

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6672 SENATE STATE AFFAIRS

1076

1 (f) A person who claims to be a registered voter, but for whom
2 no evidence of registration in the precinct can be found, shall be
3 allowed to vote in the same manner as that of a questioned voter and
4 the ballot shall be treated in the same manner. The ballot shall be
5 considered to be a "questioned ballot" and shall be so designated.
6 The director or the director's representative shall determine whether
7 the voter is registered in the election district before counting the
8 ballot.

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act relating to elections & computation of time.
 Sponsor: Rules Committee
 Requestor: Governor

Agency Affected: Office of the Governor
 BRU: Elections
 Components: I - Elections. II Primary & Gene.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Linda Edgeworth, Information Officer Phone: 465-4611
 Division: Division of Election Date: 12/22/89

Approved by Commissioner: *[Signature]* (Acting) Date: 12.22.89
 Agency: Dave Koevuniemi

Office of the Governor
 Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS
P.O. BOX AF
JUNEAU, ALASKA 99811-0105
PHONE (907) 465-4611

COMMENTS IN SUPPORT OF SB 378

Prepared By
Division of Elections
January 18, 1990

What the Bill Does:

The intent of this bill is to increase voter participation and to expand Alaska's registration opportunities. The bill would allow qualified individuals who have been residents of the State for at least 30 days, but who have failed to register in time for the election, to register on election day, and to vote in statewide elections for statewide candidates and measures. The bill imposes certain restrictions and guidelines to ensure the integrity of the process, and provide administrative guidelines:

1. The voter would still have to meet all basic voter qualifications established in AS 15.05.
2. The voter would have to have resided in the state for at least 30 days;
3. To be eligible, the voter would have to vote in person before an election official at a polling place, or before an absentee official at a designated absentee voting site; and,
4. The voter registering on election day would only be eligible to vote and have his or her ballot counted for statewide candidates and measures.

What the Bill Does Not Do:

The bill does not affect the 30 day prior registration requirement for voting in districtwide, regional, municipal or areawide elections. To be eligible to vote in these elections and races the voter would still have to have registered in the jurisdiction at least 30 days prior to the election.

Continuation of the 30 day prior registration requirement for subjurisdictions of the state safeguards the integrity of elections where the specific residence of the voter dictates his or her eligibility to vote in specific district or regional races and on

local issues. For statewide candidates and measure residency anywhere in the state qualifies the voter. The 30 day prior registration requirement for districtwide, regional and local elections, also inhibits the potential for fraudulent cross-district voting which might occur on election day if the prior registration requirement already mandated by law were not maintained.

General Comments:

Limited and controlled election day registration is not a new concept in Alaska. Similar procedures are already in place for presidential elections when these same voters are allowed to register on election day and have their ballot counted for presidential candidates. House Bill 378 merely extends the program to provide similar service in all statewide elections, rather than only those held in presidential years. The fundamental systems and procedures are already in place, have already proved themselves in actual use, and are fully accountable.

The bill is also offered in response to growing congressional support and active pursuit of federal legislation which would require such measures for any federal race. Many of the federal bills gaining momentum contain provisions which would be detrimental to Alaska's existing election procedures. Often in federal legislation, however, exemptions are introduced and included for states who already have similar provisions in place. In anticipation of eventual federal intervention, enactment of legislation like that proposed in SB 378 could allow Alaska to continue to maintain control over its own election process.

Additional Technical Amendments:

While much of the bill is dedicated to conforming amendments related to the primary subject matter of the bill, two other issues are addressed.

1. The bill adds clarification to the statutes that absentee ballots are treated in the same manner as questioned ballots with regard to their review and counting. As a matter of practice and in the interests of guaranteeing equal protection, the counting rules specified for questioned ballots have been applied to votes cast by in person absentee ballot. This bill merely codifies the traditional practice.
2. A clarification of the "computation of time rule" is added to provide that, for the purposes in Title 15, if a deadline for an election activity, voter or candidate requirement falls on a weekend or holiday, the deadline is extended to the first weekday after the weekend or holiday.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS
P.O. BOX AF
JUNEAU, ALASKA 99811-0105
PHONE (907) 465-4611

SECTIONAL ANALYSIS SENATE BILL 378

Prepared by
Division of Elections
January 19, 1990

Most sections of this bill provide technical amendments and conforming language related to the general issue of election day registration for statewide elections.

Related Sections:

Section 1 Voter Qualifications - General

The only change in this section of the statute is the splitting of the 30 day residency requirement in the state from the 30 day residency requirement in the district. By treating these eligibility criteria as separate requirements, the bill clarifies the basis on which a voter is eligible to vote in the different types of elections covered by this bill.

Section 2 Voter Qualifications - Presidential Elections

The current statute refers to voters who have not resided in "an election district" for 30 days being eligible to vote for president and vice president. The amendment adds reference to 30 day residency in the state. Any citizen of the United States should be eligible to vote for President even if they have only just recently moved.

Section 3 Election Day Registration - Statewide Races

This section contains the substance of the proposal. It provides that an individual who has been a resident of the state for at least 30 days, but who has failed to register at least 30 days prior to the election may register on election day and vote in statewide races if:

1. the voter registers by voting a questioned ballot before an election official on election day; or,

2. the voter votes in person before an absentee official at a designated absentee voting site.

Section 4 Registration

This section maintains the existing 30 day prior registration requirement but adds a reference to the exceptions involving voting for president, or statewide candidates and measures.

Maintaining the 30 day prior registration requirement is critically important for the purposes of preparing precinct registers. Under existing law, any voter who is not registered by the 30 day cut-off will not appear on the precinct register, forcing the person to vote a questioned ballot. The questioned ballot is, in fact, a registration form subject to full review by the District Review Board. It is during this review that the eligibility of the voter is evaluated, and it is determined exactly how much of the voter's ballot may be counted.

Section 5 Re-registration by Voters Who have been Purged

This section makes conforming amendments to the statute covering voters whose prior registration has been cancelled for failure to vote. The 30 day prior registration with exceptions for presidential and statewide races is clarified in conformity with the election day registration provisions.

Section 6 Transfer of Registration

This amendment clarifies the stipulation that to vote in a district's election, the voter must be registered or transfer his or her registration to the district at least 30 days prior to the election.

Section 7 Questioned Ballots

Any voter whose name does not appear on a precinct register shall be allowed to vote a "questioned ballot" under the law. The current statute is misleading and confusing in that it indicates the voter "shall vote a questioned ballot in the precinct in which the voter resides." In reality, and as indicated in the beginning of the text in the same section, the voter is allowed to vote a questioned ballot in any precinct. The language within this section of the statute seems to contain conflicting language which is corrected by the amendment.

Unrelated Sections:

Section 8 Computation of Time

AS 01.10.080 states how the time in which an act is to be done is to be computed, extends a "deadline" date that falls on a weekend or holiday to the first working day after the weekend or holiday. Unfortunately, that rule only covers the typical situation of counting forward from a particular triggering event or date. However, since a number of election deadlines are determined by counting backwards from a given date, such as election day, the computation of time under Title 1 can have the effect of requiring voters and candidates to perform acts earlier than intended. The amendment clarifies that for Title 15, the computation of time rule always extends the deadline until the first weekday following the weekend or holiday.

Section 9 Treating Absentee In Person Ballot in the Same Manner as Questioned Ballots

This language is almost identical to that found in AS 15.07.090 (d), (Section 7 of the bill), and clearly provides that the handling of absentee ballots will be the same as that stipulated for questioned ballots. This new provision only serves to codify existing practice.

FISCAL NOTE

REQUEST:

Revision Date: 3/1/90 Agency Affected: Office of the Governor
 Title: Voter qualification and registration for state elections BRU: Elections
 Sponsor: Rules/Governor Components: I Elections
 Requestor: Rules/Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The fiscal impact for FY 90 is -0-

Prepared by: Linda Edgeworth Phone: 465-4611
 Division: Division of Elections Date: 3/1/90
 Approved by Commissioner: [Signature] Date: 3-1-90
 Agency: _____

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

2-26-90

SB 378

Linda Edgeworth
(+ Supreme Court)
votes questioned or absentee

absentee and questioned ballots to
be handled the same.

Federal Legislation:

- No Purgery
- ~~but~~ Register by mail

30 day pre-registration — guarantees
residency

Pat Purged people can ~~also~~ vote

Kelly effective date Jan. 1, 1991

Partial count voting

Uehling Airport voting —

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800


LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 27, 1990

SUBJECT: Voter qualification and registration for state elections, etc. (CSSB 378 (State Affairs))

TO: Senator Pat Pourchot
Chair, Senate State Affairs Committee

FROM: Richard A. Bradley
Legislative Counsel 

You have requested that we provide your committee with a CS for the governor's bill on the above subject. We have done so; in the process we also made some technical changes to the bill.

We also had some reservations about other sections of law that seem implicated by the bill but that were not amended in the bill. Because your request did not ask that these matters be dealt with and because the need for the suggested amendments was not clear, we have not addressed these matters. But we believe that subsequent committees of reference may wish to review these questions.

AS 15.20.015 is implicated by the amendment to AS 15.05.-010(4) in Section 1 of the bill.

AS 15.07.030(b), AS 15.07.040, and 15.07.160 are also implicated by the changes made in the bill.

If the division of elections is satisfied with the bill and the committees of reference concur, then we have no difficulties.

But we believe that a subsequent committee of reference may wish to review this matter.

If I may be of further assistance, please advise.

RAB:pl
WKP2/100
Enclosure

S B

379

1-9-72 8th Pot Lariat
Joan Townsend
562 7835
379-

Pot Lariat

Grant Land
demanded for women

Verse and worse

Poor lawmakers: State poem a lost cause

Senators recently got a look at a bill suggesting an official state poem. Unfortunately, the poem — "Great Land" by Brady D. Jackson II — has neither literary merit nor emotional appeal.

The senators wisely shunned "Great Land," but they could do all Alaskans an even bigger favor by banning, evermore, the very concept of an official state poem.

Virtually all the monumental poems written about Alaska are pure drivel. The few that transcend drivel reach only the level of mindless pap. Poets who attempt to capture Denali's majesty and the sweeping grandeur of the Yukon River can't do so without resorting to crumbling clichés and wilted images.

Inevitably the result is a huge, rhyming, ramshackle monster that sounds like something Robert Service might have written with a bad hangover.

Writers of serious repute haven't done well with the mega-Alaska genre either — not in a hundred years. Look at Bret Harte's "An Arctic Vision" which celebrates the purchase of Alaska. It begins:

*All ye icebergs make salaam
You belong to Uncle Sam.
And above the wild ducks' clamour,
In his own peculiar grammar...*

After these egregious couplets, who would read further?

Poetry soothes the soul and refreshes the mind. By all means, let's have more of it. But please, no more pseudo-Service verse masquerading as art. Maybe we need a state muffin (Minnesota has one — blueberry), but we don't need a state poem.

