

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672

6342 SENATE JUDICIARY

746

2 AAC 50.126. PROCEDURES FOR FAILURE OR REFUSAL OF AN INCUMBENT STATE ELECTED OFFICIAL TO FILE THE ANNUAL CONFLICT-OF-INTEREST STATEMENT BY THE APRIL 15 DUE DATE. (a) If the annual statement is not filed by April 15, in accordance with AS 39.50.120 or 39.50.130 and 2 AAC 50.105, the commission staff will

(1) on or before the eighth day of delinquency, notify the public official by certified mail, return receipt requested, that his or her statement has not been received and that he or she is now subject to civil penalties and that failure to file by the 30th day of delinquency will subject the official to loss of pay and criminal penalties;

(2) on the 22nd day of delinquency, notify the public official by telegram that failure to file by the 30th day of delinquency will result in loss of pay and a request that misdemeanor proceedings be initiated by the attorney general.

(b) If the annual statement is not filed by the 30th day of delinquency, on the 31st day of delinquency, staff will notify the commission, and under commission direction will

(1) inform the Department of Administration and the Legislative Affairs Agency that the elected official has not filed his or her conflict-of-interest statement and request that salary, per diem, travel expenses, etc., be forfeited until notification by the commission of the official's compliance; and

(2) inform the attorney general that the elected official has not complied and request that misdemeanor proceedings be initiated. (Eff. 10/18/81, Reg. 80)

Authority: AS 15.13.030(10) AS 39.50.120
AS 15.13.020 AS 39.50.130
AS 39.50.050(b) AS 39.50.200(1)
AS 39.50.060

2 AAC 50.127. PROCEDURES FOR FAILURE OR REFUSAL TO FILE, OR FILING AN INCOMPLETE STATEMENT, BY A CANDIDATE FOR ELECTIVE STATE OFFICE. (a) A candidate for elective state office may file the required conflict-of-interest statement either

with the division of elections or with the commission. A statement filed only with a municipal clerk is not considered timely filed. If the commission determines that a candidate has not filed a conflict-of-interest statement by the applicable deadline, the commission will recommend that the lieutenant governor remove the candidate's name from the ballot.

(b) A candidate for state office who files a statement that is in substantial noncompliance with AS 39.50 and this chapter will be given notice of the required information that is outstanding, and of the opportunity to amend the statement. The deadline for amending a statement is one week before the deadline for withdrawal of candidacy.

(c) One week before the withdrawal deadline, commission staff will notify the commission of those who have not completed the conflict-of-interest statement. The commission will convene a meeting at a designated site, or by teleconference, to review the incomplete filings. The meeting will be recorded. Candidates will be given notice of the meeting. The commission will determine which candidates have not supplied required information on major sources of income or indebtedness, and will recommend that the lieutenant governor remove those names from the ballot.

(d) If information is discovered after the withdrawal-of-candidacy deadline, which indicates that a candidate's statement may be in substantial noncompliance with AS 39.50 and this chapter, the commission will proceed with a preliminary investigation in accordance with 2 AAC 50.460. If a hearing is held, the commission will determine the appropriate penalty. These penalties include:

(1) recommendation for removal from the ballot, or decertification, made to the lieutenant governor;

(2) assessment of civil penalties in accordance with 2 AAC 50.145 for the late filing of a properly completed report; and

(3) referral to the office of the Attorney General as a violation of the law. (Eff. 1/26/86, Reg. 97)

Authority: AS 15.13.030(10) AS 39.50.060
AS 39.50.020 AS 39.50.120
AS 39.50.030 AS 39.50.130
AS 39.50.050(b) AS 39.50.135

2 AAC 50.130. FILING BY A MUNICIPAL OFFICER. (a) All conflict-of-interest statements required to be filed by a municipal officer under the provisions of AS 39.50 and this chapter must be received by the municipal clerk or other municipal official in his community designated to receive the statements on or before the due date. Filing such a statement with the commission is not considered proper filing. "Received" means either

(1) hand-carried to the clerk or designated municipal official's office; or

(2) postmarked. The date shown by the postmark is presumed to be the date it was deposited in the United States mail.

(b) A borough or city mayor, borough assemblyman, city councilman, school board member, elected utility board member, city or borough manager, and a member of a city or borough planning or zoning commission must file a conflict-of-interest statement

(1) within 30 days of

(A) the first day of work for which compensation is received by the officer; or

(B) the date a municipal board or commission member takes the oath of office; or

(2) no later than April 15 in each year following

(A) his election to municipal office; or

(B) his hiring or appointment to a municipal position described in this section. (Eff. 9/9/78, Reg. 67; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 39.50.020
AS 39.50.050(b)

Editor's Note: Register 74 inadvertently dropped subsection (b) of what is now 2 AAC 50.130. It has been restored as of Register 82.

2 AAC 50.135. CIVIL PENALTY ASSESSMENTS FOR LATE FILING BY MUNICIPAL OFFICERS. (a) The conflict-of-interest statement of a municipal officer is delinquent if not received by the municipal clerk or designated official on or before the due date.

(b) The statement continues to be delinquent and subject to a civil penalty until received by the municipal clerk or designated official.

(c) The municipal clerk or designated official shall notify the commission within five days

(1) by telegram or telephone of the name and address of any municipal officer who has refused or failed to file a conflict-of-interest statement by the due date; and

(2) verify that all other municipal officers have filed.

(d) Commission staff will notify the municipal officer that he is delinquent, and subject to a civil penalty, within five days of notification by the municipal clerk or designated official of the municipal officer's delinquency.

(e) The municipal clerk or designated official shall notify the commission by telegram or telephone of the name and address of any municipal officer who filed a delinquent conflict-of-interest statement and the date on which the late statement was received by the clerk or designated official. Upon notification of the receipt of a delinquent conflict-of-interest statement, commission staff will

(1) determine the appropriate civil penalty, as follows:

(A) \$1 a day through the first seven days a statement is delinquent;

(B) \$5 a day for the eighth day and subsequent days of delinquency.

(2) within five days after notification by the municipal clerk or designated official of receipt

of a delinquent statement, send a notice of the civil penalty assessed against the municipal officer, and include

(A) a statement of the amount of the assessment; and

(B) an affidavit appeal form.

(f) The municipal officer subject to a civil penalty may

(1) submit, within 30 days of receipt of the assessment notice described in (e)(2) of this section, an affidavit stating reasons for his late filing to show why a civil penalty should not be assessed against him; an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to administer oaths or, if none of the preceding alternatives is available, may be signed by the officer without benefit of the oath so long as the officer states, in writing, that the affidavit is signed under penalty for perjury; or

(2) pay, within 30 days of receipt of the assessment notice described in (e)(2) of this section, the civil penalty assessed against him.

(g) If a municipal officer subject to a civil penalty assessment for the late filing of a conflict-of-interest report refuses or fails, within the time required, to submit an affidavit or to make payment, then the commission staff will refer the matter to the Office of the Attorney General for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(h) An affidavit timely filed with the commission will be considered at the next regular meeting of the commission. If a municipal officer's appeal is

(1) denied by the commission, commission staff will notify him of its decision within 15 days, and require that he pay the civil penalty originally assessed against him within 30 days of the date of the letter containing notification of the commission's decision; or

(2) accepted by the commission, commission staff will notify him of its decision within 15 days, informing him that the civil penalty assessment has been waived and the matter is considered closed; or

(3) accepted, in part, by the commission, commission staff will notify him of its decision within 15 days, and require that he pay the reduced civil penalty assessment within 30 days of the date of the letter containing notification of the commission's decision.

(i) Under Rule 601 of the Appellate Rules of the Alaska Court System a municipal officer may appeal the commission's decision to deny or partially accept the officer's reasons for lateness to the superior court within 30 days after receipt of the notice. If no appeal is made within 30 days and no payment is made, the matter will be referred to the attorney general for appropriate action. (Eff. 9/9/78, Reg. 67:

am 5/14/80, Reg. 74; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 39.50.020

AS 39.50.050(b)

AS 39.50.135

2 AAC 50.140. PROCEDURES FOLLOWED UPON A REFUSAL OR FAILURE BY A MUNICIPAL OFFICER TO FILE THE CONFLICT-OF-INTEREST STATEMENT WHEN DUE. (a) If a municipal officer's conflict-of-interest statement is not filed by the applicable due dates described in 2 AAC 50.130(b), the commission will notify the municipal officer by certified mail, return receipt requested, that the applicable due date has passed, that his or her conflict-of-interest statement is delinquent, and that failure to file by the 30th day of delinquency may subject the official to criminal penalties:

(b) If the statement is not filed within 30 days of the applicable due dates described in 2 AAC 50.130(b), the commission will simultaneously

(1) notify the municipal officer that the commission is notifying the Office of the Attorney General of his noncompliance and requesting that the attorney general take appropriate action;

(2) inform the applicable municipal clerk that the municipal officer has been notified of his failure, and that the attorney general is being notified; and

(3) inform the Office of the Attorney General that the municipal officer has not filed his statement, and request that appropriate proceedings be initiated by that office. (Eff. 9/9/78, Reg. 67; am 1/26/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 39.50.020

AS 39.50.050(b)

AS 39.50.060

2 AAC 50.145. SUBSTANTIAL OR CONTINUING NONCOMPLIANCE. If, upon review of a conflict-of-interest statement, the commission staff finds substantial or continuing non-compliance with the reporting requirements of AS 39.50 or a provision of this chapter, the maximum civil penalty of \$10 per day applies.

from the time the information was due until it is received. The staff findings may be appealed to the commission. Substantial or continuing noncompliance includes

(1) failure to fully respond to a written request for further filings within the time prescribed; or

(2) failure to fully describe major sources of income, real property interests, business involvements, or indebtedness. (Eff. 1/26/86, Reg. 97)

Authority: AS 15.13.010(10)
AS 39.50.030
AS 39.50.050(b)
AS 39.50.135

2 AAC 50.200. DEFINITIONS. In 2 AAC 50.010 - 2 AAC 50.200

(1) "board member" means a member of a state commission or board specified in AS 39.50.200(9);

(2) "judicial officer," as defined in AS 39.50.200(2), does not include a person appointed as an acting magistrate. (Eff. 9/9/78, Reg. 67)

Authority: AS 15.13.030(10)
AS 39.50.050(b)
AS 39.50.200(2) and (9)

ARTICLE 2. CAMPAIGN DISCLOSURE

Section

- 310. Filing
- 313. Definition of "contribution"
- 314. Definition of "group"; reporting by businesses
- 315. Contribution limitation exemption
- 316. Personal contributions by a candidate
- 319. Designated campaign depository
- 320. General recordkeeping requirements for candidates and groups
- 321. Reporting contributions and expenditures
- 322. (Repealed)
- 323. (Repealed)
- 324. Shared campaign reporting
- 325. (Repealed)
- 326. Recordkeeping requirements and exemptions when reporting a fund-raiser

- 330. (Repealed)
- 332. Reporting zero contribution or expenditure activity
- 333. Reportable date of contribution
- 334. Persons who may accept contributions
- 340. Expenditures to advertising agencies or campaign management services
- 342. Registration of groups supporting or opposing ballot issues
- 350. (Repealed)
- 351. Independent expenditures
- 355. (Repealed)
- 357. Contributions in the name of another
- 360. Municipalities
- 361. (Repealed)
- 362. Draft groups
- 363. Subcommittees of a candidate's campaign committee or of a controlled group
- 369. Proper identification of political communications
- 370. Objects too small to contain the proper identification
- 375. Communications by incumbent elected officials
- 380. Early campaigning
- 385. (Repealed)
- 390. Civil penalty assessments for the late filing of a campaign disclosure report
- 395. (Repealed)
- 397. Reporting by persons outside the state
- 400. Disbursement of a surplus balance in a campaign account
- 401. Post-election fundraising by candidates and controlled groups
- 405. Definitions for
2 AAC 50.310-2 AAC 50.405 and
AS 15.13

2 AAC 50.310. FILING. (a) All reports that are required to be filed under the provisions of AS 15.13 and this chapter must be received by the commission on or before the due date. Except for the 24 Hour Report, "received" means either

(1) hand-carried to the commission's central office or its branch office in the state capital; or

(2) postmarked. The date shown by the postmark is presumed to be the date it was deposited in the United States mail.

(b) The 24 Hour Report required by AS 15.13.110(b) must be filed with the commission's central office either by a collect telegram or by actual physical delivery within the prescribed time. 24 Hour Reports may not be mailed.

(c) All forms will be available at the commission's central and branch offices, at district offices during state election years, and at the participating municipalities. (Eff. 5/14/80, Reg. 74)

Authority: AS 15.13.020(j) and (k)
AS 15.13.030(10)
AS 15.13.110(a) and (b)

2 AAC 50.313. DEFINITION OF "CONTRIBUTION." (a) In 2 AAC 50.310 - 2 AAC 50.405, except as otherwise provided in this section, "contribution" includes a payment, gift, subscription, loan, advance, transfer, deposit of money, services, or anything of value made by a person or group for the purpose of influencing an election for state or municipal office or influencing the passage or defeat of a ballot proposition or question; and includes a personal contribution as described in 2 AAC 50.316.

(b) In this section and in 2 AAC 50.321, "loan" includes a guarantee, endorsement, and any other form of security. The following apply to loans:

(1) A loan that exceeds the contribution limitations of AS 15.13.070 is unlawful, whether or not it is repaid;

(2) A loan is a contribution at the time it is made;

(3) Except for a personal contribution loan as described in 2 AAC 50.316(d), a loan is a contribution by each endorser or guarantor. Each endorser or guarantor is considered to have contributed that portion of the total amount for which he or she agreed to be liable in a written agreement. If the agreement does not state the portion of the loan for which each endorser or guarantor is liable, the loan is considered a loan by each endorser or guarantor in the same proportion that each endorser or guarantor bears to the total number of endorsers or guarantors.

(c) In this section, "money" includes currency of the United States or of any foreign nation, checks, money orders, or any negotiable instruments payable on demand.

(d) In this section "anything of value" includes facilities, equipment, polling information, supplies, advertising services, membership lists, mailing lists, any item of real or personal property, and personal services of any kind, the cost or consideration for which is paid by a person other than the candidate or group for whom the services are rendered.

(e) The provision of goods or services without charge, or at a charge which is less than the usual and normal charge for the goods and services in the market, is a contribution. If goods or services are provided at less than the usual or normal charge in the market, the amount of the nonmonetary contribution is the difference between the usual and normal charge for the goods or services at the time of the contribution and the amount charged.

(f) The entire amount paid to attend or participate in a fundraiser or other political event, and the entire amount paid as the purchase price for a fundraising item sold by a group or candidate, is a contribution.

(g) The payment by a person of compensation for the personal services of another person to a group or candidate for any purpose, except for legal and accounting services necessary to complete reports, is a contribution. No contribution results in the following circumstances:

(1) when an employee paid on an hourly or salaried basis engages in political activity during what would otherwise be a regular work period, if the time spent is made up by the employee within a reasonable period of time;

(2) when an employee paid on a commission or piecework basis, or an employee paid only for work actually performed whose time is considered the employee's own, engages in political activity during normal working hours;

(3) if time used by the employee during normal working hours to engage in political activity is bona fide vacation or other earned leave time.

(h) The extension of credit by a person to a candidate or political group for a length of time beyond normal business practice is a contribution, unless the creditor has made a commercially reasonable attempt to collect the debt, or pursued its remedies in a manner similar in intensity to that employed by the creditor in pursuit of a non-political debtor, including lawsuits if filed in similar circumstances.

(i) A debt owed by a political group or candidate, which is forgiven or settled for less than the amount owed is a contribution. The commission will, in its discretion, consider the following factors before directing staff to commence a preliminary investigation:

(1) whether, at the time the debt was incurred, both the creditor and the candidate or political group expected full repayment within a reasonable period of time;

(2) whether the campaign has made a good faith effort to repay all outstanding debts;

(3) whether the creditor has taken steps it normally takes against debtors in the same financial condition as the campaign;

(4) whether the proposed settlement agreement between the creditor and the campaign is similar to previous settlements made by the creditor and other debtors;

(5) whether the campaign has treated equally all creditors since it became aware of the difficulty in repaying all debts;

(6) whether the proposed settlement agreement is similar to others proposed by the campaign.

(j) An expenditure made by a person in cooperation, consultation, or in concert with, or at the request or suggestion of a candidate, the candidate's campaign committee, campaign agents, or campaign consultants is a contribution to the candidate. The financing by a person of the issuance, republication, or distribution of a broadcast or of a written, graphic, or other form of campaign material provided by the candidate, the candidate's campaign committee, campaign agents, or campaign consultants is a

contribution to the candidate. This includes an expenditure:

(1) based on information about the candidate's plans, projects, or needs provided by the candidate or the candidate's campaign agents;

(2) made by or through a person who is, or has been, authorized to raise or expend money for the candidate, who is, or has been, an agent of a candidate's campaign, or who has received any form of compensation or reimbursement from the candidate, members of the candidate's campaign committee, campaign agents, or campaign consultants;

(3) made by any person or group based on data from a candidate's pollster or campaign consultant or any other person who has received, or is receiving, compensation or reimbursement from the campaign;

(4) made by a political group for soliciting contributions to be paid or delivered directly to a candidate or the candidate's campaign agents.

(k) In (j) of this section, "campaign agents" includes all officers, campaign managers, treasurers, deputy treasurers, campaign consultants, and persons who reasonably appear to have authority to make expenditures and solicit contributions for a candidate's campaign.

