

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

10007 HOUSE STATE AFFAIRS

1 (A) means a purchase or a transfer of money or anything of value, or promise or
2 agreement to purchase or transfer money or anything of value, incurred or made for the
3 purpose of

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

6 (ii) use by a political party;

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

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

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

13 (5) "group" means any combination of two or more individuals acting jointly who
14 organize for the principal purpose of influencing the outcome of one or more elections and
15 who take action the major purpose of which is to influence the outcome of an election,
16 except a political party is not considered a group;

17 (6) "immediate family" means the spouse, parents, children, including a stepchild and an
18 adoptive child, and siblings of an individual;

19 (7) "independent expenditure" means an expenditure that is made without the direct or
20 indirect consultation or cooperation with, or at the suggestion or the request of, or with the
21 prior consent of, a candidate, a candidate's campaign treasurer or deputy campaign
22 treasurer, or another person acting as a principal or agent of the candidate;

23 (8) "individual" means a natural person;

24 (9) "person" has the meaning given in AS 01.10.060, and includes a labor union and a
25 group;

26 (10) "political party" means

27 (A) an organized group of voters that represents a political program and that either
28 nominated a candidate for governor who received at least three percent of the total votes
29 cast for governor at preceding general election or has registered voters in the state equal
30 in number to at least three percent of the total votes cast for governor at the preceding
31 general election; and

32 (B) every state and regional executive committee of;

grandchildren
add ~~spouse~~ ~~stepchild~~ ~~adoptive child~~ ~~siblings~~
spouse
children
stepchild
adoptive child
siblings
immediate family

1 (11) "publicly funded entity" means a person, other than an individual, that receives half
2 or more of the money on which it operates during a calendar year from government,
3 including a public corporation.

4 (12) "full disclosure" means complete and abundantly detailed revelation of all assets
5 and all income;

6 (13) "purposeful" has the meaning given for "knowingly" in AS 11.81.900(a);

7 (14) "resider" means a person who

8 (A) occupies dwelling within the state;

9 (B) intends to remain in the state for a period of time; and

10 (C) manifests the genuineness of that intent by establishing an ongoing physical
11 presence in the state together with indicia that presence in the state is something other
12 than merely transitory in nature.

13 (15) "political action committee" means a combination of two or more individuals, or a
14 person ~~other than an individual (corporation, association, etc.)~~ which accepts contributions
15 or makes expenditures for the purpose of influencing the results of an or sponsor of a
16 proposed constitutional amendment by initiative intending to seek the signatures of
17 registered electors.

18 (16) "Center" is the Alaska Public Offices Center as established in AS 15.13.020.

19 *Sec. 31. AS 15.25.030(b) is amended to read:.

20 (b) A person filing a declaration of candidacy under this section, other than a person
21 subject to AS 24.60 who is filing a declaration for a state legislative office, shall
22 simultaneously file with the director of the Division of Elections and the regional office
23 of the Alaska Public Offices Center a Conflict of Interest Statement [STATEMENT
24 OF INCOME SOURCES AND BUSINESS INTERESTS] that complies with the
25 requirements of AS 39.50 and an affidavit signed under oath and notarized, to the
26 division of elections stating that the candidate

27 (1) meets the qualifications for the office specified in the Constitution
28 of the State of Alaska;

29 (2) is a resident of Alaska and intends to remain a resident of Alaska
30 indefinitely;

31 (3) has not claimed residency in another state during the preceding
32 calendar year; and

- 1 (4) is familiar with the provisions of this chapter and the penalties for
2 violating a provision of this chapter.
3 (5) has completed a Candidate Registration Form
4 (6) has completed a Conflict of Interest Statement as defined in AS 39.50.30.

5 *Sec. 32. AS 15.25.030() is repealed and reenacted to read:

6 (d) An incumbent public official, other than a legislator, who has Conflict of Interest
7 Statement [STATEMENT OF INCOME SOURCES AND BUSINESS INTERESTS]
8 under AS 39.50 on file with the Division of Elections [ALASKA PUBLIC OFFICES
9 COMMISSION], or an incumbent legislator who has a current disclosure statement under
10 AS 24.60.200 on file with the Alaska Public Offices Center [COMMISSION], is not
11 required to file a statement of income sources and business interests or a disclosure
12 statement with the declaration of candidacy under (b) of this section.

13 *Sec. 33. AS 15.25.040(a) is amended to read:

14 **Sec. 15.25.040. Manner and date of filing declaration.** (a) The declaration is filed
15 by either

16 (1) the actual physical delivery of the declaration in person or by mail at or before 5:00
17 p.m., prevailing time, June 1 of the year in which a general election is held for the office;

18 or

19 (2) the actual physical delivery by telegram of a copy in substance of the statements made
20 in paragraphs (1) - (5) of the declaration as required by AS 15.25.030(a) and AS
21 15.25.030(b) at or before 5:00 p.m., prevailing time, June 1 of the year in which a general
22 election is held for the office and also the actual physical delivery of the declaration
23 containing paragraphs (1) - (16) as required by AS 15.25.030(a) by registered mail which
24 is received not more than 15 days after that time.

25 *Sec. 34. AS 15.25.180(c) is amended to read:

26 (c) An incumbent public official, other than a legislator, who has a current statement of
27 income sources and business interests under AS 39.50 on file with the Alaska Public
28 Offices Center [ALASKA PUBLIC OFFICES COMMISSION], or an incumbent
29 legislator who has a current disclosure statement under AS 24.60.200 on file with the
30 Center [ALASKA PUBLIC OFFICES COMMISSION], is not required to file a
31 [STATEMENT OF] Conflict of Interest STATEMENT OF INCOME SOURCES AND
32 BUSINESS INTERESTS] with the nominating petition under (b) of this section.

1 **Sec. 35.** AS 24.45.021 is amended to read:

2 Sec. 24.45.021. Administration. [(a)] This chapter shall be administered by the Alaska
3 Public Offices Center [Commission] created under AS 15.13.020(a).

4 [(B) THE COMMISSION SHALL ADOPT REGULATIONS UNDER AS 44.62
5 (ADMINISTRATIVE PROCEDURE ACT) TO IMPLEMENT THE PROVISIONS OF
6 THIS CHAPTER.]

7 **Sec. 36.** AS 24.45.031 is repealed and reenacted to read:

8 **Sec. 24.45.031. Powers and duties.** (a) In addition to its other duties under this chapter,
9 the Center shall

10 (1) prescribe the forms for registration, reports, statements, notices, and other documents
11 required by this chapter;

12 (2) prepare and publish instructions setting out the methods of accounting, bookkeeping,
13 and preservation of records required to facilitate compliance with and enforcement of
14 this chapter and explaining the duties of persons subject to the provisions of this chapter;
15 the instructions shall be updated periodically;

16 (3) provide assistance to persons in complying with the provisions of this chapter;

17 (4) prepare and publish a biennial report of its activities, findings, and recommendations
18 under this chapter, which shall be made available to the governor, legislature, and to the
19 public by February 1 of each odd-numbered calendar year; the Center shall notify the
20 legislature that the report is available;

21 (5) report suspected violations of this chapter to the attorney general.

22 (b) The Center may for the purpose of conducting audits examine the papers, books,
23 records, accounts and documents of any person subject to this chapter to ascertain the
24 correctness of a report filed with the Center or in conjunction with an audit conducted
25 under (a) of this section.

26 (3) The failure, refusal or neglect to cooperate with the Center by a candidate,
27 group, political party, municipality, or individual could result a person being fined and/or
28 convicted under AS 24.45.141 and AS 24.45.151.

29 ***Sec. 37.** AS 24.45.041 is amended to read:

30 **Sec. 24.45.041. Registration.** (a) Before engaging in lobbying, a lobbyist shall file a
31 registration statement on a form prescribed by the Center [COMMISSION].