QUOTABLE

"We know we don't have a system in place that can withstand sustained cold. We've said, 'Either give us the money to fix the thing or we're going to have winter disasters.'"

— Kotzebue city manager Mike Scott, explaining his request for state disaster aid to fix the city's frozen water/sewer system.

"In the eastern Interior — Northway, Tetlin and Tok — they consistently winter after winter get hit with 60- or 70-below weather and we never have these kind of problems."

— Mike Irwin, aide to Gov. Cowper, reacting to Kotzebue's disaster-aid request.

"I think it's criminal that the legislature should water down these bills. Things go through so many committees here you could turn an elephant into a snake."

— State Rep. Richard Foster, D-Nome, commenting on how the House transformed a resolution endorsing the recriminalization of marijuana into a measure endorsing the public's right to vote on the issue.

February 21, 1990

Dear Senator Pouchot,

Upon reading a quote in the Anchorage Daily News, February 20, 1990, that you said a state poem had not been selected, I wondered if a contest had been open for submittals and I missed the announcement.

Enclosed is my submission for consideration. I am a published poet and have lived in Alaska since January 9, 1989. My husband and I drove here from Colorado Springs, Colorado, and my literary agent is promoting a book written on that adventure titled, "The Icy Hand of Alaska Beckoned." However, it is not as of this writing under contract.

Respectfully,

Maureen Staton-Morgan

Maureen Staton-Morgan
1317 W. Northern Lights Blvd.
#529
Anchorage, AK 99503
(907) 696-2766

Enc: Poem "Alaska's A Bonfire Of Hope"

Called 3.14.90 —

Explained "no contest"
Thank you for poem.

ALASKA'S A BONFIRE OF HOPE

*Cast all your thoughts into the bonfire of hope,
where hearts are warmed and nature is cherished,
beyond the boundaries of man's limitations,
and ride the dream to envision a land of . . .*

*Patterns of tracks across new fallen snow
on craggy cliffs where Dall sheep herds roam;
where moose, fox, and snowy owls hide vigilantly
amid cover of dense forests and berry bushes.
And, a rustling sound near the trail signals danger
when spring has awakened a sleepy, hungry bear.*

*Sun catching waters encircling Beluga whales who
in frolic fling their tail in the glisten of
Turnagain Arm then turn for open sea. Perhaps,
you can sense the freedom of the lofty eagle
with fanned wings gliding the course of ranges
of ice-capped mountains and stream crossed
valleys to the home of the wolf.*

*Full sail upon highest tides of glacier blue,
befriended by the aquatic abundance; quietly
rock a lullaby under the fiery midnight sun
while nestled on a vessel of curious adventure.*

*Ah, an unwavering capture by the bonfire flame
mesmerizes a searching soul who dreams a dream of
satisfaction for mankind and sets Alaska as his goal.*

Maureen Staton-Morgan

Bills ask for Alaska state poem, nickname and Marmot Day

By BRIAN S. AKRE
The Associated Press

JUNEAU — Does a state with an official bird, fish, flag, flower, fossil, gem, marine mammal, mineral, sport, tree, seal and song need another state symbol?

Some Alaskans think so. Bills to establish an official poem, nickname and marmot are before those guardians of Alaska officialdom, the state legislature.

Rep. Curt Menard, D-Wasilla, says Alaska should also designate Feb. 2 as Marmot Day to compete with Groundhog Day and the world's most famous mar-

mot, Pennsylvania's Punxsutawney Phil.

"Everyone says Alaska is different and we don't think like the Lower 48 thinks," Menard said Monday. "We shouldn't have to bow to Punxsutawney Phil."

Marmot is the name given to a group of gnawing and burrowing rodents, including the groundhog or woodchuck, which are distinguished by their coarse fur and short, bushy tail.

The measure would designate the "senior hoary marmot" at the Alaska Zoo in Anchorage as the official state marmot. Menard con-

cedes it's a cheap attempt to steal some publicity from Pennsylvania.

On Feb. 2, "the official state marmot is encouraged to look for its shadow and thus advise whether winter will be with us for six more weeks — or longer," says Menard's House Bill 488.

The aim of Marmot Day is "to remind us during the dark days of the year that winter does not last forever," the bill says.

The proposal for an official state poem comes courtesy of Sen. Jan Faiks, R-Anchorage, who says she in-

troduced it at the request of a constituent poet, Brady D. Jackson II. Senate Bill 379 calls for establishment of Jackson's poem, "Great Land," as the state's own.

Written as if the state itself were speaking, the poem tells of a land that holds "in my bowels the riches of kings." It relates a version of history that is less than flattering.

"You came first in numbers with traps in hand,
Stole the rich furs of my seas and my land.

You came back with ships of nets by the ton,

Plundered my shores where the king salmon run.
Returning in hoards, with picks in your hand,

Scraping my outsidies, then scarring my land.
To dig for my gold you wanted so bad,

Left families, friends and good manners you had."

Don't expect Alaska's school children to be reciting that soon. The bill is expected to die without a hearing in the Senate State Affairs Committee.

"I don't think we need to move that bill," said Sen. Pat Pourchot, D-Anchorage

and the committee chairman. "It doesn't jump out at me as something that is of particularly high literary quality."

"The Great Land" also is what Rep. Peter Goll, D-Haines, wants designated as Alaska's nickname. Alaska is the only state without an official nickname, according to the World Almanac and Book of Facts.

If Goll's House Bill 492 passes, Alaska may have to change its license plates. They carry the state's unofficial nickname, "The Last Frontier."

*Asch. Daily News
Jan. Feb. 18, 1980*

S B

384

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 384

SPONSOR Pourchot

BILL TITLE Election Campaigns Laurie Howard?

DATE REFERRED 1-10-90

HEARING SCHEDULED 1-17-90 (Wed)

FISCAL NOTE PREPARED (JL will request)

SPONSOR CONTACTED Jeanne

INTERESTED PARTIES CONTACTED

- o • ✓ Finkelstein - 2435 (will attend)
- o • ✓ Brown - 3784
- o • ✓ John Pugh - 789-4417 - L.M.
- o • ✓ Jim Crawford - 563-0700 (out of town, see comments) FAX 562-0889
- o • ✓ AU Gross - 586-2777 (AU out of town - left info for Susana) ^{Susana won't} _{be testifying}
- o • ✓ Don Mitchell - 276-1681 (May be in JNO)
- o • ✓ John Shuey - NANA 248-3030 L.M.
- o • ✓ AKPIRG - L.M. 278-3661 Heidi will listen in - 430 to 7th
- o • ✓ Ashley Reed - 279-5350 - won't testify
- o • ✓ Pat Smutz (Melissa 3818) 463-5422 - won't testify
- o • ✓ Mary Hilloran - 3568 L.M. will be testifying
- o • ✓ Karla Forsythe - APOC - J.L. will notify (276-4176) FAX 276-7018
- o • ✓ Brooke - 4864 JNO/APOC

Auch. only
Burke Riley

OTHER

Annie Laurie Howard
Rodman Wilson
344-9289
1-17-90
Home #
SB 384

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907.465.3800

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

SB 384

Senate State Affairs

1/17/90

SENATE COMMITTEE REPORT

DATE: 4/28/90

FURTHER:

DATE TURNED INTO OFFICE: _____

Re-referred
State Affairs

Committee considered

SB 384

Relating to election campaigns.

and recommended:

- replace with CS SP 2071 SF 2nd same title
- or adopt CS _____ new title
- attached amendment(s) technical
- _____ letter of intent adopted title change (HB only)

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) APOC 5870

appropriation-no fiscal note

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

Governor's bill w/fiscal note

SIGNING DO PASS:

[Signature]
[Signature]

OTHER RECOMMENDATIONS:

Al Adams - No Rec

[Signature]
Chair: Signature and Recommendation

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

DATE: January 10, 1990

FURTHER: Judiciary

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: _____

State Affairs Committee considered SENATE BILL NO. 384

An Act relating to election campaigns.

and recommended:

replace with _____ CS SR 384 same title
 new title

attached amendment(s)

_____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:

fiscal note(s) _____

zero fiscal note(s) APOC

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Tom Kelly - Do Pass
Pat Adams "
Jim O'Grady (DO PASS)
John Kelly "

Pat Kumbert do pass
Chair: Signature and Recommendation

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER SB 384

SPONSOR Pat

BILL TITLE Campaign Finance

DATE REFERRED

HEARING SCHEDULED 2.14.90

FISCAL NOTE PREPARED

SPONSOR CONTACTED

INTERESTED PARTIES CONTACTED

- ✓ Dick Bradley: 2450
- ✓ Karla Forsythe: 276-4176 L.M.
- ✓ Mary Halloran: 3568 L.M.
- ✓ Brooke: 4864 - will attend.

Direct Dial: with Karla

OTHER

Senator Pourchot
May 2, 1990

SUMMARY OF PROPOSED CHANGES TO CSSB 384 (STA)
"ELECTION CAMPAIGNS"

- 1) Prohibit all post election fundraising for everyone.
- 2) Prohibit use of campaign funds as personal income.
- 3) Mandates closure of campaign account and disposal of surplus campaign funds 60 days after the election.
- 4) Limits use of surplus campaign funds for everyone to the following:
 - a) Limits amount of campaign funds which can be transferred to an office account to \$1,000. expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Limits funds which can be transferred for future election campaign to the following:
 - up to \$10,000 for Governor or Lt. Governor campaign.
 - up to \$5,000 for Senate campaign.
 - up to \$2,500 for House or municipal campaign
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 5) Mandates a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign.
- 6) Prohibits lobbyists from any financial campaign activities (except as an individual) on behalf of a candidate.
- 7) Closes the current preelection reporting gap for contributions received on days 8 and 9 before the election. Immediate effective date.
- 8) Codifies existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less. Immediate effective date.
- 9) Revises APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement. Establishes \$5,000 maximum fine or twice the benefit gained whichever is greatest for violations of this chapter.

CSSB 384 (STA) - ELECTION CAMPAIGNS

<u>CSSB 384 (STA)</u>	<u>Proposed</u> <u>SA CS SB 384/Ethics Act</u>
Prohibits acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election; immediate effective date.	Prohibits all post-election contributions for everyone.
Prohibits use of campaign funds as personal income.	Same
Limits use of surplus campaign funds. <ul style="list-style-type: none">- donation to charity- donate to general fund- return to contributor- transfer to office account- transfer \$10,000 to future campaign account	Limits use of surplus funds for everyone to: <ul style="list-style-type: none">- same- same- same- \$1,000 to office account- limits transfer of funds to future campaign account
Prohibits transfer of more than \$10,000 to an account for a future election campaign	<ul style="list-style-type: none">- \$10,000 for Gov. or Lt. Gov. campaign- \$5,000 for Senate campaign- \$2,500 for Representative or municipal campaign- \$1,000 transfer to office account
Places a cap of \$10,000 on contributions to a political party.	No cap.
Closure of campaign account by Jan. 12.	60 days after election.
Disposal of surplus campaign funds by Jan. 12.	60 days after election.
Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.	Same.

