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# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: SB 363  
 (S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Admin  
 Title An act relating to electioneering... BRU AK Public Offices Commission  
 Component \_\_\_\_\_  
 Sponsor Senate Rules  
 Requester Senate State Affairs Component No. 70

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	5.0	5.0	5.0	5.0	0.0	0.0
Contractual	20.0	20.0	20.0	20.0	20.0	20.0
Supplies	5.0	5.0	5.0	5.0	5.0	5.0
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>25.0</b>	<b>25.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	30.0	30.0	30.0	30.0	25.0	25.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>25.0</b>	<b>25.0</b>

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

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

This bill creates additional requirements for candidates and groups when identifying their paid political communications. It represents significant administrative difficulties in that it also creates a new kind of political communication (electioneering) which is defined and enforced by the Division of Elections. The funding request is for training, paper and printing, and enforcement.

Prepared by: Brooke Miles, Executive Director  
 Division: Alaska Public Offices Commission  
 Approved by: Jim Duncan, Commissioner  
 Agency: Department of Administration

Phone 907-276-4176  
 Date/Time 4/22/02 4:58 PM  
 Date 4/22/2002

# FISCAL NOTE

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: SB 363  
(S) Publish Date: 5/6/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: OOG  
Title: An Act relating to electioneering BRU: Elections  
communications Component: Elections  
Sponsor: Senate Rules  
Requester: Senate State Affairs Component No. 21

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual	0.0					
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>						
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<b>CHANGE IN REVENUES ( )</b>						
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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 (Specify Type--Do not abbreviate)						
<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 (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Prepared by: Gail Fenumiai, Election Administrative Supervisor Phone 465-3935  
Division: Division of Elections Date/Time: 4/22/02 2:31 PM  
Approved by: Lieutenant Governor Fran Ulmer Date: 04/22/2002  
Agency: Office of the Lieutenant Governor

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: CSSB 363 (STA)  
 (S) Publish Date: 5/7/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Admin  
 Title An act relating to communications... BRU AK Public Offices Commission  
 Component \_\_\_\_\_  
 Sponsor Senate Rules  
 Requester Senate Finance Component No. 70

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	5.0	0.0	0.0	0.0	0.0	0.0
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>5.0</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>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	5.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>5.0</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 (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

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

This bill deletes the requirement that contributors report their maximum contributions to candidates or groups. It also creates new definitions for "communication," "electioneering communication," "express communication," and "issues communication." This new language provides a bright line for the Commission to evaluate when issue communications are subject to the contribution limits and reporting requirements of the campaign disclosure law (AS 15.13). One time funding is requested for paper, postage, printing and training outreach.

Prepared by: Brooke Miles Phone 907-276-4176  
 Division: APOC Date/Time 5/6/02 4:25 PM  
 Approved by: Jim Duncan, Commissioner Date 5/6/2002  
 Agency: Department of Administration

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 4  
 Bill Version: HCS CSSB 363(JUD)  
 (H) Publish Date: 5/11/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Admin  
 Title Campaign Comm. & Disclosures BRU AK Public Offices Commission  
 Component \_\_\_\_\_  
 Sponsor Senate Rules  
 Requester House Judiciary Component No. 70

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
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>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<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 (FY2002) cost: 0.0  
 Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

Prepared by: Heather Nobrega, Counsel Phone 907-465-4990  
 Division House Judiciary Committee Date/Time 5/11/02 11:30 AM  
 Approved by: Norman Rokeberg, Chairman Date 5/11/02  
 Agency House Judiciary Committee

22-LS1713B  
Kurtz  
5/12/02

15-5

HOUSE CS FOR CS FOR SENATE BILL NO. 363( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): SENATE RULES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to communications and elections, to reporting of contributions and  
2 expenditures, and to campaign misconduct in the second degree; relating to disclosure  
3 by individuals of contributions to candidates; and providing for an effective date."

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

5 \* Section 1. AS 15.13.040(d), as amended by sec. 4, ch. 1, SLA 2002, is repealed and  
6 reenacted to read:

7 (d) Every individual, person, nongroup entity, or group making an expenditure  
8 shall make a full report of expenditures, upon a form prescribed by the commission,  
9 unless exempt from reporting.

