

**SB**

**105**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 4/15/97

REPORTED BY OF  
FURTHER: FC APR 16 1997

DATE TURNED  
IN TO OFFICE: 4-16-97

Finance Committee considered SENATE BILL NO. 105

"An Act relating to legislative ethics; relating to the filing of disclosures by certain legislative employees and officials; and providing for an effective date."

CS forthcoming

and recommends:

- be replaced with CS SB 105 (FIN)
- 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>Ray E. Kelly, IF Amended</i>	✓	<i>Kan. Powell</i>	✓		
		<i>Al Evans</i>	✓		
		<i>Johnson</i>	✓		
		<i>Deborah Douley</i>	✓		
Co-Chair: <i>Pearce</i>	✓	Co-Chair:			
Co-Chair: <del>_____</del>		Co-Chair: <i>DA [unclear]</i>	✓		

**NEW FISCAL NOTE(S):**

Department                      Date      Zero      Fiscal

ADMIN	4/7		58.9
LABOR	4/4	✓	
LAW	4/9	✓	

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

Department                      Date      Zero      Fiscal

LAA	3/10	✓	
ADMIN	3/24		151.2

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

REPORTED BY: *[Signature]* **SENATE FINANCE COMMITTEE REPORT**

DATE: 3/26/97

FURTHER REPORTED OUT: APR 11 1997  
 DATE TURNED IN TO OFFICE: \_\_\_\_\_

Finance Committee considered **SENATE BILL NO. 105**

"An Act relating to legislative ethics; relating to the filing of disclosures by certain legislative employees and officials; and providing for an effective date."

*Rescinded*

and recommends:

- be replaced with CS SB 105 (FIN)
- 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>Roll C (Roll) IF Amendol</i>		<i>Sean Hamill</i>	<input checked="" type="checkbox"/>		
		<i>Alpydant</i>	<input checked="" type="checkbox"/>		
		<i>John [Signature]</i>	<input checked="" type="checkbox"/>		
		<i>Don [Signature]</i>	<input checked="" type="checkbox"/>		
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair: _____			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
ADMIN	4/7		58.9
LABOR	4/4	<input checked="" type="checkbox"/>	
LAW	4/9	<input checked="" type="checkbox"/>	

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

Department	Date	Zero	Fiscal
LAA	3/10	<input checked="" type="checkbox"/>	
ADMIN	3/24		151.2

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

REPORTED DATE OF  
APR 16 1997

**FISCAL NOTE**

REPORTED DATE OF  
APR 10 1997

**STATE OF ALASKA  
1997 LEGISLATIVE SESSION**

BILL NO. CSSB 105 (STA)

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: "An Act relating to legislative and executive BRU: Civil Division  
branch ethics; relating to the conduct of lobbyists . . . Component: General Legal Services  
 Sponsor: Senate Rules Committee  
 Requester: Senate Finance Committee COMPONENT SERIAL NO. 2087

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

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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>

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						
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>

Estimate of any current year (FY97) 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 105 (STA) makes numerous amendments to the legislative and executive branch ethics acts, expands the reporting requirements of lobbyists, requires exempt and partially exempt state employees above range 19 to file reports under the conflict of interest statutes (AS 39.50), and makes a conforming amendment to the definition of "public official" for employment security statutes. In amending the executive branch ethics act, the bill transfers certain responsibilities for enforcing the act from the Attorney General to the Personnel Board. The Attorney General retains prosecutorial authority in formal proceedings before the Board, and responsibility for enforcing the Board's decisions. CSSB 105 (STA) also adds new prohibitions, new reporting requirements, new disclosures, and expands list of persons affected by the act.

This bill will have no fiscal impact on the Department of Law. When the Executive Ethics Act was passed in 1986, the legislature did not provide funding to the Department of Law to perform its new responsibilities. Consequently, the department has largely relied on ethics supervisors in the appropriate state agencies to

Prepared by: Joan M. Kasson *Joan M. Kasson*  
 Division: Administrative Services Division  
 Approved by Commissioner: Bruce M. Botelho, Attorney General *Bruce M. Botelho for*  
 Agency: Department of Law

Phone: 465-5370  
 Date: 4/9/97  
 Date: 4/9/97

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ANALYSIS CONTINUATION:

perform investigations; where possible, charged other agencies through interagency agreements for work performed under the act on their behalf; and when necessary to undertake the department's duties with scarce general funds, performed them at the expense of other work.

The Department of Law retains responsibility for certain functions under the State Affairs Committee Substitute including prosecuting ethics violations before the Board, seeking civil and criminal penalties, where appropriate, and as a practical matter, continuing to provide informal advice on the Ethics Act to agencies as well. The department hopes to continue to largely rely on interagency agreements to fund these activities.

FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. CSSB 105(STA)

Revision Date: \_\_\_\_\_  
 Title: "An Act relating to legislative ethics..."  
 Sponsor: (S) Rules by Request of Legislative Ethics  
 Requestor: (S) FIN

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	43.1	71.6	76.1	76.1	76.1	76.1
TRAVEL	2.2	2.2	2.2	2.2	2.2	2.2
CONTRACTUAL	7.4	7.4	7.4	7.4	7.4	7.4
SUPPLIES	1.6	1.6	1.6	1.6	1.6	1.6
EQUIPMENT	4.6					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>58.9</b>	<b>82.8</b>	<b>87.3</b>	<b>87.3</b>	<b>87.3</b>	<b>87.3</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	58.9	82.8	87.3	87.3	87.3	87.3
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>58.9</b>	<b>82.8</b>	<b>87.3</b>	<b>87.3</b>	<b>87.3</b>	<b>87.3</b>

Estimate of any current year (FY 97) cost: \$ 0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)  
 SEE ATTACHED

Prepared by: Karen Boorman  
 Division: Alaska Public Offices Commission

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

Approved by Commissioner: Mark Bover  
 Agency: Department of Administration

Date: 4/1/97

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## FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB 105(STA)

### 1997 LEGISLATIVE SESSION

#### ANALYSIS: (continued)

Partially Exempt and Exempt Executive Branch Employees Range 19 and over must file Conflict of Interest Statements (COI). Legislative Employees Range 19 and over must file Legislative Financial Disclosure Statements (LFD). State Officials must file a disclosures of close economic association.

There are several parts of this bill which would impact the Alaska Public Offices Commission. Section 55, amending AS 24.60.990(a), and Section 63, amending AS 39.50.200(a), require that legislative employees and state employees compensated at Range 19 and above or at more than \$4200 a month file personal financial disclosure statements. Section 72, adding AS 39.52.155 requires that all state employees who file personal financial disclosure statements also file disclosures of close economic association with the APOC.

Currently, the Commission receives about 800 personal financial disclosure statements from all state filers including 65 from legislators and legislative directors. Approximately 1200 municipal officials file municipal financial disclosure statements.

Under the proposed changes to AS 24.60 an additional 192 legislative employees, Range 19 and above, plus 10% turnover per year and an estimated 50% turnover every two years would be required to file annual Legislative Financial Disclosure (LFD) Reports. An additional 658 state employees plus 10% annual turnover would be required to file annual Conflict of Interest (COI) Statements under AS 39.50. In addition, under AS 39.52, up to 1488 state employees would be required to file annual disclosures of close economic association and update them within sixty days of forming new close economic associations.

Current staffing to advise and train filers, provide manuals and forms, review completed statements, assess penalties and report to the Commission is provided by one Paralegal Assistant. At current staffing levels, review of many municipal filings is not possible and review of state filings is delayed. The addition of these new legislative employee and state employee filers more than doubles the number of individuals filing personal financial disclosure statements.

These provisions will take effect midway through FY 98, on January 1, 1998. The first major filing deadlines for filers under the new requirements would be 30 days after appointment or notification for state employees and 60 days after appointment for legislative employees. Over the following six months, approximately 725 new COI Interest Statements and 212 new LFD Reports would be due. This would require extensive education of all new filers. Additional manuals and forms would be necessary to provide immediate help. To provide long term guidance and enforcement, the Commission would engage in civil penalty assessments, advisory opinions and adjudication of complaints. Up to 1488 state official filers would have to file "disclosures of close economic association" with APOC and their designated ethics supervisor. APOC would make these available to the public.

Additional staff is needed to support these changes. An Administrative Clerk III Range 10 would be responsible for processing filed statements as well as accurate and prompt input of data. This person would assist in evaluating Conflict of Interest and Legislative Financial Disclosure Statements to determine their accuracy, obtain more information from filers whose statements are inaccurate, and provide information to the public about filers' Statements. This would be a seven month position the first year, twelve months thereafter.

A nine month full time seasonal Paralegal Assistant, Range 13, is needed to deal with the increase in Conflict of Interest and Legislative Financial Disclosure filers. This seasonal position would be active from December to August when filing demands are the greatest. This seasonal paralegal would compare and examine reports, interpret statutes and regulations, draft informal advice and proposed advisory opinions, and prepare civil penalty recommendations and orders for approval by the Commission. This would be a six month position the first year.

Additional funds are requested for travel and training of new legislative filers in Juneau and new state employee filers in Juneau and Fairbanks. Equipment costs in FY98 cover two filing cabinets, two telephones and installation of lines, a computer and its installation. Contractual and supply costs cover printing and mailing of new manuals, forms and other necessary correspondence for FY98 and subsequent years.

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. CSSB 105(STA)

Revision Date: \_\_\_\_\_  
Title: Legislative Ethics Code Reform  
Sponsor: Senate Rules Committee  
Requestor: Senate Finance Committee

Department Affected: Labor  
BRU: Employment Security  
Component: Employment/Unemployment Services  
COMPONENT SERIAL NO. 1807

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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>

CAPITAL						
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CHANGE IN REVENUE FUND SOURCE #						
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
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						
PART-TIME						
TEMPORARY						

Estimate of current year (FY97) impact: \$ None

**ANALYSIS:** The bill amends standards and establishes new standards in three major areas: AS 24.60, governing legislative standards of conduct, the conflict of interest provisions in AS 39.50, and the Executive Branch Ethics Act in AS 39.52.

No fiscal impact is anticipated.