Senator Pourchot
May 2, 1990

CSSB 384 (STA) - ELECTION CAMPAIGNS

<u>CSSB 384 (STA)</u>	<u>Proposed</u> <u>SA CS SB 384/Ethics Act</u>
Prohibits acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election; immediate effective date.	Prohibits all post-election contributions for everyone.
Prohibits use of campaign funds as personal income.	Same
Limits use of surplus campaign funds. <ul style="list-style-type: none">- donation to charity- donate to general fund- return to contributor- transfer to office account- transfer \$10,000 to future campaign account	Limits use of surplus funds for everyone to: <ul style="list-style-type: none">- same- same- same- \$1,000 to office account- limits transfer of funds to future campaign account
Prohibits transfer of more than \$10,000 to an account for a future election campaign	<ul style="list-style-type: none">- \$10,000 for Gov. or Lt. Gov. campaign- \$5,000 for Senate campaign- \$2,500 for Representative or municipal campaign- \$1,000 transfer to office account
Places a cap of \$10,000 on contributions to a political party.	No cap.
Closure of campaign account by Jan. 12.	60 days after election.
Disposal of surplus campaign funds by Jan. 12.	60 days after election.
Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.	Same.

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Senator Pourchot
May 2, 1990

SUMMARY OF PROPOSED CHANGES TO CSSB 384 (STA)
"ELECTION CAMPAIGNS"

- 1) Prohibit all post election fundraising for everyone.
- 2) Prohibit use of campaign funds as personal income.
- 3) Mandates closure of campaign account and disposal of surplus campaign funds 60 days after the election.
- 4) Limits use of surplus campaign funds for everyone to the following:
 - a) Limits amount of campaign funds which can be transferred to an office account to \$1,000. expenditures must qualify as a business expense under the IRS Code.
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Limits funds which can be transferred for future election campaign to the following:
 - up to \$10,000 for Governor or Lt. Governor campaign.
 - up to \$5,000 for Senate campaign.
 - up to \$2,500 for House or municipal campaign
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 5) Mandates a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign.
- 6) Prohibits lobbyists from any financial campaign activities (except as an individual) on behalf of a candidate.
- 7) Closes the current preelection reporting gap for contributions received on days 8 and 9 before the election. Immediate effective date.
- 8) Codifies existing APOC procedures by exempting municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less. Immediate effective date.
- 9) Revises APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement. Establishes \$5,000 maximum fine or twice the benefit gained whichever is greatest for violations of this chapter.

May 2, 1990

- 10) Adds new section relating to payment of legal expenses and establishment of legal defense funds.
- 11) Adds new section limiting fundraising activities. May raise funds from June 1 in the year before the year of the election through election day. Legislators may not raise funds during session.

CSSB 384 (STA) - ELECTION CAMPAIGNS

<u>CSSB 384 (STA)</u>	<u>Proposed</u> <u>SA CS SB 384/Ethics Act</u>
Prohibits acceptance of post-election campaign contributions after Dec. 31 following Nov. election or 45 days after local election; immediate effective date.	Prohibits all post-election contributions for everyone.
Prohibits use of campaign funds as personal income.	Same
Limits use of surplus campaign funds. <ul style="list-style-type: none">- donation to charity- donate to general fund- return to contributor- transfer to office account- transfer \$10,000 to future campaign account	Limits use of surplus funds for everyone to: <ul style="list-style-type: none">- same- same- same- \$1,000 to office account- limits transfer of funds to future campaign account
Prohibits transfer of more than \$10,000 to an account for a future election campaign	<ul style="list-style-type: none">- \$10,000 for Gov. or Lt. Gov. campaign- \$5,000 for Senate campaign- \$2,500 for Representative or municipal campaign- \$1,000 transfer to office account
Places a cap of \$10,000 on contributions to a political party.	NO cap.
Closure of campaign account by Jan. 12.	60 days after election.
Disposal of surplus campaign funds by Jan. 12.	60 days after election.
Establishes Jan. 31 deadline for submission of year-end report, including disposition of campaign surpluses and amount transferred to account for future campaign.	Same.

Prohibits lobbyist from collecting or handling campaign contributions or serving as campaign treasurer or deputy treasurer; immediate effective date.

Prohibits lobbyists from any financial activities (except as individual)

Contributions or expenditures exceeding \$250 made within 9 days of election must be reported to commission within 24 hours (Closes reporting gap for days 8 and 9.); immediate effective date.

Same.

Exempts municipal candidates from campaign disclosure reporting if financial activity is \$1,000 or less; immediate effective date.

Same.

Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication; immediate effective date.

Same plus, establishes \$5,000 maximum fine or twice the benefit gained whichever is greatest for violations of this chapter.

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.

Deleted.

Adds new section relating to payment of legal expenses and establishment of legal defense funds.

Adds new section limiting fundraising activities. Candidates for Governor, Lt. Governor and legislature may raise funds from June 1 in the year before the year of the election through election day. Legislators may not raise funds during session.

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Same.

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Same.

Allows APOC to assess up to \$250 in civil penalties for failure to properly identify a political communication; immediate effective date.

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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.

Deleted.

Adds new section relating to payment of legal expenses and establishment of legal defense funds.

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OK

A M E N D M E N T

#2

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (2d State Affairs)

Page 2, lines 6 - 8:

Delete all material and insert:

"(2) transferring the funds, in an amount not to exceed \$1,000 to a house legislative office account or \$2,000 to a senate legislative office account for expenditures qualifying as a business expense under 26 U.S.C. 162;"

Page 2, line 10:

Delete "501(c)"

Insert "501(c)(3)"

Page 4, line 29:

Delete "who has won office"

OK

SENATE AMENDMENT

1

BY: Pearce/Purchot

TO: CS 5B 384 (2nd SA) SENATE BILL NO. _____

TO: _____ HOUSE BILL NO. _____

Add the following new section where appropriate:

Sec. ____ AS 15.13 is amended by adding a new section to read:

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. A municipality may not use public funds of the municipality to support or oppose the election of a candidate.

SENATE AMENDMENT

BY: Halford

TO: _____ SENATE BILL NO. 384

TO: _____ HOUSE BILL NO. _____

Amendment to Amendment #1
(after first sentence)
after "candidate"
insert "or ballot proposition"
by MWM OK

SUMMARY FOR CSSB 384 (STA)
"ELECTION CAMPAIGNS"

- 1) Prohibit all post election fundraising for everyone.
- 2) Prohibit use of campaign funds as personal income.
- 3) Mandates closure of campaign account and disposal of surplus campaign funds 60 days after the election.
- 4) Limits use of surplus campaign funds for everyone to the following:
 - a) Limits amount of campaign funds which can be transferred to an office account to \$1,000. Expenditures must qualify as a business expense under the IRS Code. (Proposed amendment narrows limitation to legislative office accounts only - would limit amount transferred to a house legislative office account to \$1,000 and \$2,000 for a senate legislative office account.)
 - b) Donate to a charitable organization that qualifies as a charity under the IRS Code.
 - c) Limits funds which can be transferred for future election campaign to the following:
 - up to \$10,000 for Governor or Lt. Governor campaign.
 - up to \$5,000 for Senate campaign.
 - up to \$2,500 for House or municipal campaign
 - d) Return to contributors.
 - e) Donate to state general fund or to a municipality.
- 5) Mandates a January 31 deadline for submission of year-end reports for campaign expenditures and contributions - including disposition of campaign surpluses and amount transferred to an account for a future campaign.
- 6) Prohibits lobbyists from any financial campaign activities (except as an individual) on behalf of a candidate.
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- 9) Revises APOC penalties to establish civil penalty for late filing of required reports and a maximum civil penalty of \$250 for failure to properly identify who paid for a political advertisement. Establishes \$5,000 maximum fine or twice the benefit gained whichever is greatest for violations of this chapter.

- 10) Adds new section relating to payment of legal expenses and establishment of legal defense funds.
- 11) Adds new section limiting fundraising activities. May raise funds from June 1 in the year before the year of the election through election day. Legislators may not raise funds during session.

SENATE AMENDMENT

#5

BY: Frank Pourchet

TO: SSB 384 (2nd SA)

SENATE BILL NO. _____

TO: _____

HOUSE BILL NO. _____

p. 2 line 27
after "lobbyist" add "who has
registered during the calendar
year"

OK

Changes civil penalties for filing late or improperly completed reports from a \$10-\$50 per day fine which can accrue indefinitely to a maximum penalty of \$5,000 for each offense or twice the amount if the conduct was determined to be improper. Authorizes civil penalties as an alternative to criminal prosecution for behavioral violations.

FISCAL NOTE

REQUEST:

Revision Date: 05/03/90
Title: An act relation to election campaigns
Sponsor: Sen. Pourchot
Requestor: Senate State Affairs

Agency Affected: Dept. of Administration
BRU: AK Public Offices Commission

Components : _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary) This fiscal note assumes that the legislature will enact companion legislation dealing with legislative ethics (CSSB 415) prior to enacting CSSB 384. The fiscal note submitted by APOC on CSSB 415 is sufficient to fund all of the commission's duties under CSSB 384, since the majority of campaign finance administrative activity relates to state legislators.

Prepared by: Karla Forsythe, Executive Director Phone: 276-4176
Division: Alaska Public Offices Commission Date: 5/3/90

Approved by Commissioner: Rodman Wilson, Vice-Chair (Acting Chair) Date: 5/3/90
Agency: Alaska Public Offices Commission

Distribution (by preparer) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

6-1857X
Bradley
5/3/90

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (2d State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

9 * Section 1. AS 15.13.040(a) is amended to read:

10 (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. DISBURSEMENT OF CAMPAIGN ACCOUNTS. (a) A
24 candidate shall, within 60 days of the election at which the candidate
25 sought public office, dispose of the campaign funds that were not
26 spent or obligated during the election campaign by

27 (1) transferring the funds to an account for a future
28 election campaign in the amount of not more than

29 (A) \$10,000 if the candidate sought election as

1 governor or lieutenant governor;

2 (B) \$5,000 if the candidate sought election in the
3 Senate;

4 (C) \$2,500 if the candidate sought election in the
5 House of Representatives or a municipal office;

6 (2) transferring the funds, in an amount not in excess of
7 \$1,000, to a legislative office account for expenditures qualifying as
8 a business expense under 26 U.S.C. 162;

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

11 (4) donating the funds to the general fund of the state or
12 of a municipality of the state; or

13 (5) returning the funds pro rata as to contributions in
14 excess of \$100 in the aggregate a year.