32 (b) The registration form prescribed by the Center [COMMISSION] must include

- 1 (1) the lobbyist's full name and complete permanent residence and business address and
2 telephone number, as well as any temporary residential and business address and
3 telephone number in the state capital during a legislative session;
- 4 (2) the full name and complete address of each person by whom the lobbyist is retained
5 or employed;
- 6 (3) whether the person from whom the lobbyist receives compensation employs the
7 person solely as a lobbyist or whether the person is a regular employee performing other
8 services for the employer that include but are not limited to the influencing of legislative
9 or administrative action;
- 10 (4) the nature or form of the lobbyist's compensation for engaging in lobbying, including
11 salary, fees, or reimbursement for expenses received in consideration for, or directly in
12 support of or in connection with, the influencing of legislative or administrative action;
- 13 (5) a general description of the subjects or matters on which the registrant expects to
14 lobby or to engage in the influencing of legislative or administrative action;
- 15 (6) the full name and complete address of the person, if other than the registrant, who
16 has custody of the accounts, books, papers, bills, receipts, and other documents required
17 to be maintained under this chapter;
- 18 (7) the identification of a legislator, legislative employee, or public official to whom the
19 lobbyist is married or who is the spousal equivalent of the lobbyist; in this paragraph,
20 "spousal equivalent" has the meaning given in AS 39.50.030(g).
- 21 [(C) AT THE OPTION OF THE REGISTRANT, THE REGISTRATION FORM MAY
22 BE ACCOMPANIED BY FOUR TWO AND ONE-HALF INCH BY TWO AND ONE-
23 HALF INCH BLACK AND WHITE PHOTOGRAPHS OF THE LOBBYIST. THE
24 PHOTOGRAPHS MAY NOT BE MORE THAN FIVE YEARS OLD. THESE
25 PHOTOGRAPHS SHALL BE INCLUDED IN THE DIRECTORY PUBLISHED
26 UNDER (E) OF THIS SECTION.]
- 27 [(d)] (c) If a change occurs in any of the information contained in a registration statement
28 filed under (a) of this section, or in any accompanying document, an appropriate
29 amendment shall be filed with the Center [COMMISSION] within 10 days after the
30 change.
- 31 [(e)] (d) Within 45 days after the convening of each regular session of the legislature, the
32 Center [COMMISSION] shall publish a directory of registered lobbyists, containing the

1 information prescribed in (b) of this section for each lobbyist and [THE] a photograph, no
2 more than five years old, if any, furnished by a lobbyist. [UNDER (C) OF THIS
3 SECTION]. [FROM TIME TO TIME THEREAFTER THE COMMISSION SHALL
4 PUBLISH THOSE SUPPLEMENTS TO THE DIRECTORY THAT IN THE
5 COMMISSION'S JUDGMENT MAY BE NECESSARY.] The directory shall be made
6 available to public officials and to the public at the following locations: a public place
7 adjacent to the legislative chambers in the state capitol building, the office of the
8 lieutenant governor, the legislative reference library of the Legislative Affairs Agency, the
9 Center's Internet Web Page, and the Center's [COMMISSION'S CENTRAL] regional
10 offices [OFFICE].

11 (f) Each lobbyist shall renew the registration annually by filing a new registration
12 statement together with a new authorization to act as a lobbyist before engaging in
13 lobbying. The lobbyist also shall file any reports or statements the lobbyist has failed to
14 file for a previous reporting period. The Center [COMMISSION] may not renew
15 lobbying credentials until this provision is complied with.

16 (g) An application for registration as a lobbyist under (a) of this section or for renewal of a
17 registration under (f) of this section is subject to a fee of [\$100] \$500. The Center
18 [COMMISSION] may not accept an application for registration or renew a registration
19 until the fee is paid. This subsection does not apply to a volunteer lobbyist under AS
20 24.45.151 or a representational lobbyist defined in 24.45.171(14) [UNDER
21 REGULATIONS OF THE COMMISSION].

22 (h) The timely filing for registering and reporting may be accomplished in one of
23 two ways: either hand-carried to the commission's office on or before the due date,
24 or placed in the mail so that it is postmarked on or before the due date. The date
25 shown by the postmark is presumed to be the date it was deposited in the United
26 States mail.

27 *Sec. 38. AS 24.45.116 is amended to read:

28 **Sec. 24.45.116. Disclosure of contributions.** A civic league or organization shall report
29 the total amount of contributions received for the reporting period and for any contribution
30 over \$100, the name of the contributor and the amount contributed. The civic league or
31 organization may establish a separate fund to account for receipts and expenditures arising
32 out of activities to influence legislative action. Reports shall be made on a form provided

1 by the Center [COMMISSION] on February 10, April 25, and July 10 of each year,
2 listing contributions received during the period that ended 10 days earlier.

3 *Sec. 39. AS 24.45.121(a)(8) is amended to read:

4 (8) serve as a campaign manager or director, serve as a campaign treasurer or deputy
5 campaign treasurer on a finance or fund-raising committee, host a fund-raising event,
6 directly or indirectly collect contributions for, or deliver contributions to, a candidate or
7 otherwise engage in the fund-raising activity of a legislative campaign or campaign for
8 governor or lieutenant governor if the lobbyist has registered, or is required to register as a
9 lobbyist, under this chapter, during the calendar year; this paragraph does not apply to a
10 representational as defined in AS 24.45.171(14) [THE REGULATIONS OF THE
11 ALASKA PUBLIC OFFICES COMMISSION], and does not prohibit a lobbyist from
12 making personal contributions to a candidate as authorized by AS 15.13 or personally
13 advocating on behalf of a candidate;

14 *Sec. 40. AS 24.45.121(c) is amended to read:

15 (c) A former member of the legislature may not engage in activity as a lobbyist before the
16 legislature for a period of one year after the former member has left the legislature. This
17 subsection does not prohibit a former member from acting as a volunteer lobbyist
18 described in AS 24.45.161(a)(1) or a representational lobbyist as defined in AS
19 24.45.171(14) [UNDER REGULATIONS OF THE COMMISSION].

20 *Sec. 41. AS 24.45.131 is amended to read:

21 **Sec. 24.45.131. Examination of statements, reports.** (a) The [COMMISSION OR ITS]
22 Center staff shall examine each statement or report filed under this chapter within 10 days
23 after the date it is filed. A person required to file a statement or report under this chapter
24 shall be notified immediately if

25 (1) it appears that the person has failed to file a statement or report as required by law or
26 that the statement or report filed does not conform to the requirements of this chapter; or

27 (2) a written complaint is filed with the Center [COMMISSION] by any qualified voter
28 alleging that a statement or report filed with the Center [COMMISSION] does not
29 conform to the requirements of this chapter, or to the truth, or that a person subject to the
30 provisions of this chapter has failed to file a statement or report in the manner prescribed
31 by this chapter.

32

1 (b) The Center [COMMISSION] shall conduct an audit of records to review
2 [INVESTIGATION, AND MAY THEREAFTER CONDUCT A HEARING, INTO] an
3 allegation under (a)(2) of this section.

4 (c) The Center [COMMISSION] shall report any suspected violations of this chapter to
5 the attorney general, to a district attorney in the judicial district where the alleged
6 violation occurred, or to a grand jury.

7 *Sec. 42. AS 24.45.141 is repealed and reenacted to read:

8 **Sec. 24.45.141. Civil penalty:** (a) A report required to be filed within the time required
9 by AS 24.45 is delinquent if not received on or before the due date.

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

11 (c) Center staff will send notice to each lobbyist of his or her delinquency under AS 24.45
12 within five working days after the due date of the report.

13 (d) Upon receipt of a delinquent report, staff will

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

15 (A) \$20 a day for each report;

16 (B) \$20 a day for each year-end report received after February 15;

17 (2) send notice of the civil penalty assessed against the candidate or group within five
18 working days after receipt of a delinquent report or the non-receipt of a report required
19 by AS 24.45 and include:

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

21 (B) an affidavit appeal form.