Prepared by: Rebecca Nance, Director Phone: 465-2711  
Division: Employment Security Division Date: 4/4/97

Approved by Commissioner: Tom Cashen, Commissioner  
Agency: Department of Labor Date: 4/4/97

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RECEIVED  
SFC APR 16 1997

REPORTED OUT OF  
No. 3 APR 10 1997  
Bill Version: CSB105 (STA)  
(S) Publish Date: 3/26/97

FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Department Affected: Administration  
 Title: An Act relating to legislative and executive  
branch ethics. BRU: Personnel  
 Sponsor: Sen. Rules Comm. by Reg. of Select Comm. on Leg Ethics Component: Personnel  
 Requestor: Senate State Affairs Committee COMPONENT SERIAL NO. 56

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	116.3	236.9	236.9	236.9	236.9	236.9
TRAVEL	7.5	15.0	15.0	15.0	15.0	15.0
CONTRACTUAL	7.6	15.2	15.2	15.2	15.2	15.2
SUPPLIES	.8	1.6	1.6	1.6	1.6	1.6
EQUIPMENT	19.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>151.2</b>	<b>268.7</b>	<b>268.7</b>	<b>268.7</b>	<b>268.7</b>	<b>268.7</b>

CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	152.2	268.7	268.7	268.7	268.7	268.7
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>152.2</b>	<b>268.7</b>	<b>268.7</b>	<b>268.7</b>	<b>268.7</b>	<b>268.7</b>

Estimate of any current year (FY 97) cost: \$0.0

POSITIONS:

FULL-TIME	4	4	4	4	4	4
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary.) This analysis is based on the draft amendments identified as O-LS0074\B.2 by Cramer, 3/18/97. Bill Section numbers may not match the numbers in the final committee substitute.

Sections 64-102 of the draft amendments amend the Executive Branch Ethics Act. Additional prohibitions are added, additional reported is required, more people are covered under certain provisions, and much work is transferred from the attorney general to the Personnel Board. These changes in workload are summarized as follows:

Section 67. New prohibitions added. New requirement for review by the Personnel Board of certain political mass mailings. New disclosures to the Personnel Board added.

Section 68. Additional persons can request guidance concerning whether acceptance of a particular gift is prohibited. The work is transferred from the attorney general to the Personnel Board.

Prepared by: Beverly Reaume *Beverly Reaume* Phone: 465-4429  
 Division: Division of Personnel Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer *Mark Boyer*  
 Agency: Department of Administration Date: 3/21/97

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FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. CS SB105 (S<sup>4</sup>)

ANALYSIS: (continued)

Section 69. New prohibitions added. New reporting to the Personnel Board added. New requirement for guidance by the Personnel Board on recognized, nonpolitical charitable organizations. New reporting requirement on inheritances. New requirement for the Personnel Board to approve training programs for gifts of volunteer services.

Section 70. New prohibitions added.

Section 71. Duplicate reporting (to Personnel Board) of personal or financial interests in grants, contract, or loans.

Section 72. New disclosure requirements added.

Section 73. New prohibitions added. Duplicate reporting to the Personnel Board added.

Section 74. New prohibition added.

Sections 75-77. New restrictions added on post separation employment.

Section 78. Duplicate reporting to the Personnel Board added. Additional persons can request guidance on whether a public employee's participation in a matter would violate the Executive Branch Ethics Act. The work is transferred from the attorney general to the Personnel Board.

Section 79. Duplicate reporting to the Personnel Board added. Additional persons can request guidance on whether a member of a board or commission's participation in a matter would violate the Executive Branch Ethics Act. The work is transferred from the attorney general to the Personnel Board.

Section 80. Providing Personnel Board with copy of report of potential violation added.

Section 81, 84, 85, 86. Responsibility to issue interpretative opinions transferred to the Personnel Board. Additional persons can request opinions.

Sections 82. Option of oral advice transferred to Personnel Board.

Section 87. Receipt, review, and public summary of reports of designated supervisors transferred from the attorney general to the Personnel Board.

Section 88. Authority to initiate a complaint transferred from the attorney general to the Personnel Board.

Section 89. Executive Branch Ethics Act complaints to be filed with the Personnel Board instead of the attorney general.

Section 90. Responsibility to investigate a complaint against the governor, lieutenant governor, or attorney general transferred from independent counsel to the Personnel Board.

Section 91. Responsibility to review Executive Branch Ethics Act complaints for completeness and threshold allegations transferred from the attorney general to the Personnel Board.

Section 92. Option of referring a complaint to a designated supervisor transferred from the attorney general to the Personnel Board.

Section 93. Service of a complaint transferred from the attorney general to the Personnel Board.

Section 94. Responsibility for investigation of a complaint with authority to issue a subpoena transferred from the attorney general to the Personnel Board.

Section 95. Authority to dismiss a complaint for lack of probable cause transferred from the attorney general to the Personnel Board.

Section 96. Authority to direct corrective action without hearing transferred from the attorney general to the Personnel Board.

Section 97. Responsibility for maintaining confidentiality during an investigation transferred from the attorney general to the Personnel Board.

Section 98. Authority to initiate formal action on a finding of probable cause transferred from the attorney general to the Personnel Board.

Section 99. Authority to review and approve agency policies on conflicts of interest transferred from the attorney general to the Personnel Board.

Section 100. Regulation adoption authority transferred from the attorney general to the Personnel Board. Additional regulation authority added.

Section 101. Definition of "immediate family member" rewritten. The current records of Department of Law lose their precedential value.

Section 102. Definition of "state official" added to include more positions subject to reporting.