15 (b) A candidate shall close each campaign account within 60 days
16 of the election at which the candidate sought public office.

17 (c) A candidate who transfers campaign funds to an account for a
18 future election campaign under (a)(1) of this section shall file
19 annually with the commission the report required by AS 15.13.-
20 110(a)(4).

21 * Sec. 3. AS 15.13 is amended by adding new sections to read:

22 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
23 individual who is registered as a lobbyist under AS 24.45 may person-
24 ally advocate the election of a candidate and may contribute the
25 lobbyist's own money, goods, and services to a candidate, subject to
26 the limits of AS 15.13.070.

27 (b) A lobbyist, may not

28 (1) serve as a campaign manager, director, treasurer,
29 deputy campaign treasurer or on a finance or fund-raising committee

1 for a candidate for governor, lieutenant governor, or the legislature;

2 (2) solicit directly, receive, collect, handle, disburse,
3 or account for campaign contributions for a candidate for governor,
4 lieutenant governor, or the legislature or otherwise engage actively
5 in a fund-raising activity of a political campaign; or

6 (3) host a fund-raising event.

7 (c) A candidate may not seek to evade the purposes of this
8 section by soliciting, or knowingly permitting a business entity
9 retained to lobby or an employee of a lobbyist to perform fund-raising
10 services.

11 (d) In (b) - (c) of this section, "lobbyist"

12 (1) means a person who has registered under AS 24.45.041
13 within the last 12 months and is described under AS 24.45.171(8)(A);

14 (2) does not include a volunteer lobbyist described in
15 AS 24.45.161(a)(1) or a representational lobbyist as defined under
16 regulations of the commission.

17 * Sec. 4. AS 15.13 is amended by adding new sections to read:

18 Sec. 15.13.102. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
19 may be used only to advance the interests of the campaign. Campaign
20 funds may be properly expended for an otherwise lawful purpose intend-
21 ed to influence voters to elect or reelect a candidate including
22 payment of staff and consultants; rental of space and equipment for a
23 campaign office; purchase of media time and space; design work; print-
24 ing of campaign materials; postage; taking polls and interpreting
25 them; telephone installation and usage; costs of distribution of
26 materials; advertising in organizational and club bulletins or other
27 brochures; inscribed promotional materials, including buttons, pen-
28 cils, pens, and items of clothing; necessary travel and related ex-
29 penses for the candidate and members of the candidate's staff or

1 immediate family if the travel and lodging are directly related to
2 attempts to raise campaign funds or to influence voters; victory and
3 thank you celebrations; newsletters and mass mailings promoting the
4 candidate; and payment of attorney fees and other legal expenses
5 incurred in the defense of a civil, criminal, or administrative action
6 arising directly out of the conduct of the campaign or election pro-
7 cess.

8 Sec. 15.13.104. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
9 candidate may not

10 (1) use funds raised and designated as campaign funds for
11 the personal benefit of the candidate or another person, or for pay-
12 ment of attorney fees and other legal expenses arising from civil,
13 criminal, or administrative actions based on conduct not directly
14 related to the campaign or official duties;

15 (2) convert surplus campaign funds or interest earned on
16 campaign funds to personal income;

17 (3) seek or claim a tax deduction or other economic benefit
18 for surplus funds disbursed to a charity under law.

19 (b) A candidate may not borrow from campaign funds or loan them
20 to another person or group.

21 (c) A candidate, or another person on behalf of a candidate, or
22 a campaign committee of the candidate, may not knowingly pay more than
23 the fair market value for goods or services purchased for the cam-
24 paign.

25 (d) Campaign funds may not be paid to a member of the candi-
26 date's immediate family as an employee or for goods or services pro-
27 vided to the campaign unless the amounts paid do not exceed the fair
28 market value of the goods or services provided.

29 (e) A candidate who has won office and a committee related to

1 the election may not accept campaign contributions except for funds
2 received or postmarked before a general or special election. A post-
3 election contribution must be returned.

4 (f) A candidate and a committee controlled by a candidate may
5 not use campaign funds to make a contribution to another candidate
6 running for office or to a committee supporting or opposing a candi-
7 date for office.

8 (g) Campaign funds may not be used to pay fines or other mone-
9 tary penalties or costs assessed against a candidate by a court or
10 other body unless the fine, penalty, or cost is assessed as a result
11 of proscribed actions by a member or employee of a campaign committee
12 or another person acting on behalf of the candidate under circum-
13 stances where the candidate did not know of or have reason to know of
14 those actions.

15 Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

16 (a) A candidate may establish a legal defense fund to assist with the
17 payment of attorney fees and other costs arising from the defense of a
18 civil, criminal, or administrative action brought against a candidate.

19 (b) A candidate who wishes to establish a legal defense fund
20 account shall file a statement of organization for the legal defense
21 fund with the commission before accepting contributions. The state-
22 ment of organization must identify the specific civil, criminal, or
23 administrative proceeding or proceedings for which the legal defense
24 fund is established.

25 (c) The legal defense fund shall establish a single account at
26 an office of a financial institution located in the state. A donation
27 to the candidate for legal expenses shall be deposited into the ac-
28 count if the donation meets the requirements of (d) of this section.

29 (d) Only a donation that is specifically designated by the donor

1 as being for the legal defense fund and is made payable to the legal
2 defense fund may be deposited in the legal defense fund account. A
3 donation that the recipient believes is intended for the legal defense
4 fund but that does not meet the requirements of this subsection shall
5 be returned to the donor.

6 (e) An expenditure from the legal defense fund account may be
7 made only for legal costs directly related to the civil, criminal, or
8 administrative proceeding or proceedings for which the legal defense
9 fund is established. An expenditure from the legal defense fund
10 account may not be used to pay or reimburse fines, penalties, judg-
11 ments, or settlements in connection with a criminal prosecution or a
12 civil or administrative action in which the candidate is found to
13 have committed, or admits to having committed a violation of the
14 law.

15 (f) Surplus funds remaining in the legal defense fund account
16 after the proceeding or proceedings for which the account is estab-
17 lished have concluded may not be used for another purpose. The funds
18 shall, within six months after the conclusion of the proceeding or
19 proceedings, be

20 (1) returned to donors on a pro rata basis as to contribu-
21 tions in excess of \$100 in the aggregate;

22 (2) donated to the state or to a municipality; or

23 (3) donated to a charitable organization that qualifies
24 under 26 U.S.C. 501(c)(3).

25 (g) This section constitutes the sole means for candidates to
26 solicit or accept donations for legal costs that may not be paid from
27 campaign funds under AS 15.13.102. Except for AS 15.13.108(a) and
28 (b), the provisions of this chapter relating to the solicitation and
29 acceptance of campaign funds apply to the solicitation and acceptance

1 of contributions to a legal defense fund established under this sec-
 2 tion. The commission may adopt regulations limiting the dollar amount
 3 of contributions under this section and shall adopt regulations
 4 requiring the disclosure of donors to a legal defense fund.

5 (h) Funds received from fund-raising events for a legal defense
 6 fund must be clearly designated in advance. All proceeds shall be
 7 dealt with as required by this chapter.

8 Sec. 15.13.108. FUND RAISING LIMITATIONS. (a) A legislator may
 9 not, either directly, through a campaign committee, or other means,
 10 solicit or accept a campaign contribution or a promise or pledge to
 11 make a contribution while the legislature is in regular session and a
 12 legislator may not solicit campaign funds or host a campaign fund-
 13 raising event for another person while the legislature is in session.

14 (b) A legislator or a candidate for the legislature may not,
 15 either directly, through a campaign committee, or other means, solicit
 16 or accept a campaign contribution or a promise or pledge to make a
 17 contribution relating to candidacy for the legislature in an election
 18 other than a special election under AS 15.40 except during the follow-
 19 ing periods:

20 (1) ^{Final language} ~~legislators and other~~ Incumbent elected public offi-
 21 cials intending to seek election to the legislature ^{and legislators} may raise funds
 22 from June 1 until December 31 in the year before the year of an
 23 election in which they intend to be a candidate, and from June 1
 24 through the general election in November in the year of the election;
 25 in this paragraph, "public official" means a person required to file a
 26 campaign disclosure statement under AS 15.13;

27 (2) the governor, lieutenant governor, and candidates for
 28 the legislature who are not in public office at the time of their
 29 candidacy may raise funds from June 1 in the year before the year of

1 an election in which they intend to be a candidate through the general
2 election in November of the year of the election.

3 (c) This section does not prohibit a legislator from making an
4 otherwise lawful contribution or from attending an otherwise lawful
5 fund raising activity at any time.

6 * Sec. 5. AS 15.13.110(a) is amended to read:

7 (a) Each candidate and group shall make a full report in accor-
8 dance with AS 15.13.040 during the period ending three days before the
9 due date of the report and beginning on the last day covered by the
10 most recent previous report, or, if a first report, all contributions
11 received and expenditures made before three days before the due date
12 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

13 (1) 30 days before the election; however, this report is
14 not required if the deadline for filing a nominating petition or
15 declaration of candidacy is within 30 days of the election;

16 (2) one week before the election;

17 (3) 10 [TEN] days after the election; and

18 (4) January 31 [DECEMBER 31] OF EACH YEAR] for

19 (A) expenditures made and contributions received that
20 [WHICH] were not reported during the previous [THAT] year;

21 (B) disposals of campaign funds under AS 15.13.041(b)
22 that were not spent or obligated during the election campaign; or

23 (C) campaign funds transferred to an account for a
24 future campaign.

25 * Sec. 6. AS 15.13.110(b) is amended to read:

26 (b) Each contribution or expenditure that [WHICH] exceeds \$250
27 and that [WHICH] is made within nine days [ONE WEEK] of the election
28 shall be reported to the commission by date, amount, and contributor
29 or recipient within 24 hours of receipt or expenditure by the

1 candidate or campaign treasurer.

2 * Sec. 7. AS 15.13.125 is repealed and reenacted to read:

3 Sec. 15.13.125. CIVIL PENALTY. (a) A person who violates a
4 provision of this chapter or who fails to file a properly completed
5 and certified report within the time required, as determined by the
6 commission, is subject to a civil penalty of not more than \$5,000 for
7 each offense or twice the amount gained by the misconduct which re-
8 sulted in a violation, whichever is greater, together with the costs
9 of the investigation and the adjudication.

10 (b) An affidavit stating facts in mitigation may be submitted to
11 the commission by a person against whom a civil penalty is assessed.

12 (c) The determination of the commission is subject to right of
13 appeal to the superior court.

14 (d) The imposition of the penalties prescribed in this section
15 or in AS 15.13.120 does not excuse the person from filing reports
16 required by this chapter.

17 * Sec. 8. Sections 1, 3, 6, and 7 of this Act take effect immediately
18 under AS 01.10.070(c).

19 * Sec. 9. Sections 2, 4, and 5 of this Act take effect November 6,
20 1990.