22 (e) A lobbyist subject to a civil penalty assessment may

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

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

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

32

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

3 (f) If lobbyist subject to a civil penalty assessment for the late filing of a report refuses, or
4 fails, within the time required, to submit an affidavit or make payment, then Center staff
5 will refer the matter to the attorney general for appropriate action.

6 (g) A lobbyist may appeal the Center's assessments to the superior court within 30 days
7 from the date the Center's decision is mailed or otherwise lobbyist. If no appeal is made
8 within 30 days and a payment is not made, the matter will be referred to the attorney
9 general for appropriate action.

10 Sec. 43. AS 24.45.151 is amended to read:

11 Sec. 24.45.151. **Criminal penalties.** (a) An individual who "purposely"
12 [knowingly] violates any provisions of this chapter, whether acting for oneself, on behalf
13 of an employer, or in concert with other persons, is, upon conviction, punishable by a fine
14 of not more than \$1,000, or by imprisonment for not more than one year, or by both.

15 (b) An individual who "purposely" [knowingly] causes, participates in, aids, abets,
16 ratifies, or confirms any violation of a provision of this chapter is, upon conviction[,]is
17 guilty of a class B misdemeanor, punishable by a fine of not more than \$5,000 [\$1,000],
18 or by imprisonment for not more than one year, or by both.

19 (c) A person, other than an individual, "purposely" [knowingly] violates any provision
20 of this chapter, whether acting for oneself, on behalf of an employer, or in concert with
21 other persons, or who knowingly causes, participates in, aids, abets, ratifies, or confirms
22 any violation of a provision of this chapter is, upon conviction, is guilty of a class B
23 misdemeanor, punishable by a fine of not more than \$5,000 [\$1,000] for each offense, or
24 by imprisonment for not more than one year, or both.

25 (d) A person who "purposely" [knowingly] makes a false or misleading report or
26 statement required under this chapter is, upon conviction is guilty of a class B
27 misdemeanor, punishable by a fine of not more than \$5,000 [\$1,000], or by imprisonment
28 for not more than one year, or by both.

29 *Sec. 44. AS 24.45.171 is amended by adding new paragraphs to read:

30 (13) "center" means the Alaska Public Offices Center

31 (14) "division" means the Division of Elections.

32

1 (15) "representational lobbyist" means (a) An individual who attempts to influence
2 legislative or administrative action, and receives only reimbursement for his travel and
3 personal living expenses, is considered a representational lobbyist. "Representational
4 lobbyist" means that the individual is not employed by the person or group on whose
5 behalf he is lobbying and receives no salary, fee, retainer, or any economic consideration
6 whatsoever, other than reimbursement of travel and personal living expenses, for his
7 services as a lobbyist. A representational lobbyist need not submit reports pursuant to AS
8 24.45.051, but must register his representation on a form prescribed by the commission.
9 "Personal living expenses" is considered to be an amount equal to the per diem currently
10 allowed by the Administrative Manual of the State of Alaska. "Travel" means the cost of
11 traveling to the capital city or the location of official proceedings of standing, interim, or
12 special legislative or administrative committees or agencies.

13 (b) The person or group which reimburses a representational lobbyist for his expenses
14 must register and report as the employer of a lobbyist in accordance with the requirements
15 of AS 24.45.061.

16 *Sec. 45. AS 24.60.080(d) is amended to read:

17 (b) A legislator or legislative employee who accepts a gift under (c)(4) of this
18 section that has a value of \$250 or more shall disclose to the committee, within 30 days
19 after receipt of the gift, the name and occupation of the donor and the approximate value
20 of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this
21 section that the recipient expects will have a value of \$250 or more in the calendar year
22 shall disclose to the committee, within 30 days after receipt of the gift, the name and
23 occupation of the donor, a general description of the matter of legislative concern with
24 respect to which the gift is made, and the approximate value of the gift. The committee
25 shall maintain a public record of the disclosures it receives relating to gifts under (c)(4)
26 and (8) of this section and shall forward the disclosures to the appropriate house for
27 inclusion in the journal. The committee shall forward to the Alaska Public Offices Center
28 [COMMISSION] copies of the disclosures concerning gifts under (c)(4) and (8) of this
29 section that it receives from legislators and legislative directors. A legislator or legislative
30 employee who accepts a gift under (c)(6) of this section that has a value of \$250 or more
31 shall disclose to the committee annually on or before March 15 the name and occupation
32 of the donor and a description of the gift. The committee shall maintain disclosures

1 relating to gifts under (c)(6) of this section as confidential records and may only use, or
2 permit a committee employee or contractor to use, a disclosure under (c)(6) of this section
3 in the investigation of a possible violation of this section or in a proceeding under AS
4 24.60.170. If the disclosure under (c)(6) of this section becomes part of the record of a
5 proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the
6 disclosure.

7 **Sec. 46.** AS 24.60.170(l) is amended to read:

8 (l) Proceedings of the committee relating to complaints before it are confidential until
9 the committee determines that there is probable cause to believe that a violation of this
10 chapter has occurred. The complaint and all documents produced or disclosed as a result
11 of the committee investigation are confidential and not subject to inspection by the public.
12 If in the course of an investigation or probable cause determination the committee finds
13 evidence of probable criminal activity, the committee shall transmit a statement and
14 factual findings limited to that activity to the appropriate law enforcement agency. If the
15 committee finds evidence of a probable violation of as 15.13, the committee shall transmit
16 a statement to that effect and factual findings limited to the probable violation to the
17 Alaska Public Offices Center [COMMISSION.] All meetings of the committee before the
18 determination of probable cause are closed to the public and to legislators who are not
19 members of the committee. However, the committee may permit the subject of the
20 complaint to attend a meeting other than the deliberations on probable cause. The
21 confidentiality provisions of this subsection may be waived by the subject of the
22 complaint.

23 ***Sec. 47.** AS 24.60.200 is amended to read:

24 Sec. 24.60.200. Financial disclosure by legislators, public members of the committee,
25 and legislative directors. A legislator, a public member of the committee, and a legislative
26 director shall file a disclosure statement, under oath and on penalty of perjury, with the
27 Alaska Public Offices Center [COMMISSION] giving the following information about
28 the income received by the discloser [,] and the discloser's spouse or spousal equivalent [,
29 THE DISCLOSER'S DEPENDENT CHILDREN, AND THE DISCLOSER'S
30 NONDEPENDENT CHILDREN WHO ARE LIVING WITH THE DISCLOSE]:

31 (1) the information that a public official is required to report under AS 39.50.030, other
32 than information about gifts;

1 (2) as to income in excess of \$1,000 received as compensation for personal services, the
2 name and address of the source of the income, and a statement describing the nature of the
3 services performed; if the source of income is known or reasonably should be known to
4 have a substantial interest in legislative, administrative, or political action and the
5 recipient of the income is a legislator or a legislative director, the amount of income
6 received from the source shall be disclosed;

7 (5) as to each loan or loan guarantee over \$1,000 from a source with a substantial interest
8 in legislative, administrative, or political action, the name and address of the person
9 making the loan or guarantee, the amount of the loan, the terms and conditions under
10 which the loan or guarantee was given, the amount outstanding at the time of filing, and
11 whether or not a written loan agreement exists.

12 *Sec. 48. AS 24.60.210 is amended to read:

13 Sec. 24.60.210. Deadlines for filing of disclosure statements. A person required to file a
14 disclosure statement under AS 24.60.200 shall file an annual report with the Alaska Public
15 Offices Center [COMMISSION], covering the previous calendar year, containing the
16 disclosures required by AS 24.60.200, on or before March 15 of each year.