We estimate the need for four positions and associated costs for the Personnel Board to carry out these new requirements. The Personnel Board is authorized to employ staff members by AS 39.25.070(7). One position would be an attorney who would do the legal research and drafting of advice as directed by the Personnel Board. A paralegal position would be responsible for assisting in the legal research and ensuring that all noticing requirements are properly completed. A clerical position would be responsible for the maintenance of the physical files. An investigator will conduct all the investigations, both to determine if a complaint, if true, would constitute a violation and to determine if a violation did indeed occur.

FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. CS SB105 (SA)

We estimate the need for the Personnel Board to meet on a monthly basis under the changes proposed here. Two of three meetings could probably be conducted by teleconference. A quarterly meeting in person would be required. Estimated public notice expenses and travel expenses are included.

Since a January 1, 1998, effective date is proposed (Section 54 of SB 105), the FY 98 costs are estimated for one-half year. Costs for FY 99 and beyond are estimated full year costs.

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

No. 1  
Bill Version: SB105  
(S) Publish Date: 3/26/97

Revision Date: \_\_\_\_\_  
Title: "An Act relating to legislative ethics..."  
Sponsor: (S) Rules Com. by Request of Committee on Leg. Ethics  
Requestor: (S) STA

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

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

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	17.0	17.0	17.4	17.4	17.6	17.6
TRAVEL	1.5	1.5		1.5		1.5
CONTRACTUAL	3.4	3.1	3.1	3.1	3.1	3.1
SUPPLIES	2.1	2.0	2.0	2.0	2.0	2.0
EQUIPMENT	3.1	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>27.1</b>	<b>23.6</b>	<b>22.5</b>	<b>24.0</b>	<b>22.7</b>	<b>24.2</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	27.1	23.6	22.5	24.0	22.7	24.2
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>27.1</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY 97) cost: \$ 0

**POSITIONS:**

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

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

SB105 requires that legislative employees who are compensated at Range 19 or above and public members of the Select Committee on Legislative Ethics file annual legislative financial disclosure statements under AS 24.60.200 in addition to incumbent legislators and legislative directors. All would be required to file statements by February 15 under AS 24.60.210.

Prepared by: Karen Boorman  
Division: Alaska Public Offices Commission

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

Approved by Commissioner: Mark Boyer  
Agency: Department of Administration

*Mark Boyer*  
Date: 3/11/97

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FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. SB105

**ANALYSIS:** (continued)

The Commission estimates this change would add an additional 192 new filers to the annual filings plus a turnover of about 20 filers during a year and a 50% turnover every two years. Currently, The Commission receives about 800 personal financial disclosure statements from all state filers under the Conflict of Interest Law and Legislative Financial Disclosure Law. This change in law represents a 20% increase in the number of filers.

Currently one Paralegal Assistant with clerical support works with all 800 state filers and an additional 1200 municipal filers to provide advice, manuals and forms, training review of completed statements and assessment of penalties and reports to the Commission. This 20% increase in filers will require the addition of a 6 month seasonal Administrative Clerk, Range 10 to assist the Paralegal Assistant and to be responsible for the processing of filed statements and accurate and prompt data input.

Additional funds are requested for travel and training of new legislative filers (once every two year legislat in Juneau. Equipment cost covers a filing cabinet, computer and installation in FY98. Contractual and supply costs cover printing and mailing of new manuals, forms and other necessary correspondence for FY98 and subsequent years.

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

NO. \_\_\_\_\_  
BILL VERSION: SB105  
PUBLISH DATE: (S) Publish Date: 3/26/97

Revision Date: \_\_\_\_\_  
Title: "An Act relating to legislative ethics;  
relating to the filing of disclosures by certain legislative...  
Sponsor: Senate Rules Committee  
Requestor: Senate State Affairs

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

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OF OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
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

<b>CAPITAL</b>	0	0	0	0	0	0
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<b>REVENUE FUND SOURCE</b>	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  
Division: Administrative Services

*Karla Schofield*

Phone: 465-3852

Date: 3/10/97

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

*Pamela A. Varni*

Date: 3/10/97

# FISCAL NOTE

**STATE OF ALASKA  
1998 LEGISLATIVE SESSION**

**BILL NO. CSSB 105(FIN) am**

Revision Date (Note if correction) _____	Dept. Affected <u>Law</u>	
Title <u>"An Act relating to legislative and executive branch ethics; relating to the conduct of lobbyists..."</u>	BRU	Civil Division
Sponsor <u>Senate Rules Committee</u>	Component	All
Requester <u>House State Affairs</u>	Component Serial No.	_____

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

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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 EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE (Thousands of Dollars)**

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<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 (FY98) cost: 0.0

**POSITIONS**

POSITIONS	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Full-time	0	0	0	0	0	0
Part-time						
Temporary						

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

CSSB 105 (FIN) am makes numerous amendments to the legislative and executive branch ethics acts, expands the reporting requirements of lobbyists, requires exempt and partially exempt state employees above range 19 to file reports under the conflict of interest statutes (AS 39.50), and makes a conforming amendment to the definition of "public official" for employment security statutes. In amending the executive branch ethics act, the bill transfers certain responsibilities for enforcing the act from the Attorney General to the Personnel Board. The Attorney General retains prosecutorial authority in formal proceedings before the Board, and responsibility for enforcing the Board's decisions. CSSB 105 (FIN) am also adds new prohibitions, new reporting requirements, new disclosures, and expands list of persons affected by the act.