Recd - Em 504
2:05 pm 5/2/90

6-1857M
Bradley
5/2/90

Original sponsor(s): SEN. POURCHOT, Kelly

WEDNESDAY DRAFT
MARK UP BY YOU AND JEANNE

Proposed Changes

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (2d State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer. *I ed*

22 * Sec. 2, AS 15.13 is amended by adding a new section to read:

23 *Disbursement*
24 *right* Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
25 *remains* for election in a state election may not accept a contribution post-
26 marked or delivered in person after the date of the general or special
27 election. A candidate for election in a local election may not accept
a contribution postmarked or delivered in person after the local
election.

28 (b) A candidate shall, within 60 days of the election at which

1 the candidate sought public office, dispose of the campaign funds that
2 were not spent or obligated during the election campaign by

3 (1) transferring the funds to an account for a future
4 election campaign in the amount of not more than

5 (A) \$10,000 if the candidate sought election as gover-
6 nor or lieutenant governor;

7 (B) \$5,000 if the candidate sought election in the
8 Senate;

9 (C) \$2,500 if the candidate sought election ^{in the} ~~in the~~
10 ^{House of Representatives or a} ~~other state or~~ municipal office;

11 (2) transferring the funds, in an amount not in excess of
12 \$1,000, to a legislative office account for expenditures qualifying as
13 a business expense under 26 U.S.C. 162;

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

16 (4) donating the funds to the general fund of the state or
17 of a municipality of the state organized under AS 29; or

18 (5) returning the funds pro rata as to contributions in
19 excess of \$100 in the aggregate a year.

20 (b) A candidate shall close each campaign account within 60 days
21 of the election at which the candidate sought public office.

22 (c) A candidate who transfers campaign funds to an account for a
23 future election campaign under (b)(1) of this section shall file
24 annually with the commission the report required by AS 15.13.-
25 110(a)(4).

26 * ~~Sec. 34 AS 15.13.070 is amended by adding a new subsection to read:~~
Already in 1104 (a) 2 + (f)

27 ~~(i) An individual who accepts campaign contributions as a candi-
28 date for public office may not~~

29 (1) ~~convert surplus campaign funds to personal income at~~

any time;

~~(2) use campaign contributions to make a contribution to another candidate.~~

* ³ Sec. 4 AS 15.13 is amended by adding new sections to read:

Sec. 15.13.075. **CAMPAIGN ACTIVITIES BY LOBBYISTS.** (a) An individual who is registered as a lobbyist under AS 24.45 may personally advocate the election of a candidate and may contribute the lobbyist's own money, goods, and services to a candidate, subject to the limits of AS 15.13.070.

(b) A lobbyist may not

(1) serve as a campaign manager, director, treasurer, ~~or~~ deputy campaign treasurer or ^{or} a finance or fundraising committee for a candidate for governor, lieutenant governor, or the legislature;

(2) solicit directly, receive, collect, handle, disburse, or account for campaign contributions for a candidate for governor, lieutenant governor, or the legislature or otherwise engage actively in a fundraising activity of a political campaign, or (3) host a fundraising event.

(c) ~~A lobbyist or a candidate for the legislature may not solicit to evade the purposes of this section by soliciting, or knowingly permit a member of a business entity retained to lobby business entities related to the lobbyist or an employee of a lobbyist to perform fundraising services.~~ ^A ~~to evade the purposes of this section by soliciting, or knowingly permit a member of a business entity retained to lobby business entities related to the lobbyist or an employee of a lobbyist to perform fundraising services.~~

(d) In (b) - (c) of this section, "lobbyist"

(1) means a person who has registered under AS 24.45.041 within the last 12 months and is described under AS 24.45.171(8)(A);

(2) does not include a volunteer lobbyist described in AS 24.45.161(a)(1), or a representational lobbyist as defined under regulations of the commission. I ed

* ⁴ Sec. 4 AS 15.13 is amended by adding new sections to read:

Sec. 15.13.102. **PROPER USES OF CAMPAIGN FUNDS.** Campaign funds may be used only to advance the interests of the campaign. Campaign

1 funds may be properly expended for an otherwise lawful purpose
2 intended to influence voters to elect or reelect ^a the candidate ~~in the~~
3 ~~legislature~~ including payment of staff and consultants; rental of
4 space and equipment for a campaign office; purchase of media time and
5 space; design work; printing of campaign materials; postage; taking
6 polls and interpreting them; telephone installation and usage; costs
7 of distribution of materials; advertising in organizational and club
8 bulletins or other brochures; inscribed promotional materials, includ-
9 ing buttons, pencils, pens, and items of clothing; necessary travel
10 and related expenses for the candidate and members of the candidate's
11 staff or immediate family if the travel and lodging are directly
12 related to attempts to raise campaign funds or ^{to} influence voters;
13 victory and thank you celebrations; newsletters and mass mailings
14 promoting the candidate; and payment of attorney fees and other legal
15 expenses incurred in the defense of a civil, criminal, or administra-
16 tive action arising directly out of the conduct of the campaign or
17 election process, ~~or out of the performance of activities within the~~
18 ~~scope of a candidate's legislative duties.~~ ^{official} duties.

19 Sec. 15.13.104. ~~PROHIBITED USES OF CAMPAIGN FUNDS~~ (a) A
20 candidate ~~in the legislature~~ may not

21 (1) use funds raised and designated as campaign funds for
22 the personal benefit of the candidate or another person, or for pay-
23 ment of attorney fees and other legal expenses arising from civil,
24 criminal, or administrative actions based on conduct not directly
25 related to the campaign or official duties;

26 (2) convert surplus campaign funds or interest earned on
27 campaign funds to personal income;

28 (3) seek or claim a tax deduction or other economic benefit
29 for surplus funds disbursed to a charity under law.

1 (b) A ~~legislative~~ candidate may not borrow from campaign funds
2 or loan them to another person or group.

3 (c) A ~~legislative~~ candidate, or another person on behalf of ^a ~~the~~
4 ~~legislative~~ candidate, or a campaign committee of the ~~legislative~~
5 candidate, may not knowingly pay more than the fair market value for
6 goods or services purchased for the campaign.

7 (d) Campaign funds may not be paid to a member of the candi-
8 date's immediate family as an employee or for goods or services pro-
9 vided to the campaign unless the amounts paid do not exceed the fair
10 market value of the goods or services provided.

11 (e) ~~Except for funds received or postmarked before a general or~~
12 ~~special election, a~~ ~~legislative~~ candidate who has won office and a
13 committee related to the election may not accept campaign contribu-
14 tions ^{except for funds received or postmarked before a general or special election}. A post-election contribution must be returned.

15 (f) A ~~legislative~~ candidate and a committee controlled by a
16 ~~legislative~~ candidate may not use campaign funds to make a contribu-
17 tion to another candidate running for office or to a committee sup-
18 porting or opposing a candidate for office.

19 (g) Campaign funds may not be used to pay fines or other more-
20 tary penalties or costs assessed against a candidate by a court or
21 other body unless the fine, penalty, or cost is assessed as a result
22 of proscribed actions by a member or employee of a campaign committee
23 or another person acting on behalf of the candidate under circum-
24 stances where the candidate did not know of or have reason to know of
25 those actions.

26 **Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.**

27 (a) A candidate ~~and a public officer or employee~~ may establish a
28 legal defense fund to assist with the payment of attorney fees and
29 other costs arising from the defense of a civil, criminal, or adminis-

1 trative action brought against the ^{a candidate} ~~public officer or employee~~.

2 ~~Contributions to a legal defense fund that meet the requirements of~~
3 ~~this section are not subject to the restrictions in~~ ^{Wrong citation} ~~AS 24.60.080.~~

4 (b) A candidate ^{not subject to AS 24.61} ~~or a public officer or employee~~ who wishes to
5 establish a legal defense fund account shall file a statement of
6 organization for the legal defense fund with the commission ^{before accepting his position}. The
7 statement of organization must identify the specific civil, criminal,
8 or administrative proceeding or proceedings for which the legal de-
9 fense fund is established.

10 (c) The legal defense fund shall establish a single account at
11 an office of a financial institution located in the state. A donation
12 to the candidate ~~or public officer or employee~~ for legal expenses
13 shall be deposited into the account if the donation meets the require-
14 ments of (d) of this section.

15 (d) Only a donation that is specifically designated by the donor
16 as being for the legal defense fund and is made payable to the legal
17 defense fund may be deposited in the legal defense fund account. A
18 donation that the recipient believes is intended for the legal defense
19 fund but that does not meet the requirements of this subsection shall
20 be returned to the donor.

21 (e) An expenditure from the legal defense fund account may be
22 made only for legal costs directly related to the civil, criminal, or
23 administrative proceeding or proceedings for which the legal defense
24 fund is established. An expenditure from the legal defense fund
25 account may not be used to pay or reimburse fines, penalties, judg-
26 ments, or settlements in connection with a criminal prosecution or a
27 civil or administrative action in which the ~~legislative~~ candidate,
28 ~~legislator, or legislative~~ employee is found to have committed, or
29 admits to having committed a violation of the law.

1 (f) Surplus funds remaining in the legal defense fund account
 2 after the proceeding or proceedings for which the account is estab-
 3 lished have concluded may not be used for another purpose. The funds
 4 shall, within six months after the conclusion of the proceeding or
 5 proceedings, be

6 (1) returned to donors on a pro rata basis as to contribu-
 7 tions in excess of \$100 in the aggregate;

8 (2) donated to the state or to a municipality; or

9 (3) donated to a charitable organization that qualifies
 10 under 26 U.S.C. 501(c)(3).

11 (g) This section constitutes the sole means for ^{Candidates} ~~public officers~~
 12 ~~and employees~~ to solicit or accept donations for legal costs that may
 13 not be paid from campaign funds under AS 15.13.102. Except for
 14 AS 15.13.108(a) and (b), the provisions of this chapter relating to
 15 the solicitation and acceptance of campaign funds apply to the solic-
 16 itation and acceptance of contributions to a legal defense fund estab-
 17 lished under this section. The commission may adopt regulations
 18 limiting the dollar amount of contributions under this section and
 19 shall adopt regulations requiring the disclosure of donors to a legal
 20 defense fund.

21 (h) Funds received from fundraising events ^{for a legal defense fund} must be clearly
 22 designated in advance, ~~as either for campaign purposes or for the legal~~
 23 ~~defense fund~~ and all proceeds shall be dealt with as required by this
 24 chapter.

25 ~~Sec. 15.13.108. FUNDRAISING LIMITATIONS~~ (a) A legislator may
 26 not, either directly, through a campaign committee, or other means,
 27 solicit or accept a campaign contribution or a promise or pledge to
 28 make a contribution while the legislature is in regular session and a
 29 legislator may not solicit campaign funds or host a campaign fundrais-

1 ing event for another person while the legislature is in session.