10 \* Sec. 2. AS 15.13.040(e) is amended to read:

11 (e) The report required under (d) of this section must contain the name,  
12 address, principal occupation, and employer of the individual filing the report, and an  
13 itemized list of expenditures. The report shall be filed with the commission [BY THE  
14 CONTRIBUTOR] no later than 10 days after the [CONTRIBUTION OR] expenditure

1 is made. [A COPY OF THE REPORT SHALL BE FURNISHED TO THE  
2 CANDIDATE, CAMPAIGN TREASURER, OR DEPUTY CAMPAIGN  
3 TREASURER AT THE TIME THE CONTRIBUTION IS MADE.]

4 \* Sec. 3. AS 15.13.040(h), as amended by sec. 5, ch. 1, SLA 2002, is amended to read:

5 (h) The provisions of (d) [(d)(2)] of this section do not apply to one or more  
6 expenditures made by an individual acting independently of any group or nongroup  
7 entity and independently of any other individual if the expenditures

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

9 (2) are made only for billboards, signs, or printed material concerning  
10 a ballot proposition as that term is defined by AS 15.13.065(c).

11 \* Sec. 4. AS 15.13.040, as amended by ch. 1, SLA 2002, is amended by adding a new  
12 subsection to read:

13 (k) Every individual, person, nongroup entity, or group contributing a total of  
14 \$500 or more to a group organized for the principal purpose of influencing the  
15 outcome of a proposition shall report the contribution or contributions on a form  
16 prescribed by the commission not later than 30 days after the contribution that requires  
17 the contributor to report under this subsection is made. The report must include the  
18 name, address, principal occupation, and employer of the individual filing the report  
19 and the amount of the contribution, as well as the total amount of contributions made  
20 to that group by that individual, person, nongroup entity, or group during the calendar  
21 year.

22 \* Sec. 5. AS 15.13.090, as amended by secs. 18 and 19, ch. 1, SLA 2002, is amended to  
23 read:

24 **Sec. 15.13.090. Identification of communication.** (a) All  
25 [ADVERTISEMENTS, BILLBOARDS, HANDBILLS, PAID-FOR TELEVISION  
26 AND RADIO ANNOUNCEMENTS, AND OTHER] communications [INTENDED  
27 TO INFLUENCE THE ELECTION OF A CANDIDATE OR OUTCOME OF A  
28 BALLOT PROPOSITION OR QUESTION] shall be clearly identified by the words  
29 "paid for by" followed by the name and address of the candidate, group, nongroup  
30 entity, or individual paying for the communication [ADVERTISING]. In addition,  
31 candidates and groups may [MUST] identify the name of their campaign chairperson.

*MacIntyre  
Case.*

1 (b) The provisions of (a) of this section do not apply when the  
2 communication [ADVERTISEMENT]

3 (1) is paid for by an individual acting independently of any group or  
4 nongroup entity and independently of any other individual;

5 (2) is made to influence the outcome of a ballot proposition as that  
6 term is defined by AS 15.13.065(c); and

7 (3) is made for

8 (A) a billboard or sign; or

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

11 \* Sec. 6. AS 15.13.380(c) is amended to read:

12 (c) Promptly after the final date for filing statements and reports, the  
13 commission shall notify all persons who have become delinquent in filing them [,  
14 INCLUDING CONTRIBUTORS WHO FAILED TO FILE A STATEMENT IN  
15 ACCORDANCE WITH AS 15.13.040,] and shall make available a list of these  
16 delinquents for public inspection. The commission shall also report to the attorney  
17 general the names of all candidates in an election whose campaign treasurers have  
18 failed to file the reports required by this chapter.

19 \* Sec. 7. AS 15.13.390(a) is amended to read:

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

1 each day the violation continues as determined by the commission, subject to right of  
2 appeal to the superior court. An affidavit stating facts in mitigation may be submitted  
3 to the commission by a person against whom a civil penalty is assessed. However, the  
4 imposition of the penalties prescribed in this section or in AS 15.13.380 does not  
5 excuse that person from registering or filing reports required by this chapter.