This bill will have no fiscal impact on the Department of Law. When the Executive Ethics Act was passed in 1986, the

Prepared by Joan M. Kasson  
 Division Attorney General's Office  
 Approved by Commissioner Bruce M. Botelho, Attorney General  
 Agency Department of Law

Phone 465-5370  
 Date 2/2/98  
 Date 2/2/98

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LEGISLATIVE

**FISCAL NOTE**

**STATE OF ALASKA  
1998 LEGISLATIVE SESSION**

**BILL NO. CSSB 105(FIN)am**

**ANALYSIS CONTINUATION**

legislature did not provide funding to the Department of Law to perform its new responsibilities. Consequently, the department has largely relied on ethics supervisors in the appropriate state agencies to perform investigations; where possible, charged other agencies through interagency agreements for work performed under the act on their behalf; and when necessary to undertake the department's duties with scarce general funds, performed them at the expense of other work.

The Department of Law retains responsibility for certain functions under the Finance Committee Substitute as amended, including prosecuting ethics violations before the Board, seeking civil and criminal penalties, where appropriate, and as a practical matter, continuing to provide informal advice on the Ethics Act to agencies as well. The department hopes to continue to largely rely on interagency agreements to fund these activities.

*Not offered*

SENATE FINANCE 13  
COMMITTEE

0-I.S0074\K.8

Amendment Number: AT.

Cramer

Bill Number: CSSB105

4/15/97

Sponsor: \_\_\_\_\_ Date: 4-16-97

AMENDED BY: PJ

OFFERED IN THE SENATE

BY SENATOR DONILEY

TO: CSSB 105(FIN)

- 1 Page 1, line 2:
- 2 Delete "the legislature"
- 3 Insert "state office"
  
- 4 Page 1, line 11:
- 5 Delete "the state legislature"
- 6 Insert "a state office"
  
- 7 Page 1, line 13:
- 8 Delete "is a member of the legislature"
- 9 Insert "holds a state office [IS A MEMBER OF THE LEGISLATURE]"
  
- 10 Page 2, line 1:
- 11 Delete "as a member of the legislator's staff or"
- 12 Following "staff of a":
- 13 Insert "legislator or a"
  
- 14 Page 2, line 2, following ".":
- 15 Insert "In this subsection, "state office" includes the office of governor, lieutenant
- 16 governor, member of the legislature, or similar office."

MOVED by DONLEY  
PEARCE OBJ.  
ADOPTED 5/2 VOTE

BY DONLEY

SENATE FINANCE COMMITTEE SB 105 (STA)

Pg 23 Line 5  
add after "pertains"

Amendment Number: AS 24.60.170(h) is amended to read:  
Bill Number: SB 125

Sponsor: Donley Date: 4/10/97  
Logged In By: [Signature]

3 ~~committee formally charges the person [ISSUED] under (g) of this section, or if the~~  
4 ~~committee determines after investigation that there is probable cause to believe that the~~  
5 ~~subject of the complaint has committed a violation of this chapter that may require~~  
6 ~~sanctions instead of or in addition to corrective action, the committee shall formally~~  
7 ~~charge the person. The charge shall be served on the person charged, in a manner~~  
8 ~~consistent with the service of summons under the rules of civil procedure, and a copy~~  
9 ~~of the charge shall be sent to the complainant. The person charged may file a~~  
10 ~~responsive pleading to the committee admitting or denying some or all of the~~  
11 ~~allegations of the charge.~~

12 \* Sec. 42. AS 24.60.170(i) is amended to read:

13 (i) A person charged under ~~(h)~~ (b) of this section may engage in discovery  
14 in a manner consistent with the Alaska Rules of Civil Procedure. The committee may  
15 adopt procedures that

16 (1) impose reasonable restrictions on the time for this discovery and on  
17 the materials that may be discovered;

18 (2) permit a person who is the subject of a complaint to engage in  
19 discovery at an earlier stage of the proceedings;

20 (3) impose reasonable restrictions on the release of information that  
21 the subject of a complaint acquires from the committee in the course of discovery,  
22 or on information obtained by use of the committee's authority, in order to  
23 protect the privacy of persons not under investigation to whom the information

24 pertains; however, the committee may not impose restrictions on the release of  
25 information by the subject of the complaint unless the complainant has agreed to  
26 be bound by similar restrictions and has not made public the information  
27 contained in the complaint, information about the complaint, or the fact of filing  
28 the complaint.

29 \* Sec. 43. AS 24.60.170(l) is amended to read:

30 (l) Proceedings of the committee relating to complaints before it are  
31 confidential until the committee determines that there is probable cause to believe that



Am #9 - Moved by Pearce  
w/D  
Am #9 - Sec 1 only

**PROPOSED AMENDMENTS**  
**Alaska Public Offices Commission**

**Date: March 28, 1997**

**Bill No. CSSB 105 (STA)**

CSSB105 (STA) impacts the Commission in several specific ways. It significantly increases the number of legislative and state employees who must file personal financial disclosure statements. It also requires that state employees file disclosures of close economic association. The following comments and suggestions are offered to clarify or streamline the mechanics of disclosure.