2 (b) A legislator or a candidate for the legislature may not,
3 either directly, through a campaign committee, or other means, solicit
4 or accept a campaign contribution or a promise or pledge to make a
5 contribution relating to candidacy for the legislature in an election
6 other than a special election under AS 15.40 except during the follow-
7 ing periods:

8 (1) legislators and other incumbent elected public offi-
9 cials intending to seek election to the legislature may raise funds
10 from June 1 until December 31 in the year before the year of an
11 election in which they intend to be a candidate, and from June 1
12 through the general election in November in the year of the election;
13 in this paragraph, "public official" means a person required to file a
14 campaign disclosure statement under AS 15.13;

15 (2) the governor, lieutenant governor, and candidates for
16 the legislature who are not in public office at the time of their
17 candidacy may raise funds from June 1 in the year before the year of
18 an election in which they intend to be a candidate through the general
19 election in November of the year of the election.

20 (c) This section does not prohibit a legislator from making an
21 otherwise lawful contribution or from attending an otherwise lawful
22 fund raising activity at any time.

23 * Sec. 6.5 AS 15.13.110(a) is amended to read:

24 (a) Each candidate and group shall make a full report in accor-
25 dance with AS 15.13.040 during the period ending three days before the
26 due date of the report and beginning on the last day covered by the
27 most recent previous report, or, if a first report, all contributions
28 received and expenditures made before three days before the due date
29 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

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

4 (2) one week before the election;

5 (3) 10 [TEN] days after the election; and

6 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

7 (A) expenditures made and contributions received that
 8 [WHICH] were not reported during the previous [THAT] year;

9 (B) disposals of campaign funds under AS 15.13.041(b)
 10 that were not spent or obligated during the election campaign; or

11 (C) campaign funds transferred to an account for a
 12 future campaign.

13 * Sec. ~~16~~ AS 15.13.110(b) is amended to read:

14 (b) Each contribution or expenditure that [WHICH] exceeds \$250
 15 *okay* and that [WHICH] is made within nine days [ONE WEEK] of the election
 16 shall be reported to the commission by date, amount, and contributor
 17 or recipient within 24 hours of receipt or expenditure by the candi-
 18 date or campaign treasurer. IED

19 * Sec. ~~17~~ AS 15.13.125 is repealed and reenacted to read:

20 Sec. 15.13.125. ~~CIVIL PENALTY~~. (a) A person who violates a
 21 provision of this chapter or who fails to file a properly completed
 22 and certified report within the time required, *as determined by the commission* is subject to a civil
 23 penalty of not more than \$5,000 for each offense or twice the amount
 24 gained by the ~~violation~~, *misconduct which resulted in a violation* whichever is greater, together with the costs
 25 of the investigation and the adjudication.

26 (c) The determination of the commission is subject to right of
 27 appeal to the superior court. (b) An affidavit stating facts in mitiga-
 28 tion may be submitted to the commission by a person against whom a
 29 civil penalty is assessed.

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^d
(~~2~~) The imposition of the penalties prescribed in this section or in AS 15.13.120 does not excuse the person from filing reports required by this chapter. IED

* Sec. ~~8~~⁸. Sections 1, ~~3~~³, ~~4~~⁶, and ~~5~~⁷ of this Act take effect immediately under AS 01.10.070(c).

* Sec. ~~9~~⁹. Sections ~~2~~², ~~3~~⁴, ~~4~~⁵ and ~~5~~ of this Act take effect November 6, 1990.

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (2d State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

9 * Section 1. AS 15.13.040(a) is amended to read:

10 (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. DISBURSEMENT OF CAMPAIGN ACCOUNTS. (a) A
24 candidate shall, within 60 days of the election at which the candidate
25 sought public office, dispose of the campaign funds that were not
26 spent or obligated during the election campaign by

27 (1) transferring the funds to an account for a future
28 election campaign in the amount of not more than

29 (A) \$10,000 if the candidate sought election as

1 governor or lieutenant governor;

2 (B) \$5,000 if the candidate sought election in the
3 Senate;

4 (C) \$2,500 if the candidate sought election in the
5 House of Representatives or a municipal office;

6 (2) transferring the funds, in an amount not to exceed
7 \$1,000 to a house legislative office account or \$2,000 to a senate
8 legislative office account for expenditures qualifying as a business
9 expense under 26 U.S.C. 162;

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

12 (4) donating the funds to the general fund of the state or
13 of a municipality of the state; or

14 (5) returning the funds pro rata as to contributions in
15 excess of \$100 in the aggregate a year.

16 (b) A candidate shall close each campaign account within 60 days
17 of the election at which the candidate sought public office.

18 (c) A candidate who transfers campaign funds to an account for a
19 future election campaign under (a)(1) of this section shall file
20 annually with the commission the report required by AS 15.13.-
21 110(a)(4).

22 * Sec. 3. AS 15.13 is amended by adding new sections to read:

23 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
24 individual who is registered as a lobbyist under AS 24.45 may person-
25 ally advocate the election of a candidate and may contribute the
26 lobbyist's own money, goods, and services to a candidate, subject to
27 the limits of AS 15.13.070.

28 (b) A lobbyist may not

29 (1) serve as a campaign manager, director, treasurer,

1 deputy campaign treasurer or on a finance or fund-raising committee
2 for a candidate for governor, lieutenant governor, or the legislature;

3 (2) solicit directly, receive, collect, handle, disburse,
4 or account for campaign contributions for a candidate for governor,
5 lieutenant governor, or the legislature or otherwise engage actively
6 in a fund-raising activity of a political campaign; or

7 (3) host a fund-raising event.

8 (c) A candidate may not seek to evade the purposes of this
9 section by soliciting, or knowingly permitting a business entity
10 retained to lobby or an employee of a lobbyist to perform fund-raising
11 services.

12 (d) In (b) - (c) of this section, "lobbyist"

13 (1) means a person who has registered under AS 24.45.041
14 within the last 12 months and is described under AS 24.45.171(8)(A);

15 (2) does not include a volunteer lobbyist described in
16 AS 24.45.161(a)(1) or a representational lobbyist as defined under
17 regulations of the commission.

18 * Sec. 4. AS 15.13 is amended by adding new sections to read:

19 Sec. 15.13.102. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
20 may be used only to advance the interests of the campaign. Campaign
21 funds may be properly expended for an otherwise lawful purpose intend-
22 ed to influence voters to elect or reelect a candidate including
23 payment of staff and consultants; rental of space and equipment for a
24 campaign office; purchase of media time and space; design work; print-
25 ing of campaign materials; postage; taking polls and interpreting
26 them; telephone installation and usage; costs of distribution of
27 materials; advertising in organizational and club bulletins or other
28 brochures; inscribed promotional materials, including buttons, pen-
29 cils, pens, and items of clothing; necessary travel and related

1 expenses for the candidate and members of the candidate's staff or
2 immediate family if the travel and lodging are directly related to
3 attempts to raise campaign funds or to influence voters; victory and
4 thank you celebrations; newsletters and mass mailings promoting the
5 candidate; and payment of attorney fees and other legal expenses
6 incurred in the defense of a civil, criminal, or administrative action
7 arising directly out of the conduct of the campaign or election pro-
8 cess.

9 Sec. 15.13.104. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
10 candidate may not

11 (1) use funds raised and designated as campaign funds for
12 the personal benefit of the candidate or another person, or for pay-
13 ment of attorney fees and other legal expenses arising from civil,
14 criminal, or administrative actions based on conduct not directly
15 related to the campaign or official duties;

16 (2) convert surplus campaign funds or interest earned on
17 campaign funds to personal income;

18 (3) seek or claim a tax deduction or other economic benefit
19 for surplus funds disbursed to a charity under law.

20 (b) A candidate may not borrow from campaign funds or loan them
21 to another person or group.

22 (c) A candidate, or another person on behalf of a candidate, or
23 a campaign committee of the candidate, may not knowingly pay more than
24 the fair market value for goods or services purchased for the cam-
25 paign.

26 (d) Campaign funds may not be paid to a member of the candi-
27 date's immediate family as an employee or for goods or services pro-
28 vided to the campaign unless the amounts paid do not exceed the fair
29 market value of the goods or services provided.

1 (e) A candidate and a committee related to the election may not
2 accept campaign contributions except for funds received or postmarked
3 before a general or special election. A post-election contribution
4 must be returned.

5 (f) A candidate and a committee controlled by a candidate may
6 not use campaign funds to make a contribution to another candidate
7 running for office or to a committee supporting or opposing a candi-
8 date for office.

9 (g) Campaign funds may not be used to pay fines or other mone-
10 tary penalties or costs assessed against a candidate by a court or
11 other body unless the fine, penalty, or cost is assessed as a result
12 of proscribed actions by a member or employee of a campaign committee
13 or another person acting on behalf of the candidate under circum-
14 stances where the candidate did not know of or have reason to know of
15 those actions.

16 Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

17 (a) A candidate may establish a legal defense fund to assist with the
18 payment of attorney fees and other costs arising from the defense of a
19 civil, criminal, or administrative action brought against a candidate.

20 (b) A candidate who wishes to establish a legal defense fund
21 account shall file a statement of organization for the legal defense
22 fund with the commission before accepting contributions. The state-
23 ment of organization must identify the specific civil, criminal, or
24 administrative proceeding or proceedings for which the legal defense
25 fund is established.

26 (c) The legal defense fund shall establish a single account at
27 an office of a financial institution located in the state. A donation
28 to the candidate for legal expenses shall be deposited into the ac-
29 count if the donation meets the requirements of (d) of this section.

1 (d) Only a donation that is specifically designated by the donor
2 as being for the legal defense fund and is made payable to the legal
3 defense fund may be deposited in the legal defense fund account. A
4 donation that the recipient believes is intended for the legal defense
5 fund but that does not meet the requirements of this subsection shall
6 be returned to the donor.

7 (e) An expenditure from the legal defense fund account may be
8 made only for legal costs directly related to the civil, criminal, or
9 administrative proceeding or proceedings for which the legal defense
10 fund is established. An expenditure from the legal defense fund
11 account may not be used to pay or reimburse fines, penalties, judg-
12 ments, or settlements in connection with a criminal prosecution or a
13 civil or administrative action in which the candidate is found to have
14 committed, or admits to having committed a violation of the law.

15 (f) Surplus funds remaining in the legal defense fund account
16 after the proceeding or proceedings for which the account is estab-
17 lished have concluded may not be used for another purpose. The funds
18 shall, within six months after the conclusion of the proceeding or
19 proceedings, be

20 (1) returned to donors on a pro rata basis as to contribu-
21 tions in excess of \$100 in the aggregate;

22 (2) donated to the state or to a municipality; or

23 (3) donated to a charitable organization that qualifies
24 under 26 U.S.C. 501(c)(3).