(l) In 2 AAC 50.310 - 2 AAC 50.405, "contribution" does not include the following payments, services, or other things of value:

(1) costs incurred in covering or carrying a news story by a broadcasting station, newspaper, or periodical of regular publication, unless the facility is owned by or controlled by a political party, political group, or candidate; in that case, the cost of the news story is a contribution, unless the news story is a bona fide news account that is part of a general pattern of campaign-related news accounts which gives reasonably equal coverage to all opposing candidates in the circulation or listening area;

(2) a non-monetary contribution or in-kind donation of a single item with a usual and normal cost of \$50.00 or less;

(3) a payment made by any individual for his or her own travel expenses, if such payments are voluntary and are made without any understanding that they will be directly or indirectly repaid;

(4) a payment made by a business, corporation, trade association, labor organization, or other organization not organized primarily to influence elections to communicate directly with its members or employees, or their families, on any subject, if the communication is of the same format and nature used by the organization when it has communicated in the past on nonpolitical subjects, does not request members or their families to do anything other than exercise the right to vote, and does not solicit individual contributions to a clearly identified candidate or group chosen by the organization;

(5) a gift, subscription, loan, advance, or deposit of money or anything of value made with respect to a recount of a state or municipal election.

(m) A contribution made by a married individual is not attributed to that individual's spouse, unless otherwise specified in writing by the spouse at the time the contribution is made. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10) AS 15.13.070
AS 15.13.040 AS 15.13.130

2 AAC 50.314. DEFINITION OF "GROUP"; REPORTING BY BUSINESSES. (a) In 2 AAC 50.310 - 2 AAC 50.405, "group" includes

(1) every combination of two or more persons who are elected, appointed, or otherwise chosen, or who cooperate for the purpose of raising, soliciting, collecting, or disbursing money or anything of value, or for directing or controlling those activities to secure or defeat the election to public office of an individual or candidate or to secure or defeat a ballot proposition;

(2) a political action committee, draft group, association, club, corporation, partnership, trade association, incorporated or unincorporated association, or labor organization organized to aid or promote the nomination, election, defeat, or recall, of any candidate for political office

or to aid the passage or defeat of a ballot proposition;

(3) two or more persons who jointly make a contribution in the name of another as described in 2 AAC 50.357.

(b) A corporation, partnership, sole proprietorship, trade association, fraternal or charitable organization, incorporated or unincorporated association, firm, or business trust may report its contributions and expenditures as required by AS 15.13.040(d) and (e) as an individual if

(1) all contributions and expenditures to influence the outcome of an election are made from the organization's general day-to-day operating account;

(2) the organization does not conduct a fund-raising drive or assessment among its members or employees for the purpose of influencing an election;

(3) the organization does not exercise direction, control, or discretion over the choice of the recipient candidate or group, and the organization does not exercise direction, control, or discretion over the expenditure of money or other things of value collected, pooled, solicited, or otherwise paid by others for the purpose of influencing an election. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.040
AS 15.13.130(3)

2 AAC 50.315. CONTRIBUTION LIMITATION EXEMPTION. (a) Groups that nominated a candidate for governor who received at least three percent of the total vote cast at the 1982 general election for governor are considered to be exempt from the contribution limitation set out in AS 15.13.070(a).

(b) Until the effective date of a statutory definition of "political party" that replaces AS 15.60.010(20) as it exists on the effective date of this section (and was held invalid in *Vogler v. Miller*, 660 P.2d 1192 [Alaska 1983]), a group, other than a group described in (a) of this section, desiring an exemption from the contribution limitation set out in AS 15.13.070(a) must submit to the commission an application

for exemption. In accordance with (c) of this section, the commission will review the application and, in its discretion and on a case-by-case basis, grant the exemption.

(c) Among the criteria which will be considered in deciding whether to grant an exemption are:

(1) an organized membership, composed of registered voters, which represents a political program;

(2) prior history as a political group under AS 15.13.050 including the receipt of substantial contributions and the disbursement of substantial expenditures made for the purpose of influencing the election of legislative candidates in more than one district; and

(3) the percentage of votes received by a statewide candidate nominated in the name of the group in the preceding general election.

(d) Groups satisfying the criteria of (a) of this section and groups granted exemptions under (b) of this section are subject to the requirement that political parties report contributions and expenditures as provided by AS 15.13. (Eff. 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 15.13.040

AS 15.13.070

2 AAC 50.316. PERSONAL CONTRIBUTIONS BY A CANDIDATE. (a) A candidate may make unlimited personal contributions from assets which, under Alaska law, the candidate had legal right of access to or control over and to which the candidate had legal and rightful title at the time he or she became a candidate. These assets include salary and other earned income from bona fide employment; dividends; proceeds from the sale of investments; bequests to the candidate; income from trusts established before candidacy; income from trusts established by bequest after candidacy; and gifts of a personal nature which had been customarily received before candidacy.

(b) A candidate may use a portion of jointly owned assets as a personal contribution. The portion of the jointly owned assets that may be

used is the candidate's share under the instruments of conveyance or ownership. With respect to spouses, if no specific share is indicated by an instrument of conveyance or ownership, the value of one-half of the property used is considered the personal funds of the candidate. In the case of property jointly owned by a non-spouse, if there is no instrument of conveyance or ownership, the portion of the asset belonging to the candidate is the pro rata share of the purchase price paid by the candidate, or, if no purchase was made, the amount determined by dividing the present value by the number of owners.

(c) A candidate's donation of goods remaining from a prior campaign is a personal contribution.

(d) A loan of money by a regulated banking institution to a candidate is a personal contribution if the loan is made in accordance with applicable banking laws and regulations; bears the usual and customary interest rate for the category of the loan involved; is evidenced by a written instrument; and is subject to a due date or amortization schedule. Loans under this section are reported as a candidate's personal contribution.

(e) The absolute sale of all legal and equitable interest of a candidate's real or personal property is not a contribution from the purchasers if the proceeds are received by a candidate in a legitimate arm's length transaction documented in writing. Sale proceeds used by a candidate in a campaign must be reported as personal contributions. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)

AS 15.13.040

AS 15.13.070

AS 15.13.130

2 AAC 50.319. DESIGNATED CAMPAIGN DEPOSITORY. (a) Each candidate and political group intending to raise or spend more than \$5,000 in a calendar year shall designate on a registration statement or on the first campaign disclosure statement filed with the commission, one or more regulated banking institutions as its campaign depository or depositories. Each account title must indicate that it is a campaign account.

(b) All monetary contributions to, and expenditures by, a candidate or political group must be deposited to or made from a designated campaign depository.

(c) A candidate or political group required by (a) of this section to designate a campaign depository may obtain and use credit cards in making travel-related campaign expenditures for transportation, lodging, meals, and other expenses in connection with traveling for campaign purposes. The credit card account name must indicate that it is a campaign account.

(d) Contributions that appear to be illegal must, within ten days after receipt, be returned to the contributor.

(e) A campaign treasurer shall make his or her best efforts to determine the legality of a contribution. If a contribution cannot be determined to be legal, a refund must be made within a reasonable time, and the treasurer shall note the refund by amending the current report or noting the change on the next required report. Alternatively, the contribution may be deposited into the campaign depository and reported. If it is deposited, the treasurer shall make and retain a written record noting the basis for the appearance of illegality. A statement noting that the legality of the contribution is in question must be included in the next required report. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030 AS 15.13.060
AS 15.13.050 AS 15.13.070

2 AAC 50.320. GENERAL RECORDKEEPING REQUIREMENTS FOR CANDIDATES AND GROUPS. (a) Every candidate and group required to report contributions or expenditures under the provisions of AS 15.13 shall maintain detailed records of all contributions received and expenditures made in accordance with the uniform methods of bookkeeping set out in the commission's bookkeeping guide.

(b) A candidate or his treasurer, and the treasurer of a group, may issue a receipt, and shall record the receipt of every contribution received, unless otherwise exempted by this chapter, regardless of the dollar amount or value of the contribution. While the identity of a person who has contributed no more than \$100

to a campaign is not required to be individually reported by the treasurer on a campaign disclosure report, the name of such a contributor, along with the amount and type of his contribution, must be recorded by the treasurer and maintained by the treasurer, for comparative purposes, in case that person makes additional contributions which total over \$100.

(c) The identity of a person who has contributed over \$100 in the aggregate per year to a candidate's or group's campaign must be reported in accordance with 2 AAC 50.321.

(d) Each bookkeeping record required under this section shall be maintained by the candidate or the treasurer of a group and may not be destroyed for a period of four years from the date of the contribution. The records shall be available for inspection by the commission upon request of the commission. (Eff. 5/14/80, Reg. 74)

Authority: AS 15.13.020(2) AS 15.13.040
AS 15.13.030(10) AS 15.13.120(e)

2 AAC 50.321. REPORTING CONTRIBUTIONS AND EXPENDITURES. (a) Each candidate or group filing reports under AS 15.13 must identify

(1) each monetary contribution, or aggregate of contributions from the same contributor, which totals in excess of \$100 by reporting

(A) the date received;

(B) the check number;

(C) the name and address of the contributor;

(D) the principal occupation and employer of the contributor; and

(E) the amount;

(2) each nonmonetary contribution, or aggregate of nonmonetary contributions from the same contributor, valued at more than \$100 a year, by reporting

(A) the date received;

(B) the name and address of the contributor;

(C) the principal occupation and employer of the contributor;

(D) a description of the contributions; and

(E) its estimated fair market value;

(3) each loan, or aggregate of loans from the same contributor, which totals in excess of \$100, by reporting

(A) the date received;

(B) the name and address of the lender, guarantor or cosigner;

(C) the principal occupation and employer of the lender, loan guarantor or cosigner;

(D) the interest rate; and

(E) the amount;

(4) each paid expenditure by reporting

(A) the date of the payment;

(B) the check number;

(C) the name and address of the payee;

(D) the purpose of the expenditure; and

(E) the amount; and

(5) each accrued expenditure by reporting

(A) the date the expenditure was incurred;

(B) the name and address of the business or individual with whom the debt was incurred;

(C) the purpose of the accrued expenditure; and

(D) the amount.

(b) When reporting monetary and nonmonetary contributions or loans, a cumulative total must be kept by each candidate or group of the contributions (including loans) made to it, regardless of the total, and reported pursuant to (a) of this section when

(1) monetary contributions by the same contributor bring the total to over \$100; or

(2) nonmonetary contributions by the same contributor bring the estimated total value to over \$100; or

(3) loans by the same lender, guarantor, or cosigner bring the total to over \$100; or

(4) a combination of monetary or nonmonetary contributions or loans by the same contributor brings the total to over \$100. (Eff. 7/22/78, Reg. 67)

Authority: AS 15.13.030(10)
AS 15.13.040(a) and (b)
AS 15.13.130(2) and (4)

2 AAC 50.322. RECORDKEEPING REQUIREMENTS FOR AUCTIONS AND GARAGE SALES. Repealed 5/14/80.

2 AAC 50.323. RECORDKEEPING REQUIREMENTS FOR CONTRIBUTIONS RECEIVED FROM THE SALE OF CAMPAIGN MATERIAL. Repealed 5/14/80.

2 AAC 50.324. SHARED CAMPAIGN REPORTING. Except for expenditures by the candidates for governor and lieutenant governor of the same political party who have been nominated to run in the general election, the following provisions apply to all candidates and groups, other than a political party, subject to the provisions of AS 15.13 and this chapter:

(1) The use, by one candidate, of the money, goods or services raised or generated by his campaign, to influence the election of another candidate, is considered a contribution and cannot exceed the \$1,000 limitation set by AS 15.13.070(a); nothing in AS 15.13 or this chapter, however, limits an individual's right to make any expenditure whatsoever to influence the election of a candidate, so long as that expenditure is not made at the suggestion of that

candidate, directly or indirectly paid for by that candidate, or otherwise controlled by that candidate.

(2) An expenditure made by one group, other than a political party, on behalf of another group which is controlled by a candidate is considered a contribution and may not exceed the \$1,000 limitation set by AS 15.13.070(a).

(3) A candidate may not join his campaign committee with that of one or more candidates in order that they may file a single report of their joint campaign, nor may a group join with one or more groups in order that they may file a single report of their joint efforts.

(4) Candidates or groups prohibited from forming a joint campaign under (3) of this section may share in campaign efforts, under (5) of this section, so long as they keep separate campaign accounts and file separate statements of their contributions and expenditures under AS 15.13 and 2 AAC 50.

(5) Two or more candidates, or two or more groups, may share in campaign efforts so long as the cost of, and receipts from, shared efforts are allocated equally to each participating candidate or group's campaign.

(6) So long as the costs of, and receipts from, shared efforts are allocated equally to each participant of a shared campaign, neither the costs or receipts are considered as a contribution from one participant to any of the other participants.

(7) Each candidate or group filing reports pursuant to AS 15.13 and 2 AAC 50 must complete an APOC Form 15-SA, the "Shared Campaign Activities" form, which represents his or its proportionate share of the receipts and expenditures of a shared campaign effort.

(8) A proportionate share of the amount of an expenditure benefiting one or more candidates, or one or more groups, of a shared campaign effort, but paid for in full by one of the candidates, or by one of the groups, will be considered a contribution by

(A) the paying candidate to the other candidates; or

(B) the paying group to the other groups.

(9) Media communications regarding a shared campaign activity are considered properly identified so long as the identification includes the words "paid for by" and the name of each candidate or group sharing in the cost of the communications. The address and treasurer of each participating candidate or group need not be listed. However, if a communication is paid for in its entirety by only one of the participants then, in accordance with 2 AAC 50.369, full and proper identification is required. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 6/29/84, Reg. 90)

Authority: AS 15.13.030(10)
AS 15.13.040(a) and (b)
AS 15.13.070(a)
AS 15.13.090

2 AAC 50.325. RECORDKEEPING REQUIREMENTS FOR NONMONETARY CONTRIBUTIONS. Repealed 1/4/86.

2 AAC 50.326. RECORDKEEPING REQUIREMENTS AND EXEMPTIONS WHEN REPORTING A FUND-RAISER. (a) A candidate or his treasurer, and the treasurer of a group, shall report all the contribution and expenditure activity related to a campaign fund-raiser in a format designated by the commission, and in accordance with this section. Fund-raisers sponsored in conjunction with several candidates or groups are viewed as shared fund-raising activities and, while subject to the provisions of this section, must be reported separately on APOC Form 15-3SA and in accordance with 2 AAC 50.324.

(b) When reporting a fund-raiser, a candidate or his treasurer, and the treasurer of a group, shall state the total number of contributing participants, the date and place where the event was held, if applicable, a description of the type of fund-raising activity, and the total costs of, and receipts from, the event.

(c) For the purposes of this section, "fund-raiser" includes, but is not limited to, a garage sale; a raffle or drawing; an auction; a spaghetti feed or potluck dinner; the sale of campaign material, such as posters, buttons, stickers, clothing, key chains and ashtrays; or a sponsored concert.

(d) The requirement in AS 15.13.040 and 2 AAC 50.320 that a candidate or his treasurer, or the treasurer of a group, must record the name of every person making a contribution, regardless of the amount of that contribution, does not apply to events which meet the following criteria:

(1) fund-raisers, similar in nature to spaghetti feeds, bingo games, dances, or concerts, where

(A) there are 25 or more paying participants; and

(B) except as described in (f) of this section, the cash amount received from any one person does not exceed \$50;

(2) fund-raisers, such as a raffle, lottery or a drawing, where

(A) 25 or more tickets are sold; and

(B) except as described in (f) of this section, the price of a ticket or the amount received from any one person purchasing chances does not exceed \$50;

(3) fund-raisers, the income from which is based on the sale of campaign material, where, except as described in (g)

(A) the price of an item being sold does not exceed \$10; or

(B) the amount received from any one person purchasing items does not exceed \$50;

(4) fund-raisers, such as garage sales and auctions, where, except as described in (g)

(A) the fair market value of an item donated for sale or auction does not exceed \$50; or

(B) the amount received from any one person purchasing items at the garage sale or auction does not exceed \$50.

(e) When reporting receipts from a fundraiser which meets the recording exemption set out in (d) of this section, the candidate or his

treasurer, or the treasurer of a group, need only report the total amount of contributions received from or generated by the fund-raiser, along with the total number of paying participants, tickets sold, or items purchased, as applicable.

(f) If a person contributes in excess of the exempted amounts stated in (d)(1)(B) or (d)(2)(B) of this section, then the name of that person, and the amount and type of that contribution, must be recorded as set out in 2 AAC 50.320.

(g) If the cost of or value of an item exceeds the exempted amount, or if a person contributes or pays in excess of the exempted amounts stated in (d)(3) or (4), then the name of that contributor or buyer must be recorded as set out in 2 AAC 50.320.

(h) A contribution made by a person to attend or otherwise participate in a "fund-raiser," as defined in (c) of this section, whether or not exempted from full recording under this section, may not be received by or on behalf of a candidate in violation of AS 15.13.070(a). (Eff. 5/14/80, Reg. 74; am 5/24/81, Reg. 78; am 6/29/84, Reg. 90)

Authority: AS 15.13.030(10)
AS 15.13.040

2 AAC 50.330. REPORTING CAMPAIGN EXPENDITURES FOR TRANSPORTATION. Repealed 1/4/86.

2 AAC 50.332. REPORTING ZERO CONTRIBUTION OR EXPENDITURE ACTIVITY.

(a) Each candidate or group required to file a full report of all contributions received and expenditures made in accordance with AS 15.13 and this chapter shall report in accordance with the reporting schedule set out in AS 15.13.110(a), regardless of the amount of their reportable contributions or expenditures. In the absence of any contribution or expenditure activity whatsoever during a reporting period, each candidate or group not already exempt from reporting under (b) or (c) of this section shall submit by the appropriate due date the "Short Form" on Schedule A of the Campaign Disclosure Statement certifying that no contributions have been received or expenditures made.

