RETENTION OR CONTRACT FOR LOBBYING SERVICES.]

Amended AS 24.45.061(b) to read:

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

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

(2) information sufficient to identify the nature and

interests of the person making the report;

(3) the total amount of payments made to influence legislative or administrative action during the period, and the name and address of each person to whom these payments have been made during the period by the maker of the report, together with the date and amount;

(4) the date and nature of any gift exceeding \$100.00 in value made to any public official and the full name and official position of the recipient of each gift;

(5) a general description of the legislative or administrative action which the person making the report had attempted to influence;

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

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

Amend AS 24.45.081 to read:

Section 24.45.081. Reporting Periods. Lobbyist reports (REPORTS) required under this chapter shall be filed during the calendar month following each calendar month during any part of which the legislature was in session and during the month following each calendar quarter when the legislature was not in session. However, if a lobbyist registered under this chapter has declared that the lobbyist seeks only to influence administrative action and not legislative action the lobbyist need only file a report required under this chapter for each calendar quarter. The period covered shall be the calendar month or the calendar quarter, as applicable, and shall in any event cover the period from the date of the last report filed under this chapter to the date of the end of the calendar month or quarter, as applicable, for which the report is being filed. The period covered

shall not include any months covered in previous reports filed by the same person. When total amounts are required to be reported, totals shall be stated both for the period covered by the statement and for the entire calendar year to date. Annual employer reports required under this chapter shall be filed either 30 days after all lobbying activities are terminated or during the month following the fourth calendar quarter, whichever occurs first.

The Commission also requests that the following sections of the law be repealed: AS 24.45.041(c), 24.45.051(5) and AS 24.45.116.