6 \* Sec. 8. AS 15.13.400(4) is amended to read:

7 (4) "expenditure"

8 (A) means a purchase or a transfer of money or anything of  
9 value, or promise or agreement to purchase or transfer money or anything of  
10 value, incurred or made for the purpose of

11 (i) influencing the nomination or election of a candidate  
12 or of any individual who files for nomination at a later date and  
13 becomes a candidate;

14 (ii) use by a political party;

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

18 (iv) influencing the outcome of a ballot proposition or  
19 question;

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

22 (C) includes an express communication and an  
23 electioneering communication, but does not include an issues  
24 communication;

25 \* Sec. 9. AS 15.13.400, as amended by ch. 1, SLA 2002, is amended by adding new  
26 paragraphs to read:

27 (13) "communication" means an announcement or advertisement  
28 disseminated through print or broadcast media, including radio, television, cable, and  
29 satellite, the Internet, <sup>advertisement, etc.</sup> or through a mass mailing, excluding those placed by an  
30 individual or nongroup entity and costing \$500 or less and those that do not directly or  
31 indirectly identify a candidate or proposition, as that term is defined in

1 AS 15.13.065(c);

2 (14) "electioneering communication" means a communication that

3 (A) directly or indirectly identifies a candidate;

4 (B) addresses an issue of national, state, or local political  
5 importance and attributes a position on that issue to the candidate identified;  
6 and

7 (C) occurs within the 30 days preceding a general or municipal  
8 election;

9 (15) "express communication" means a communication that includes  
10 language explicitly advocating election or defeat of a candidate;

11 (16) "issues communication" means a communication that

12 (A) directly or indirectly identifies a candidate; and

13 (B) addresses an issue of national, state, or local political  
14 importance.

15 \* Sec. 10. AS 15.56.014(a) is amended to read:

16 (a) A person commits the crime of campaign misconduct in the second degree  
17 if the person

18 (1) knowingly circulates or has written, printed or circulated a letter,  
19 circular, or publication relating to an election, to a candidate at an election, or an  
20 election proposition or question without the name and address of the author appearing  
21 on its face;

22 (2) except as provided by AS 15.13.090(b), knowingly prints or  
23 publishes an advertisement, billboard, placard, poster, handbill, paid-for television or  
24 radio announcement, or [OTHER] communication, as that term is defined in  
25 AS 15.13.400, intended to influence the election of a candidate or outcome of a ballot  
26 proposition or question without the words "paid for by" followed by the name and  
27 address of the candidate, group, or individual paying for the advertising or  
28 communication and, if a candidate or group, with the name of the campaign chair;

29 (3) knowingly makes a communication, as that term is defined in  
30 AS 15.13.400, [WRITES OR PRINTS AND CIRCULATES, OR HAS WRITTEN,  
31 PRINTED AND CIRCULATED, A LETTER, CIRCULAR, BILL, PLACARD,

1 POSTER, OR ADVERTISEMENT IN A NEWSPAPER, ON RADIO OR  
2 TELEVISION]

3 (A) containing false factual information relating to a candidate  
4 for an election;

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

6 (C) that would provoke a reasonable person under the  
7 circumstances to a breach of the peace or that a reasonable person would  
8 construe as damaging to the candidate's reputation for honesty or [,] integrity,  
9 or to the candidate's qualifications to serve if elected to office.

10 \* Sec. 11. AS 15.13.080 is repealed.

11 \* Sec. 12. This Act takes effect immediately under AS 01.10.070(c).

AMENDMENT *D*

OFFERED IN THE HOUSE

BY REPRESENTATIVE BERKOWITZ

TO: HCS CSSB 363(JUD)

1 Page 1, line 2:

2 Delete "and"

3 Following "degree":

4 Insert ", and to repayment of prohibited contributions"

5

6 Page 1, line 5, through page 6, line 11:

7 Delete all material and insert:

8 **\*\* Section 1.** AS 15.13.090, as amended by secs. 18 and 19, ch. 1, SLA 2002, is amended  
9 to read:

10 **Sec. 15.13.090. Identification of communication and disclosure of source**  
11 **of funds.** (a) All advertisements, billboards, handbills, paid-for television and radio  
12 announcements, **electioneering communications,** and other communications intended  
13 to influence the election of a candidate or outcome of a ballot proposition or question  
14 shall be clearly identified by the words "paid for by" followed by the name and  
15 address of the candidate, group, nongroup entity, or individual paying for the  
16 **communication** [ADVERTISING]. In addition, candidates and groups must identify  
17 the name of their campaign chairperson.

18 (b) The provisions of (a) of this section do not apply when the  
19 **communication** [ADVERTISEMENT]

20 (1) is paid for by an individual acting independently of any group or  
21 nongroup entity and independently of any other individual;

22 (2) is made to influence the outcome of a ballot proposition as that  
23 term is defined by AS 15.13.065(c); and

1 (3) is made for

2 (A) a billboard or sign; or

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

5 \* Sec. 2. AS 15.13.090 is amended by adding a new subsection to read:

6 (c) A person making a communication subject to (a) of this section shall report  
7 to the commission the source of funds used to pay for the communication according to  
8 the schedule specified in AS 15.13.110(a). If the communication is made within nine  
9 days of an election, the source of funds used to pay for the communication shall be  
10 reported to the commission within 24 hours after the communication.