(b) A candidate who does not intend to receive or accept contributions, or make expenditures during his campaign for municipal or state public office, including any personal campaign contributions or expenditures, may file APOC Form 15-0, the "Campaign Reporting Exemption Form." A candidate who files the exemption form is not required to submit any other reports to the commission concerning his campaign. The reporting exemption is revoked if a candidate accepts contributions or spends money to influence his election. A candidate whose exemption is revoked must immediately register his change of status on APOC Form 15-1 and, in accordance with AS 15.13.110, must disclose his campaign contribution and expenditure activity beginning with the first campaign disclosure report due following his change in status. Failure to report campaign contribution or expenditure activity after the reporting exemption is revoked subjects the candidate to both civil and criminal penalties for noncompliance with the reporting requirements of AS 15.13 and 2 AAC 50.

(c) The treasurer of a political party subdivision or political action committee previously registered with the commission which does not intend to receive or accept contributions, or make expenditures, during a municipal campaign may, in accordance with the requirements set forth in (b) of this section, file APOC Form 15-0. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 15.13.040(a) and (b)
AS 15.13.110

2 AAC 50.333. REPORTABLE DATE OF A CONTRIBUTION. A contribution is considered received, and reportable as such, on the day in which that contribution is in the possession of a candidate, or a treasurer or deputy treasurer of a candidate or group, in accordance with AS 15.13.070(e) and this chapter. (Eff. 7/22/78, Reg. 67)

Authority: AS 15.13.030(10)
AS 15.13.070(e)

2 AAC 50.334. PERSONS WHO MAY ACCEPT CONTRIBUTIONS. (a) A candidate's campaign committee, or a group, may authorize a person who is not registered as a deputy trea-

surer to accept or solicit campaign contributions on its behalf for any single event. Campaign committees or groups are not in violation of AS 15.13.070(e) if contributions collected by the authorized person are turned over to a candidate, treasurer, or deputy treasurer of the intended committee or group within 72 hours.

(b) An individual who is, or will be, fundraising on a regular basis throughout a political campaign must be registered as a deputy treasurer in accordance with AS 15.13.060(e).

(c) Individuals that have not been "authorized" to accept campaign contributions by either a candidate or his treasurer, or the treasurer of a group, are prohibited from collecting campaign contributions on behalf of a candidate's campaign committee or a group. (Eff. 4/28/79, Reg. 70; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10) AS 15.13.070(e)
AS 15.13.060 AS 15.13.130(2)

2 AAC 50.340. EXPENDITURES TO ADVERTISING AGENCIES OR CAMPAIGN MANAGEMENT SERVICES. Whenever a required report includes an expenditure to an advertising agency, or to an individual or business which provides campaign consultation or management services, the report shall be accompanied by a statement detailing all services rendered, including the identity of each business from which campaign goods or services were purchased or subcontracted, or media advertising placed, and their costs. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 15.13.040(f)

2 AAC 50.342. REGISTRATION OF GROUPS SUPPORTING OR OPPOSING BALLOT ISSUES. Each group, before making an expenditure in support of or in opposition to a ballot proposition, shall register with the commission on forms provided by the commission. (Eff. 5/14/80, Reg. 74)

Authority: AS 15.13.010(b) AS 15.13.040(b)
AS 15.13.030(10) AS 15.13.050

2 AAC 50.350. CONTRIBUTION OF PROFESSIONAL SERVICES. Repealed 1/4/86.

2 AAC 50.351. INDEPENDENT EXPENDITURES. (a) An independent expenditure is a disbursement of funds which is made expressly to support or oppose an individual's candidacy or a ballot issue. An independent expenditure is not made with the cooperation, consent, in consultation with, or at the request or suggestion of, a candidate, a candidate's campaign committee, or a group, and must be reported in accordance with AS 15.13.040(d)(2) and (e) by the maker of the expenditure.

(b) An expenditure made at the request of, in consultation with, or at the suggestion of a candidate, a candidate's campaign committee, or a group supporting or opposing a ballot issue, is considered an in-kind contribution by the person making the expenditure, and must be reported in accordance with AS 15.13.040(a) by the candidate or group benefiting from the contribution, and by the "contributor" in accordance with AS 15.13.040(d)(1) and (e).

(c) There is no limit on the amount or frequency of independent expenditures.

(d) The report of an expenditure to influence the outcome of a ballot issue required to be filed under AS 15.13.040(d)(2) will be closed to the public only if the commission determines, in response to a written request, that the individual who makes the expenditure would likely be subject to undue harassment, threats, or economic reprisals as the result of public disclosure. After publication, the person granted an exemption shall provide the commission with a copy of the communication in order to enable the commission to verify which communications were sponsored by that person. (Eff. 5/14/80, Reg. 74; am 6/29/84, Reg. 90)

Authority: AS 15.13.030(10)
AS 15.13.040
AS 15.13.090

2 AAC 50.355. LOANS. Repealed 1/4/86.

2 AAC 50.357. CONTRIBUTIONS IN THE NAME OF ANOTHER. (a) No contribution may be made, directly or indirectly, by a person other than in the legal name of the original source of the contribution.

(b) No person, employer, principal, supervisor, or contractor may lend, pay, advance, or reimburse employees, agents, or other persons for contributions to a candidate or group in the employee's, agent's, or other person's name, or in a name other than the original source of the contribution.

(c) A contribution made at the direction of another person, including a parent organization, subsidiary, division, department, branch, or local unit, is a contribution in the name of another. Contributions by two or more organizations to the same recipient are in the name of another if the organizations

(1) share the majority of members of their board of directors;

(2) share two or more corporate or organizational officers;

(3) are owned or controlled by the same shareholders or members; or

(4) are in a parent-subsidiary relationship.

(d) If a minor makes a contribution of money or any thing of value given to the child by a parent for that purpose, the parent has made a contribution in the name of another. (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030(10) AS 15.13.070
AS 15.13.040 AS 15.13.130

2 AAC 50.360. MUNICIPALITIES. (a) If a municipality seeks to influence the outcome of an election, using budgeted municipal funds, it shall report as an individual under AS 15.13.040 (d) and (e).

(b) 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 unless they are required by statute, charter, or ordinance.

(c) The municipality shall file with the commission a list of candidates and their mailing addresses within seven days following the deadline for filing for municipal office.

(d) If when a municipality seeks to influence the outcome of an election using funds contributed to it for that purpose, it shall register and report as a group under AS 15.13.040(b) and (c) and AS 15.13.050. (Eff. 5/16/76, Reg. 58; am 1/4/86, Reg. 97)

Authority: AS 15.13.010 AS 15.13.050
AS 15.13.030(10) AS 15.13.090
AS 15.13.040

2 AAC 50.361. REPORTING BY SPECIAL INTEREST GROUPS. Repealed 10/18/81.

2 AAC 50.362. DRAFT GROUPS. (a) A draft group must report its contribution and expenditure activity as a group, under the requirements of AS 15.13 and this chapter.

(b) A draft group

(1) may make expenditures in order to raise, through contributions to the group, the money necessary to

(A) defray its own administrative costs; and

(B) attempt to draft persons to become candidates, including the expenditure of money to

(i) extoll the qualities of persons the group is attempting to draft; and

(ii) inform the general public both of the group's position on issues, as well as the qualities of leadership it seeks in potential candidates; and

(2) may not

(A) engage in any political activity other than an activity described in (b)(1) and (c) of this section;

(B) accept contributions in excess of \$1,000 from any person or group;

(C) except for personal travel expenses, opinion surveys, or polls, make any expenditure that might benefit a person who the group has successfully drafted for office and who has made it known that he or she will be

seeking election to public office; however, the group may continue in its attempts to draft other persons for elective office; and

(D) except as provided in (c) of this section, make contributions to, contribute previously produced material to, or expend funds on behalf of, any person who has declared that he or she is seeking office or who has filed a declaration of candidacy or nominating petition or become a candidate by any other means.

(c) A draft group that expends more than 50 percent of its funds in an effort to draft one individual or, in the case of gubernatorial and lieutenant gubernatorial candidates, a team of individuals, to campaign for public office is, for the purposes of AS 15.13.130(3) and this chapter, considered a controlled group. If the person or team subject to the draft formally declares for public office, then the amount contributed to the draft group must be added to any contributions made the same year to the drafted candidate's or team's own campaign committee, in order to determine whether a contributor has made the maximum allowable contribution as outlined in AS 15.13.070(a). As a controlled group, the draft group may contribute the maximum allowed by law to the candidate or team of candidates. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 6/29/84, Reg. 90)

Authority: AS 15.13.010
AS 15.13.030(10)
AS 15.13.040(b)
AS 15.13.070(a)
AS 15.13.100
AS 15.13.130(2), (3) and (4)

2 AAC 50.363. SUBCOMMITTEES OF A CANDIDATE'S CAMPAIGN COMMITTEE OR OF A CONTROLLED GROUP. A subcommittee may be created within a candidate's campaign committee or within a controlled group. These subcommittees are not considered separate groups and shall not maintain separate bank accounts and records or file separate reports. The name of the candidate or controlled group must be a part of the name of the subcommittee. The name of the subcommittee shall not be used when identifying political advertising

under AS 15.13.090 and 2 AAC 50.369. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10) AS 15.13.050
AS 15.13.040(a) AS 15.13.090

2 AAC 50.369. PROPER IDENTIFICATION OF POLITICAL COMMUNICATIONS. (a) Except as provided in (d) of this section, "proper identification" of a communication intended to influence the election of a candidate or the outcome of a ballot issue means that the communication is clearly identified with the words "paid for by," followed by the name and full address of the candidate, group, or individual actually paying for the advertising. The name of the campaign chairman must also be identified. If the candidate and the chairman are the same person, the name need not be repeated.

(b) Standard English abbreviations may be used in the written identification.

(c) "Clearly identified," as used in AS 15.13.090, means that

(1) in all printed communications, the proper identification must be visible, separate from the text of the advertisement itself, and large enough to be read by a person with average vision without the aid of corrective lenses;

(2) in all audio-visual communications, the proper identification must either

(A) be visual, and of sufficient size and duration to be read in full by the viewer; or

(B) be spoken, and played at the same audio level as the text of the communication itself; or

(C) be both visual and spoken, in accordance with (A) and (B) of this paragraph;

(3) in all audio communications, the proper identification must be spoken at the same audio level as the text of the communication itself.

(d) If the commission determines, under 2 AAC 50.351(d), that an expenditure report will not be made public, the political communication intended to influence the outcome of a ballot proposition or question is properly identi-

fied if, in place of the "paid for by" phrase, the communication includes, in the manner required by (c) of this section, the commission waiver identification number assigned by the commission to that communication.

(e) In this section and in AS 15.13.090, "communications" include all material related to campaign fund-raisers, campaign letterhead, thank you notes, and press releases but does not include envelopes paid for by the campaign which are used solely to convey the campaign's properly identified communications. (Eff. 4/28/79, Reg. 70; am 10/18/81, Reg. 80; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.090

2 AAC 50.370. OBJECTS TOO SMALL TO CONTAIN THE PROPER IDENTIFICATION. If the size of an object used for a campaign advertisement is such that it is impractical to print the identification of the candidate, group, or person paying for the advertisement on the object, the advertisement must instead be identified in a regular expenditure report to the commission. Objects considered too small for full identification include pencils, pens, buttons, and other objects that are smaller than 3 1/2" x 5" in size. All media advertisements must be identified, regardless of size. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.090

2 AAC 50.375. COMMUNICATIONS BY INCUMBENT ELECTED OFFICIALS. (a) A communication by an incumbent state elected official, who is also a declared candidate for elective office, with his constituency via a newsletter or other printed matter, or a paid radio or television spot, does not constitute a reportable campaign expense unless it specifically and expressly advocates the election or defeat of a candidate (including himself), or the passage or defeat of a ballot issue.

(b) A communication by an incumbent municipal elected officer who is also a declared candidate for elective office, with his constituency via a newsletter or other printed matter, or a paid radio or television spot, does not constitute a reportable campaign expense

unless it specifically and expressly advocates the election or defeat of a candidate (including himself), or the passage or defeat of a ballot issue.

(c) The commission will, in its discretion, review a communication by an incumbent elected official when a question concerning whether or not the communication is a reportable campaign expense arises. (Eff. 7/22/78, Reg. 67)

Authority: AS 15.13.010 AS 15.13.090
AS 15.13.030(10) AS 15.13.130(4)
AS 15.13.045

2 AAC 50.380. EARLY CAMPAIGNING. (a) An individual wishing to campaign for municipal elective office shall comply with AS 15.13.100 by providing written notification to the commission of his or her candidacy only if the filing period has not yet opened. An individual wishing to campaign for state elective office shall comply with AS 15.13.100 by filing a declaration of candidacy with the lieutenant governor or a letter of intent with the commission.

(b) A letter of intent filed under (a) of this section is valid only for the next election or until it is withdrawn by the individual, whichever occurs first. A letter of intent must include a statement certifying that the individual will comply with the requirements of AS 15.13 although he or she has not satisfied the filing requirements as a candidate. A letter of intent need not include the specific seat for which the individual may file. (Eff. 5/16/76, Reg. 58; am 5/14/80, Reg. 74; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10)
AS 15.13.100

2 AAC 50.385. REPORTING BY ORGANIZATIONS AND BUSINESS OR TRADE ASSOCIATIONS. Repealed 1/4/86.

2 AAC 50.390. CIVIL PENALTY ASSESSMENTS FOR THE LATE FILING OF A CAMPAIGN DISCLOSURE REPORT. (a) A report required to be filed within the time required by AS 15.13.110(a) and (b) is delinquent if not received, in accordance with 2 AAC 50.310, on or before the due date.

(b) The report continues to be delinquent and subject to a civil penalty until received.

(c) Commission staff will send notice to each candidate or group of his or its delinquency under AS 15.13.110(a) within five working days after the due date of the report.

(d) Upon receipt of a delinquent campaign disclosure report of contributions received by a candidate or a group, commission staff will

(1) calculate the initial civil penalty, for each day of delinquency, as follows:

(A) \$10 a day for each 30-day report or 10-day report;

(B) \$10 a day for each year-end report received after January 16;

(C) \$50 a day for each 7-day report; and

(D) \$50 a day up to a maximum of \$300 for each 24-hour report;

(2) send notice of the civil penalty assessed against the candidate or group within five working days after receipt of a delinquent report, or in the case of non-receipt of a report required by AS 15.13.110(b), within 15 working days after receiving the information, and include

(A) a statement of the amount of the assessment; and

(B) an affidavit appeal form.

(e) A candidate or group subject to a civil penalty assessment may

(1) submit, within 30 days after receipt of the assessment notice described in (d)(2) of this section, an affidavit stating reasons for the late filing to show why a civil penalty should not be assessed: an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to

administer oaths or, if none of the preceding alternatives is available, may be signed by the official without benefit of the oath so long as the official states, in writing, that the affidavit is signed under penalty of perjury: or

(2) pay, within 30 days after receipt of the assessment notice described in (d)(2) of this section, the civil penalty assessed.

(f) If a candidate or group subject to a civil penalty assessment for the late filing of a campaign disclosure report refuses, or fails, within the time required, to submit an affidavit or make payment, then commission staff will refer the matter to the attorney general for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(g) An affidavit timely filed with the commission will be considered at the next regular meeting of the commission. If a candidate or group's appeal is

(1) denied by the commission, commission staff will notify the candidate or group of its decision within 15 days, and require that the civil penalty originally assessed be paid within 30 days after the date of the letter containing notification of the commission's decision: or

(2) accepted by the commission, commission staff will notify the candidate or group of its decision within 15 days, informing him or her that the civil penalty assessment has been waived and that the matter is considered closed: or

(3) accepted, in part, by the commission, commission staff will notify the candidate or group of its decision within 15 days, and require that the reduced civil penalty assessment be paid within 30 days after the date of the letter containing notification of the commission's decision.

(h) A candidate or group may appeal the commission's decision to deny or partially accept reasons for lateness to the superior court within 30 days after his receipt of the notice under Rule 45 of the Appellate Rules of the Alaska Court System. If no appeal is made within 30

days and no payment is made, the matter will be referred to the attorney general for appropriate action.

(i) If, upon review of a report required by AS 15.13.110(a), (b), or (e), the commission's staff finds substantial or continuous noncompliance with AS 15.13 or any provision of this chapter, or with requests by staff for information required to be reported under this chapter, the matter must be brought to the commission for review. The commission will, in its discretion, reduce or waive any initial civil penalty, uphold any initial civil penalty, increase the amount of any initial civil penalty to an amount not exceeding the maximum amount established in AS 15.13.125, or instruct its staff to begin preliminary investigation into the matter. Where no initial civil penalty has been assessed, the commission will, in its discretion, assess a civil penalty up to the maximum amount established in AS 15.13.125 if the candidate or group in question does not comply. (Eff. 7/22/78, Reg. 67: am 5/14/80, Reg. 74: am 5/24/81, Reg. 78: am 10/18/81, Reg. 80: am 6/29/84, Reg. 90: am 1/4/86, Reg. 97)

Authority: AS 15.13.010
AS 15.13.030(10)
AS 15.13.125

2 AAC 50.395. REPORTING BY A BUSINESS ENTITY OR LABOR ORGANIZATION. Repealed 1/4/86.

2 AAC 50.397. REPORTING BY PERSONS OUTSIDE THE STATE. Persons residing outside the State of Alaska are subject to the same reporting requirements, restrictions, and responsibilities under AS 15.13 as those placed upon persons residing within the state. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10)

2 AAC 50.400. DISBURSEMENT OF A SURPLUS BALANCE IN A CAMPAIGN ACCOUNT. (a) The disbursement of a surplus balance of a candidate or group's campaign account must be reported to the commission within 10 days after final disposition of the balance.

