

**OVERVIEW  
AK. PUBLIC  
OFFICES  
COMM.  
(APOC),  
1/20/05**

# History

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The Alaska Public Offices Commission started as the Alaska Election Campaign Commission in 1974. The impetus for campaign disclosure resulting from the Watergate scandal, and a successful citizen initiative effort convinced the state legislature to pass **AS 15.13.**, Alaska Campaign Disclosure Law.

That same year, another initiative effort succeeded in placing **AS 39.50.**, **Alaska's Public Official Financial Disclosure Law**, on the ballot. The measure was approved by over 60% of the voters and became law in January 1975. In 1999, the title of AS 39.50 was changed from Conflict of Interest to Public Official Financial Disclosure.

In 1976, the legislature revised state lobbying reporting by passing **AS 24.45.**, **Alaska's Lobbying Law**. Responsibility for its enforcement was assigned to the AECC, which was renamed the APOC to reflect its expanded mission.

In 1990, the legislature responded to an increased demand for ethics regulation and disclosure by expanding its previous reporting requirements under the Conflict of Interest Law in the form of a new act, **AS 24.60.** **(Legislative Financial Disclosure)** Alaska's Legislative Ethics Disclosure Law. As before, legislators report financial disclosure to APOC, ethics violations, however, are adjudicated before the Select Committee on Legislative Ethics. In 1996, the legislature responded to a new citizen initiative effort and revised Alaska's 20 year-old campaign disclosure law to include stricter limitation and disclosure measures, including the prohibition of corporate and out-of-state group contributions to state and local candidates. The law (1997 Alaska Campaign Disclosure Law) took effect on January 1, 1997, and will be administered by the Commission.

**FREQUENTLY ASKED QUESTIONS ABOUT THE  
PUBLIC OFFICIAL FINANCIAL DISCLOSURE LAW 39.50**

***What is a Public Official Financial Disclosure Statement?***

Public Official Financial Disclosure Statements contain information about income sources, business interests, real property interests, beneficial trust interests, loans and loan guarantees, and contracts or leases with the State of Alaska or an instrumentality of the State.

***Why File?***

The people of the State of Alaska have declared that a public office is a public trust which should be free from the danger of conflict of interest and that the public has a right to know of the financial and business interests of persons who seek or hold public office. The purpose of the Law, by requiring financial disclosure, is:

to discourage public officials from acting upon a private or business interest in the performance of a public duty;

to assure that public officials in their official acts are free of the influence of undisclosed private or business interests;

to develop public confidence in persons seeking or holding public office; and

to develop accountability in government by permitting public access to information necessary to judge the credentials and performance of those who seek and hold public office.

***Who Files?***

**Executive Branch**

the governor or the lieutenant governor  
a person hired or appointed in a department in the executive branch as  
the head or deputy head of a department the director or deputy director of a division  
a special assistant to the head of the department  
a person serving as the legislative liaison for the department  
an assistant to the governor or the lieutenant governor  
the chair or a member of a state commission or board subject to AS 39.50  
state investment officers and the state comptroller in the Department of Revenue  
the executive director of the Alaska Tourism Marketing Council  
the chief procurement officer appointed under AS 36.50 010  
the executive director of the Alaska Human Resource Investment Council

**Judicial Officers**

Justice to the supreme court  
Judges to the court of appeals, superior court, district court, or magistrate court.

**Other**

non-incumbent state candidates  
municipal candidates subject to AS 39.50

**Municipal Officials**

appointed or elected municipal officer listed below:

mayor  
assembly or city council members  
elected school board members  
planning & zoning Commissioners  
elected utility board members  
city manager

#### **Where are Public Official Financial Disclosure Statements Filed?**

Executive branch public officials and judicial officers file their Statement with the Alaska Public Offices Commission.

Municipal Officials and municipal candidates file their Statements with their local clerks.

Non-incumbent state candidates file with the Division of Elections unless they already have a current Public Official Financial Disclosure Statement on file with the Alaska Public Offices Commission. (Call 907/276-4176 before filing for office to verify if you have a current and complete Statement already on file with the Alaska Public Offices Commission.)

#### **When do you file?**

Candidates for state and municipal office file at the time they file for candidacy with the Division of Elections or the Municipal Clerk. If elected, they file annually on March 15 thereafter.

Executive branch public officials, judicial and municipal officers file within 30 days after taking their position as a public official and annually on March 15 thereafter.

#### **What if you are required to file more than one Public Official Financial Disclosure Statement**

Some examples of having to file more than one Statement:

municipal officer filing for state candidacy  
legislator filing for municipal office  
municipal officer serving on a state board  
serving on a state board and running for municipal office

Those who already have a current financial disclosure Statement on file with the Alaska Public Offices Commission or local municipal clerk and have to file elsewhere may photocopy the original Statement and submit it to the place designated with an original signature

#### **Are Public Official Financial Disclosure Statements Public Records?**

All information reported in Public Official Financial Disclosure Statements are public information and copies are provided to the general public upon request.