17 *Sec. 49. AS 24.60.220 is amended to read:

18 Sec. 24.60.220. Administration of AS 24.60.200 - 24.60.260. The Alaska Public Offices
19 Center [COMMISSION] shall

20 (1) [ADOPT REGULATIONS TO IMPLEMENT AND INTERPRET THE
21 PROVISIONS OF AS 24.60.200 - 24.60.260;

22 (2)] prepare standardized forms on which the statements required by AS 24.60.200 shall
23 be filed; and

24 [(3)] (2) examine, investigate, and compare all reports and statements required under AS
25 24.60.200, and report all possible violations of this chapter it discovers to the committee.

26 *Sec. 50. AS 24.60.230 is amended to read:

27 Sec. 24.60.230. Statements as public records. A statement filed with the Alaska Public
28 Offices Center [COMMISSION], under AS 24.60.200 is a public record. A person is not
29 required to comply with AS 24.60.200 to the extent that a court of competent jurisdiction
30 of the state determines that legally privileged professional relationships or constitutional
31 privacy considerations would be violated by compliance.

32 *Sec. 51. AS 24.60.240 is amended to read:

1 **Sec. 24.60.240. Civil penalty for late filing.** A person required to file a disclosure
2 statement under AS 24.60.200 who fails to file a properly completed report under AS
3 24.60.200 is subject to a civil penalty of not more than \$10 a day for each day the
4 delinquency continues as the Alaska Public Offices Center [COMMISSION], determines,
5 subject to appeal to the superior court. An affidavit stating facts in mitigation may be
6 submitted to the Alaska Public Offices Center [COMMISSION], by the person against
7 whom the civil penalty is assessed. However, the imposition of the penalties prescribed in
8 this section does not excuse the person from filing reports required by AS 24.60.200.

9 ***Sec. 52.** AS 24.60.250 is amended to read:

10 **Sec. 24.60.250. Effect of failure to file.** (a) In addition to the sanctions described in AS
11 24.60.260, if the Alaska Public Offices Center [COMMISSION], finds that a candidate
12 for the legislature who is an incumbent legislator has failed to file a report under AS
13 24.60.200 by March 15, the commission shall notify the candidate that the report is late. If
14 the candidate fails to file the report within 30 days after it is due,

15 (1) the Alaska Public Offices Center [COMMISSION], shall notify the lieutenant
16 governor;

17 (2) the candidate shall forfeit nomination to office and may not be seated in office;

18 (3) the lieutenant governor may not certify the person's nomination for office or election
19 to office; and

20 (4) nomination to the office shall be certified as provided in AS 39.50.060(b).

21 (b) In addition to the sanctions described in AS 24.60.260, if the Alaska Public Offices
22 Center [COMMISSION], finds that a member of the committee has failed or refused to
23 file a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify
24 the presiding officer of the appropriate legislative body. In the case of a public member of
25 the committee, the Alaska Public Offices Center [COMMISSION], shall notify both
26 presiding officers.

27 (c) In addition to the sanctions described in AS 24.60.260, if the Alaska Public Offices
28 Center [COMMISSION], finds that a legislative director has failed or refused to file a
29 report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify the
30 Alaska Legislative Council or the Legislative Budget and Audit Committee, as
31 appropriate. For the ombudsman, the Alaska Legislative Council shall be notified.

32 ***Sec. 53.** AS 24.60.260 is amended to read:

1 Sec. 24.60.260. Prohibited conduct relating to disclosures. (a) A person required to make
2 a disclosure under this chapter may not knowingly make a false or deliberately misleading
3 or incomplete disclosure to the committee or to the Alaska Public Offices Center
4 [COMMISSION]. A person who files a disclosure after a deadline set by this chapter or
5 by a regulation adopted by the committee or by the Alaska Public Offices Center
6 [COMMISSION], has violated this chapter and may be subject to imposition of a fine as
7 provided in (c) of this section or AS 24.60.240.

8 (b) A person who violates this section is subject to a proceeding under AS 24.60.170, in
9 addition to penalties that may be imposed by the Alaska Public Offices Center
10 [COMMISSION], under AS 24.60.240 and to the penalty set out in AS 24.60.250.

11 (d) The committee may impose a fine on a person who files a disclosure after a deadline
12 set by this chapter. The amount of the fine imposed under this subsection may not exceed
13 \$2 for each day to a maximum of \$100 for each disclosure for a late disclosure. However,
14 if the committee finds that a late filing was inadvertent, the maximum fine the committee
15 may impose under this subsection is \$25.

16 *Sec. 54. AS 24.60.990(11) is amended to read:

17 (11) "lobbyist" means a person who is required to register under AS 24.45.041 and is
18 described under AS 24.45.171(8)(A), but does not include a volunteer lobbyist described
19 in AS 24.45.161(a)(1) or a representational lobbyist as defined under regulations of the
20 Alaska Public Offices Center [COMMISSION];

21 *Sec. 55. AS 39.50.020 is amended to read:

22 **Sec. 39.50.020. Report of financial and business interests.** (a) A public official
23 ~~other than the governor or the lieutenant governor shall file a~~ Conflict of Interest
24 Statement [GIVING INCOME SOURCES AND BUSINESS INTERESTS],
25 ~~under oath and on penalty of perjury, within 30 days after taking office as a public~~
26 official. Candidates for state elective office other than a candidate who is subject
27 to AS 24.60 shall file the statement with the director of elections at the time of
28 filing a declaration of candidacy or a nominating petition or becoming a candidate
29 by any other means. Candidates for elective municipal office shall file the
30 statement at the time of filing a nominating petition, declaration of candidacy, or
31 other required filing for the elective municipal office. Refusal or failure to file
32 within 30 days after the time prescribed shall require that the candidate's filing

1 fees, if any, and filing for office be refused or that a previously accepted filing fee
2 be returned and the candidate's name removed from the filing records. A statement
3 shall also be filed by public officials no later than March 15 in each following
4 year. Persons who are members of boards or commissions not named in AS
5 39.50.200(b) are not required to file financial statements.

6 (b) A public official other than an elected or appointed municipal officer shall file
7 the statement with the Alaska Public Offices Center [COMMISSION]. Candidates
8 for the office of governor and lieutenant governor and, if the candidate is not
9 subject to AS 24.60, the legislature shall file the statement under AS 15.25.030 or
10 15.25.180. Municipal officers, and candidates for elective municipal office, shall
11 file with the municipal clerk or other municipal official designated to receive their
12 filing for office. All statements required to be filed under this chapter are public
13 records.

14 *Sec. 56. AS 39.50.025 is repealed and reenacted to read:

15 **Sec. 39.50.025 Filing.** (a) The following individuals, who are required to file a statement
16 under AS 39.50.020, shall file the statement with the division of elections electronically,
17 by hand delivery, mail, or facsimile:

18 (1) a judicial officer;

19 (2) the governor;

20 (3) the lieutenant governor;

21 (4) an individual hired or appointed as the commissioner, head, deputy head, or director of
22 a

23 (A) department in the executive branch; or

24 (B) division of that department;

25 (5) an assistant to the governor;

26 (6) a chair or member of a state commission or board;

27 (7) a state investment officer and the state comptroller in the Department of Revenue;

28 (8) the executive director of the Alaska Tourism Marketing Council.

29 (b) A candidate for state elective office who is required to file a statement with the
30 director of elections under AS 39.50.020 shall file the statement as the director of
31 elections provides.

32

1 (c) A municipal officer or a candidate for elective municipal office who is required to file
2 a statement with the municipal clerk or another municipal official under AS 39.50.020
3 shall file the statement as the clerk or municipal official provides.

4 (d) If an individual who is subject to (a) of this section files a statement by hand delivery
5 or facsimile, the date of filing is the date on which an office of the commission receives
6 the statement. If the individual files a statement by mail, the date of filing is the date of the
7 postmark. If a statement filed by mail has a postmark on which the date is missing or
8 illegible, the date of the postmark is rebuttably presumed to be 10 calendar days before the
9 date on which the statement is received.