Am #9  
Sec 1 only  
Moved by Pearce  
Phillips object  
motion carried 6/1

1. Sec. 17.amending AS 24.60.070(d) requires that a legislator or legislative employee disclose the following: a spousal relationship with a lobbyist, the lobbyist's employer and the total monetary value received from the lobbyist's employer. Disclosures are to be made annually on February 15 to the Select Committee on Legislative Ethics and changes must be reported within 48 hours. Sec.72.amending AS 39.52.155 requires the same disclosure from a state official whose spouse or spousal equivalent is a lobbyist.

The provision makes this information available to the public early in the legislative session. There is, however, a way to do this without requiring legislators, legislative employees, and state officials to file another form. Currently, each lobbyist must file a registration statement for each employer they represent before they are allowed to lobby. This statement includes information about the type of lobbying and the nature and amount of compensation. This information is certified by the lobbyist and verified by the lobbyist's employer.

An additional line requesting the lobbyist to report whether their spouse or spousal equivalent is a legislator, legislative employee, or state official could easily be added to the existing form. This information could be made available to the Legislature, and the public by APOC. To accomplish this change, the Commission recommends the lobbying law be amended as follows:

AS 24.45.041(b)...and(7) the identification of a spouse or spousal equivalent relationship with a legislator, legislative employee or state official.

Since AS 24.45.041(e) requires the publishing of a directory of registered lobbyists within 45 days after the convening of the regular session and contains the information in (b), information regarding spousal relationships would be made available with the publication of the directory.

Am #11  
Sec. 2 & 3 only  
Moved by Pearce  
ADMITTED w/o

2. Under the proposed changes to AS 24.60 and AS 39.50, gifts to legislators will no longer be reported to APOC but will continue to be reported to the Select Committee on Legislative Ethics. Copies of the gift disclosures under AS 24.60.080(c)(4) will be

forwarded to APOC . Legislative employees will also be required to report gifts as well. To ensure that the gift disclosures of legislative employees are also forwarded to APOC for public access, sec. 20. AS 24.60.080(d), lines 26-28 should be amended to include "legislative employees".

AS 39.52.155  
1.12.12

3. Sec. 72. adding AS 39.52.155 requires that a state official disclose "close economic associations" with a supervisor who is not a public officer, a legislator, a public official who files financial disclosure statements under AS 39.50 and is not a municipal officer, or a registered lobbyist. Annual disclosure of existing associations must be made by February 15 each year; new associations must be disclosed sixty days after formation. Because of the timing of the legislative session, these deadlines make sense for legislators and legislative employees. They do not make sense for state officials who make decisions regarding state resources year round.

Almost 1500 employees satisfy the definition of "state official." Rather than require these individuals to file a new reports, the Commission recommends that information regarding close economic associations be included with existing annual conflict of interest statements filed by state employees on April 15. This would have the advantage of focusing attention on disclosure of financial interests and potential conflicts of interest at the same time. It would provide one filing where the public could find all financial information about that state employee. Since the disclosure of close economic associations for state employees is important year round, not just during the legislative session, the April 15 deadline would not present a problem as long as new economic relationships are reported within 60 days of their formation. The Commission recommends that the conflict of interest law be amended as follows:

Sec.59. AS 39.50.030(b) Each statement filed by a public official or candidate under this chapter, other than a judicial officer must [SHALL] include the following:

and... (9) the formation or maintenance of a close association involving a substantial financial matter with

- (a) a supervisor who is not a public officer who has responsibility or authority, either directly or indirectly, over the person's employment, including preparing or reviewing performance evaluations, or granting or approving pay raises or promotions;
- (b) a legislator;
- (c) a public official who is required to file a financial disclosure statement under AS 39.50 and is not an appointed municipal officer; or
- (d) a public officer if the person required to make the disclosure is the governor or the lieutenant governor; and

12

(10) If the official forms a close economic association after that date, the disclosure must be made within 60 days after forming the association. A close economic association must be disclosed to the official's designated supervisor as defined in AS 39.52.960(8). A disclosure under this section must be sufficiently detailed that a reader of the disclosure can ascertain the nature of the association.

(11) In this section, "close economic association" means a financial relationship that exists between a state official and some other person or entity, including but not limited to relationships where the state official serves as a consultant or advisor to, is a member or representative of, or has a financial interest in, any association, partnership, business, or corporation.

Not offered

SENATE FINANCE  
COMMITTEE

0-LS0074H.3  
Cramer  
4/10/97

Amendment Number: 6

Bill Number: CSSB 105 6711

Sponsor: Donley Date: 4-10-97

AMENDMENT By

OFFERED IN THE SENATE  
TO: CSSB 105(STA)

BY SENATOR DONLEY

- 1 Page 4, line 12:
- 2 Delete "or value"
- 3 Insert "[OR VALUE]"
- 4 Delete "nominal"
- 5 Insert "less than \$10 per month [NOMINAL]"
  
- 6 Page 5, line 1:
- 7 Delete "or value"
- 8 Insert "[OR VALUE]"
- 9 Delete "nominal"
- 10 Insert "less than \$10 per month [NOMINAL]"

DONLEY MOVED, W/D

SENATE FINANCE  
COMMITTEE

Amendment Number: 5  
Bill Number: CSSB 105 (STA)  
Sponsor: Donley Date: 4-10-97  
Logged In By: PA

0-LS0074H.5  
Cramer  
4/10/97

A M E N D M E N T

OFFERED IN THE SENATE  
TO: CSSB 105(STA)