Members of the public check the reports for potential conflicts of interest a public official may have in relation to his/her state or municipal position.

The public may review the statements at the Alaska Public Offices Commission in Anchorage or at the municipal clerks office. A reasonable copying fee may be charged if you request copies

#### **What Happens if a Statement is Filed Late?**

A Public Official Financial Disclosure Statement filed after the due date is subject to a civil penalty that accrues daily until the Statement is filed.

#### **What Happens if an Incomplete Statement is Filed?**

If staff of the Commission discover a obvious deficiency on the face of a Statement, the filer is notified and is given 15 days to correct the deficiency without penalty.

If staff finds significant information missing from a Statement, the maximum civil penalty of \$10 per day applies, from the time the information was due until it is received.

A person required to file who refuses or knowingly fails to disclose required information within the time required, or who provides false or misleading information, knowing it to be false or misleading, may be subject to penalties of up to \$10 per day and may be guilty of a misdemeanor. AS 39.50.060.

#### ***About Civil Penalties***

If a filer receives a penalty for filing a statement or amendment late and disputes the amount of a civil penalty assessed, the filer may submit an affidavit to the Commission stating facts in mitigation within 30 days of the date of the notice.

At its next meeting after the filer submits the affidavit, the commission will consider the affidavit and other evidence relevant to the amount of the civil penalty. The commission will permit the filer to speak at the meeting. After considering the affidavit and other evidence, the commission will

(1) affirm the civil penalty if the commission determines that the statement or amendment was late without good cause; or

(2) reduce or waive the civil penalty if the commission determines that the statement or amendment was late for good cause.

After the Commission meeting, the staff shall send a written notice of the decision by the commission to the filer.

If the commission decides to impose some or all of a civil penalty assessed, the filer shall pay the penalty no later than 30 days after the date of the notice or file a notice of appeal. With the superior court.

## FREQUENTLY ASKED QUESTIONS ABOUT THE CAMPAIGN DISCLOSURE LAW

### 1. Who may make contributions in connection with candidates' campaigns?

Only individuals, groups and non-group entities may contribute to candidates and those groups that support or oppose candidates.

### 2. What is an Exemption Form?

Candidates who do not plan to raise or spend in excess of \$5000 may file an Exemption Form that exempts them from filing the periodic campaign disclosure reports. Campaigns must still identify communications.

If the \$5000 threshold is crossed, you must go back to the beginning of the campaign and report all activity on the next report that is due.

### 3. What is the difference between an "individual" and a "person" and why do I need to know?

An "individual" is a human being.

A "person" includes individuals, corporations, organizations, and groups.

The distinction is important in understanding how the 1996 campaign reforms ban corporate contributions. Under the old law, the more inclusive term "person" was used in setting out reporting limits and prohibitions. The reforms use the less inclusive categories "individual" and "group" and thus, by not including corporations and organizations, prohibit them from contributing to candidates.

### 4. What is a "group"?

Under the Alaska Campaign Disclosure law, a "group" is two or more individuals who act jointly to influence the outcome of an election of a state or municipal candidate or ballot measure.

Groups may be sorted into three major categories:

- \* Political parties and their subdivisions (e.g., Northern Democratic Precinct Committee, Republican House District 78)
- \* Ballot issue groups, including state initiative sponsors (e.g., Citizens Against Cat Licenses)
- \* Political action committees  
(e.g., ACME Employee PAC, Alaskan Ornithologists PAC)

### 5. What is a "nongroup entity"?

The Campaign Disclosure Law defines a "nongroup entity" as a person other than an individual that takes action the major purpose of which is to influence the outcome of an election. In addition they may not participate in business activities and cannot have shareholders that have a claim on any corporate earnings. They must also be independent from the influence of business corporations.

A nongroup entity might be the local homeowners association or the local ladies sewing circle.

### 6. May corporations, labor unions and other organizations make campaign contributions?

Corporations, businesses, labor unions and other business organizations may not contribute to candidate campaigns or make independent expenditures on behalf of a candidate. They, however, may make contributions and independent expenditures in support or opposition to ballot measures.

Please note, the employees or members, as individuals comprising such organizations, may form groups to make contributions and expenditures supporting candidates.

Also, organizations, corporations, and unions may continue to communicate directly with their members or employees on political subjects (via newsletters and the like) if certain conditions are met. The communication is of the same format and nature used by the organization on nonpolitical subjects; it only urges members to vote; and it does not solicit contributions.

### 7. May non-resident individuals and groups contribute to Alaska candidates and groups?

Non-resident individuals may contribute to Alaska candidates if the contribution is no more than \$1000 and the candidate or group receiving the contribution has not exceeded the aggregate amount they are permitted to accept from non-resident individuals.