25 (g) This section constitutes the sole means for candidates to
26 solicit or accept donations for legal costs that may not be paid from
27 campaign funds under AS 15.13.102. Except for AS 15.13.108(a) and
28 (b), the provisions of this chapter relating to the solicitation and
29 acceptance of campaign funds apply to the solicitation and acceptance

1 of contributions to a legal defense fund established under this sec-
2 tion. The commission may adopt regulations limiting the dollar amount
3 of contributions under this section and shall adopt regulations
4 requiring the disclosure of donors to a legal defense fund.

5 (h) Funds received from fund-raising events for a legal defense
6 fund must be clearly designated in advance. All proceeds shall be
7 dealt with as required by this chapter.

8 Sec. 15.13.108. FUND RAISING LIMITATIONS. (a) A legislator may
9 not, either directly, through a campaign committee, or other means,
10 solicit or accept a campaign contribution or a promise or pledge to
11 make a contribution while the legislature is in regular session and a
12 legislator may not solicit campaign funds or host a campaign fund-
13 raising event for another person while the legislature is in session.

14 (b) A legislator or a candidate for the legislature may not,
15 either directly, through a campaign committee, or other means, solicit
16 or accept a campaign contribution or a promise or pledge to make a
17 contribution relating to candidacy for the legislature in an election
18 other than a special election under AS 15.40 except during the follow-
19 ing periods:

20 (1) incumbent elected public officials intending to seek
21 election to the legislature and legislators may raise funds from
22 June 1 until December 31 in the year before the year of an election in
23 which they intend to be a candidate, and from June 1 through the
24 general election in November in the year of the election; in this
25 paragraph, "public official" means a person required to file a cam-
26 paign disclosure statement under AS 15.13;

27 (2) the governor, lieutenant governor, and candidates for
28 the legislature who are not in public office at the time of their
29 candidacy may raise funds from June 1 in the year before the year of

1 an election in which they intend to be a candidate through the general
2 election in November of the year of the election.

3 (c) This section does not prohibit a legislator from making an
4 otherwise lawful contribution or from attending an otherwise lawful
5 fund raising activity at any time.

6 * Sec. 5. AS 15.13.110(a) is amended to read:

7 (a) Each candidate and group shall make a full report in accor-
8 dance with AS 15.13.040 during the period ending three days before the
9 due date of the report and beginning on the last day covered by the
10 most recent previous report, or, if a first report, all contributions
11 received and expenditures made before three days before the due date
12 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

13 (1) 30 days before the election; however, this report is
14 not required if the deadline for filing a nominating petition or
15 declaration of candidacy is within 30 days of the election;

16 (2) one week before the election;

17 (3) 10 [TEN] days after the election; and

18 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

19 (A) expenditures made and contributions received that
20 [WHICH] were not reported during the previous [THAT] year;

21 (B) disposals of campaign funds under AS 15.13.041(b)
22 that were not spent or obligated during the election campaign; or

23 (C) campaign funds transferred to an account for a
24 future campaign.

25 * Sec. 6. AS 15.13.110(b) is amended to read:

26 (b) Each contribution or expenditure that [WHICH] exceeds \$250
27 and that [WHICH] is made within nine days [ONE WEEK] of the election
28 shall be reported to the commission by date, amount, and contributor
29 or recipient within 24 hours of receipt or expenditure by the

1 candidate or campaign treasurer.

2 * Sec. 7. AS 15.13.125 is repealed and reenacted to read:

3 Sec. 15.13.125. CIVIL PENALTY. (a) A person who violates a
4 provision of this chapter or who fails to file a properly completed
5 and certified report within the time required, as determined by the
6 commission, is subject to a civil penalty of not more than \$5,000 for
7 each offense or twice the amount gained by the misconduct which re-
8 sulted in a violation, whichever is greater, together with the costs
9 of the investigation and the adjudication.

10 (b) An affidavit stating facts in mitigation may be submitted to
11 the commission by a person against whom a civil penalty is assessed.

12 (c) The determination of the commission is subject to right of
13 appeal to the superior court.

14 (d) The imposition of the penalties prescribed in this section
15 or in AS 15.13.120 does not excuse the person from filing reports
16 required by this chapter.

17 * Sec. 8. Sections 1, 3, 6, and 7 of this Act take effect immediately
18 under AS 01.10.070(c).

19 * Sec. 9. Sections 2, 4, and 5 of this Act take effect November 6,
20 1990.

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 384 (State Affairs)

J - 2/22/90

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

9 * Section 1. AS 15.13.040(a) is amended to read:

10 (a) Except for a municipal candidate who accepts contributions
11 of \$1,000 or less or makes expenditures of \$1,000 or less in seeking
12 election, each [EACH] candidate shall make a full report, upon a form
13 prescribed by the commission, listing the date and amount of each
14 expenditure [ALL EXPENDITURES] made by the candidate, the total amount
15 of all contributions, including all funds contributed by the candi-
16 date, and for each contribution [ALL CONTRIBUTIONS] in excess of \$100
17 in the aggregate a year, the name, address, principal occupation, and
18 employer of the contributor and the date and amount contributed by
19 each contributor. The report shall be filed in accordance with
20 AS 15.13.110 and shall be certified as correct by the candidate or
21 campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
24 for election in a state election may not accept a contribution after
25 December 31 of the year in which the candidate sought election. A
26 candidate for election in a local election may not accept a contribu-
27 tion more than 45 days after the local election.

28 (b) A candidate shall, by January 12 of the year after the year
29 in which the candidate sought public office, dispose of the campaign

1 funds that were not spent or obligated during the election campaign by

2 (1) transferring not more than \$10,000 of the the funds to
3 an account for a future election campaign;

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

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

8 (4) donating the funds to the general fund of the state or
9 of a municipality of the state organized under AS 29; or

10 (5) returning the funds to contributors.

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

14 (d) A candidate who transfers campaign funds to an account for a
15 future election campaign under (b)(1) of this section shall file
16 annually with the commission the report required by AS 15.13.-
17 110(a)(4). Campaign funds transferred to an account for a future
18 campaign may be used for a future campaign or disposed of under
19 (b)(2) - (5) of this section.

20 * Sec. 3. AS 15.13.070(a) is amended to read:

21 (a) A person or group, including but not limited to all politi-
22 cal committees, businesses, corporations, and labor unions, may not
23 contribute to or expend more than \$1,000 a year on behalf of or in
24 opposition to the competing candidates for each elective office.
25 Political parties and their subdivisions are not subject to the limi-
26 tation prescribed in this subsection, but they are subject to the
27 reporting requirements prescribed by AS 15.13.040(b) and 15.13.110.
28 The state, agencies of the state, public corporations of the state,
29 and the University of Alaska may not use public funds to support or

1 oppose the election of a candidate or on behalf of or in opposition to
2 a ballot proposition or question. A municipality may not use public
3 funds of the municipality to support or oppose the election of a
4 candidate or on behalf of or in opposition to a ballot proposition or
5 question. This chapter does not prohibit

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

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

14 (3) the state, agencies of the state, public corporations
15 of the state, the University of Alaska, or a municipality from using
16 public funds of the state or the municipality for neutral informa-
17 tional purposes in connection with a ballot proposition or question;
18 however, these expenditures shall be reported in accordance with
19 AS 15.13.040 and 15.13.110.

20 * Sec. 4. AS 15.13.070 is amended by adding a new subsection to read:

21 (i) A contribution accepted by a candidate may not be used by
22 the candidate as personal income at any time.

23 * Sec. 5. AS 15.13 is amended by adding new a section to read:

24 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
25 individual who is registered as a lobbyist under AS 24.45 may con-
26 tribute the lobbyist's own money, goods, and services to a candidate,
27 subject to the limits of AS 15.13.070.

28 (b) A lobbyist may not

29 (1) serve as a campaign treasurer or deputy campaign

1 treasurer for a candidate for governor, lieutenant governor, or the
2 legislature; or

3 (2) receive, collect, handle, disburse, or account for
4 campaign contributions for a candidate for governor, lieutenant gover-
5 nor, or the legislature.

6 (c) In (b) of this section, "lobbyist"

7 (1) means a person who has registered under AS 24.45.041
8 within the last 12 months and is described under AS 24.45.171(8)(A);

9 (2) does not include a volunteer lobbyist described in
10 AS 24.45.161(a)(1) or a representational lobbyist as defined under
11 regulations of the commission.

12 * Sec. 6. AS 15.13.110(a) is amended to read:

13 (a) Each candidate and group shall make a full report in accor-
14 dance with AS 15.13.040 during the period ending three days before the
15 due date of the report and beginning on the last day covered by the
16 most recent previous report, or, if a first report, all contributions
17 received and expenditures made before three days before the due date
18 of the report. The report shall be filed [AT THE FOLLOWING TIMES:]

19 (1) 30 days before the election; however, this report is
20 not required if the deadline for filing a nominating petition or
21 declaration of candidacy is within 30 days of the election;

22 (2) one week before the election;

23 (3) 10 [TEN] days after the election; and

24 (4) January 31 [DECEMBER 31 OF EACH YEAR] for

25 (A) expenditures made and contributions received that
26 [WHICH] were not reported during the previous [THAT] year;

27 (B) disposals of campaign funds under AS 15.13.041(b)
28 that were not spent or obligated during the election campaign; or

29 (C) campaign funds transferred to an account for a

1 future campaign.

2 * Sec. 7. AS 15.13.110(b) is amended to read:

3 (b) Each contribution or expenditure that [WHICH] exceeds \$250
4 and that [WHICH] is made within nine days [ONE WEEK] of the election
5 shall be reported to the commission by date, amount, and contributor
6 or recipient within 24 hours of receipt or expenditure by the candi-
7 date or campaign treasurer.

8 * Sec. 8. AS 15.13.125 is amended to read:

9 Sec. 15.13.125. CIVIL PENALTY [LATE FILING OF REQUIRED RE-
10 PORTS].

11 (a) A person who fails to file a properly completed and certified
12 report within the time required by AS 15.13.110(a)(1), (3), (4) or
13 15.13.110(d) is subject to a civil penalty of not more than \$10 a day
14 [FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMIS-
15 SION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

16 (b) A person who fails to file a properly completed and certi-
17 fied report within the time required by AS 15.13.110(a)(2) or 15.13.-
18 110(b) is subject to a civil penalty of not more than \$50 a day [FOR
19 EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION
20 SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT].

21 (c) The commission may assess the civil penalty for each day the
22 commission determines that the delinquency continues under (a) - (b)
23 of this section. The determination of the commission is subject to a
24 right of appeal to the superior court.

25 (d) A person who fails to identify communications as required by
26 AS 15.13.090 is subject to a civil penalty of not more than \$250. The
27 determination of the commission is subject to a right of appeal to the
28 superior court.

29 (e) An affidavit stating facts in mitigation may be submitted to

1 the commission by a person against whom a civil penalty is assessed.