(b) A candidate disbursing the surplus balance in his campaign account may

- (1) give the money to charity;
- (2) repay his contributors;
- (3) repay himself, if he made contributions to his own campaign;
- (4) take, as income, any money which exceeds the amount which he personally contributed to his campaign;
- (5) leave the money in a campaign account until the next time he campaigns for elective office; however, any interest realized from a surplus in a campaign account must remain in the account and be reported on the first report required of him when he is again a candidate for elective office;
- (6) contribute the money to another candidate or a group controlled by a candidate, not to exceed the \$1,000 limitation, or to a political party or group supporting a ballot proposition or question; or
- (7) transfer the money to his office allowance fund.

(c) A group disbursing the surplus balance in its campaign account may

- (1) give the money to charity; or
- (2) repay its contributors; or
- (3) leave the money in a campaign account until the following election, if the group plans to remain active; however, any interest realized from a surplus in a campaign account must remain in the account and be reported on the first report required of the group when it is again active in an election; or
- (4) 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 and 2 AAC 50, or to a political party or group supporting a ballot proposition or question.

(d) Any candidate or group wishing to disburse the surplus balance in a campaign account in a manner not described in (b) or (c) of this

section may request commission review and approval of the manner in which he or it wishes to disburse the surplus. (Eff. 7/22/78, Reg. 67; am 10/18/81, Reg. 80)

Authority: AS 15.13.030(10)

2 AAC 50.401. POST-ELECTION FUND-RAISING BY CANDIDATES AND CONTROLLED GROUPS. (a) A candidate or a candidate-controlled group may make post-election expenditures for the purpose of raising money to discharge a debt from a prior campaign, in accordance with (c) of this section.

(b) Absent a debt arising from a prior campaign, a candidate may not spend money for the purpose of seeking public office unless the individual is in compliance with AS 15.13.100, the early campaigning provisions of 2 AAC 50.380, or an advisory opinion issued under (c) of this section and 2 AAC 50.905.

(c) A candidate who is in debt from a prior campaign and who has not complied with either AS 15.13.100 or 2 AAC 50.380 by December 31st of the year after the election, shall request an advisory opinion under 2 AAC 50.905 concerning the applicability of AS 15.13.100 to further expenditures to pay off the debt. Absent an advisory opinion request, the commission staff may commence a preliminary investigation to review the applicability of AS 15.13.100 to expenditures by the candidate.

(d) A debt arising from a prior campaign includes

(1) a candidate's personal contributions made before the date of the prior election;

(2) campaign debts to others that were reported on a 10-day post-election campaign disclosure statement;

(3) post-election expenditures made for the purpose of discharging a debt arising from a prior campaign; and

(4) the costs reasonably associated with winding up the affairs of the prior campaign, including social events held immediately after the election for the benefit of campaign workers

or volunteers, communications of acknowledgment, and legal and accounting fees reasonably incurred to comply with AS 15.13 and 2 AAC 50.310 - 2 AAC 50.405. (Eff. 1/4/86, Reg. 97)
Authority: AS 15.13.030(10) AS 15.13.100
AS 15.13.040 AS 15.13.110
AS 15.13.070 AS 15.13.130

2 AAC 50.405. DEFINITIONS FOR 2 AAC 50.310 - 2 AAC 50.405 AND AS 15.13. In 2 AAC 50.310 - 2 AAC 50.405 and in AS 15.13

(1) "business entity" means a sole proprietorship, partnership, corporation or professional corporation, company, firm, business trust, or any other business entity or a combination of these:

(2) "draft group" means a group of two or more persons organized for the purpose of drafting one or more individuals to run for elective office by becoming a candidate as defined in AS 15.13.130(1):

(3) "labor organization" means a local, national, or international union, or labor council, or any other labor organization recognized under state or federal law:

(4) repealed 1/4/86.
(Eff. 7/22/78, Reg. 67; am 6/29/84, Reg. 90; am 1/4/86, Reg. 97)
Authority: AS 15.13.030(10)
AS 15.13.130

**ARTICLE 3.
CAMPAIGN DISCLOSURE AND
REGULATION OF LOBBYING
COMPLAINTS AND INVESTIGATIONS**

Section

- 450. Complaints
- 460. Preliminary investigation
- 470. Hearings

2 AAC 50.450. COMPLAINTS. (a) A complaint filed with the commission must be in writing and must contain the following:

(1) the full name and mailing address of the person making the complaint;

(2) the name of the person or group alleged to be in violation;

(3) allegations of specific facts which, if true, would constitute

(A) a violation of AS 15.13 or of a provision of 2 AAC 50.310 - 2 AAC 50.405; or

(B) a violation of AS 24.45 or of a provision of 2 AAC 50.505 - 2 AAC 50.545;

(C) a violation of AS 39.50 or of a provision of 2 AAC 50.010 - 2 AAC 50.200;

(4) the basis of the complainant's knowledge of the alleged facts, differentiating between statements made upon personal knowledge and those made upon other sources of information and belief;

(5) any documentation, relevant to the facts alleged, which is available to the complainant.

(b) The complaint shall be signed by the complainant and the signature shall be verified by a notary public, municipal clerk, court clerk, postmaster, or any person authorized to administer oaths. Notarial service will be provided by the commission without cost.

(c) Upon receipt of a complaint properly filed and sworn, the commission staff shall promptly

(1) acknowledge receipt to the complainant; and

(2) determine whether the complaint sets out facts which, if true, would constitute a violation of law.

(d) If the staff determines that a complaint does not set out facts which, if true, would constitute a violation of the law, it shall promptly inform the complainant, inform the respondent, and close the file. Following a determination under the subsection:

(1) the staff, upon request of the respondent, shall furnish a copy of all of the information in its file on the complaint to the respondent;

(2) the complainant may request that the commission review the staff's determination: the review will be conducted in closed session: following the review, the commission will, by majority vote

(A) uphold the staff's determination and close the matter: or

(B) determine that the complaint is sufficient on its face, and it will be handled under (e) of this section.

(e) If the staff or the commission under (d)(2)(B) of this section determines that a complaint sets out facts which, if true, would constitute a violation of the law, the staff will

(1) notify the complainant:

(2) notify the respondent, providing a copy of the complaint, any accompanying documents, and a copy of the commission's investigative and hearing procedures:

(3) inform the commission that a complaint has been filed, providing a copy of the complaint and any accompanying documents; and

(4) begin a preliminary investigation.

(f) A person against whom a complaint is filed may file an answer. The answer must

(1) specifically admit or deny all material allegations of the complaint:

(2) state any defenses expected to be raised by the respondent;

(3) include any relevant documentation in the possession of the respondent; and

(4) be a signed and sworn statement. (Eff. 5/16/76, Reg. 58: am 12/29/77, Reg. 64: am 6/29/84, Reg. 90: am 1/4/86, Reg. 97)

Authority: AS 15.13.030(8) AS 24.45.021(b)
AS 15.13.030(10) AS 24.45.131
AS 15.13.045 AS 39.50.050(b)
AS 15.13.120(d)

(1) a properly filed and sworn complaint has been found to be sufficient; or

(2) information has been obtained by the commission or staff in the normal course of business which, if true, would constitute a violation of the law.

(b) When the staff initiates an investigation based on (a)(2) of this section, it shall set out in writing the facts, information, and law involved, along with documentation, and process this material in accordance with 2 AAC 50.450(e).

(c) In conducting a preliminary investigation, the staff may use any of the methods set out in AS 15.13.045. It may also

(1) request written and sworn statements from any party, witness, or other person which are relevant to the investigation; and

(2) use the services of the Alaska State Troopers or private investigators to secure factual information pertinent to the investigation.

(d) Upon completion of a preliminary investigation, the staff shall provide a written summary of the investigation to the commission at the next regularly scheduled meeting, or at a special meeting. The summary must include a staff recommendation for dismissal, for continued investigation, that the matter be addressed in a hearing, or that civil penalties be assessed subject to appeal as provided in 2 AAC 50.110(e), 2 AAC 50.135(f), 2 AAC 50.390(e), or 2 AAC 50.507(e). Notice of the meeting and a copy of the summary must be provided to the respondent and complainant in advance of the meeting. The decision of the commission with respect to the findings of the preliminary investigation will be sent by certified mail to the complainant and respondent. (Eff. 5/16/76, Reg. 58: am 12/29/77, Reg. 64: am 6/29/84, Reg. 90: am 1/4/86, Reg. 97)

Authority: AS 15.13.030(8) AS 18.65.090
AS 15.13.030(10) AS 24.45.021(b)
AS 15.13.045(a) AS 24.45.131
AS 15.13.120(d) AS 39.50.050(b)

2 AAC 50.460. PRELIMINARY INVESTIGATION. (a) The commission staff shall undertake a preliminary investigation if

2 AAC 50.470. HEARINGS. (a) If the commission decides that a hearing will be held, notice of hearing will be sent to the respondent by personal service or by certified mail, return receipt requested. If the respondent cannot be found after diligent effort, service will be made by publishing notice of the hearing in a newspaper of general circulation once a week for four weeks, the final notice appearing at least 30 days before the hearing.

(b) Notice of a hearing must be provided to all parties at least 30 days before a hearing. The time and place of the hearing will be set with due regard and consideration for the convenience of the parties, and the commission will consider a party's request for a change in the time or place of a hearing. The commission will, in its discretion, for any good cause and upon proper notice, change the time and place of a hearing.

(c) Repealed 1/4/86.

(d) The commission staff is responsible for presenting the facts, verified by investigation, which it has determined appear to constitute a violation of the law. In the course of the hearing, the staff will be given no special consideration, but will be considered as a party to the hearing.

(e) The only parties to the hearing will be the staff, representing the complainant or itself, and the respondent.

(f) A party has the right to present evidence and be represented by an attorney. Entities may be represented by an official within the entity, an authorized agent, counsel, or a combination of these.

(g) The rules of evidence are in AS 44.62.460. In addition

(1) documentary evidence may be presented in the form of copies if the original is not readily available; upon request, the parties will be given the opportunity to compare the copy to the original;

(2) in the discretion of the hearing officer, nonparties may present a sworn statement; if

such a statement is presented, all parties will be given an opportunity to challenge, cross-examine, or rebut:

(3) depositions or affidavits may be presented if a witness is unable to testify at a hearing.

(h) Repealed 1/4/86.

(i) Depositions must be taken according to AS 44.62.440(a).

(j) Before the hearing, upon request during regular business hours, the respondent will have access to read or copy at cost any information contained in the case file held by the staff, with the exception of internal memos and documents privileged under the attorney-client privilege.

(k) At the discretion of the hearing officer, all or part of the hearing may be conducted by telephone, audio or video teleconferencing, or other electronic means, provided the parties have an opportunity to participate in the hearing while it is taking place.

(l) The hearing will be recorded by tape recording or stenographic notes at the commission's expense. The recording will be maintained with the public file of the proceedings. The commission will not prepare a transcript unless such a requirement is imposed by law. If the hearing is open, and at the commission's discretion, any person may pay for additional recordings or for a transcript from the commission's recording. If a transcript is prepared by the commission, the respondent may have access to it for the purpose of duplication.

(m) A hearing will be open to the public except when the respondent requests a closed hearing and the hearing officer finds that it should be closed under AS 44.62.310. If the hearing is open but is conducted by telephone, audio or video teleconferencing, or other electronic means, the public notice will designate at least one public access place.

(n) Repealed 1/4/86.

(o) Repealed 1/4/86.

(p) Repealed 1/4/86.

(q) If the commission decides to forward a case to the attorney general's office for prosecution, the staff shall prepare and send to the attorney general's office a record comprised of

(1) a copy of the commission's hearing decision, including its findings of fact and conclusions of law;

(2) a verbatim transcript of the proceedings before the commission; and

(3) copies of all documentary evidence, memoranda, exhibits, correspondence, and other tangible evidence contained in the public file of the proceeding.

(r) The commission will, in its discretion, reconsider its decision in accordance with AS 44.62.540. A request for reconsideration must be filed within 10 days after the vote under (o) of this section has been taken, and must state specific grounds upon which reconsideration is requested. A decision will be reconsidered only if

(1) there was a substantial procedural error in the original proceeding;

(2) the commission acted without jurisdiction in the original proceeding;

(3) the original vote was based on fraud, misrepresentation, material mistake of fact or law; or

(4) new evidence has come to light.

(s) Contempt before the commission will be handled under AS 44.62.590.

(t) A commission member is disqualified from participation in a hearing if the member has a substantial financial relationship with the complainant or with the alleged violator. A commission member is disqualified from participation in a hearing if the member feels, and states on the public record, that he or she is unable to consider the complaint in an unbiased manner and reach a fair and impartial decision.

(u) A commission member has a conflict of interest if the member, a person in the member's immediate family, the member's employer, business, or business associate has a financial relationship with the complainant or the alleged violator or with an immediate family member, business, or business associate of the complainant or alleged violator. The commission member shall state publicly the nature of the conflict and a majority of the remaining members present may authorize the member to participate. Other relationships with the principals of the hearing, which may cause an appearance of impropriety or conflict, must be publicly disclosed by a member, and the member's participation is subject to approval by the majority of the remaining members present. In conflict cases, approval to participate will depend upon whether

(1) the financial relationship or interest is relatively insignificant; and

(2) the interest held by the member or the member's family, business, or business associate is similar to that possessed by a large class of persons; or

(3) the nonfinancial relationship is such that a reasonable person would believe the member capable of fair and impartial judgment. (Eff. 6/29/84, Reg. 90; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(8) AS 24.45.021(b)
AS 15.13.030(10) AS 24.45.131
AS 15.13.045 AS 39.50.050(b)
AS 15.13.120(d)

ARTICLE 4.
REGULATION OF LOBBYING

Section

- 505. Filing
- 507. Civil penalty assessments
- 510. (Repealed)
- 511. Registering and reporting by a representational lobbyist and his employer
- 512. Filing a zero report
- 513. Agency enforcement of administrative lobbying activities
- 515. Registering and reporting by a business entity retained to lobby
- 520. Registering and reporting by the employer retaining a business entity as a lobbyist
- 525. Associations as employers of lobbyists
- 530. Reporting on the accrual basis by the lobbyist
- 535. (Repealed)
- 536. Reporting on the accrual basis by the employer of lobbyist
- 540. Reporting compensation or payments by the employer of lobbyist
- 542. Gifts and exchanges
- 545. Definitions for 2 AAC 50.505-
2 AAC 50.545

2 AAC 50.505. FILING. The timely filing for reporting and reporting may be accomplished in one of two ways: either hand-carried to the commission's office on or before the due date, or mailed in the mail so that it is postmarked on or before the due date. The date shown by the postmark is presumed to be the date it was deposited in the United States mail. (Eff. 12/1/77, Reg. 64)

Authority: AS 24.45.021(b) AS 24.45.061
AS 24.45.041 AS 24.45.081
AS 24.45.051

2 AAC 50.507. CIVIL PENALTY ASSESSMENTS. (a) A report required to be filed within the time required by AS 24.45.041, 24.45.051, 24.45.061, and 24.45.081 is delinquent if not received on or before the due date.

(b) The report continues to be delinquent and subject to a civil penalty until received.

(c) Commission staff will notify each lobbyist or employer of a lobbyist of his or her de-

linquency within 10 days after the due date of the report. If a report is more than 30 days delinquent, the commission will automatically assess a civil penalty of \$135 and forward the name of that lobbyist or employer of lobbyist to the attorney general for failure to comply with the reporting requirements of AS 24.45 if the report is not received within 15 days of the date of the civil penalty assessment.

(d) Upon receipt of a delinquent report, commission staff will, unless the maximum civil penalty has already been assessed as described in (c) of this section

(1) calculate the initial civil penalty, as follows:

(A) \$1 a day from the first through the 10th day of delinquency;

(B) \$5 a day from the 11th through the 25th day of delinquency; and

(C) \$10 a day from the 26th through the 30th day of delinquency;

(2) within five days after receipt of a delinquent report, send a notice of the civil penalty assessed against the lobbyist or employer of a lobbyist, and include

(A) a statement of the amount of the assessment; and

(B) an affidavit appeal form.

(e) A lobbyist or employer of a lobbyist subject to a civil penalty assessment may

(1) submit, within 30 days after receipt of the assessment notice described in (c) or (d)(2) of this section, an affidavit stating reasons for the late filing to show why a civil penalty should not be assessed; an affidavit

(A) is a statement in writing made under oath and upon penalty of perjury; and

(B) must be sworn to before a notary public, municipal clerk, court clerk, postmaster, or any other person authorized to administer oaths or, if none of the preceding alternatives is available, may be signed by the

official without benefit of the oath so long as the official states, in writing, that the affidavit is signed under penalty for perjury; or

(2) pay, within 30 days after receipt of the assessment notice described in (c) or (d)(2) of this section, the civil penalty assessed.