10 (e) If a filer is required to file more than one statement under AS 39.50.020, the filer
11 shall file a statement at each place designated in AS 39.50.020. A filer may file a copy of
12 a current statement. The filer shall sign the copy.

13 *Sec. 57. AS 39.50.030 is amended to read:

14 **Sec. 39.50.030. Contents of Conflict of Interest Statement [statements].** (a)

15 Each statement must be an accurate representation of the financial affairs of the public
16 official or candidate and must contain the same information for **the persons's spouse or**
17 **spousal equivalent** [EACH MEMBER OF THE PERSON'S FAMILY], as specified in
18 (b) and (d) of this section, to the extent that it is ascertainable by the public official or
19 candidate.

20 (b) Except as provided in (g) of this section, each statement filed by a public official or
21 candidate under this chapter must include the following:

22 (1) the source of all income over \$1,000 during the preceding calendar year, including
23 taxable and nontaxable capital gains, received by the person[,] **or** the person's spouse
24 or spousal equivalent, [OR THE PERSON'S CHILD,] except that a source of income
25 that is a gift must be included if the value of the gift exceeds \$250;

26 (2) the identity, by name and address, of each business in which the person[,] **or** the
27 person's spouse or spousal equivalent[, OR THE PERSON'S CHILD] was a
28 stockholder, owner, officer, director, partner, proprietor, or employee during the
29 preceding calendar year;

30 (3) the identity and nature of each interest owned in any business during the preceding
31 calendar year by the person[,] **or** the person's spouse or spousal equivalent[, OR THE
32 PERSON'S CHILD];

1 (4) the identity and nature of each interest in real property, including an option to buy,
2 owned at any time during the preceding calendar year by the person[,] or the person's
3 spouse or spousal equivalent[, OR THE PERSON'S CHILD];

4 (5) the identity of each trust or other fiduciary relation in which the person[,] or the
5 person's spouse or spousal equivalent[, OR THE PERSON'S CHILD] held a beneficial
6 interest exceeding \$1,000 during the preceding calendar year, a description and
7 identification of the property contained in each trust or relation, and the nature and
8 extent of the beneficial interest in it;

9 (6) any loan or loan guarantee of more than \$1,000 made to the person[,] or the
10 person's spouse or spousal equivalent, [OR THE PERSON'S CHILD,] and the identity
11 of the maker of the loan or loan guarantor and the identity of each creditor to whom the
12 person[,] or the person's spouse or spousal equivalent[, OR THE PERSON'S CHILD]
13 owed more than \$1,000; this paragraph requires disclosure of a loan, loan guarantee, or
14 indebtedness only if the loan or guarantee was made, or the indebtedness incurred,
15 during the preceding calendar year, or if the amount still owing on the loan, loan
16 guarantee, or indebtedness was more than \$1,000 at any time during the preceding
17 calendar year;

18 (7) a list of all contracts and offers to contract with the state or an instrumentality of the
19 state during the preceding calendar year held, bid, or offered by the person[,] or the
20 person's spouse or spousal equivalent, [OR THE PERSON'S CHILD,] a partnership or
21 professional corporation of which the person is a member, or a corporation in which
22 the person or the person's spouse[,] or spousal equivalent, [OR CHILDREN,] or a
23 combination of them, hold a controlling interest; and

24 (8) a list of all mineral, timber, oil, or any other natural resource lease held, or lease
25 offer made, during the preceding calendar year by the person, the person's spouse or
26 spousal equivalent, or the person's child, a partnership or professional corporation of
27 which the person is a member, or a corporation in which the person or the person's
28 spouse or spousal equivalent or children, or a combination of them, holds a controlling
29 interest.

30 (9) any income or loans resulting from the transfer of money from a political
31 campaign account.

32 (c) [Repealed, § 26 ch 25 SLA 1975.]

1 (d) In addition to the requirements of (b) of this section, each statement filed under this
2 chapter by a public official in the executive branch of state government other than the
3 chair or a member of a state commission or board must include a disclosure of the
4 formation or maintenance of a close economic association involving a substantial financial
5 matter as required by this subsection. The disclosure must be sufficiently detailed so that a
6 reader can ascertain the nature of the association. A public official shall disclose a close
7 economic association with

8 (1) a legislator;

9 (2) a public official who is not an elected or appointed municipal officer;

10 (3) a lobbyist; or

11 (4) a public officer if the person required to make the disclosure is the governor or the
12 lieutenant governor.

13 (e) If a public official required to disclose a close economic association under (d) of this
14 section forms a close economic association after the date on which the public official files
15 the financial disclosure statement required by (a) of this section, disclosure of the
16 association must be made to the Center [COMMISSION] within 60 days after the
17 formation of the association.

18 (f) When making a disclosure under (d) of this section concerning a relationship with a
19 lobbyist to whom the public official is married or who is the public official's spousal
20 equivalent, the public official shall also disclose the name and address of each employer
21 of the lobbyist and the total monetary value received from the lobbyist's employer. The
22 public official shall report changes in the employers of the spouse or spousal equivalent
23 within 48 hours after the change. In this subsection, "employer of the lobbyist" means the
24 person from whom the lobbyist received money, or goods or services having a monetary
25 value, for engaging in lobbying on behalf of the person.

26 (g) The requirements in this section for disclosures related to a person's spousal
27 equivalent do not apply to an elected or appointed municipal officer.

28 (h) In this section,

29 (1) "child" means a person's dependent child or a person's nondependent child who is
30 living with the person;

31 (2) "close economic association" means a financial relationship that exists between a
32 public official required to disclose a close economic association under (d) of this

1 section and some other person or entity, including a relationship where the public
2 official serves as a consultant or advisor to, is a member or representative of, or has a
3 financial interest in an association, partnership, business, or corporation;

4 (3) "controlling interest" in a corporation means ownership of more than 50
5 percent of the outstanding shares of the corporation at any time during the
6 preceding calendar year.

7 (4)"income" includes money or anything of value received

8 (a) in exchange for labor or services;

9 (b) from the sale of goods or property;

10 (c) as profit from a financial investment;

11 (d) as alimony;

12 (e) as child support;

13 (f) as a government entitlement;

14 (g) as an honorarium;

15 (h) as a prize;

16 (i) as an award;

17 (j) as proceeds from an insurance policy; or

18 (k) as a gift.

19 [(3)] (5) "lobbyist" has the meaning given in AS 24.60.990(a);

20 [(4)] (6) "public officer" has the meaning given in AS 39.52.960.

21 *Sec. 58. AS 39.50.035 is amended to read:

22 Sec. 39.50.035. Exemptions. The name of individuals as a source of income is exempt
23 from disclosure the income is for services rendered under the authority of an
24 occupational license or if reporting the name of a source of income would violate a
25 right of the source under the state or federal constitution. [A PERSON SUBJECT TO
26 THIS CHAPTER IS NOT EXEMPT FROM ANY OF ITS PROVISIONS EXCEPT TO
27 THE EXTENT STATE COURTS DETERMINE THAT LEGALLY PRIVILEGED
28 PROFESSIONAL RELATIONSHIPS PRECLUDE COMPLETE COMPLIANCE.]

29 *Sec. 59. AS 39.50.050 is repealed and reenacted to read:

30 Sec. 39.50.050. Administration and inspection. (a) The a Alaska Public Offices Center
31 [COMMISSION] created under as 15.13.020(a) shall administer the provisions of this

32

1 chapter. The Center [COMMISSION] shall prepare and keep available for distribution,
2 standardized forms on which the reports required by this chapter shall be filed.

3 (b) Reports filed under this chapter shall be kept on file for at least four [SIX] years and
4 are public records.