11 \* Sec. 3. AS 15.13 is amended by adding a new section to read:

12 **Sec. 15.13.382. Repayment of prohibited contributions.** A person receiving  
13 a contribution any portion of which was made in violation of the provisions of this  
14 chapter shall return the full contribution to the contributor.

15 \* Sec. 4. AS 15.13.390(a) is amended to read:

16 (a) A person who fails to register when required by AS 15.13.050(a) or who  
17 fails to file a properly completed and certified report within the time required by  
18 AS 15.13.040(d) - (f), 15.13.060(b) - (d), [15.13.080(c),] 15.13.110(a)(1), (3), or (4),  
19 (e), or (f) is subject to a civil penalty of not more than \$50 a day for each day the  
20 delinquency continues as determined by the commission subject to right of appeal to  
21 the superior court. A person who fails to file a properly completed and certified report  
22 within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil  
23 penalty of not more than \$500 a day for each day the delinquency continues as  
24 determined by the commission subject to right of appeal to the superior court. A  
25 person who violates a provision of this chapter, except a provision requiring  
26 registration or filing of a report within a time required as otherwise specified in this  
27 section, is subject to a civil penalty of not more than \$50 a day for each day the  
28 violation continues as determined by the commission, subject to right of appeal to the  
29 superior court. An affidavit stating facts in mitigation may be submitted to the  
30 commission by a person against whom a civil penalty is assessed. However, the  
31 imposition of the penalties prescribed in this section or in AS 15.13.380 does not

1 excuse that person from registering or filing reports required by this chapter.

2 \* Sec. 5. AS 15.13.400, as amended by ch. 1, SLA 2002, is amended by adding a new  
3 paragraph to read:

4 (13) "electioneering communication" means a communication that

5 (A) is made within the 30 days preceding a primary election or  
6 the 60 days preceding a general election;

7 (B) is made by way of direct mail, newspaper, Internet,  
8 broadcast, cable, or satellite media, telephone poll, or organized series of calls  
9 to an audience that includes voters who will have the opportunity to vote on a  
10 candidate clearly identified in the communication or on a candidate of a party  
11 clearly identified in the communication; and

12 (C) when read as a whole and with limited reference to external  
13 events, is susceptible of no other reasonable interpretation but as an  
14 exhortation to vote for or against a specific candidate in the general or primary  
15 election.

16 \* Sec. 6. AS 15.56.014(a) is amended to read:

17 (a) A person commits the crime of campaign misconduct in the second degree  
18 if the person

19 (1) knowingly circulates or has written, printed, or circulated a letter,  
20 circular, or publication relating to an election, to a candidate at an election, or to an  
21 election proposition or question without the name and address of the author appearing  
22 on its face;

23 (2) except as provided by AS 15.13.090(b), knowingly prints or  
24 publishes an advertisement, billboard, placard, poster, handbill, paid-for television or  
25 radio announcement, electioneering communication as that term is defined in  
26 AS 15.13.400, or other communication intended to influence the election of a  
27 candidate or outcome of a ballot proposition or question without the words "paid for  
28 by" followed by the name and address of the candidate, group, or individual paying for  
29 the advertising or communication and, if a candidate or group, with the name of the  
30 campaign chair;

31 (3) knowingly writes or prints and circulates, or has written, printed,

1 and circulated, a letter, circular, bill, placard, poster, or advertisement in a newspaper,  
2 on radio, or on television

3 (A) containing false factual information relating to a candidate  
4 for an election;

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

6 (C) that would provoke a reasonable person under the  
7 circumstances to a breach of the peace or that a reasonable person would  
8 construe as damaging to the candidate's reputation for honesty or [,] integrity,  
9 or to the candidate's qualifications to serve if elected to office."

10  
11 Renumber the following bill sections accordingly.

Rate 1 HB 175 rolled into capital budget  
as grants

Under an amendment adopted by the House Finance Committee last night, there are approximately \$55,000,000 in grants from the Railbelt Energy Fund now in HB247. Nothing will be paid back.