This limitation requires that candidates or treasurers keep an up-to-date count of nonresident contributions so they can record and return funds

when they have reached the limit.

Nonresident individuals and groups may contribute an unlimited amount to ballot groups.

**8. How have political party contribution rules changed?**

Under the law, the "party" is viewed collectively. A contributor may give no more than \$10,000 cumulatively to any and all units of an Alaskan political party in a calendar year. And the party (including all its subdivisions) is limited, in turn, in how much it may give to a candidate, with different limits for different offices.

This places a unique responsibility on the contributor to a party. The contributor must track when he or she has reached the \$10,000 total contribution to all party units combined. Similarly, the candidate must track when he or she has received a party contribution which, when combined with contributions from other party units, puts the candidate at the limit.

**9. What are the contribution limits?**

From	To Candidate	To Group and Non Group Entity	To Party
Individual (resident)	\$ 1000	\$ 1000	\$10,000
Individual (non-resident)	\$ 1000 if the candidate has not exceeded aggregate limit below: \$20,000 Gov/Lt Gov \$5,000 Senate \$3,000 House&Municipal	\$ 1000 if the group has not exceeded the aggregate limit of 10% of its total contributions	\$10,000 if the party has not exceeded the aggregate limit of 10% of its total contributions
Corporations, Business Organizations, Unions	Prohibited	Prohibited (except for ballot measure campaigns)	Prohibited
Group (based in Alaska)	\$ 2000	\$ 2000	\$ 4000
Group (based outside AK)	Prohibited	A non-resident group may contribute to an Alaska group or party an amount not to exceed \$2000 ONLY IF the non-resident group first registers with the Commission AND receives no contributions prohibited by state law.	
Nongroup Entity (based in Alaska)	\$1000	\$1000	\$4000
Nongroup Entity (based outside AK)	Prohibited	A non-resident non-group entity may contribute to an Alaska non-group entity or party an amount not to exceed \$2000 ONLY IF the non-resident non-group entity first registers with the Commission AND receives no contributions prohibited by state law.	
Political party	Governor \$ 100,000 Lt. Gov. \$ 100,000 Senate \$ 15,000	Unlimited	Unlimited

	Senate \$ 15,000 House \$ 10,000 Municipal \$ 5,000		
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**10. When may a candidate for state office begin accepting contributions?**

Once a candidate for state office files a Letter of Intent with the APOC or a Declaration of Candidacy with the Division of Elections, he or she may accept contributions beginning 18 months before the general election with one additional caveat. Under legislative ethics law, a legislator running for legislative office may not accept contributions while the legislature is in session with limited exception.

**11. How are contributions reported?**

Candidates and groups must report the name and address of ALL contributors. Contributors in excess of \$250 must also include their employer and occupation.

Non-group entities must disclose the name and address of all contributors as well as their principal occupation. Contributors who give in excess of \$250 must further disclose their employer.

**12. May a candidate or group accept gaming proceeds?**

Bingo and pull-tab proceeds may no longer be used to fund political campaigns. The law appears to permit groups to raise money by selling raffle tickets and contribute the proceeds to candidates. Check with the Department of Revenue, Charitable Gaming Unit at (907) 465-2320 if you have questions.

**13. Who must file campaign disclosure reports?**

**Individuals:** Any individual who contributes \$500 or an increment of \$500 over the course of a year to a ballot group must file a Statement of Contributions (Form 15-5) within 30 days of making the contribution.

**Any individual** who independently spends any amount to promote or oppose a candidate or ballot measure must file a Statement of Expenditures (Form 15-6) except in limited circumstances.

**Lobbyists:** Lobbyists who contribute to legislative candidates are required to file a Statement of Contributions Form 15-5a within 30 days of making the contribution.

**Groups:** Any combination of two or more individuals acting jointly to influence the outcome of an election must register and file campaign disclosure reports. This includes political parties and their subdivisions.

**Non-Group Entity:** A person, other than an individual, that takes action the major purpose of which is to influence the outcome of an election, must register and file campaign disclosure reports.

**Candidates:** Candidates for state or municipal office must register and file campaign disclosure reports. Candidates whose total contributions or expenditures will not exceed \$5000 may file an Exemption Statement instead.

**Persons:** An entity or individual who independently spends any amount to promote or oppose a ballot measure must file a Statement of Independent Expenditures.

**14. When are campaign disclosure reports due?**

**Statement of Independent Expenditures:** Individuals and persons must file within 10 days of making any independent expenditure.

**Letter of Intent/Registration:** Candidates and groups must register before making an expenditure on a campaign.

**Candidate and Group Reports:** Candidates and groups must file a series of reports before and at the end of each year. In addition, during the last 9 days just before an election, candidates and groups must immediately report all contributions they receive which exceed \$250.

**15. What happens if the required campaign disclosure reports and registration statement are not filed on time?**

Commission staff will assess a civil penalty based on the number of days a report is late and how close it is to the election. A filer has 30 days to appeal or pay the penalty.