BY SENATOR DONLEY

1 Page 1, line 4, following ";":

2 Insert "relating to campaign finances;"

3 Page 1, following line 6:

4 Insert a new bill section to read:

5 **"\* Section 1.** AS 15.13.400(3) is amended to read:

6 (3) "contribution"

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

15 (B) does not include

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

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

23 (iii) ordinary hospitality in a home; or

24 (iv) the cost of a poll or opinion survey that was not

1 commissioned by the candidate:"

2 Page 1, line 7:

3 Delete "Section 1"

4 Insert "Sec. 2"

5 Renumber the following bill sections accordingly.

6 Page 26, line 27:

7 Delete "any gifts"

8 Insert "gifts, except that a legislator shall report the receipt of a copy of an  
9 opinion poll or survey that the legislator did not commission but that the legislator  
10 received; the value of the gift shall be considered to be that portion of the total cost of  
11 the poll that reflects items that related clearly and directly to the candidacy of the  
12 legislator"

13 Page 52, line 24:

14 Delete "81 - 86"

15 Insert "82 - 37"

SENATE FINANCE  
COMMITTEE

DONLEY MOVED  
ADOPTED W/O OBJ

Amendment Number: 41

0-LS0074H.4

Bill Number: CSSB 105(STA)

Cramer

Sponsor: Donley Date: 4-10-97

4/8/97

Logged In By:       

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: CSSB 105(STA)

- 1 Page 5, lines 7 - 8:
- 2 Delete "so long as the records are not displayed publicly"

SENATE FINANCE  
COMMITTEE

Amendment Number: 3

Bill Number: CSSB 105 (STA)

Sponsor: Donley Date: 4-10-97

Logged In By: J. P.

A M E N D M E N T

DONLEY MOVED  
FORWARD OBJ. / W/D  
ADOPTED W/O  
0-LS0074H.2

Cramer  
4/10/97

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: CSSB 105(STA)

1 Page 1, line 4, following " , ":

2 Insert "relating to campaign finances for candidates for the legislature;"

3 Page 1, following line 6:

4 Insert a new bill section to read:

5 **\*\* Section 1.** AS 15.13.072(d) is amended to read:

6 (d) A candidate or an individual who has filed with the commission the  
7 document necessary to permit that individual to incur election-related expenses under  
8 AS 15.13.100 for election or reelection to the state legislature may not solicit or  
9 accept a contribution if the legislature is convened in a regular or special legislative  
10 session, and the candidate or individual is a member of the legislature, or employed  
11 as a member of the legislator's staff or as a member of the staff of a legislative  
12 committee."

13 Page 1, line 7:

14 Delete "Section 1"

15 Insert "Sec. 2"

16 Renumber the following bill sections accordingly.

17 Page 52, line 24:

18 Delete "81 - 86"

19 Insert "82 - 87"

DONLEY MOVED  
ADOPTED W/O

SENATE FINANCE  
COMMITTEE

Amendment Number: 2

0-LS0074H.1

Bill Number: CSSB 105 (STA)

Cramer

Sponsor: Donley Date: 4-10-97

4/10/97

Logged In By: [Signature]

A M E N D M E N T

*Temp Cramer will provide  
information to make  
bill work right  
BY SENATOR DONLEY +)*

OFFERED IN THE SENATE  
TO: CSSB 105(STA)

*Incorporation  
in bill -  
done by Donley  
PV  
4-10-97  
PV*

- 1 Page 1, line 4, following ";":
- 2 Insert "relating to the disposition of unused election campaign contributions by
- 3 a candidate who has been elected to the state legislature;"
  
- 4 Page 1, following line 6:
- 5 Insert a new bill section to read:
- 6 **\*\* Section 1.** AS 15.13.116 is amended by adding a new subsection to read:
- 7 (d) After a general or special election, a candidate for the state legislature who
- 8 has been elected to the state legislature in that election may, from the amount retained
- 9 in the election campaign account under (a)(8) of this section, transfer to a legislative
- 10 office account not more than \$5,000 each calendar year for use only for expenses
- 11 associated with the candidate's serving as a member of the legislature. All amounts
- 12 expended under this subsection shall be annually accounted for under
- 13 AS 15.13.110(a)(4)."
  
- 14 Page 1, line 7:
- 15 Delete "Section 1"
- 16 Insert "Sec. 2"
  
- 17 Renumber the following bill sections accordingly.
  
- 18 Page 52, line 24:
- 19 Delete "81 - 86"
- 20 Insert "82 - 87"

1 Page 52, following line 27:

2 Insert new bill sections to read:

3 **"\* Sec. 106. PROVISIONS MADE SPECIFICALLY APPLICABLE TO INCUMBENT**  
4 **LEGISLATORS.** Notwithstanding any other provision of AS 15.13, the provisions of  
5 AS 15.13.116(d), added by sec. 1 of this Act, apply to authorize a legislator holding office  
6 in the legislature on the first day of the Twentieth Alaska State Legislature who, under  
7 sec. 32, ch. 48, SLA 1996, retains unused campaign contributions in the candidate's election  
8 campaign account, to transfer to a legislative office account not more than \$5,000 each  
9 calendar year for use only for expenses associated with the candidate's serving as a member  
10 of the legislature during each year remaining to the legislator on the legislator's current term.  
11 All amounts expended under this section shall be annually accounted for under  
12 AS 15.13.110(a)(4).