5 *Sec. 60. AS 39.50. is amended adding a new section to read:

6 **Sec. 39.50.055. Taking office.** As used in AS 39.50.020(a), "within 30 days after
7 taking office" means within 30 days after the earlier of the following days:

8 (1) the day on which the filer first earns compensation for work;

9 (2) the day on which the filer takes the oath of office.

10 *Sec. 61. AS 39.50.060 is amended to read:

11 **Sec. 39.50.060. Penalty for wilful violation of disclosure requirements.** (a) A person
12 required to file a Conflict of Interest Statement [REPORT OF FINANCIAL OR
13 BUSINESS INTERESTS] under this chapter who refuses or knowingly fails to disclose
14 required information within the time required in this chapter, or who provides false or
15 misleading information, knowing it to be false or misleading, is guilty of a class B
16 misdemeanor and upon conviction is punishable by a fine of not less than [\$100] \$1,000
17 nor more than \$5000 [\$1,000], or by imprisonment for a period of not more than six
18 months, or by both.

19 (b) Any person failing or refusing to comply with the requirements of this chapter, in
20 addition to the penalties prescribed, shall forfeit nomination to office and may not be
21 seated or installed in office if the person has not complied. Nominated, hired, or appointed
22 officials, commissioners, chairs, or members of commissions or boards specified in AS
23 39.50.200(b) may not be confirmed by the legislature if compliance has not been made. In
24 the case of elected officials, the lieutenant governor, or other certifying authority, may not
25 certify a person's nomination for office or the person's election to office if compliance was
26 not made within the time required. The nomination to office or election to office shall be
27 certified to the highest vote getter for that nomination for that office or election to that
28 office who has complied within the times required and who shall be declared nominated
29 or elected. For purposes of this subsection, a person is considered to have complied within
30 the time required if the person complies within 30 days after the due date established by
31 this chapter.

32 *Sec. 62. AS 39.50.070 is amended to read:

1 Sec. 39.50.070. Failure to report by certain public officials. A public official in the
2 executive branch of state government, other than the governor or lieutenant governor or a
3 chair or member of a state board or commission, who refuses or knowingly fails to file a
4 report of financial interests required under this chapter when due may not hold office, and
5 the person's name may not be submitted to the legislature for confirmation, until the
6 person complies. The person may not be confirmed, hired, or appointed, and the person
7 forfeits and may not be paid any salary, per diem, or travel expenses, until the person
8 complies. If, after installation in office or beginning employment in the position, the
9 person refuses or fails to file the required statement when due, the person is guilty of a
10 class B misdemeanor and upon conviction is punishable by a fine of not less [\$100]
11 \$1,000 nor more than \$5000 [\$1,000], or by imprisonment for a period of not more
12 than six months, or by both. The person [AND] shall be removed from office if
13 compliance is not made within 30 days after the due date of the report.

14 *Sec. 63. AS 39.50.080 is amended to read:

15 **Sec. 39.50.080. Failure to report by a commission or board chairman or member.**

16 A person hired or appointed as a commissioner, chairman or member of a state
17 commission or board specified in AS 39.50.200(b) who knowingly fails to file a report of
18 financial interests required under this chapter when due may not hold office, and the
19 person's name may not be submitted to the legislature until the person complies. The
20 person may not be confirmed, and the person forfeits and may not be paid any salary, per
21 diem or travel expenses until the person complies. If, after being seated as commissioner,
22 chairman or member of such a commission or board the person refuses or knowingly fails
23 to file the required statement when due, the person is guilty of a class B misdemeanor and
24 upon conviction is punishable by a fine of not less than 1,000 [\$100] nor more than
25 \$5,000 [\$1,000], or by imprisonment for a period of not more than six months, or by
26 both. The person [AND] shall be removed from office if compliance is not made within
27 30 days after the due date of the report.

28 *Sec. 64. AS 39.50. is amended by adding a new section to read:

29 Sec. 39.50.115. Procedures For Late Statements From Judicial Officers. (a) If the annual
30 statement of a judicial officer is late for eight days, the staff of the commission shall send
31 a written notice to the judicial officer at the address on file with the commission. The
32 notice must state

- 1 (1) that the statement has not been filed;
- 2 (2) the date on which the statement was due;
- 3 (3) that refusal or failure to file
- 4 (A) is punishable as a misdemeanor offense; and
- 5 (B) on or before the 30th day of lateness will cause the commission to
- 6 (i) request the administrator of the court system to withhold salary, per diem, and
- 7 travel expense payments to the judicial officer under AS 39.50.110;
- 8 (ii) request the Commission on Judicial Conduct to refer the matter to the supreme
- 9 court with a recommendation that the judicial officer be removed from office under
- 10 AS 39.50.110;
- 11 (iii) request the attorney general to initiate misdemeanor proceedings under AS
- 12 39.50.060 or 39.50.110; and
- 13 (iv) take other action as appropriate to carry out AS 39.50.060 or 39.50.110;
- 14 (4) the amount of the civil penalty assessed to date under AS 39.50.135;
- 15 (5) that the civil penalty assessed under AS 39.50.135 increases until the statement is
- 16 filed; and
- 17 (6) the right of appeal under AS 39.50.135.
- 18 (b) If the annual statement of a judicial officer is late for 5 days, the staff of the Alaska
- 19 Public Offices Center shall send a written notice to the judicial officer at the address on
- 20 file with the Center. The notice must include the information included in a notice sent
- 21 under (a) of this section.
- 22 (c) If the annual statement of a judicial officer is late for 30 days, the commission will
- 23 (1) request the administrator of the court system to withhold salary, per diem, and travel
- 24 expense payments to the judicial officer under AS 39.50.110;
- 25 (2) request the Commission on Judicial Conduct to refer the matter to the supreme court
- 26 with a recommendation that the judicial officer be removed from office under AS
- 27 39.50.110;
- 28 (3) request the attorney general to initiate misdemeanor proceedings under AS 39.50.060
- 29 or 39.50.110; and
- 30 (4) take other action as appropriate to carry out AS 39.50.060 or 39.50.110.
- 31
- 32

1 (e) If a judicial officer files a statement after the date applicable to that officer under AS
2 39.50.020(a), the staff of the Center shall send a written notice to the judicial officer at the
3 address on file with the Center. The notice must state the

4 (1) amount of the civil penalty assessed under AS 39.50.135; and

5 (2) right of appeal under AS 39.50.135 and AS 39.50.155.

6

7 *Sec. 65. AS 39.50.135 is repealed and reenacted to read:

8 **Sec. 39.50.135. Civil Penalty For Late Or Incomplete Statements From Filers Other**
9 **Than Municipal Officers.** (a) Except as provided under AS 39.50.063, the staff of the

10 **Center** [COMMISSION] shall assess a civil penalty under AS 39.50.135 against a filer
11 other than a municipal officer on each day that the filer's statement is late. A statement is
12 late or incomplete if it is not complete and filed

13 (1) 30 days after the **Center** [COMMISSION] sends notice under a AS 39.50.052, for an
14 initial statement from an executive branch public official or judicial officer; and

15 (2) April 15, for an annual statement.

16 (b) For a statement required because a filer is an executive branch public official,
17 candidate for state elective office, or judicial officer, the staff of the **Center**
18 [COMMISSION] shall assess the civil penalty against the filer as follows:

19 (1) \$10 per late day through the first **seven** [10] days of lateness;

20 (2) \$20 per late day for the **8th** [11th] and subsequent days of lateness.

21 (c) Notwithstanding (b) of this section, the Center may assess \$20 per day for each day
22 that a statement is late if a filer other than a municipal officer has

23 (1) failed to comply substantially with AS 39.50 by failing to report in the filer's statement
24 a major source of income, interest in real property, business interest, loan, trust, or other
25 substantial financial interest; or

26 (2) continuously failed to comply with AS 39.50 by failing to respond fully and within the
27 time prescribed to a written request from the commission or the staff for further
28 information.