**16. How may a candidate or group use their campaign funds?**

Campaign funds may be used for election related purposes only. They may not be taken as personal income; used to pay most civil or criminal

penalties; or used for other non-election or prohibited purposes. In addition, candidate campaign money may not be contributed to another candidate or group.

#### **17. When may candidates make expenditures from their campaign account?**

Once a candidate has filed a Letter of Intent with the APOC or a Declaration of Candidacy with the Division of Elections, he or she may make campaign-related expenditures.

#### **18. What happens after the election?**

There is no longer a requirement for the 10 day after election report. The last report that is due will be the year-end report, covering all activity from the 7 day pre-election report through February 1. That report is due on February 15 and is considered the year-end report. Candidates must disburse surplus funds by February 1 for a General Election or within 90 days after a special election. All campaign activities are to be disclosed by February 15 the year after the election.

#### **19. May candidates repay themselves when they use their own money in the campaign?**

A candidate who makes campaign expenditures with personal funds may be repaid by the campaign within 72 hours after the expenditure. If the repayment does not happen within those three days, the candidate wishing to be repaid for their expenditures or loans to the campaign must file a Candidate Reimbursement Notification within five days of the expenditure. After the election, candidates who have timely filed Notifications may repay themselves up to a set amount which depends on the office they seek.

#### **20. May candidates reimburse campaign workers for purchases made for the campaign?**

A campaign may only reimburse registered treasurers/deputy treasurers and the amount cannot exceed \$1000. In order for the reimbursement not to count as a contribution, the worker must be repaid before the end of the report cycle in which the expenditure was made.

#### **21. What may a candidate do with surplus campaign assets after an election?**

A candidate may pay for thank you gifts; repay contributors; transfer a limited amount to a future campaign; transfer a limited amount to an office allowance account; give an unlimited amount to a political party, a charity, or the government; and/or retain a limited amount of personal property.

#### **22. What is an office account under the Campaign Disclosure Law?**

The Campaign Disclosure Law permits a candidate to transfer a limited amount of surplus campaign assets to a legislative or municipal office account. The money in the account may be used only for expenses associated with the candidate's serving as a legislator or municipal official and all expenditures must be disclosed in the year end report.

#### **23. When must a "paid for by" identifier be placed on campaign related materials?**

All political communications must contain a "paid for by" identifier which includes the words "paid for by" followed by the name and address of the candidate, group or individual paying for the advertising. Candidates and groups may also identify the name of their campaign chairman. If the communication results from an independent expenditure, it must also include the following: "This NOTICE TO VOTERS is required by Alaska law. (I/We) certify that this (mailing/literature/advertisement) is not authorized, paid for, or approved by the candidate."

#### **24. Is there a fine for inadequate or missing identifiers?**

Yes. A person who fails to place a complete "paid for by" identifier on his or her campaign communications is subject to a civil penalty of up to \$50 per day.

All penalties are subject to appeal.

(Rev 11/03)

## FREQUENTLY ASKED QUESTIONS ABOUT MUNICIPALITIES AND PUBLIC FUNDS

### 1. *May a municipality use money to support or oppose a candidate?*

No. Municipalities, school districts, and regional educational attendance areas (REAA), or another political subdivision of the state as well as an officer or employee of the above entities may not use municipal funds to influence the outcome of the election of a candidate to state or municipal office.

The state, its agencies, its corporations and the University of Alaska and its Board of Regents are also prohibited from spending state funds to influence the outcome of an election of a candidate to state or municipal office.

(AS 15.13.145(a))

### 2. *May a municipality use money to support or oppose a ballot proposition?*

Yes. A municipality may use public funds to influence the outcome of an election concerning a ballot proposition or question, but only if the funds have been specifically appropriated. (AS 15.13.145(b) & 2 AAC 50.356(a))

### 3. *How may a municipality spend public funds if no money has been specifically appropriated?*

Money held by a municipality may be used to:

- disseminate information about the date and time and place of an election and to hold an election.
- and to provide the public with nonpartisan information about a ballot proposition or question or about all the candidates seeking election to a particular office. (AS 15.13.145(c))

Information is nonpartisan if it does not advocate a position in an election. Nonpartisan information includes the official language of a ballot question, a neutral ballot summary, or if provided for all candidates seeking a particular office, the candidates' names, contact information, or statements. (2 AAC 50.356 (c))



**4. *What are the reporting requirements if a Municipality spends public funds?***

When a municipality spends funds, either appropriated or to produce nonpartisan information, the expenditures must be reported to the Commission in the same manner as an individual is required to report. (AS 15.13.145(d))

The municipality must file a "Statement of Independent Expenditures" (Form 15-6), within 10 days of making the expenditure. (AS 15.13.040(d)(e))



**5. *If the municipality limits its activity to publishing notices of the election are there reporting requirements?***

No. Only expenditures intended to influence the outcome of an election (including nonpartisan materials) must be reported to the APOC. (2 AAC 50.360 (b))



**6. *What type of Identifier must the communications have?***

All communications intended to influence the outcome of an election must have a "Paid for by" Identifier (Notices of the election do not need an identifier). The

words "Paid for by" must appear followed by the name of the municipality and address. A contact person's name is recommended. (AS 15.13.090)

In addition, by administrative regulation all communications which are paid for by a municipality and which are related to an election are considered to be intended to influence the outcome of an election, unless they are only notices of the election or are required by statute, charter or ordinance.