Almost \$31,00,000 goes to upgrading the Intertie to Fairbanks for the benefit of Golden Valley Electric. \$20,300,000 for the Anchorage to Fairbanks Intertie; \$10,000,000 to upgrade Matanuska Electric Association lines to accommodate the Fairbanks project (vital to hold Eagle River/Mat-Su ratepayers harmless, but not otherwise needed by MEA) and another \$872,000 for "line extensions" for Golden Valley.

\$2,000,000 is granted to Homer Electric for Seldovia.

\$3,500,000 is a grant to Matanuska Electric to relocate the Palmer substation.

\$19,300,000 is a grant to Municipal Light and Power to upgrade the Eklutna Transmission line.

EAGLE RIVER SHARE OF RAILBELT ENERGY FUND GRANTS: ZERO.

FAIRBANKS - GOLDEN VALLEY :	\$31,172,000
MAT-SU PROJECTS:	\$3,500,000
HOMER	\$2,000,000
ANCHORAGE	\$19,300,000
EAGLE RIVER	0

Additional Projects Needed: Eagle River and Mat-Su need \$3,500,000 to relocate the downtown Eagle River substation; \$4,000,000 to underground lines in the core area of Eagle River and \$4,000,000 for underground lines in downtown Palmer and Wasilla and \$750,000 for line extensions in the Mat-Su area. Note: HB247 also includes \$200,000 line extension along the Parks Highway not funded from the Railbelt Energy Fund.

\$12,250,000

There is 20 million left in the Railbelt Energy Fund.

Tucker

mm

# FISCAL NOTE

**STATE OF ALASKA**  
**2002 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: SB 345 #2  
 ( S ) Publish Date: 3/27/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Health & Social Services  
 Title: SCHOOL BASED MEDICAL ASSISTANCE FOR CHILDREN WITH DISABILITIES BRU: Medical Assistance  
 Component: Medicaid Services  
 Sponsor: SENATE (HES)  
 Requestor: SENATE (HES) Component Number: 2077

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

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	787.5	3,937.5	7,875.0	7,875.0	7,875.0	7,875.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>787.5</b>	<b>3,937.5</b>	<b>7,875.0</b>	<b>7,875.0</b>	<b>7,875.0</b>	<b>7,875.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( 0 )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	458.9	2,294.4	4,588.8	4,588.8	4,588.8	4,588.8
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1108 Stat Desig	328.6	1,643.1	3,286.2	3,286.2	3,286.2	3,286.2
<b>TOTAL</b>	<b>787.5</b>	<b>3,937.5</b>	<b>7,875.0</b>	<b>7,875.0</b>	<b>7,875.0</b>	<b>7,875.0</b>

Estimate of any current year (FY2002) cost: \_\_\_\_\_

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill would enable school districts to bill Medicaid for services provided to Medicaid-eligible children in special education programs. Districts would reimburse the Department of Health and Social Services for the state match required. There would be no net increase in state general fund match for Medicaid (see related fiscal note for administrative costs).

See attached page for assumptions.

Prepared by: Jon Sherwood Phone 465-3355  
 Division: Medical Assistance Date/Time 03/05/2002  
 Approved by: Elmer A. Lindstrom, Deputy Commissioner Date 03/06/2002  
 Agency: Department of Health & Social Services

For distribution information, call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

BILL NO. SB 345 #2

ANALYSIS CONTINUATION

Assumptions:

Alaska school districts provide approximately \$45 million in special education support services annually.

Approximately 35 percent of children receiving special education services are eligible for Medicaid.

At full implementation, approximately 50 percent of special education support services provided to Medicaid eligible children will qualify for Medicaid reimbursement; the remainder will fall outside of Medicaid service definitions or will be provided by smaller districts who choose not to bill Medicaid.

Legislation will be fully implemented by FY 05. FY 03 Medicaid service expenditures will be 10 percent of FY 05 expenditures. FY 04 expenditures will be 50 percent of FY 05 expenditures.

Federal share of Medicaid Service expenditures will be 58.27 percent.

School districts will reimburse the Department for the state match (shown as statutory designated program receipts).

Cost of Services under full implementation:

FY 05 @ \$45,000.0 x 35% x 50% = \$7,875.0.

FY 06 @ \$45,000.0 x 35% x 50% = \$7,875.0.

FY 07 @ \$45,000.0 x 35% x 50% = \$7,875.0.

FY 08 @ \$45,000.0 x 35% x 50% = \$7,875.0.

Start-up years:

FY 03 @ 10% of FY 05 = \$ 787.5

FY 04 @ 50% of FY 05 = \$3,937.5