29 (d) A civil penalty assessed under (b) or (c) of this section is due each day that it is
30 assessed.

31 *Sec. 66. AS 39.50 is amended by adding a new section to read:

32

- 1 **Sec. 39.50.146. Civil Penalty Assessments For Late Filing By Municipal Officers.**_(a)
- 2 The statement of a municipal officer is delinquent if the municipal clerk or designated
- 3 municipal official does not receive the statement on or before April 15, for an annual
- 4 statement.
- 5 (b) The statement continues to be delinquent and subject to a civil penalty until received
- 6 by the municipal clerk or designated official.
- 7 (c) The municipal clerk or designated official shall notify the commission within five
- 8 days
- 9 (1) by telegram or telephone of the name and address of any municipal officer who has
- 10 refused or failed to file a conflict-of-interest statement by the due date; and
- 11 (2) verify that all other municipal officers have filed.
- 12 (d) Within five days after receiving a notification under (c) of this section, the staff of the
- 13 Center [COMMISSION] shall send a written notice to the municipal officer. The notice
- 14 must state
- 15 (1) that the statement has not been filed;
- 16 (2) the date on which the statement was due;
- 17 (3) that refusal or failure to file
- 18 (A) is punishable as a misdemeanor offense; and
- 19 (B) on or before the 30th day of lateness will cause the Center [COMMISSION] to
- 20 (i) request the attorney general to initiate misdemeanor proceedings under AS 39.50.060;
- 21 and
- 22 (ii) take other action as appropriate to carry out AS 39.50.060;
- 23 (4) the amount of the civil penalty assessable to date under (e) of this section;
- 24 (5) that the civil penalty assessable under (e) of this section increases until the statement is
- 25 filed; and
- 26 (6) the right of appeal under AS 39.50.135 and AS 39.50.155
- 27 (e) The municipal clerk or designated official shall notify the Center [COMMISSION]
- 28 by telegram or telephone of the name and address of any municipal officer who filed a
- 29 delinquent conflict-of-interest statement and the date on which the late statement was
- 30 received by the clerk or designated official. Upon notification of the receipt of a
- 31 delinquent conflict-of-interest statement, Center [COMMISSION] staff will
- 32 (1) determine the appropriate civil penalty, as follows:

- 1 (A) \$10 [\$1] a day through the first seven days a statement is delinquent;
2 (B) \$20 [\$5] a day for the eighth day and subsequent days of delinquency.
3 (2) within five days after notification by the municipal clerk or designated official of
4 receipt of a delinquent statement, send a notice of the civil penalty assessed against the
5 municipal officer, and include
6 (A) a statement of the amount of the assessment; and
7 (B) an affidavit appeal form.
8 (f) If a municipal officer disputes the amount of a civil penalty assessed under (e) of this
9 section, the municipal officer, using the affidavit appeal form provided under (e) of this
10 section, may submit to the commission an affidavit stating facts in mitigation within 30
11 days of the date of the notice described in (e) of this section. The commission will review
12 the affidavit under the procedures set out at AS 39.50.155.
13 (g) Notwithstanding (e) of this section, the staff of the Center [COMMISSION] assess
14 \$10 per day for each day that a statement is late if a municipal officer has
15 (1) failed to comply substantially with AS 39.50 by failing to report in the officer's
16 statement a major source of income, interest in real property, business interest, loan, trust,
17 or other substantial financial interest; or
18 (2) continuously failed to comply with AS 39.50 by failing to respond fully and within the
19 time prescribed to a written request from the commission or staff for further information.

20 *Sec. 67. AS 39.50 is amended by adding a new section to read:

21 Sec. 39.50.147. Procedures For Incomplete Statements From Candidates For Elective
22 Municipal Office. (a) Seven days before the deadline for withdrawal of candidacy, the
23 staff of the Center shall provide the Center a list of the candidates for elective municipal
24 office whose statements are incomplete.

25 (b) Upon receipt of the list described in (a) of this section, the Center will schedule a
26 meeting to consider the list. The staff of the Center shall notify a candidate for elective
27 municipal office who is on the list about the time, date, and place of the meeting.

28 (c) If, at or after a meeting scheduled under (b) of this section, the Center determines that
29 a candidate for elective municipal office has not supplied required information on a major
30 source of income, interest in real property, business interest, loan, or trust, the Center will
31 recommend that the appropriate municipal clerk or designated municipal official refuse or
32

1 return the candidate's filing fees and filing for office and remove the candidate's name
2 from the filing records.

3 (d) If information discovered after the withdrawal-of-candidacy deadline indicates that a
4 candidate for elective municipal office has failed to comply substantially with the
5 requirements of AS 39.50, the staff of the Center shall undertake a preliminary
6 investigation and report its findings to the executive director. The executive director will
7 determine the appropriate penalty under AS 39.50.135.

8 *Sec. 68. AS 39.50 is amended by adding a new section to read:

9 **Sec. 39.50.150. Notice Of Filing Requirement.** If the staff of the Center determines that
10 an individual, other than a candidate for state or municipal office, must file a statement
11 under AS 39.50.020, the staff shall send a written notice to the individual at the address on
12 file with the division. The notice must include a copy of the statement form that the
13 individual is required to file and a copy of the statement instruction manual.

14 *Sec. 69. AS 39.50 is amended by adding a new section to read:

15 **Sec. 39.50.155. Dispute As To Amount Of Civil Penalty.** (a) If a filer disputes the
16 amount of a civil penalty assessed under AS 39.50.135(b) or AS 39.30.146(e), the filer
17 may submit to the Center an affidavit stating facts in mitigation within 30 days of the date
18 of the notice described in AS 39.52.271(e), AS 39.50.115(e), or AS 39.30.146(e). The
19 Center will consider the affidavit and other evidence relevant to the amount of the civil
20 penalty, unless the division, in its discretion, finds reason to consider the affidavit at a
21 different meeting. After considering the affidavit and other evidence, the Center will

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

24 (2) reduce or waive the civil penalty if the Center determines that the statement was late
25 for good cause.

26 (b) Immediately send a written notice of the decision by the Center to the filer at the
27 address on file.

28 (c) If the Center decides to impose some or all of a civil penalty assessed AS
29 39.50.135(b) or AS 39.50.146(e), the filer shall

30 (1) pay the penalty no later than 30 days after the date of the notice described in (b) of this
31 section; or

32 (2) file a notice of appeal under AS 39.50.135 or AS 44.62.560.

1 *Sec. 70. AS 39.50 is amended by adding a new section to read:

2 **Sec. 39.50.160. Procedures for incomplete statements from candidates for state**
3 **elective office.** (a) Seven days before the primary election withdrawal date set in AS
4 15.25.055 and seven days before the general election withdrawal date set in AS 15.25.200,
5 the staff of the Alaska Public Offices Center shall provide to the Division of Elections a
6 list of the candidates for state elective office whose statements are incomplete.

7 (b) Upon receipt of a list described in (a) of this section, the division will schedule a
8 meeting to consider the list. The staff of the division shall notify a candidate for state
9 elective office who is on the list about the time, date, and place of the meeting.

10 (c) If, at or after the meeting scheduled under (b) of this section, the division determines
11 that a candidate for state elective office has not supplied required information on a major
12 source of income, interest in real property, business interest, loan, or trust, the division
13 will recommend that the lieutenant governor remove the candidate's name from the ballot.
14 If the candidate's name cannot be removed from the ballot, the division will recommend
15 that the lieutenant governor not certify the candidate's nomination for office or election to
16 office.

17 (d) If information discovered after the withdrawal-of-candidacy deadline indicates that a
18 candidate for state elective office has failed to comply substantially with the requirements
19 of AS 39.50, the staff of the Center shall undertake a preliminary investigation under
20 15.13.045. The staff shall report its findings to the division. The Center will determine the
21 appropriate penalty under AS 39.50.135.