(2 AAC 50.360(b)).

Rev. (11/C 1)

**APOC Update**  
**For State Officials & Employees**  
**Concerning Activity on Ballot Questions**

*Please be aware that your activities may be subject to AS 15.13—in particular, the prohibition on using state money (AS 15.13.145) and the "paid for by" (AS 15.13.090) and reporting (AS 15.13.040) requirements.*

*If you plan to engage in an activity related to ballot questions, you should review the questions below to ensure that you do not inadvertently violate the law.*

*Generally, the campaign disclosure law is not triggered if your activity is part of your usual and customary duties as a state official or employee.*

**#1. Is the activity something that you would usually or customarily do in the performance of your duties as a state official or employee?**

**Yes.** If your activity is a usual and customary part of your duties, then it is not subject to the campaign disclosure law as long as you do not expressly urge people to vote for or against the measure. You do not need to identify or disclose the expenses associated with the activity.

**No.** If your activity is not something you usually and customarily do in the performance of your duties, then go to question #2.

*Usual and customary duties = include but are not limited to publishing and disseminating an annual newsletter to your constituents; responding to constituent inquiries; answering questions at a press conference.*

**#2. Will the activity involve the use of state money or resources?**

**No.** If you are not using state money or resources, you are not subject to AS 15.13.145; although you are subject to the disclosure requirements in AS 15.13. Remember to properly identify your communications and disclose your expenditures.

**Yes.** If you will use state money and resources to pay for the activity, go to question #3.

*State money = all state resources including state funds; travel vouchers; reimbursement of lodging, meals, per diem; staff time; accountable office allowance purchased items (e.g. stationery, stamps); cost of mailing; press releases; use of phones, faxes, copiers, computers or state facilities; etc.*

**#3. Is your activity nonpartisan?**

**Yes.** The statute allows the use of state funds if your activity is nonpartisan. AS 15.13.145(c). Remember, however, you must place a "paid for by" statement on any communications. Also, you must file a Statement of Independent Expenditures (Form 15-6) within 10 days of making the expense.

For example, if a legislator produces a special flyer which provides facts on both sides of the ballot question and the upcoming election in a nonpartisan format to hand out at a local fair for the purpose of providing information about the ballot question, the legislator must put a "paid for by" identifier on the flyer and must file a Statement of Independent Expenditures even though the material is nonpartisan.

The disclosure must show that state resources were used to pay for the activity, i.e. "Paid for by Rep. Sara Smith's Legislative Office Account, 271 Main St., Anchorage, AK 99501".

*Nonpartisan = "should not obviously lead one to a specific conclusion as to how to vote on an issue"; "should present enough information on both sides of the issue to assist voters in making an informed choice"; in this context, it does not mean related to political parties.*

**Other options for funding activities related to the ballot questions**

Assuming that your action is outside your usual and customary duties, keep in mind:

- **the prohibition in AS 15.13.145 only applies if you use state money.**
- **regardless of what source of money you use, you must identify your communications and disclose your expenditures.**

Other potential sources of funds:

- **personal funds**—you are always free to use your own resources. Remember to use a "paid for by" identifier and file a Statement of Contributions (15-5) or Independent Expenditures (15-6).
- **group funds**—you are free to participate with and use the resources of groups which have registered to be active on this issue. Just be sure to not do it on state time or inadvertently use any other state resources in the course of your participation.
- **campaign funds**—if you are currently a candidate for office (you have filed a letter of intent with the APOC, declared your candidacy with the Division of Elections or Municipal Clerk), you may use your campaign funds to make independent expenditures in the election. Use of your campaign funds will trigger the requirement that you disclose all activity in your campaign account on regular reports around the election. Contact us if you have questions.
- **POET account funds**—if you placed surplus campaign funds in a POET account, you may use those funds on the election. Communications must have a "paid for

by" statement. In addition to disclosing the expense on a Statement of Contributions or Independent Expenditures, the expense should also appear on your year end report.

**For additional information**

Copies of the APOC advice which established the guidelines described in this newsletter are available at [www.state.ak.us/apoc](http://www.state.ak.us/apoc).

If you are not sure how the guidelines apply to an activity you are planning, please contact us before you act to avoid headaches later on. If you believe you may already have a problem, contact us as well. There may be ways to remedy the problem, i.e. by repaying the state from private funds. 276-4176 (in Anchorage); (800) 478-4176 (outside Anchorage).