(f) If a lobbyist or employer of a lobbyist subject to a civil penalty assessment for the late filing of a report refuses, or fails, within the time required, to submit an affidavit or make payment, then commission staff will refer the matter to the attorney general for appropriate action. The commission will not hear an appeal if an affidavit is not filed within the time required.

(g) An affidavit filed with the commission will be considered at the next regular meeting of the commission. If a lobbyist's or employer of a lobbyist's appeal is

(1) denied by the commission, commission staff will notify the lobbyist or employer of a lobbyist of its decision within 15 days, and require that the civil penalty originally assessed be paid within 30 days after the date of the letter containing notification of the commission's decision; or

(2) accepted by the commission, commission staff will notify the lobbyist or employer of a lobbyist of its decision within 15 days, informing him or it that the civil penalty assessment has been waived and that the matter is considered closed; or

(3) accepted, in part, by the commission, commission staff will notify the lobbyist or employer of lobbyist of its decision within 15 days, and require that the reduced civil penalty assessment be paid within 30 days after the date of the letter containing notification of the commission's decision.

(h) a lobbyist or employer of a lobbyist may appeal the commission's decision to deny or partially accept his reasons for lateness to the superior court within 30 days after his receipt of the notice under Rule 45 of the Appellate Rules of the Alaska Court System. If no appeal is made within 30 days and no payment is made, the matter will be referred to the attorney general for appropriate action.

(i) If, upon review of a report or registration, the commission's staff finds substantial or continuous noncompliance with AS 24.45 or a provision of this chapter, the matter must be brought to the commission for review. The commission, will, in its discretion, reduce or waive

the initial civil penalty, uphold the initial civil penalty, increase the amount of the initial civil penalty to an amount not exceeding the maximum in AS 24.45.141, or instruct its staff to begin a preliminary investigation into the matter. (Eff. 7/22/78, Reg. 67; am 5/14/80, Reg. 74; am 5/24/81, Reg. 78)

Authority: AS 24.45.021(b)
AS 24.45.041
AS 24.45.051
AS 24.45.061
AS 24.45.081
AS 24.45.131(a)(1)
AS 24.45.141

2 AAC 50.510. PERSONS EXEMPT FROM REGISTERING AND REPORTING AS A LOBBYIST. Repealed 4/28/79.

2 AAC 50.511. REGISTERING AND REPORTING BY A REPRESENTATIONAL LOBBYIST AND HIS EMPLOYER. (a) An individual who attempts to influence legislative or administrative action, and receives only reimbursement for his travel and personal living expenses, is considered a representational lobbyist. "Representational lobbyist" means that the individual is not employed by the person or group on whose behalf he is lobbying and receives no salary, fee, retainer, or any economic consideration whatsoever, other than reimbursement of travel and personal living expenses, for his services as a lobbyist. A representational lobbyist need not submit reports pursuant to AS 24.45.051, but must register his representation on a form prescribed by the commission. "Personal living expenses" is considered to be an amount equal to the per diem currently allowed by the Administrative Manual of the State of Alaska. "Travel" means the cost of traveling to the capital city or the location of official proceedings of standing, interim, or special legislative or administrative committees or agencies.

(b) The person or group which reimburses a representational lobbyist for his expenses must register and report as the employer of a lobbyist in accordance with the requirements of AS 24.45.061 and 2 AAC 50. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10) AS 24.45.061
AS 24.45.021(b) AS 24.45.171(8)
AS 24.45.031(a)(1)

2 AAC 50.512. FILING A ZERO REPORT. Each lobbyist or employer of a lobbyist required to file a report of his or her activities in accordance with AS 24.45 and this chapter shall report in accordance with the reporting periods set forth in AS 24.45.081, regardless of the amount of the expenditures made or payments received, for so long as the lobbyist or the employer of a lobbyist remains registered. In the absence of any reportable lobbying activity during a reporting period, a lobbyist or the employer of a lobbyist shall certify that no expenditures were made or payments received by submitting a zero report for that period. (Eff. 4/28/79, Reg. 70)

Authority: AS 15.13.030(10) AS 24.45.061
AS 24.45.021(b) AS 24.45.081
AS 24.45.051

2 AAC 50.513. AGENCY ENFORCEMENT OF ADMINISTRATIVE LOBBYING ACTIVITIES. For the purpose of enforcing AS 24.45.171(1) and 2 AAC 50, reportable administrative lobbying does not include those attempts to influence

(1) a proceeding or action to determine the rights or duties of a person under existing laws, regulations, or policies;

(2) a proceeding involving the issuance, amendment, or revocation of a permit, license, or entitlement for use;

(3) a proceeding or action to enforce compliance with existing law or to impose sanctions for violations of existing law;

(4) a proceeding at which an action is taken involving the purchase or sale of property, goods, or services by the agency;

(5) a proceeding at which an action is taken awarding a grant or contract;

(6) a proceeding or action involving the issuance of, or ensuring compliance with, a legal opinion; and

(7) a proceeding or action to establish or enforce the terms and conditions of a collective

bargaining agreement. (Eff. 4/28/79, Reg. 70; am 5/14/80, Reg. 74)

Authority: AS 15.13.030(10)
AS 24.45.021(b)
AS 24.45.171(1)

2 AAC 50.515. REGISTERING AND REPORTING BY A BUSINESS ENTITY RETAINED TO LOBBY. (a) A firm, corporation, or other business entity which is retained for the purpose of influencing legislative or administrative action shall register as required by AS 24.45.041, on a form prescribed by the commission, stating the name of the business entity and, in addition, the names of any members, employees, or agents of the business entity who will be assigned to lobby by the business entity on behalf of the employer.

(b) A business entity as described in (a) of this section shall report on a form prescribed by the commission and need only report in the aggregate the information required by AS 24.45.051 for all members, employees, or agents assigned to lobby by the business entity on behalf of the employer. The individual members, employees, or agents of the business entity who have been assigned to lobby need not file separate reports with the commission. However, individual records must be maintained for each member, employee or agent assigned to lobby by the business entity and must be available to the commission upon request. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.041
AS 24.45.051

2 AAC 50.520. REGISTERING AND REPORTING BY THE EMPLOYER RETAINING A BUSINESS ENTITY AS A LOBBYIST. (a) Any person retaining a firm, corporation, or other business entity as a lobbyist for the purpose of influencing legislative or administrative action shall file a statement as required by AS 24.45.061(a), on a form prescribed by the commission, stating the name of the business entity retained to lobby and, in addition, the names of those members, employees, or agents of the business entity who will be assigned to lobby on behalf of the employer.

(b) An employer of a lobbyist as described in (a) of this section shall report on a form prescribed by the commission the information required by AS 24.45.061(b). The employer need file only one report covering all lobbying activities for the business entity retained and need not file a separate report for each of the members, employees, or agents assigned to lobby by the business entity on behalf of the employer. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.061

2 AAC 50.525. ASSOCIATIONS AS EMPLOYERS OF LOBBYISTS. (a) When a lobbyist is employed by a bona fide association, including any bona fide business, trade union, or membership organization, association or society, that association is an employer of lobbyist. The members of the association are not employers of that lobbyist under AS 24.45.061(a) merely because of that membership and the names of the members need not be reported.

(b) Dues or similar payments made by any person for membership in a bona fide association, including any bona fide business, trade union, or membership organization, association or society, some portion of which is used to influence legislative or administrative action, need not be included for the purpose of determining whether a person must file reports pursuant to AS 24.45.061(b).

(c) For purposes of (a) and (b) of this section, "bona fide association," including any bona fide business, trade union, or membership organization, association or society, means

(1) an association certified by an officer of the association as having legal status as a corporation or partnership;

(2) an association certified by an officer of the association as operating on the dues of its members, with no one member paying in excess of 25 percent of the total paid by all members;

(3) an association certified by an officer of the association as operating on the dues of its members, having a sliding dues-assessment scale under which no member exceeds an allotted assessment by 25 percent solely for the purpose of supporting lobbying activities, unless

that member's name is reported to the commission; or

(4) an association certified by an officer of the association as having annual expenditures for administrative and legislative lobbying, as based on the previous year's experience or current year's estimate, which do not equal or exceed 50 percent of its total expenditures for the year.

(d) The commission will in its discretion determine, on a case-by-case basis, the reporting requirements and procedures pursuant to AS 24.45 for those associations not qualifying for the exemptions under (a) and (b) of this section. (Eff. 12/29/77, Reg. 64; am 10/18/81, Reg. 80)

Authority: AS 24.45.021(b) AS 24.45.071
AS 24.45.061 AS 24.45.131

2 AAC 50.530. REPORTING ON THE ACCRUAL BASIS BY THE LOBBYIST. For the purposes of filing reports required by AS 24.45.051, the lobbyist shall report all costs incurred and income earned during the reporting period, whether or not actual cash payments and receipts have been made or received. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.051

2 AAC 50.535. REPORTING ON A CASH BASIS BY THE EMPLOYER OF LOBBYIST. Repealed 2/22/79.

2 AAC 50.536. REPORTING ON THE ACCRUAL BASIS BY THE EMPLOYER OF LOBBYIST. For the purpose of filing reports as required by AS 24.45.061(b), the employer shall report the date and amount of all payments made, or costs incurred, for the purpose of influencing legislative or administrative action during a reporting period. When reporting food and beverage on the accrual basis, it is not necessary to list the date and amount of each item charged to the employer. In such instances, the amount of payments made or incurred by the employer to each vendor during the reporting period must be listed in the aggregate. (Eff. 2/22/79, Reg. 69)

Authority: AS 15.13.030(10)
AS 24.45.021(b)
AS 24.45.061(b)
AS 24.45.171(9)

2 AAC 50.540. REPORTING COMPENSATION OR PAYMENTS BY THE EMPLOYER OF LOBBYIST. When reporting compensation to a lobbyist or payment to an employee, as required by AS 24.45.171(10)(A), (B), (D) and (E), the amount shown must include the gross wages paid or payable, and prorated as applicable, plus any benefits which are in place of wages, such as stock options or the purchase of annuities. Routine fringe benefits such as the employer's contribution to health plans, retirement plans, etc., which are made on behalf of all employees and the payment of employer's payroll taxes, are not payments to influence legislative or administrative action and are not reportable. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
AS 24.45.061(b)(3) and (6)
AS 24.45.171(10)(A),(B),(D)
and (E)

2 AAC 50.542. GIFTS AND EXCHANGES. "Gifts" and "exchanges," as used in AS 24.45.051(3) and (4), and for the purposes of AS 24.45 and 2 AAC 50, are not reportable by the lobbyist under AS 24.45.051 if the gift or exchange of an item of value is between members of the immediate family of the lobbyist. (Eff. 7/22/78, Reg. 67)

Authority: AS 24.45.021(b)

2 AAC 50.545. DEFINITIONS FOR 2 AAC 50.505 - 2 AAC 50.545. (a) In 2 AAC 50.505 - 2 AAC 50.545

(1) "person," in addition to the terms set out in AS 01.10.060(7), includes a labor union;

(2) "public official" means a public official as defined in AS 39.50.200(1), however, it does not include a judicial officer or an elected or appointed municipal officer.

(b) "Administrative action," as defined in AS 24.45.171(1), does not include normal inquiries of administrative agencies, or routine actions made necessary by law, or the actions of a person who limits his lobbying activities to appearances before any public proceeding of a regulatory or administrative agency which conducts proceedings in open public hearing for which public notice is given and which creates a record of all proceedings and provides access to the public records or transcripts and to all

material which is submitted as part of the record.

(c) "Communicate directly," as used in AS 24.45.171(8)(A), means to talk, either in person or by telephone, with any public official or legislative employee; it does not include time spent in the research, drafting, preparation, or adaptation of documents for use by the lobbyist.

(d) "Legislative action," as defined in AS 24.45.171(7), includes the actions of an "employee of the legislature acting in his official capacity," and any attempt to influence legislative action includes not only the elected official, but an employee of the legislature as well; money and time spent on lobbying activities involving a legislative employee is reportable by the lobbyist as required by AS 24.45.051 and the employer of a lobbyist as required by AS 24.45.061(b) and by this chapter. "Legislative employee" means any employee of the legislature acting in his "official capacity," as that term is used in AS 24.45.171(7).

(e) "Payments in support of or assistance to a lobbyist or his activities," as used in AS 24.45.171(10)(B), includes direct costs and expenses incurred by the employer in the current research, drafting, preparation and adaptation of documents for use by the lobbyist for the purpose of influencing legislative or administrative action.

(f) "Substantial or regular," as used in AS 24.45.171(8)(A), means that a person who is not employed specifically for the purpose of influencing legislative or administrative action, or a person whose contractual services are not specifically for the purpose of influencing legislative or administrative action, is considered to be a lobbyist if, within a 30-day period, he spends in excess of four hours in direct communication with a public official or legislative employee in activities directed toward

influencing legislative or administrative action as defined in AS 24.45.171(1), (6), (7) and this chapter: when a person becomes a lobbyist upon meeting the tests of this section, he must register in accordance with AS 24.45.041 and must report in accordance with AS 24.45.051 and 2 AAC 50. (Eff. 12/29/77, Reg. 64)

Authority: AS 24.45.021(b)
 AS 24.45.041
 AS 24.45.051
 AS 24.45.061(b)
 AS 24.45.171(1),(6),(7),(8)(A),
 (10)(B),(11) and (12)

ARTICLE 5. GENERAL PROVISIONS

Section

905. Advisory opinions
 910. Availability of reports filed with the commission
 920. Definitions

2 AAC 50.905. **ADVISORY OPINIONS.** (a) A person or group may request an advisory opinion concerning AS 15.13, AS 39.50, AS 24.45, or this chapter.

(b) Each advisory opinion request must describe a specific transaction or activity that the requesting person or group is presently engaged in, or intends to undertake in the future. Advisory opinion requests must include a complete description of all relevant facts. Requests posing a hypothetical situation, or regarding the activities of third parties, will not be considered by the commission staff.

(c) The commission staff shall review all requests for advisory opinions submitted under this section. If the staff determines a request is incomplete or does not qualify for consideration under (a) and (b) of this section, it shall notify the requesting person or group and specify the deficiencies in the request.

(d) Advisory opinion requests and advisory opinions are public records.

(e) The commission staff shall issue a proposed advisory opinion approving or disapproving of the activity, and may make other recommendations to the commission.

(f) The commission will review the proposed advisory opinion and will, in its discretion, review written or oral comments by any person, or any other relevant evidence. The commission will approve, disapprove, or modify the proposed advisory opinion. The commission will approve an advisory opinion by the affirmative vote of at least four members, or else the advisory opinion will be considered disapproved.

(g) An advisory opinion rendered by the commission may be relied upon to the extent that commission staff may not commence a preliminary investigation under 2 AAC 50.390(i), 2 AAC 50.460, or 2 AAC 50.507(i) of

(1) any person involved in the specific transaction or activity with respect to which an advisory opinion approving of the activity was rendered.

(2) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which an advisory opinion was rendered.

(h) The commission will, in its discretion, reconsider an advisory opinion at any time upon the motion of a commissioner who voted with the majority that originally approved the opinion, and if the commission adopts the motion to reconsider by the affirmative vote of at least four members. Adoption of a motion to reconsider vacates the advisory opinion to which it relates. Actions taken in good faith reliance by the requesting party before they receive written notice of reconsideration may not be the subject of a preliminary investigation under 2 AAC 50.390(i), 2 AAC 50.460, or 2 AAC 50.507(i). (Eff. 1/4/86, Reg. 97)

Authority: AS 15.13.030

2 AAC 50.910. AVAILABILITY OF REPORTS FILED WITH THE COMMISSION.

Except as provided under 2 AAC 50.351(d), copies of any report required to be filed with the commission may be obtained at cost. (Eff. 5/16/76, Reg. 58; am 1/4/86, Reg. 97)

Authority: AS 15.13.030(10) AS 39.50.020(b)
AS 15.13.040(f) AS 39.50.050(c)
AS 15.13.110(c)

2 AAC 50.920. DEFINITIONS. In this chapter, "commission" means the Alaska Public Offices Commission. (Eff. 5/16/76, Reg. 58)

Authority: AS 15.13.020(a)
AS 15.13.030(10)

**CHAPTER 55.
PUBLIC BROADCASTING COMMISSION**

Editor's Note: In light of the Executive Order No. 50 (1981) relocation of the Alaska Public Broadcasting Commission from the Department of Education to the Department of Administration, the commission's regulations have been relocated from 4 AAC 63 to 2 AAC 55, as of Register 84 (January 1983). The history notes under each section in the new location carry forward the history from the old location.

Section

- 10. Commission goals
- 20. Financial support
- 30. Qualified corporations
- 40. Requirements of qualified corporations
- 50. Noncompliance
- 60. Requirements for institutional licensees to receive financial support
- 70. Commission designee
- 80. Definitions

2 AAC 55.010. COMMISSION GOALS. The goals of the commission are to

(1) assist in the establishment and support of public broadcasting facilities in the state in order to provide the people of Alaska with the opportunity to

(A) make informed decisions as participants in local, state, and national governments;

(B) understand complex issues in both the private and public sectors;

(C) further their general education, welfare, health, safety, cultural enrichment, and entertainment;

(D) understand in detail the problems, needs, and strengths of their local communities and encourage them to participate in solving those problems, meeting those needs, and celebrating those strengths; and

(E) have access to public broadcast media.

(2) provide Alaskans with the goals and objectives of public broadcasting as defined in the Public Broadcasting Act of 1967 (47 USC § 396) and the Carnegie Commission Report. (Eff.