2 (f) The [HOWEVER, THE] imposition of the penalties prescribed in
3 this section or in AS 15.13.120 does not excuse that person from
4 filing reports required by this chapter.

5 * Sec. 9. Sections 1, 3, 5, 7, and 8 of this Act take effect immedi-
6 ately under AS 01.10.070(c).

7 * Sec. 10. Sections 2, 4, and 6 of this Act take effect February 1,
8 1991.

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A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (State Affairs)

Page 2, line 24, after "office" :

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

Passed 3 to 2

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 384 (State Affairs)

Page 2, line 24, after "office" :

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

Rec'd - Em 504
2:05 pm 5/2/90

6-1857M -
Bradley
5/2/90

Original sponsor(s): SEN. POURCHOT, Kelly

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. 384 (2d State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaigns; and providing
7 for an effective date."

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

9 * Section 1. AS 15.13.040(a) is amended to read:

10 (a) Except for a municipal candidate who accepts contributions
11 totaling \$1,000 or less and makes expenditures totaling \$1,000 or less
12 in seeking election, each [EACH] candidate shall make a full report,
13 upon a form prescribed by the commission, listing the date and amount
14 of each expenditure [ALL EXPENDITURES] made by the candidate, the
15 total amount of all contributions, including all funds contributed by
16 the candidate, and for each contribution [ALL CONTRIBUTIONS] in excess
17 of \$100 in the aggregate a year, the name, address, principal occupa-
18 tion, and employer of the contributor and the date and amount con-
19 tributed by each contributor. The report shall be filed in accordance
20 with AS 15.13.110 and shall be certified as correct by the candidate
21 or campaign treasurer.

22 * Sec. 2. AS 15.13 is amended by adding a new section to read:

23 Sec. 15.13.041. CLOSURE OF CAMPAIGN ACCOUNTS. (a) A candidate
24 for election in a state election may not accept a contribution post-
25 marked or delivered in person after the date of the general or special
26 election. A candidate for election in a local election may not accept
27 a contribution postmarked or delivered in person after the local
28 election.

29 (b) A candidate shall, within 60 days of the election at which

1 the candidate sought public office, dispose of the campaign funds that
2 were not spent or obligated during the election campaign by

3 (1) transferring the funds to an account for a future
4 election campaign in the amount of not more than

5 (A) \$10,000 if the candidate sought election as gover-
6 nor or lieutenant governor;

7 (B) \$5,000 if the candidate sought election in the
8 Senate;

9 (C) \$2,500 if the candidate sought election to any
10 other state or municipal office;

11 (2) transferring the funds, in an amount not in excess of
12 \$1,000, to a legislative office account for expenditures qualifying as
13 a business expense under 26 U.S.C. 162;

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

16 (4) donating the funds to the general fund of the state or
17 of a municipality of the state organized under AS 29; or

18 (5) returning the funds pro rata as to contributions in
19 excess of \$100 in the aggregate a year.

20 (c) A candidate shall close each campaign account within 60 days
21 of the election at which the candidate sought public office.

22 (d) A candidate who transfers campaign funds to an account for a
23 future election campaign under (b)(1) of this section shall file
24 annually with the commission the report required by AS 15.13.-
25 110(a)(4).

26 * Sec. 3. AS 15.13.070 is amended by adding a new subsection to read:

27 (i) An individual who accepts campaign contributions as a candi-
28 date for public office may not

29 (1) convert surplus campaign funds to personal income at

1 any time;

2 (2) use campaign contributions to make a contribution to
3 another candidate.

4 * Sec. 4. AS 15.13 is amended by adding new sections to read:

5 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. (a) An
6 individual who is registered as a lobbyist under AS 24.45 may person-
7 ally advocate the election of a candidate and may contribute the
8 lobbyist's own money, goods, and services to a candidate, subject to
9 the limits of AS 15.13.070.

10 (b) A lobbyist may not

11 (1) serve as a campaign manager, director, treasurer or
12 deputy campaign treasurer or at a finance or fundraising committee for
13 a candidate for governor, lieutenant governor, or the legislature; or

14 (2) solicit directly, receive, collect, handle, disburse,
15 or account for campaign contributions for a candidate for governor,
16 lieutenant governor, or the legislature or otherwise engage actively
17 in a fundraising activity of a political campaign.

18 (c) A legislator or candidate for the legislature may not solic-
19 it or knowingly permit a member of a business entity retained to lobby
20 or an employee of a lobbyist to perform fundraising services.

21 (d) In (b) - (c) of this section, "lobbyist"

22 (1) means a person who has registered under AS 24.45.041
23 within the last 12 months and is described under AS 24.45.171(8)(A);

24 (2) does not include a volunteer lobbyist described in
25 AS 24.45.161(a)(1) or a representational lobbyist as defined under
26 regulations of the commission.

27 * Sec. 5. AS 15.13 is amended by adding new sections to read:

28 Sec. 15.13.102. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
29 may be used only to advance the interests of the campaign. Campaign

1 funds may be properly expended for an otherwise lawful purpose
2 intended to influence voters to elect or reelect the candidate to the
3 legislature including payment of staff and consultants; rental of
4 space and equipment for a campaign office; purchase of media time and
5 space; design work; printing of campaign materials; postage; taking
6 polls and interpreting them; telephone installation and usage; costs
7 of distribution of materials; advertising in organizational and club
8 bulletins or other brochures; inscribed promotional materials, includ-
9 ing buttons, pencils, pens, and items of clothing; necessary travel
10 and related expenses for the candidate and members of the candidate's
11 staff or immediate family if the travel and lodging are directly
12 related to attempts to raise campaign funds or influence voters;
13 victory and thank you celebrations; newsletters and mass mailings
14 promoting the candidate; and payment of attorney fees and other legal
15 expenses incurred in the defense of a civil, criminal, or administra-
16 tive action arising directly out of the conduct of the campaign or
17 election process or out of the performance of activities within the
18 scope of a candidate's legislative duties.

19 Sec. 15.13.104. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
20 candidate for the legislature may not

21 (1) use funds raised and designated as campaign funds for
22 the personal benefit of the candidate or another person, or for pay-
23 ment of attorney fees and other legal expenses arising from civil,
24 criminal, or administrative actions based on conduct not directly
25 related to the campaign or official duties;

26 (2) convert surplus campaign funds or interest earned on
27 campaign funds to personal income;

28 (3) seek or claim a tax deduction or other economic benefit
29 for surplus funds disbursed to a charity under law.

1 (b) A legislative candidate may not borrow from campaign funds
2 or loan them to another person or group.

3 (c) A legislative candidate, or another person on behalf of the
4 legislative candidate, or a campaign committee of the legislative
5 candidate, may not knowingly pay more than the fair market value for
6 goods or services purchased for the campaign.

7 (d) Campaign funds may not be paid to a member of the candi-
8 date's immediate family as an employee or for goods or services pro-
9 vided to the campaign unless the amounts paid do not exceed the fair
10 market value of the goods or services provided.

11 (e) Except for funds received or postmarked before a general or
12 special election, a legislative candidate who has won office and a
13 committee related to the election may not accept campaign contribu-
14 tions. A post-election contribution must be returned.

15 (f) A legislative candidate and a committee controlled by a
16 legislative candidate may not use campaign funds to make a contribu-
17 tion to another candidate running for office or to a committee sup-
18 porting or opposing a candidate for office.

19 (g) Campaign funds may not be used to pay fines or other mone-
20 tary penalties or costs assessed against a candidate by a court or
21 other body unless the fine, penalty, or cost is assessed as a result
22 of proscribed actions by a member or employee of a campaign committee
23 or another person acting on behalf of the candidate under circum-
24 stances where the candidate did not know of or have reason to know of
25 those actions.

26 Sec. 15.13.106. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

27 (a) A candidate and a public officer or employee may establish a
28 legal defense fund to assist with the payment of attorney fees and
29 other costs arising from the defense of a civil, criminal, or adminis-

1 trative action brought against the public officer or employee.
2 Contributions to a legal defense fund that meet the requirements of
3 this section are not subject to the restrictions in AS 24.60.080.

4 (b) A candidate or a public officer or employee who wishes to
5 establish a legal defense fund account shall file a statement of
6 organization for the legal defense fund with the commission. The
7 statement of organization must identify the specific civil, criminal,
8 or administrative proceeding or proceedings for which the legal de-
9 fense fund is established.

10 (c) The legal defense fund shall establish a single account at
11 an office of a financial institution located in the state. A donation
12 to the candidate or public officer or employee for legal expenses
13 shall be deposited into the account if the donation meets the require-
14 ments of (d) of this section.

15 (d) Only a donation that is specifically designated by the donor
16 as being for the legal defense fund and is made payable to the legal
17 defense fund may be deposited in the legal defense fund account. A
18 donation that the recipient believes is intended for the legal defense
19 fund but that does not meet the requirements of this subsection shall
20 be returned to the donor.

21 (e) An expenditure from the legal defense fund account may be
22 made only for legal costs directly related to the civil, criminal, or
23 administrative proceeding or proceedings for which the legal defense
24 fund is established. An expenditure from the legal defense fund
25 account may not be used to pay or reimburse fines, penalties, judg-
26 ments, or settlements in connection with a criminal prosecution or a
27 civil or administrative action in which the legislative candidate,
28 legislator, or legislative employee is found to have committed, or
29 admits to having committed a violation of the law.

1 (f) Surplus funds remaining in the legal defense fund account
2 after the proceeding or proceedings for which the account is estab-
3 lished have concluded may not be used for another purpose. The funds
4 shall, within six months after the conclusion of the proceeding or
5 proceedings, be

6 (1) returned to donors on a pro rata basis as to contribu-
7 tions in excess of \$100 in the aggregate;

8 (2) donated to the state or to a municipality; or

9 (3) donated to a charitable organization that qualifies
10 under 26 U.S.C. 501(c)(3).

11 (g) This section constitutes the sole means for public officers
12 and employees to solicit or accept donations for legal costs that may
13 not be paid from campaign funds under AS 15.13.102. Except for
14 AS 15.13.108(a) and (b), the provisions of this chapter relating to
15 the solicitation and acceptance of campaign funds apply to the solici-
16 tation and acceptance of contributions to a legal defense fund estab-
17 lished under this section. The commission may adopt regulations
18 limiting the dollar amount of contributions under this section and
19 shall adopt regulations requiring the disclosure of donors to a legal
20 defense fund.

21 (h) Funds received from fundraising events must be clearly
22 designated in advance as either for campaign purposes or for the legal
23 defense fund and all proceeds shall be dealt with as required by this
24 chapter.

25 Sec. 15.13.108. FUNDRAISING LIMITATIONS. (a) A legislator may
26 not, either directly, through a campaign committee, or other means,
27 solicit or accept a campaign contribution or a promise or pledge to
28 make a contribution while the legislature is in regular session and a
29 legislator may not solicit campaign funds or host a campaign fundrais-