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FREQUENTLY ASKED QUESTIONS  
ABOUT GROUPS  
FORMED TO SUPPORT/OPOSE CANDIDATES



The following are frequently asked questions regarding reporting requirements for groups formed to support or oppose candidates. If you are interested in the reporting requirements for groups formed to support or oppose a ballot question see "[FAQs FOR BALLOT GROUPS](#)." For more detail about the relationship between a group and its affiliated union or corporation, see the "[FAQ ABOUT UNIONS, CORPORATIONS & PACs](#)".

1. What is a Group?

Under the Alaska Campaign Disclosure law, a "group" is two or more individuals who act jointly to influence the outcome of an election of a state or municipal candidate or ballot measure. ([AS 15.13.400\(5\)\(B\)](#)) A PAC or political action committee is another name for a political group.

2. When does a group need to register with the APOC?

A group must register with the Commission "before making an expenditure in support of or in opposition to a candidate." In addition to paid expenses, such as ordering checks or paying for bank charges, an "expenditure" is defined broadly to also include a promise to pay. Reserving ad space or hiring a consultant are promises to pay. Thus, it is best to register as early as possible. ([AS 15.13.050\(a\)](#))

Remember the group must have it's own bank account, separate from any affiliated organization, union, or corporation.

3. Are there any restrictions on naming the group?

In general there are few restrictions on the name of the group. If a group is formed to oppose only one candidate, the group's name must clearly state that it opposes that candidate.

In addition, if a group expends 33 1/3% or more on a candidate, the name of the candidate must be a part of the group's name. ([AS 15.13.050\(b\)](#))

4. What is a controlled group?

A group that makes expenditures or receives contributions with the authorization or consent, express or implied, of a candidate shall be considered controlled. In addition, if a group spends more than 50% of its money on a single candidate, the group shall be considered controlled. ([AS 15.13.400\(5\)\(B\)](#)). If you have further questions about controlled groups, please contact our office at 276-4176 or 800-478-4176.

5. Who may accept contributions?

The group must appoint a treasurer who is responsible for receiving, holding and disbursing all contributions and expenditures, and for filing all reports and statements required by law. The treasurer may appoint deputy treasurers that are authorized to accept contributions on the group's behalf. The deputy treasurers must be registered with the Commission. ([AS 15.13.060](#), [AS 15.13.076\(2\)](#))

6. What are the limits for contributions to groups formed to support/oppose candidates?

Individual contributions: A group may accept voluntary contributions from an individual not to exceed \$1000 per calendar year. ([AS 15.13.076\(1\)](#))

15.13.070(b)(1)

Nonresident contributions: 10% of the group's total contributions per year may come from nonresident individuals. (AS 15.13.072(f))

Cash contributions: A group may not accept a cash contribution that exceeds \$100 per calendar year. (AS 15.13.072(b))

**7. What are the limits for groups giving to candidates and other groups?**

A group may contribute up to \$2000 per candidate per year. A group may also contribute \$2000 to another group that supports/opposes candidates, \$4000 to a political party, and an unlimited amount to ballot groups per year. (AS 15.13.070(c))

**8. What information will I need from the contributor?**

You will need to record the name, address, occupation and employer from your contributors along with the date, amount and check number. Contributors who give \$250 or less are identified by name and address. Those who gave more than \$250 are further disclosed by reporting their occupation and employer. (AS 15.13.040(b))

**9. When are reports due?**

A group must file Pre and Post Election Reports. The required reports must be filed according to the following schedule:

- **30 Day Pre-election report:** Due 30 days prior to the election.
- **7 Day Pre-election report:** Due 7 days prior to the election.
- **24 Hour Report:** Within 24 hours prior to the election, all contributions over \$250 must be disclosed within 24 hours.
- **Year End Report:** Due February 15 of each year until the group disburses its money and closes its account. (AS 15.13.110) NEW !! must cover the period beginning on the last day covered by the most recent previous report or on the day that the campaign started, whichever is later, and ending on February 1

**10. What happens if the required campaign disclosure reports and registration statement are not filed on time?**

Commission staff will assess a civil penalty based on the number of days a report is late and how close it is to the election. Fines range from \$10 to \$50 per day depending on the report due. A filer has 30 days to pay or appeal the penalty. (AS 15.13.390)

**11. Does the APOC provide software for electronic filing?**

Yes. The APOC now has electronic software that is provided at no cost to you. The software will allow you to record, track, and report campaign disclosure information in an electronic format. If you have any additional questions, call us at 907/276-4176 or 907/478-4176, or visit our website [www.state.ak.us/apoc](http://www.state.ak.us/apoc)