9/1/73, Reg. 47; am 6/24/79, Reg. 70; am 7/10/83, Reg. 87)

Authority: AS 44.21.264
AS 44.21.266
AS 44.21.268

2 AAC 55.020. FINANCIAL SUPPORT. The commission will, in its discretion, make grants of funds and property to nonprofit corporations which use the funds or property to establish and operate public broadcasting stations in accordance with the provisions of this chapter, and with the understanding that all property purchased with commission-granted money reverts to the commission if the nonprofit corporation is dissolved, or if the broadcast facility declares a surplus. (Eff. 9/1/73, Reg. 47; am 6/24/79, Reg. 70)

Authority: AS 44.21.264
AS 44.21.266

2 AAC 55.030. QUALIFIED CORPORATIONS. A corporation is qualified to receive funds and properties from the commission and to establish and operate public broadcasting facilities in this state if

(1) the corporation is organized as a nonprofit organization under AS 10.20 and is qualified as tax exempt by the United States Internal Revenue Service; and

(2) the corporation's articles of incorporation provide for

(A) a board of directors consisting of a minimum of five members representative of the geographic area and population served by the facility;

(B) a plan for rotation of membership on the board of directors among the people served by the facility;

(C) an agent of the commission to be a nonvoting, ex-officio member of the board of directors;

(D) all meetings of the board of directors to be open to the public;

(E) the giving of reasonable notice to the public of board of directors meetings;

(F) board of directors meetings to be held at least quarterly on a specified day of specified months;

(G) a prohibition against the use of proxies at board of directors meetings, however proxies may be used to establish a quorum at membership meetings of the corporation;

(H) any action taken at a board of directors meeting which is not a public meeting to be void;

(I) all meetings to be consistent with the provisions of AS 44.62.310 and 44.62.312 regarding public meetings, as if the qualified corporation were a governmental entity subject to AS 44.62.310 and 44.62.312; and

(J) a prohibition against allowing any employee of the corporation to be a board member. (Eff. 9/1/73, Reg. 47; am 6/24/79, Reg. 70; am 7/10/83, Reg. 87)

Authority: AS 44.21.264
AS 44.21.266
AS 44.21.268

2 AAC 55.040. REQUIREMENTS OF QUALIFIED CORPORATIONS. If a corporation qualifies under 2 AAC 55.030, it shall then

(1) provide the commission, for its review and comment,

(A) a statement of objectives responsive to the needs of the area served by the facility;

(B) a schedule of proposed programs that would meet identified objectives as described in (A) of this paragraph;

(C) proposed position descriptions, staff chart, personnel policies, and salary schedules; and

(D) a proposed budget showing all anticipated sources of income and objects of expenditures;

(2) agree to

(A) submit to the executive director of the commission, for review and comment, the

STATE OF ALASKA
THE LEGISLATURE

FOUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
707 465 3400

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 16, 1990

SUBJECT: Meaning of "Nonpartisan Informational Purposes"
(CSSB 384(SA))

TO: Senator Pat Pourchot
Chair, Senate State Affairs Committee

FROM: David R. Dierdorff *D. R. Dierdorff*
Revisor of Statutes

Enclosed is the redraft you requested.

You have also asked for a brief discussion of the probable judicial interpretation of the phrase "nonpartisan informational purposes," used in sec. 4 of the draft. The terms "nonpartisan" and "informational" both have commonly accepted meanings, and, in the context of this legislation, those meanings are reinforced by the prohibition against the use of public funds for advocacy purposes. I am confident that a court would look at the communication as a whole, both its content and the manner of presentation, and determine whether the communication is an objective, neutral, and factual presentation related to the ballot proposition or question. The ultimate test would be whether the primary purpose of the communication was to inform the voters or to convince them to vote a certain way. The duty of the public agency would be similar to that given the Legislative Affairs Agency under AS 15.58.020(6)(C), which requires the agency to provide a "neutral summary" of ballot propositions.

I would suggest, however, that you substitute "neutral" for "nonpartisan". Ballot questions rarely are partisan issues; that is, issues in which one political party is pitted against the other. Strictly speaking, "nonpartisan" means "nonpolitical" rather than "neutral".

DRD:lmb
L9/125

Enclosure

STATE OF ALASKA
THE LEGISLATURE

POUCH - STATE CAPITOL
JUNEAU ALASKA 998
907 465 1811

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 13, 1990

SUBJECT: Election campaigns
(CSSB 384 (State Affairs))

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

FROM: Richard A. Bradley *RAB/LMS*
Legislative Counsel

Jeanne Larson has asked that I comment on a series of questions.

I. Expenditure limitations.

Her first question asks generally about limitations on expenditures. The committee understands that there are essentially two kinds of expenditures. A candidate or a group makes "expenditures" when they pay bills incurred in an election campaign; this occurs under AS 15.13.040(a): "Each candidate shall make a full report, * * * listing the date and amount of all expenditures made by the candidate"

An entirely different kind of "expenditure" report, required under AS 15.13.040(d)(2), occurs when the so-called "independent expenditure" is made. AS 15.13 confuses the issue by using the same term for each: "expenditure", but experience has taught us that they are quite different.

The problem arises when an individual or group makes an "independent expenditure." The "independent" usage arises because to qualify as such, it must be made without the supervision or control of the candidate or group; under the law, if the candidate or group participates in the decision on how to spend the "independent expenditure," it ceases to be "independent" and becomes a contribution to the candidate or group for whose benefit it was intended.

In Buckley v. Valeo, the U.S. Supreme Court held that an independent expenditure was a species of free speech protected by the First Amendment and not subject to limitation. The court used the telling analogy that permitting an individual to say anything the person wanted limited by a dollar amount was like saying that a driver can drive anywhere he wants on a single tank of gasoline. Independent expenditures are not subject to limitation by either the Congress or state legislatures.

II. Limitations on executive spending.

Your next question asked that I comment on the extent to which the legislature could control executive spending in favor of or in opposition to a candidate or a ballot proposition or ballot question.

I believe that the legislature may (that is, has the power to) prohibit the executive branch from making expenditures of public funds in any of these areas. The more difficult question arises as to whether it wishes to-- or if it wishes to, how does it achieve it.

In the nature of things, the governor and other executive officials make political statements. In my view, this is not regrettable; it is necessary that they be free to argue their view of the development of the public policy of the state. The question that arises in my mind is whether a prohibition against the expenditure of public funds (in favor of or in opposition to a candidate or ballot proposition or ballot question) is implicated when these officials make their political statements.

I believe that it is effective to provide

The state, agencies of the state, public corporations of the state, and the University of Alaska may not use public funds of the state to support or oppose the election of a candidate. Public funds of the state . . . may not be used to urge the adoption of or the rejection of a ballot proposition or question. This . . . does not prohibit the use of public funds of the state to provide information on a public issue, including a ballot proposition or question, if the information does not advocate a particular position.

Senator Pat Pourchot
Page 3
February 13, 1990

III. Limitations on municipal spending.

The municipalities of the state are creatures of law; the legislature may control their actions. What it may do as to the executive it may certainly do as to municipalities.

And I include school districts within the understanding of "municipality."

If I may be of further assistance, please advise.

RAB:gc
G13/090

11/1/89

IMPORTANT MESSAGE FROM THE ALASKA PUBLIC OFFICES COMMISSION

**TO : All Persons and Groups Interested in the Campaign
Disclosure Regulations**

**SUBJ : Your Comments on Proposed Changes to Campaign Reporting
Rules**

The Alaska Public Offices Commission is working on revisions to its campaign disclosure regulations. The formal regulation revision process will begin in Spring 1990. This means that no regulatory changes will go into effect until after the 1990 elections. The commission is contacting you now to let you know in advance about some of the changes under consideration, and to ask for your comments and ideas.

Possible Changes

The commission anticipates reorganizing the regulations, and rewriting them in language which is easier to understand. The commission also is considering several major changes:

1. Election day would be the deadline for recouping personal funds loaned to a campaign.
2. A candidate could transfer no more than \$1000 of any campaign surplus to his or her future campaign for any state or municipal elective office.
3. Surpluses could be used only to repay contributors or make charitable donations. Surpluses could not be taken as personal income.
4. Groups would not be required to register or report if they raise or spend \$250 or less.
5. A candidate could use all assets owned jointly with a spouse for purposes of making a personal contribution.

The commission is considering the following minor changes:

1. Payroll savings plans would be considered group activity; contributions from these plans would be limited to \$1000.
2. If a volunteer agrees to be paid from surplus and is paid by December 31, the volunteer's services would not be considered a contribution.

3. The regulation which now permits a \$50 exemption for an in-kind donation would more clearly state it is a one-time exemption.
4. Additional information would be required on independent expenditure reports.
5. Telefacsimile filing of 24 hour reports would be permitted.
6. Groups would be permitted to designate acting treasurers to certify reports as long as a written designation was filed with APOC.

Public Comment

Next spring the commission will hold formal public hearings on a draft of revised campaign disclosure regulations. Before starting work on the draft, commission members want to know your views about things that should be changed, as well as your views about changes the commission already is considering.

The commission is scheduling time for public comment at its next meeting on Thursday, November 30, 1989 beginning at 9:00 a.m. The meeting will be held at commission offices in Anchorage.

Make your views known to the commission!

1. Come to the meeting and comment in person. If you plan to attend the meeting, please contact Denise Withers at 276-4176. Briefly explain the subject of your comments. Ms. Withers will schedule a mutually convenient time for you to appear.
2. Persons in locations other than Anchorage, or who are unable to attend the meeting in person, can comment over the telephone during the meeting. Please call Ms. Withers to arrange a mutually convenient time for APOC staff to place a call to you.
3. You can write to the commission on the attached form which is pre-addressed and which can be folded for easy mailing, or in a separate letter.
4. You can send your comments by fax to 276-7018.
5. You can call any staff member and express your views. Staff will confirm your comments in writing, and send a copy to you as well as to commission members.

If you would like more information about the changes the commission is considering, or copies of the campaign disclosure law and current regulations, please call Denise Withers at 276-4176.

APOC may limit campaign profit

By BRIAN S. AKRE
The Associated Press

11/9/89 ADN

JUNEAU — The Alaska Public Offices Commission is considering a major overhaul of Alaska's campaign-disclosure regulations, including revisions that could make running for office less profitable.



Sen. Pat Pourchot

One proposal under consideration would ban candidates from using surplus campaign money as personal income.

Karia Forsythe, APOC executive director, said Wednesday the commission primarily wants to make the regulations more practical and easier to understand. They were last revised in 1986.

The chairman of a legislative committee that's studying campaign-finance reform said the proposals are an attempt to pressure lawmakers to act on a reform bill next year. Sen. Pat Pourchot, D-Anchorage, also said lawmakers will question the commis-

sion's authority to make such changes on its own.

"I think the legislature would like to address some of those issues statutorily rather than through regulation," Pourchot said.

The commission staff has proposed limiting the use of surplus campaign money to future campaigns, charitable donations and repayment of contributors or volunteers.

Forsythe said commissioners favor eliminating the personal-income provision because they believe campaign contributions should be used strictly for influencing elections. Few candidates use their surpluses as income, and

Please see Page C-2, APOC

APOC: Changes considered

Continued from Page C-1

Forsythe said she does not expect the proposal to generate much controversy.

Some legislators, however, use surpluses for their legislative office expenses, and are unlikely to support a ban on that practice, Pourchot said.

Pourchot favors a provision allowing elected officials to take surpluses as income only for legitimate office expenses. The \$4,000 each legislator gets annually to run his or her office is not enough, he said.

"I have subsidized my office expenses a couple of thousand dollars every year, and I use my campaign money out of my own pocket for that," he said.

The commission also is looking at a \$1,000 limit on how much surplus campaign money can be held for future campaigns. "I don't think the legislature would favor that tight of a regulation," Pourchot said.

Other changes under consideration include:

- Requiring more detailed information on contribution and expenditure reports.

- Allowing fund raising after an election only to pay election debts, or for a future campaign only if the candidate has declared for office.

- Exempting from the definition of a reportable contribution the cost of publishing or broadcasting an editorial and providing time for candidates to express their views, "if equal access is provided for all candidates." The "equal-access" provision could face opposition from the news media.

- Exempting groups from campaign reporting and registration requirements if they contribute or spend \$250 or less.

- Limiting contributions from payroll savings plans to \$1,000.

The commission began discussing the changes informally last April and is still in the initial review. A public hearing is scheduled Nov. 30 in Anchorage, and there will be additional chances for public comment in 1990.

The commission staff plans to rewrite the regulations early next year based on the initial review. A formal public review will follow and adoption will come later in the year, Forsythe said.

"Their timeline allows for a full session of legislative action," said Pourchot, whose Senate State Affairs Committee is looking at some of the same issues. "These are not draft regs, they're discussion points."

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: CSSB 384
 PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: 2/26/90
 Title: An Act relating to election
campaigns
 Sponsor: Senator Bourchot
 Requestor: _____

Agency Affected: Dept. of Administration
 BRU: Alaska Public Offices Commission
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	60.2	62.1	64.0	66.0	68.0	70.1
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	5.1	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	65.3	62.1	64.0	66.0	68.0	70.1

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

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	65.3	62.1	64.0	66.0	68.0	70.1
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	65.3	62.1	64.0	66.0	68.0	70.1

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

SEE ATTACHED

Prepared by: Varla L. Forsythe, Executive Director Phone: 276-4176
 Division: Alaska Public Offices Commission Date: 3/6/90
 Approved by Commissioner: Annie Laurie Howard, Acting Chair Date: 3/6/90
 Agency: Alaska Public Offices Commission

Distribution (by preparer) :
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

of campaign surplus, the establishment of a campaign contribution and account close-out date, the prohibition on the use of public funds, and the prohibition on use of contributions as personal income.

In order to absorb this additional work, the commission would need an additional staff paraprofessional position classified as a Range II Paralegal. This position would investigate complaints, and would provide informal advice and assistance to candidates, groups and public entities with regard to ongoing questions attributable to these changes. Because the commission only has one secretary at the present time, an additional half-time Range 10 Secretary will be required to handle typing, photocopying and data entry attributable to these activities. Although the commission has one surplus computer terminal and printer, a new computer terminal with a laser printer, a desk, and moveable partitions would be needed to equip the new clerical position.

The FY 91 salary, benefits and equipment costs for these positions are set out below:

	<u>Salary and Benefits</u>
Paralegal II (Range 16) full-time	\$44,382
Secretary I (Range 10) part-time	15,822
1 Personal Computer, Laser Printer	3,993
1 Desk/Chair	875
Moveable Partitions	<u>200</u>
	\$65,272

STATE OF ALASKA
THE LEGISLATURE

FOURTH STATE CAPITOL
JUNEAU, ALASKA 99801
907 465 1800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 30, 1990

SUBJECT: Election campaigns
(CSSB 384 (Judiciary))

TO: Senator Jan Faiks
Chair, Senate Judiciary Committee

FROM: Richard A. Bradley 
Legislative Counsel

We have provided the committee substitute as requested.

We note two reservations about the bill that a subsequent committee of reference, if any, may wish to consider.

The first concern deals with the prohibited use of public funds in campaigning; let me note that I have solved the problem but because the committee's request was "conceptual", I wish to signal what I have done.

In the material moved to the bill from Amendment 6-1857Js, I have deleted the references to the ballot proposition or question in the early portion of Section 4 but eliminated entirely the material that permitted neutral statements on ballot propositions and questions. There was some need for the allowance of neutral statements when there was a prohibition on support or opposition to the ballot propositions or question. When the prohibition on support or opposition to ballot propositions and questions was removed, the neutral statements allowance became unnecessary-- and perhaps counterproductive.

My second concern relates to the reference to "surplus campaign funds;" as written, a candidate may convert campaign funds to personal use if they are not surplus. Since it is unclear when campaign funds become surplus, I believe that the provision prohibits less than it seems to.

I understand from Karla Forsythe, Executive Director of the Public Offices Commission that this is understood and intended.

Senator Jan Faiks
Page 2
March 30, 1990

In my view this is not a policy judgment but rather a situation where the words used are ineffective to achieve the apparent legislative goal. Since this is supposed to be the area of this office's concern, I feel obliged to share this concern with the committee.

I believe that this matter merits further review.

If I may be of further assistance, please advise.

RAB:pl
WKP4/002

Enclosure

SB 384

TAPE ONE, SIDE ONE

Number 630

KARLA FORSYTHE: Madam Chair. This amendment would delete from the Senate State Affairs version provisions relating to misuse of public funds for partisan political purpose. The Commission's view is that although this is something that needs to be clarified in law, it's an issue that has really grown well beyond the bounds of the Commission's initial recommendation. It needs to have more discussion. It is really not a campaign finance issue and should not be in this bill. Additionally, if this were to be deleted, it would substantially decrease the Commission's fiscal note.

SENATOR SZYMANSKI: What is the effect ... [END OF SIDE ONE]

TAPE ONE, SIDE TWO

Number 001

KARLA FORSYTHE: ballot question. Washington law has such a provision in Washington. I think that is a great idea, however, our counterpart agency spends an incredible amount of staff time traveling around the local school districts trying to keep them out of trouble and investigating complaints when they do, inadvertently, get into trouble. Based on the experience of our colleague in

Washington State with a similar provision, and given our experience with the complaint filing, we think this would generate a lot of work for us. It is new prohibition in state law, and anytime you have a new prohibition, it is going to generate some enforcement work.