13 **\* Sec. 107.** Section 1 of this Act is retroactive to January 1, 1997."

14 Renumber the following bill section accordingly.

Replaces Am#2  
Old by Donley

0-LS0074\H.7  
Cramer  
4/10/97

A M E N D M E N T

OFFERED IN THE SENATE  
TO: CSSB 105(STA)

BY SENATOR DONLEY

1 Page 1, line 1, following ";":

2 Insert "relating to the disposition of unused election campaign contributions by  
3 a candidate who has been elected to the state legislature;"

4 Page 1, following line 6:

5 Insert new bill sections to read:

6 **\*\* Section 1.** AS 15.13.116(a) is amended to read:

7 (a) A candidate who, after the date of the general, special, municipal, or  
8 municipal runoff election or after the date the candidate withdraws as a candidate,  
9 whichever comes first, holds unused campaign contributions shall distribute the  
10 amount held within 90 days. The distribution may only be made to

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

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

18 (3) make donations, without condition, to

- 19 (A) a political party;
- 20 (B) the state's general fund;
- 21 (C) a municipality of the state; or
- 22 (D) the federal government;

23 (4) make donations, without condition, to organizations qualified as  
24 charitable organizations under 26 U.S.C. 501(c)(3), provided the organization is not

0-LS0074\H.7

1 controlled by the candidate or a member of the candidate's immediate family;

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

4 (6) repay contributions to contributors, but only if repayment of the  
5 contribution is made pro rata in approximate proportion to the contributions made  
6 using one of the following, as the candidate determines:

7 (A) to all contributors;

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

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

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

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

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

19 (B) \$30,000 [~~\$10,000~~], if the transfer is made by a candidate  
20 for the state senate;

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

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

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

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

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

32 (C) all amounts expended from the legislative office account

0-1.S0074H.7

1 shall be annually accounted for under AS 15.13.110(a)(4); and

2 (D) a transfer under this paragraph is limited to \$5,000  
3 multiplied by the number of years in the term to which the candidate is  
4 elected; and

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

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

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

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

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

16 \* **Sec. 2.** AS 15.13.116 is amended by adding a new subsection to read:

17 (d) After a general or special election, a candidate for the state legislature who  
18 has been elected to the state legislature in that election may, from the amount retained  
19 in the election campaign account under (a)(8) of this section, transfer to a legislative  
20 office account not more than \$5,000 each calendar year for use only for expenses  
21 associated with the candidate's serving as a member of the legislature. All amounts  
22 expended under this subsection shall be annually accounted for under  
23 AS 15.13.110(a)(4)."

24 Page 1, line 7:

25 Delete "Section 1"

26 Insert "Sec. 3"

27 Renumber the following bill sections accordingly.

28 Page 52, line 24:

29 Delete "81 - 86"

0-1.S007411.7

1           Insert "83 - 88"

2   Page 52, following line 27:

3           Insert new bill sections to read:

4       **\*\* Sec. 107. PROVISIONS MADE SPECIFICALLY APPLICABLE TO INCUMBENT**  
5   **LEGISLATORS.** Notwithstanding any other provision of AS 15.13, the provisions of  
6   AS 15.13.116(d), added by sec. 2 of this Act, apply to authorize a legislator holding office  
7   in the legislature during the First Regular Session of the Twentieth Alaska State Legislature  
8   who, under sec. 32, ch. 48, SLA 1996, retains unused campaign contributions in the  
9   candidate's election campaign account, to transfer to a legislative office account not more  
10   than \$5,000 each calendar year for use only for expenses associated with the candidate's  
11   serving as a member of the legislature during each year remaining to the legislator on the  
12   legislator's current term. All amounts expended under this section shall be annually  
13   accounted for under AS 15.13.110(a)(4).

14       \* **Sec. 108.** Sections 1, 2, and 107 of this Act are retroactive to December 31, 1996.

15       \* **Sec. 109.** Sections 1, 2, 107, and 108 of this Act take effect immediately under  
16 AS 01.10.070(c)."

17   Renumber the following bill section accordingly.

18   Page 52, line 28:

19           Delete "This Act takes"

20           Insert "Sections 3 - 106 of this Act take"

4-16 Recinded Motion by Phillips  
6/1 Note

SENATE FINANCE  
COMMITTEE

Moved by Phillips  
Penna object  
FAILED 3/4

Amendment Number: 1  
Bill Number: CS SB 105 (STA)  
Sponsor: Phillips Date: 4-10-97  
Logged In By: PJ Signel

**Amendment**

TO: CS SB 105(STA)

by SENATOR PHILLIPS

Page 3, Line 22

Add a new section to read

\* Sec. 3. AS 24.45 is amended by adding a new section to read:

Sec. 24.45.165. SPOUSES AND COHABITANTS OF LEGISLATORS. (a) A spouse of or a person cohabitating with a legislator may not engage in lobbying the legislature during the legislator's term of office.

(b) In this section,

(1) "engage in lobbying" means to act as a lobbyist;

(2) "person cohabitating with a legislator" means a person who is cohabitating with the legislator in a conjugal relationship that is not a legal marriage.

Page 10, Line 21 delete "legislator"

Page 10, Line 22 delete "legislator's"

Page 10, Line 22 delete "legislator"

Page 10, Line 25 delete "legislator"

renumber sections as required