**12. When must a "paid for by" identifier be placed on campaign related materials?**

All political communications must contain a "paid for by" identifier which includes the words "paid for by" followed by the name and address of the group paying for the advertising. A group must also identify the name of its campaign chairperson. (AS 15.13.090)

If the communication is done independently of the candidate it supports or opposes, it must also include the following: "This NOTICE TO VOTERS is required by Alaska law. We certify that this (mailing/literature/advertisement) is not authorized, paid for, or approved by the candidate." (AS 15.13.135(b))

**13. Is there a fine for inadequate or missing identifiers?**

Yes. A group that fails to place a complete "paid for by" identifier on its campaign communications is subject to a civil penalty of up to \$50 per day. (AS 15.13.390)

**14. How does the group disband?**

The disbursement of a campaign account must be reported to the Commission within 10 days after final disposition of the balance. Groups may disburse the balance in the following manner:

- give the money to charity;
- repay the contributors;
- leave the money in the account for a future election (the group must update its registration every year and must report as long as there is a balance in the account); or
- contribute the money to a candidate or a group controlled by a candidate, subject to the \$1,000 limitation and other prohibitions under AS 15.13 or 2 AAC 50, or to a political party or group supporting a ballot proposition or question.

**FREQUENTLY ASKED QUESTIONS  
ABOUT UNIONS, CORPORATIONS, ETC. & PACs**

**BACKGROUND:**

Prior to 1997, labor unions and corporations were a major source of contributions for state and municipal candidates. On January 1, 1997, corporations, companies, partnerships, associations, organizations, business trusts or sureties, labor unions, or publicly funded entities that do not satisfy the definition of group in AS 15.13.400 were prohibited from contributing to candidates and groups. However, employees or members of those entities may set up separate political groups to campaign for or against candidates.

**GETTING STARTED:**

**1. What is a PAC?**

The term PAC is commonly used when talking about a group of individuals who have an interest in common and want to support or oppose candidates. Under the Alaska Campaign Disclosure law, a political action committee, or PAC, is another name for a group. A "group" is two or more individuals who act jointly to influence the outcome of an election of a state or municipal candidate or ballot measure.

**2. How do we get started?**

When the members of an entity decide to form a group, they must create a separate account. No funds from the entity's general operating fund may be used. This group must be registered with the APOC (see "FAQ About Groups Formed to Support/Oppose Candidates" for registering and reporting requirements).

**3. May the entity announce the formation of the PAC?**

Yes. The entity may make an initial announcement of the formation of the PAC to the employees or members as long as the following conditions are satisfied:

- The announcement is of the same nature and format as previous communications on nonpolitical matters.
- The announcement does not solicit contributions to the PAC.
- It may provide contact information for the PAC.

**4. From whom may the PAC solicit contributions?**

There are no restrictions on whom the PAC may solicit. However, the following conditions must be met by all contributors to the PAC:

- Contributions to the PAC must be from individuals and other PACs and must be voluntary.
- Individuals may not contribute more than \$1000 per year to the PAC (cash contributions are not to exceed \$100 annually). Other PACs may contribute up to \$2000 per year.
- Only 10% of the PAC contributions may come from non-Alaskan residents. (AS 15.13.070)

**5. May the entity assist in collecting the contributions to the PAC?**

The entity may provide the services necessary to set up a payroll deduction plan. In providing these services, the entity must not exercise any control over the use of the PAC funds, except to reject and return prohibited contributions. (AO97-01-CD, AO97-09-CD, AO97-12-CD)

**6. May the entity assist in preparing APOC reports?**

The entity may provide administrative assistance necessary to comply with the legal and accounting requirements of the Campaign Disclosure Law. This assistance includes bookkeeping services and legal advice.

(AO97-01-CD, AO97-09-CD, AO97-12-CD)

#### **OPERATING THE PAC:**

Under current law, corporations, companies, partnerships, associations, organizations, business trusts or sureties, labor unions, or publicly funded entities that do not satisfy the definition of group in **AS 15.13.400** are prohibited from contributing to candidates and groups (excluding ballot measure groups). Prohibited contributions include both monetary and nonmonetary assistance. Thus, it is important that the PAC operate independently from the entity.

#### **7. May the PAC use the entity's mailing list?**

Yes. The Commission has concluded that an entity may make its own membership or mailing list available to its PAC. However, a PAC may not accept another entity's mailing list without reimbursing that entity at a commercially reasonable rate. **(AO97-20-CD)**

#### **8. May the PAC use the entity's facilities and equipment?**

Yes. A PAC may use the entity's facilities and equipment, as long as the PAC reimburses the entity for all costs involved at a commercially reasonable rate, in a commercially reasonable period of time. Examples of such items include: rooms, computers and phones. Reimbursable expenses might include a portion of operating and maintenance costs of the computer system, extended janitorial services if the building is kept open after hours, or any other cost that might be associated with using the facilities. **(AO97-20-CD)**

#### **9. What may the entity do independently of the PAC?**

An entity may communicate with its members or employees on political subjects and the communication is not a contribution if the following conditions are met:

- The communication is of the same format and nature used by the entity when it has communicated on nonpolitical subjects.
- The communication does not request members or their families to do anything other than exercise the right to vote.
- The communication may not solicit individual contributions to a clearly identified candidate or group.