SENATOR PEARCE: You sat on State Affairs so you had the benefit of this. As I understand it, this is going to be one of the problems that -- I don't know whether it is APOC or whether it has been the media, but it has been brought to our attention as a growing problem in Alaska. And I haven't seen anyone come forward with a separate bill to deal with it. I would feel strongly that we should not delete it because I think it is a major problem as was shown by the North Slope case and by our own school district. You know, we can't have -- I think it's fair to say that in individual legislative races, public entities got extremely involved and just because corporations find they're involved too, they are not going to be precluded and, you know, if we're going to do the job, this needs to be there.

SENATOR POURCHOT: There were only a couple of these amendments that I did have a comment on and this was one of them. Since the time the State Affairs considered this, I've been a little bothered by a couple of aspects of what we did in State Affairs. The first was the whole

implementation and as that involved a fiscal note, and I guess I have been convinced that setting forth a lot of this does require a lot of interpretation and will involve a lot of ruling making. And in studying the Washington State case, I was even more impressed that I'm not sure you solve a lot of problems, you just bring forth a lot of cases, that the most clearly situation to be avoided, I think, is giving money to candidates, and I see that as a much bigger problem than the perceived problem of taking pro and con stances of [indisc.]. Even under this, you would still be involved -- school districts would be involved in making so-called neutral statements and information. State agencies would still be doing that. That's the part that gets sticky, because just having this in place in statute won't eliminate the huge debate growing up and the cases growing up on whether or not something was pro or con, or whether it was just informational or neutral. So between then and recently, I received -- and I think I passed this on to your committee -- this thing from Preston, Thorgensen, Deeds and Ellis on behalf of the Municipal League going through an argumentation which, frankly, I felt was rather compelling about the problems involved with this statutory language relative to municipalities and school districts on bond propositions.

SENATOR FAIKS: Senator Pourchot, I understand, but I have a tendency to agree with Senator Pearce. Why didn't we

propose a prohibition against endorsing candidates, then? Why did we strike out the entire language? Wouldn't that have been a nice compromise in this, so that Senator Pearce and I, and I'm sure Senator Szymanski, would feel that there should not be public money used in endorsing a candidate, no matter what, and that is the North Slope situation. But you've seem to have thrown the baby out with the bath water with this amendment.

KARLA FORSYTHE: Madam Chair. The Commission's original recommendation was just what you stated, and the Commission would be quite pleased with that.

SENATOR POURCHOT: I agree with that also.

SENATOR FAIKS: I agree nobody should be using public funds, but I don't know how we....

SENATOR PEARCE: Are we going to do this job right, or are we just trying to do this so this doesn't have to go to finance, and that's what I'm hearing being said...

SENATOR FAIKS: Oh, no, no, no. I want it to go....I think it should go....

SENATOR PEARCE: ...Is that we're trying to get out from under a fiscal note and I don't like that because I think

that's not the way to do business. Now is there's a problem with, and if Washington State -- and I don't care what other states have done. And if we see a problem in trying to figure out whether things are pro or con and whether or not our public entities are getting involved in what is in their legal or erroneous way into elections, then it is time to stand up and say "Okay, lets take care of that." If it costs money, then so be it. We deal with that question. But I oppose what I am -- and I don't want to call into question Senator Pourchot's motives, but I do hear him say that he thinks that it's just because of that that its got the fiscal note and so he'd like to take it away.

SENATOR FAIKS: I'm going to defend Senator Pourchot in this. I think he has a broader, a more honorable position than that. But Senator Pearce, I will support you in leaving this in the bill so that it has another look at in the Finance Committee. I have no problems with that.

Number 150

SENATOR FAIKS: We'll put 6(b) at the end of the list.

[LATER IN MEETING]

Number 570

Senator Szymanski moves to amend to amendment 6(b) by placing a period (.) after the word "candidate and deleting the phrase "or on behalf of or in opposition to a ballot proposition or question" in both places of amendment.

SENATOR PEARCE: Madam Chair. And I, once again, wasn't on the State Affairs Committee, and I believe that one of the reasons this is there is because the Governor said he was going to go out, use public funds for the education endowment ...

SENATOR FAIKS: He's going to campaign against this too, now.

SENATOR PEARCE: Well, I understand that and that's using public funds, I guess. I don't know who's going to pay for his trips. But I believe that that was one of the reasons that this was in the bill. Certainly know that it was one reasons the State Affairs Committee limited discussions in the media in the State Affairs on that issue, and I still oppose leaving that portion out for that very reason. There was an uproar and the [indisc.] said "Well, we are going to take care of that so that can't happen with public funds" and here we are deleting it.

[VOTE TAKEN ON ADOPTING AMENDMENT TO AMENDMENT 6b. BY A SHOW OF HANDS, SENATORS FAIKS AND SZYMANSKI VOTED "YEA" AND

SENATOR PEARCE VOTED "NAY." THUS THE AMENDMENT TO
AMENDMENT 6b WAS ADOPTED.]

[At end of meeting after adopting amendments in CS and moving bill out of committee, Senator Faiks instructed Chris Christensen: "The municipalities recommendation on the committee report, as it came into late for us to give proper attention to it and ask the Finance Committee to please look at that amendment."

PROPOSED APOC AMENDMENTS TO CSSB 384
(STATE AFFAIRS)

APOC Amendment 1: Clarifies that municipal candidates must file campaign disclosure reports only if either total contributions or total expenditures exceed \$1,000.

Page 1, line 11:

Delete "of" in two places
Insert "totaling" in two places

Page 1, line 11:

Delete the second "or" and insert in its place "and"

APOC Amendment 2: Clarifies that a contribution is considered received on the day it is postmarked or delivered.

Page 1, line 24, after "contribution":

Insert "postmarked or delivered"

Page 1, lines 26 - 27, after "contribution":

Insert "postmarked or delivered"

APOC Amendment 3: Prohibits candidates from accepting contributions after election day.

Page 1, lines 23 - 27:

Change to read: A candidate [FOR ELECTION IN A STATE ELECTION] may not accept a contribution after the day of the election [DECEMBER 31 OF THE YEAR IN WHICH THE CANDIDATE SOUGHT ELECTION. A CANDIDATE FOR ELECTION IN A LOCAL ELECTION MAY NOT ACCEPT A CONTRIBUTION MORE THAN 45 DAYS AFTER THE LOCAL ELECTION].

APOC Amendment 4: Provides that surplus campaign funds can be donated to charity, donated to a general fund, or returned pro rata to contributors over \$100.

Page 1, lines 28 - 28 and Page 2, lines 1 - 19: Change to read:

(b) A candidate shall, by January 12 of the year after the year in which the candidate sought public office, dispose of the campaign funds that were not spent or obligated during the election campaign by

[(1) TRANSFERRING NOT MORE THAN \$10,000 OF THE FUNDS TO AN ACCOUNT FOR A FUTURE ELECTION CAMPAIGN;

(2) TRANSFERRING THE FUNDS TO A LEGISLATIVE OFFICE ACCOUNT FOR EXPENDITURES QUALIFYING AS A BUSINESS EXPENSE UNDER 26 U.S.C. 162;

(3)] (1) donating the funds to an organization that qualifies as a charitable organization under 26 U.S.C. 501(c);

[(4)] (2) donating the funds to the general fund of the state or of a municipality of the state organized under AS 29; or

[(5)] (3) returning the funds [TO CONTRIBUTORS] pro rata contributions of over \$100;

(c) A candidate shall close each campaign account by January 12 of the year after the year in which the candidate sought public office.

[(d) A CANDIDATE WHO TRANSFERS CAMPAIGN FUNDS TO AN ACCOUNT FOR A FUTURE ELECTION CAMPAIGN UNDER (b)(1) OF THIS SECTION SHALL FILE ANNUALLY WITH THE COMMISSION THE REPORT REQUIRED BY AS 15.13.110(a)(4). CAMPAIGN FUNDS TRANSFERRED TO AN ACCOUNT FOR A FUTURE CAMPAIGN MAY BE USED FOR A FUTURE CAMPAIGN OR DISPOSED OF UNDER (b)(2) - (5) OF THIS SECTION.]

APOC Amendment 5: If section 2 remains the same, provide that return of funds to contributors shall be pro rata for contributors over \$100.

Page 2, line 10:

(5) returning [THE FUNDS TO CONTRIBUTORS] pro rata contributions of over \$100.

APOC Amendment 6a: Provides that only individuals and political parties may contribute to candidates.

APOC Amendment 6b: Deletes provisions regarding misuse of public funds; APOC believes these provisions should be considered as separate legislation.

Page 2, lines 21 - 29 and

Page 3, lines 1 - 21: Change to read:

(a) An individual [A PERSON OR GROUP, INCLUDING BUT NOT LIMITED TO ALL POLITICAL COMMITTEES, BUSINESSES, CORPORATIONS, AND LABOR UNIONS] may not contribute [TO OR EXPEND] more than \$1,000 a year on behalf of or in opposition to [THE COMPETING] a candidate

[CANDIDATES] for each elective office [AND MAY NOT CONTRIBUTE MORE THAN \$10,000 IN THE AGGREGATE A YEAR TO A POLITICAL PARTY AND ITS SUBDIVISIONS.] No group other than a political party or a subdivision of a political party, and no person other than an individual, may contribute to a candidate. Political parties and their subdivisions are not subject to the limitation prescribed in this subsection, but they are subject to the reporting requirements prescribed by AS 15.13.040(b) and 15.13.110. [THE STATE, AGENCIES OF THE STATE, PUBLIC CORPORATIONS OF THE STATE, AND THE UNIVERSITY OF ALASKA MAY NOT USE PUBLIC FUNDS TO SUPPORT OR OPPOSE THE ELECTION OF A CANDIDATE OR ON BEHALF OF OR IN OPPOSITION TO A BALLOT PROPOSITION OR QUESTION. A MUNICIPALITY MAY NOT USE PUBLIC FUNDS OF THE MUNICIPALITY TO SUPPORT OR OPPOSE THE ELECTION OF A CANDIDATE OR ON BEHALF OF OR IN OPPOSITION TO A BALLOT PROPOSITION OR QUESTION.] This chapter does not prohibit

(1) a candidate from contributing more than \$1,000 of the candidate's own money to the candidate's own campaign; [OR]

(2) individuals or groups, including but not limited to all political committees, businesses, corporations, and labor unions, from contributing to or expending on behalf of or in opposition to a ballot proposition or question more than \$1,000 a year; however, these contributions and expenditures shall be reported in accordance with AS 15.13.040 and 15.13.110 [OR]

(3) THE STATE, AGENCIES OF THE STATE, PUBLIC CORPORATIONS OF THE STATE, THE UNIVERSITY OF ALASKA, OR A MUNICIPALITY FROM USING PUBLIC FUNDS OF THE STATE OR THE MUNICIPALITY FOR NEUTRAL INFORMATIONAL PURPOSES IN CONNECTION WITH A BALLOT PROPOSITION OR QUESTION; HOWEVER, THESE EXPENDITURES SHALL BE REPORTED IN ACCORDANCE WITH AS 15.13.040 AND 15.13.110.]

Amendment 7: If bill addresses use of public funds in elections, amend to provide civil penalty.

Page 6, after line, insert a new subsection to read:

"(e) An individual who authorizes the use of public funds of the state or of a municipality in violation of AS 15.13.070(a) is subject to a civil penalty of an amount not to exceed three times the misused funds. The determination of the commission is subject to a right of appeal to the superior court."

Reletter the following subsections accordingly.

APOC Amendment 8: Clarify that surplus campaign funds may not be used as personal income.

Page 3, lines 23 and 24:

Delete:

[(1) A CONTRIBUTION ACCEPTED BY A CANDIDATE MAY NOT BE USED BY THE CANDIDATE AS PERSONAL INCOME AT ANY TIME.]

Insert:

(i) An individual who accepts campaign contributions as a candidate for public office may not convert surplus campaign funds to personal income at any time.

APOC Amendment 9: If language in section 4 (use of public funds) is retained, establish a penalty.

Page 6, after line 1:

Insert a new subsection to read:

"(e) A candidate who uses a contribution as personal income at any time in violation of AS 15.13.070(i) is subject to a civil penalty of not more than three times the amount of the contribution used as personal income. The determination of the commission is subject to a right of appeal to the superior court."

Reletter the following subsections accordingly.

APOC Amendment 10: Delete specific requirements for proper identification of a political communication; commission would address by regulation.

Insert a new bill section to read:

Sec. 15.13.090. IDENTIFICATION OF COMMUNICATIONS. All advertisements, billboards, handbills, paid-for television and radio announcements, and other communications intended to influence the election or outcome of a ballot proposition or question shall be clearly identified as to source of payment. [BY THE WORDS "PAID FOR BY" FOLLOWED BY THE NAME AND ADDRESS OF THE CANDIDATE, GROUP OR INDIVIDUAL PAYING FOR THE ADVERTISING. IN ADDITION, CANDIDATES AND GROUPS MUST IDENTIFY THE NAME OF THEIR CAMPAIGN CHAIRMAN]."

A M E N D M E N T

OFFERED IN THE SENATE

BY APOC #1

TO: CSSB 384 (State Affairs)

Page 1, line 11:

Delete "of" in two places

Insert "totaling" in two places

Page 1, line 11:

Delete the second "or" and insert in its place "and"

A M E N D M E N T

BY APOC #2

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 1, line 24, after "contribution":

Insert "postmarked or delivered"

Page 1, lines 26 - 27, after "contribution":

Insert "postmarked or delivered"

A M E N D M E N T

BY A.P.O.C. #5

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 1, line 24:

Delete "in a state election"

Page 1, lines 24 - 27:

Delete "after December 31 of the year in which the candidate sought election. A candidate for election in a local election may not accept a contribution more than 45 days after the election"

Insert "after the day of the election"

A M E N D M E N T

By APOC

74

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 2, lines 2 - 6:

Delete "transferring not more than \$10,000 of the the funds to an account for a future election campaign;

(2) transferring the funds to a legislative office account for expenditures qualifying as a business expense under 26 U.S.C. 162;

(3)"

Renumber the following paragraphs accordingly.

Page 2, line 10:

Delete "to contributors"

Insert "pro rata as to contributions in excess of \$100 in the aggregate a year"

Page 2, lines 14 - 19:

Delete all material.

A M E N D M E N T

B7 APOC #5

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 2, line 10:

Delete "to contributors"

Insert "pro rata as to contributions in excess of \$100 in the aggregate a year"

A M E N D M E N T

B1 ABC 60

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 2, after line 19:

Insert a new bill section to read:

"* Sec. 3. AS 15.13.050 is amended to read:

Sec. 15.13.050. GROUPS. Each group, before making an independent expenditure on behalf of [,] or in opposition to [,] a candidate [OR A CONTRIBUTION TO A CANDIDATE], shall register, on forms provided by the commission, with the commission. If the group intends to make independent expenditures of more than 50 percent of its funds [SUPPORT OR OPPOSE ONLY ONE CANDIDATE, OR TO CONTRIBUTE TO OR EXPEND] on behalf of [,] or in opposition to only [,] one candidate [50 PER CENT OR MORE OF ITS FUNDS], the name of the candidate shall be a part of the name of the group. Promptly upon receiving the registration, the commission shall notify the candidate of the group's organization and intent. Each political party and each subdivision of a political party shall register before making a contribution to a candidate."

Renumber the following sections accordingly.

Page 2, lines 21 - 22:

Delete "A person or group, including but not limited to all political committees, businesses, corporations, and labor unions,"

Insert "An individual [A PERSON OR GROUP, INCLUDING BUT NOT LIMITED TO ALL POLITICAL COMMITTEES, BUSINESSES, CORPORATIONS, AND LABOR UNIONS,]"

Page 2, line 23:

Delete "to or expend"

Insert "[TO OR EXPEND]"

Page 2, line 23, after "\$1,000":

Insert "in the aggregate"

Page 2, line 24:

Delete "the competing candidates"

Insert "a candidate [THE COMPETING CANDIDATES]"

Page 2, lines 24 - 26:

Delete "and may not contribute more than \$10,000 in the aggregate a year to a political party and its subdivisions"

Page 2, line 26, after ".":

Insert "Except for a political party and its subdivisions, a group may not contribute to a candidate. Except for an individual, a person may not contribute to a candidate."

Page 2, line 27, after "subject to the":

Insert "\$1,000"

Page 4, after line 13:

Insert a new bill section to read:

"* Sec. 7. AS 15.13.080 is amended to read:

Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. A person or political party [GROUP] contributing to a candidate over \$250 or contributing goods or services to a candidate with a value of more than \$250 to influence the election of a candidate shall furnish the commission a signed statement, on a form made available by the commission. The statement shall itemize the contributions and goods and state that the contributor is not [A PERSON OR GROUP] prohibited by law from contributing and that the contribution consists of funds or property belonging to the contributor and has not been given or furnished by another person or group. The contributor's statement shall be filed with the commission by the contributor no later than 10 days after the contribution is made. A copy of the statement shall be furnished the candidate, campaign treasurer, or deputy campaign treasurer at the time the contribution is made."

Renumber the following bill sections accordingly.

Page 6, line 7:

Delete "3, 5, 7, and 8"

Insert "4, 6, 9, and 10"

Page 6, line 9:

Delete "4, and 6"

Insert "5, and 8"

A M E N D M E N T

BY HUC #60

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 2, line 29, through page 3, line 6:

Delete "The state, agencies of the state, public corporations of the state, and the University of Alaska may not use public funds to support or oppose the election of a candidate or on behalf of or in opposition to a ballot proposition or question. A municipality may not use public funds of the municipality to support or oppose the election of a candidate or on behalf of or in opposition to a ballot proposition or question."

Page 3, line 9:

Delete "[OR]"

Insert "or"

Page 3, lines 15 - 21:

Delete "; or

(3) the state, agencies of the state, public corporations of the state, the University of Alaska, or a municipality from using public funds of the state or the municipality for neutral informational purposes in connection with a ballot proposition or question; however, these expenditures shall be reported in accordance with AS 15.13.040 and 15.13.110"

A M E N D M E N T

OFFERED IN THE SENATE

BY APOC #7

TO: CSSB 384 (State Affairs)

Page 6, after line 1, insert a new subsection to read:

"(e) An individual who authorizes the use of public funds of the state or of a municipality in violation of AS 15.13.070(a) is subject to a civil penalty of an amount not to exceed three times the misused funds. The determination of the commission is subject to a right of appeal to the superior court."

Reletter the following subsections accordingly.

A M E N D M E N T

BY APOC #8

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 3, lines 23 - 24:

Delete all material and insert:

"(i) An individual who accepts campaign contributions as a candidate for public office may not convert campaign funds to personal income at any time."

A M E N D M E N T

BY APDC #10

OFFERED IN THE SENATE

TO: CSSB 384 (State Affairs)

Page 4, after line 13:

Insert a new bill section to read:

"* Sec. 6. AS 15.13.090 is amended to read:

Sec. 15.13.090. IDENTIFICATION OF COMMUNICATION. All advertisements, billboards, handbills, paid-for television and radio announcements and other communications intended to influence the election of a candidate or outcome of a ballot proposition or question shall be clearly identified as to the source of payment [BY THE WORDS "PAID FOR BY" FOLLOWED BY THE NAME AND ADDRESS OF THE CANDIDATE, GROUP OR INDIVIDUAL PAYING FOR THE ADVERTISING. IN ADDITION, CANDIDATES AND GROUPS MUST IDENTIFY THE NAME OF THEIR CAMPAIGN CHAIRMAN]."

Renumber the following bill sections accordingly.

Page 6, line 7:

Delete "7, and 8"

Insert "6, 8, and 9"

Page 6, line 9:

Delete "6"

Insert "7"

A M E N D M E N T

OFFERED IN THE SENATE

BY THE JUDICIAL COUNCIL

TO: CSSB 384 (State Affairs)

Page 3, line 15:

Delete "or"

Page 3, line 21, after "15.13.110"

Insert "; or"

(4) the Alaska Judicial Council from providing information and recommendations to the voters under AS 22.05.100, AS 22.07.060, AS 22.10.150, and AS 22.15 195 on a justice or judge seeking retention in office"



alaska judicial council

1029 W. Third Avenue, Suite 201, Anchorage, Alaska 99501 (907) 279-2526 FAX (907) 276-5046

EXECUTIVE DIRECTOR
William T. Cotton

February 27, 1990

NON-ATTORNEY MEMBERS
Hilbert J. Hennckson, M.D.
Lena Okakok
Janis G. Roller

ATTORNEY MEMBERS
Daniel L. Callahan
William T. Council
James D. Gilmore

CHAIRMAN, EX OFFICIO
Warren W. Matthews
Chief Justice
Supreme Court

Chris Christensen
Office of Senator Jan Faiks
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

RECEIVED

MAR 1 1990

JAN FAIKS
SENATE OFFICE

RE: CSSB384 (SA)

Dear Chris:

I am writing to propose a change in CSSB384 as it was proposed by Senate State Affairs so that the proposed legislation does not conflict with existing legislation relating to the Alaska Judicial Council. The proposed legislation states that agencies of the state may not use the funds to support or oppose a ballot question. The Alaska Judicial Council is allowed by AS 22.05.100, 22.07.060, 22.10.150, and 22.15.195 to provide information and recommendations to the voters on judges who are standing for retention elections. The proposed legislation does make an exception for state agencies providing neutral information. However, the above cited statutes concerning the Judicial Council allow us not only to make information available to the voters, but also to make recommendations concerning whether judges should be retained.

In order to remedy this inconsistency, I propose that one more exception be added to section 3 amending AS 15.13.070(a). I would add a section (a)(4) to read:

(4) the Alaska Judicial Council from providing information and recommendations to the voters on judges standing for retention elections pursuant to AS 22.05.100, 22.07.060, 22.10.150, and 22.15.195.

Please feel free to give me a call if you have any questions.

Very truly yours,

William T. Cotton
Executive Director

WTC/jmz

A M E N D M E N T

OFFERED IN THE SENATE

BY *REP. MARTIN*

TO: CSSB 384 (State Affairs)

Page 3, line 2, after "funds":

Insert ", facilities, or equipment"

Page 3, line 4, after "funds":

Insert ", facilities, or equipment"

A M E N D M E N T

OFFERED IN THE SENATE

BY REP. MARTIN

TO: CSSB 384 (State Affairs)

Page 4, line 8, after "lobbyist":

Insert "means a person who, within the preceding 12 months,

(1) has registered as a lobbyist under AS 24.45.041; or

(2) has acted as a volunteer lobbyist under AS 24.45.-
161(a)(1) or as a representational lobbyist as defined under the
regulations of the commission."

Page 4, lines 9 - 13:

Delete all material.

A M E N D M E N T

OFFERED IN THE SENATE

BY REP. MARTIN

TO: CSSB 384 (State Affairs)

Page 2, line 23:

Delete "to or expend"

Insert "[TO OR EXPEND]"

Page 2, line 23:

Delete "a year on behalf or in opposition to the competing candidates for each elective office"

Insert "in the aggregate each two years to a candidate for election to the house of representatives, in the aggregate each three years to a candidate for election to municipal office, and in the aggregate each four years to a candidate for election to the senate, governor, or lieutenant governor [A YEAR ON BEHALF OF OR IN OPPOSITION TO THE COMPETING CANDIDATES FOR EACH ELECTIVE OFFICE]"

MEMORANDUM

State of Alaska

*Office of the Governor
Division of Policy*

TO: Jan Faiks, Chair
Senate Judiciary Committee

DATE: March 23, 1990

FROM: Mary Halloran, Director
Division of Policy

PHONE: 465-3568

SUBJECT: Amendments to CSSB 384 (SA)

FILE NO:

The following are suggested amendments to CSSB 384 (SA) which conform to the main provisions of SSSB 231. Thank you for your consideration.

CC: Senator Szymanski
Senator Halford
Senator Pearce
Senator Rodey

Amendment 1: Defines who can contribute to candidates and to political parties. Substitute following language for section 3 of CSSB 384 (SA):

AS 15.13.070 (a) is amended to read:

(a) An individual [A PERSON OR A GROUP, INCLUDING BUT NOT LIMITED TO ALL POLITICAL COMMITTEES, BUSINESSES, CORPORATIONS, AND LABOR UNIONS,] may not contribute [TO OR EXPEND] more than \$1,000 a year [ON BEHALF OF OR IN OPPOSITION] to a candidate, and an individual or a group may not contribute more than \$1,000 a year in the aggregate to a political party and any of its subdivisions [THE COMPETING CANDIDATES FOR EACH ELECTIVE OFFICE]. No group other than a political party or a subdivision of a party, and no person other than an individual, may contribute to a candidate. Political parties and their subdivisions are not subject to the limitation prescribed in this subsection, but they are subject to the reporting requirements prescribed by AS 15.13.040(b) and 15.13.110. This chapter does not prohibit

(1) a candidate from contributing more than \$1,000 of the candidate's own money to the candidate's own campaign; or

(2) individuals or groups, including but not limited to all political committees, businesses, corporations, and labor unions, from contributing to or expending on behalf of a ballot proposition or question more than \$1,000 a year; however, these contributions and expenditures shall be reported in accordance with AS 15.13.040 and 15.13.110.

Amendment 2: Amend section 5, page 4, line 5, of CSSB 384 (SA) as follows:

(2) ~~directly or indirectly solicit~~, receive, collect, handle disburse, or account for campaign contributions for a candidate for governor, lieutenant governor, or the legislature.

pat
Municipality
of
Anchorage



JIM BARNETT
Assemblyman
10050 Prospect Drive
Anchorage, Alaska 99516

P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 264-4311

March 15, 1990

Senator Pat Pourchot
Alaska State Senate
P. O. Box V
Juneau, AK 99811

Representative David Finkelstein
Alaska House of Representatives
P. O. Box V
Juneau, AK 99811

MUA -

Limit political party
contributions to \$1000.-
per candidate in Muni
Elections (Muni elected offices
are nonpartisan).

Dear Pat and David:

This is further to my recent discussions with you both in Juneau this session about your pending legislation concerning campaign reform.

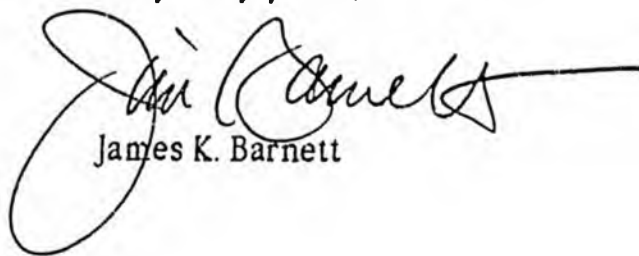
As I indicated, there is substantial interest in the Anchorage Assembly to preserve the nonpartisan nature of the Assembly election process, pursuant to the purposes for such elections established by the framers of the Anchorage Municipal Charter. Further, non-partisan races are typical of most local elections in Alaska, so we can assume similar interests exist outside of Anchorage.

On this basis, the Anchorage Assembly recently adopted AR No. 90-61, which is attached. On behalf of the Assembly, I strongly recommend legislative consideration to limit the contribution level of political parties in non partisan elections to the level established for others in partisan and non partisan races.

By copy of this letter and accompanying resolution to Scott Burgess at AML, as well as the presiding officers of the Fairbanks and Juneau Assemblies, I request their respective favorable consideration of this concept in hopes of

gaining local community support for effecting this modest change yet this session.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jim Barnett", with a long horizontal flourish extending to the right.

James K. Barnett

cc: Mr. Scott Burgess, AML Juneau
Presiding Officer, Fairbanks Assembly
Presiding Officer, Juneau Assembly

2-27-90

Submitted by: Assemblymen Barnett,
Begich and Wood
Prepared by: Assembly Budget
Analyst
For reading: February 27, 1990

ANCHORAGE, ALASKA
AR NO. 90-61

A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SEEKING
ALTERNATIONS OF STATE STATUTES TO LIMIT CONTRIBUTIONS FROM
POLITICAL PARTIES IN NONPARTISAN ELECTIONS

WHEREAS, the Anchorage Charter and Code provide that all
persons holding elective office serve in a nonpartisan capacity;
and

WHEREAS, it is fitting and proper to maintain a nonpartisan
posture in all campaigns involving Municipal elections in
furtherance of the clear directive of the framers of the Anchorage
Charter; and

WHEREAS, Alaska Statute 15.13.070 (a) does not limit political
parties and their subdivisions to the \$1,000 limit placed on other
groups and individuals; and

WHEREAS, most Alaskan voters have chosen not to be affiliated
with either political party; and

WHEREAS, the intent of the nonpartisan election process
dictated by the Charter can be seriously undercut by allowing
unlimited contributions from political parties to Municipal races;
and

WHEREAS, Municipal elections are nonpartisan and, it is
therefore, reasonable to place a \$1,000 limitation on political
parties.

NOW, THEREFORE, the Anchorage Municipal Assembly resolves:

That the Legislature is encouraged to amend A.S. 15.13.070 to
limit the contributions from a political party and its subdivisions
to \$1,000 to any candidate in nonpartisan Municipal elections.

PASSED AND APPROVED by the Anchorage Assembly this
27th day of February, 1990.

Heather Stynor
Chair

ATTEST:
Rush E. Teldkang
Municipal Clerk

DOCS/AR14

CSSB 384 (State Affairs)	YES, include in Jud CS	No, don't include	Current Law
1. Prohibits acceptance of post-election campaign contributions after 12/31 following November election or 45 days after local election; immediate effective date (Section 2)			Not addressed
2. Prohibits use of campaign funds as personal income (Section 4)			No restrictions
3. Limits use of surplus campaign funds to (Section 2): <ul style="list-style-type: none"> • transfer to legislative office account; expenditure must qualify as business expense under IRS code; • donate to charitable organization that qualifies as charity under IRS code • transfer up to \$10,000 to an account for a future election campaign • return to contributors • donate to state general fund or to a municipality 			No real restrictions because surplus can be taken as personal income

CS SB 384 (SA) -- Worksheet for Judiciary CS

CSSB 384 (State Affairs)	YES, include in Jud CS	No, don't include	Current Law
4. Places a cap of \$10,000 on contributions to a political party (Section 3)	<input type="checkbox"/>	<input type="checkbox"/>	No cap
5. Closure of campaign account by January 12th (Section 2)	<input type="checkbox"/>	<input type="checkbox"/>	No deadline
6. Disposal of surplus campaign funds by January 12th (Section 2)	<input type="checkbox"/>	<input type="checkbox"/>	No restrictions
7. Establishes January 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign (Section 6)	<input type="checkbox"/>	<input type="checkbox"/>	January 16 deadline for submission of year-end report
8. Prohibits lobbyist from collecting or handling campaign contributions or serving as campaign treasurer or deputy treasurer (doesn't include representational or volunteer lobbyist); immediate effective date (Section 5)	<input type="checkbox"/>	<input type="checkbox"/>	No restrictions other than registering as campaign treasurer or deputy treasurer

CSSB 384 (State Affairs)	YES, include in Jud CS	No, don't include	Current Law
9. Contributions or expenditures exceeding \$250 made within nine days of election must be reported to commission within 24 hours (closes reporting gap for days 8 and 9); immediate effective date (Section 7)	<input type="checkbox"/>	<input type="checkbox"/>	Current statute specifies money received within 7 days of election must be reported to commission within 24 hours
10. Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less; immediate effective date (Section 1)	<input type="checkbox"/>	<input type="checkbox"/>	Not addressed in statute; Codifies existing APOC procedures
11. Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication; immediate effective date (Section 8)	<input type="checkbox"/>	<input type="checkbox"/>	Currently a criminal violation

CS SB 384 (SA) -- Worksheet for Judiciary CS

CSSB 384 (State Affairs)	YES, include in Jud CS	No, don't include	Current Law
12. Prohibits local or state use of public funds on behalf of a candidate or ballot initiative except for informational neutral purposes; subject to APOC reporting requirements; immediate effective date (Section 3)			Restriction on local or state government contributions to candidates is unclear -- no limit on ballot measures. Local government must report to APOC; reporting requirements for state government is unclear

A M E N D M E N T

OFFERED IN THE SENATE

BY THE JUDICIARY COMMITTEE

TO: CSSB 384 (State Affairs)

Page 2, line 29, through page 3, line 6:

Delete "The state, agencies of the state, public corporations of the state, and the University of Alaska may not use public funds to support or oppose the election of a candidate or on behalf of or in opposition to a ballot proposition or question. A municipality may not use public funds of the municipality to support or oppose the election of a candidate or on behalf of or in opposition to a ballot proposition or question."

Page 3, line 15, through line 21:

Delete "; or

(3) the state, agencies of the state, public corporations of the state, the University of Alaska, or a municipality from using public funds of the state or the municipality for neutral informational purposes in connection with a ballot proposition or question; however, these expenditures shall be reported in accordance with AS 15.13.040 and 15.13.110"

Page 3, line 25:

Delete "new a section"

Insert "new sections"

Page 3, after line 25:

Insert a new section to read:

"Sec. 15.13.071. USE OF STATE OR MUNICIPAL RESOURCES IN CAMPAIGN. (a) An elective official of the state or of a municipality, ^{or school district} an employee of an elective official, and an individual appointed to an office of or employed by the state, an agency of the state, a public corporation of the state, the University of Alaska, ^{school district} or a municipality may not use or authorize the use, directly or indirectly, of a resource of the state or a municipality for the purpose of assisting the campaign for election of a candidate or for the support of or the opposition to a ballot proposition or question.

(b) This section does not apply to

(1) action taken at an open meeting by members of the legislature, of a municipal council or assembly, or the governing body of a school district to express a collective decision or to vote on a motion, bill, resolution, or ordinance or to support or oppose a ballot proposition or question if

(A) a required notice of the meeting includes the title and number of the ballot proposition or question; and

(B) members of the legislature, the municipal council or assembly, or the governing body of a school district, and members of the public are afforded an opportunity for the expression of an opposing view;

(2) a statement by an elected official in support of or in opposition to a ballot proposition or question at a press conference or in response to an inquiry; or

(3) an activity that is part of the normal and regular conduct of an office or agency.

(c) This section does not restrict the right of an individual to express personal views concerning, supporting, or opposing a candidate or ballot proposition or question if the expression does not involve the use of a resource of the state, a municipality, or a school district.

(d) This section does not prevent the state, a municipality, or a school district from

(1) making a resource available on a nondiscriminatory, equal access basis for political uses; or

(2) making an objective and fair presentation of facts relevant to a ballot proposition or question if the action is part of the regular conduct of the office or agency.

(e) In this subsection,

(1) "district" has the meaning given in AS 14.17.250;

(2) "normal and regular conduct" means conduct that is

(A) affirmatively authorized by law in an enactment;

and

(B) not effected or authorized in or by an extraordinary means or manner; ^{or}

(3) "resource" includes ^{members of the public by elected officials}

(A) the use of stationery, postage, machines, and equipment;

(B) the use of employees of the state or municipality during working hours; and

(C) vehicles, office space, publications, and clientele lists of persons served by the state, municipality, or school district."