#### **10. Where can I find additional information about the relationship between an entity and its PAC?**

The Commission has issued detailed advisory opinions to various entities. You can find these advisory opinions on our website at [www.state.ak.us/apc\\_advise.htm](http://www.state.ak.us/apc_advise.htm). If you still have questions, contact us at 276-4176 or 800-478-4176 (outside the Anchorage area).  
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# Political Activity by Out of State Organizations

## frequently asked questions

### What is an out of state organization?

For the purposes of this document, the term "organization" refers broadly to corporations, unions, associations and other business entities as well as federal PACs and special interest groups. An organization is considered to be "out of state" or "nonresident" if it is organized under the laws of another state, resident in another state, or has participants who are not residents of this state at the time the contribution is made. AS 15.13.072(a)(3).

**May an out of state organization participate in Alaskan elections?** The constraints on participation by an out of state organization depend on the type of election the organization is attempting to influence. The Alaska Campaign Disclosure law distinguishes between candidate campaigns and ballot measure campaigns. Although the reporting requirements are similar, the law places greater restrictions on activity related to candidate campaigns than on ballot measure campaigns.

### A. Candidate Campaigns

#### What may out of state organizations do to influence the outcome of a candidate election for state or local office?

1. an out of state organization may publish and distribute **educational materials** about candidates for a particular office. Under AS 15.13.150, out of state organizations are free to engage in educational election-related communications and activities, including "the dissemination of the views of all candidates running for a particular office." This provision would enable an out of state group to survey candidates and publish those results in a manner which did not endorse or promote particular candidates.

*When the Commission has addressed the issue in the past, it has concluded that a survey which directed readers to vote for candidates who reflected the values of the group was subject to regulation, (Advisory Opinion to Christian Life Council, July 31, 1990); and flyers which summarized municipal candidates' survey responses was not subject to regulation because the flyers did not exhort readers to vote for or against specific candidates and because the flyers included all candidates' response to range of issues. (Advisory Opinion to Anchorage Citizens for Competent Government, April 9, 1993)*

2. an out of state group may send **political communications to its members** regarding particular candidates. Commission regulation, permits organizations which are not organized primarily to influence elections to send political communications to their members or employees or their families, as long as the communications meet the following qualifications: (1) they have the same format and nature as other nonpolitical communications by the organization; (2) they request members to exercise their right to vote; and (3) they do not solicit individual contributions to a clearly identified candidate or group.

3. an out of state group may make a contribution or an independent expenditure supporting or opposing a candidate if it **creates an Alaska entity** which complies with the requirements of the Alaska Campaign Disclosure Law. A "group" is defined in AS 15.13.400(5) as two or more individuals who organize and act with the primary purpose of influencing the outcome of an election.

That entity becomes an Alaska group and may participate as an Alaskan group if it satisfies the following requirements: (1) it does not accept more than \$1000 from any one individual or \$2000 from any other Alaskan group; (2) it does not accept contributions from corporations, unions or other business entities; and (3) it does not accept more than 10% of its total income from individuals who are not residents of Alaska. A "group" which satisfies these filters must register with the Alaska Public Offices Commission before making any expenditures in Alaska; and must file all required group reports.

#### Why are out of state organizations limited to the three avenues described above?

Several provisions in the Alaska Campaign Disclosure law limit the participation of out of state organizations in Alaskan campaigns. First, AS 15.13.072(a)(3), specifically prohibits a candidate from soliciting or accepting a contribution from an out of state group. Second, AS 15.13.135 states that only "an individual or group may make an independent expenditure supporting or opposing a candidate for election to public office." Thus, unless an out of state organization qualifies as an group under Alaska law, it is prohibited from making independent expenditures.

### B. Ballot Propositions and Questions

**What may out of state organizations do to influence the outcome of a ballot proposition or question?**

There are no limitations on the source or amount of contributions and independent expenditures on ballot measure campaigns. AS 15.13.065(c). Subject to Alaska reporting requirements, out of state groups may make contributions and independent expenditures of any amount supporting or opposing ballot measures. An out of state group must file a Statement of Contributions (Form 15-5) within 30 days of contributing to a ballot measure group an amount equal to or greater than \$500 or an increment of \$500. If an out of state group makes an independent expenditure of any amount on a ballot measure, it must file a Statement of Expenditure (Form 15-6) disclosing the amount spent within 10 days of the expenditure.

*Please note that the constitutionality of the provisions limiting out of state organizations was upheld in a April 16, 1999 decision by the Alaska Supreme Court. Please contact this office at (907) 276-4176 if you have questions.*