22 *Sec. 71. AS 39.50 is amended by adding a new section to read:

23 **Sec. 39.50.165. Corrected incomplete statements.** If the staff of the division an obvious
24 deficiency on the face of a statement, the staff shall notify the filer of the deficiency. If the
25 filer corrects the deficiency by filing a statement that contains the required information no
26 later than 15 days after the date of the staff's notice, the staff

27 (1) shall consider the correction to be a fact in mitigation as described in AS 39.50.135;
28 and

29 (2) may not assess a civil penalty under AS 39.50.135 or AS 39.50.146.

30 *Sec. 72. AS 39.50.200(a)(1) is amended to read:

31 (1) "assistant to the governor or the lieutenant governor" includes any executive,
32 legislative, special, administrative, or press assistant to the governor or lieutenant

1 governor, and any person similarly employed in a policy-making position; except for a
2 judicial officer or a municipal officer;

3 *Sec. 73. AS 39.50.200(a)(4) is amended to read:

4 (4) "instrumentality of the state" means a state department or agency, whether in the
5 legislative, judicial, or executive branch, including municipalities and the
6 University of Alaska;

7 *Sec. 74. AS 39.50.200(a)(5) is amended to read:

8 (5) "judicial officer" means a person appointed as a justice to the supreme court or as a
9 judge to the court of appeals, superior court, district court, or magistrate court; this
10 definition does not include a judicial officer who holds a judicial office for less than
11 30 days;

12 *Sec. 75. AS 39.50.200(a) is amended by adding new definitions to read:

13 (11) "candidate" means a candidate for

14 (A) state elective office; and

15 (B) elective municipal office;

16 (12) "filer" means a person required to file a statement under AS 39.50.020;

17 (13) "gift"

18 (A) means a payment or item to the extent that consideration of equal or greater value is
19 not received;

20 (B) includes

21 (i) forgiveness of a loan, payment of a loan by a third party, or an enforceable promise
22 to make a payment except when full and adequate consideration is received;

23 (ii) the provision of accommodations;

24 (iii) the provision of a ticket for travel or for an entertainment event;

25 (iv) the provision of food or beverages other than food or beverages for immediate
26 consumption; and

27 (v) the granting of a discount or rebate not extended to the public generally for a good
28 or service; and

29 (C) does not include

30 (i) a political contribution;

31 (ii) a commercially reasonable loan made in the ordinary course of business in
32 exchange for consideration of equal or greater value; or

1 (iii) an inheritance;

2 (14) "statement" means a Conflict of Interest Statement required under AS 39.50.

3 *Sec. 76. AS 39.2.180(a) is amended by adding a new section to read:

4 **Sec. 39.52.180. Restrictions on employment after leaving state service.** (a) A public
5 officer who leaves state service may not, for two years after leaving state service,
6 represent, advise, or assist a person for compensation regarding a matter that was under
7 consideration by the administrative unit served by that public officer, and in which the
8 officer participated personally and substantially through the exercise of official action.
9 For the purposes of this subsection, "matter" includes a case, proceeding, application,
10 contract, or determination, but does not include the proposal or consideration of legislative
11 bills, resolutions and constitutional amendments, or other legislative measures; or the
12 proposal, consideration, or adoption of administrative regulations.

13 *Sec. 77. AS 39.52 is amended by adding a new section to read:

14 **Sec. 39.52.271. Procedures for late statements from executive branch public**
15 **officials.** (a) If the annual statement of an executive branch public official is late for
16 five days, the staff of the Alaska Public Offices Center shall send a written notice to the
17 executive branch public official at the address on file with the commission. The notice
18 must state

19 (1) that the statement has not been filed;

20 (2) the date on which the statement was due;

21 (3) that refusal or failure to file

22 (A) is punishable as a misdemeanor offense; and

23 (B) on or before the 30th day of lateness will cause the Alaska Public Offices Center to

24 (i) request the governor to remove the executive branch public official from office
25 under AS 39.50.062 - 39.50.080, if the executive branch public official is not the
26 governor or the lieutenant governor;

27 (ii) request the state agency that administers the salary, per diem, and travel expenses
28 of the executive branch public official to withhold those payments under AS
29 39.50.070, 39.50.080, or 39.50.130;

30 (iii) request the attorney general to initiate misdemeanor proceedings under AS
31 39.50.062 - 39.50.080 or 39.50.130; and

32

- 1 (iv) take other action as appropriate to carry out AS 39.50.062 - 39.50.080 or
2 39.50.130;
- 3 (4) the amount of the civil penalty assessed to date under AS 39.50.053;
- 4 (5) that the civil penalty assessed under AS 39.50.053 increases until the statement is
5 filed; and
- 6 (6) the right of appeal under AS 39.50.135 and AS 39.50.054.
- 7 (b) If the annual statement of an executive branch public official is late for 22 days, the
8 staff of the Center shall send a written notice to the executive branch public official at the
9 address on file with the Center. The notice must include the information included in a
10 notice sent under (a) of this section.
- 11 (c) If the annual statement of an executive branch public official has been late for 30
12 days, the staff of the Center shall
- 13 (1) send a written notice to the executive branch public official at the address on file
14 with the Center; the notice must include the information included in a notice sent under
15 (a) of this section;
- 16 (2) notify the Center that the statement has been late for 30 days; and
- 17 (3) under the direction of the Center, take other action as appropriate to carry out AS
18 39.50.060 - 39.50.080 and 39.50.130.
- 19 (d) If the annual statement of an executive branch public official is late for 30 days, the
20 Center will
- 21 (1) request the governor to remove the official from office under AS 39.50.060 -
22 39.50.080, unless the official is the governor or lieutenant governor;
- 23 (2) request the state agency that administers the salary, per diem, and travel expenses of
24 the executive branch public official to withhold those payments under AS 39.50.070,
25 39.50.080, or 39.50.130;
- 26 (3) request the attorney general to initiate class B misdemeanor proceedings under AS
27 39.50.060 - 39.50.080 or 39.50.130; and
- 28 (4) take other action as appropriate to carry out AS 39.50.060 - 39.50.080 or 39.50.130.
- 29 (e) If an executive branch public official files a statement after the date applicable to that
30 official under AS 39.50.020(a), the staff of the Center shall send a written notice to the
31 executive branch public official at the address on file with the Center. The notice must
32 state the

1 (1) amount of the civil penalty assessed under 2 AAC 50.110; and
2 (2) right of appeal under AS 39.50.135 and 2 AAC 50.112.
3 **Sec. 78.** AS 15.13.045, AS 15.13.050(b), AS 15.13.070, AS 15.13.072, AS 15.13.080, AS
4 15.13.082, AS 15.13.110, AS 15.13.116(a)(8)(D), AS 15.13.116(a)(9)(D), AS 15.13.116(d),
5 AS 15.13.400(2), and AS 39.50.200 are repealed.

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**Testimony of Brooke Miles,
Alaska Public Offices Commission
on SSHB 179**

**Before the House State Affairs Committee
on April 22, 1999**

Introduction

Because of the short time frame, the full Commission has not yet had an opportunity to address the provisions in the bill. It is likely that they will have an opinion on the bill.

At this time, Commission staff has reviewed the bill and wishes to raise the following questions with the Committee.

Campaign disclosure registration and reporting

1. If a candidate receives contributions in 1999 for the 2002 election must he or she file semi-monthly for three years?
2. The bill defines "full disclosure" as the "complete and abundantly detailed revelation of all assets and all income." AS 15.13.025, however, would require that filers disclose only limited information regarding contributions (amount and name of contributor) and expenditures (method of payment, payee, description and amount). It appears that none of the following information would be disclosed: the dates of expenditures and contributions; the method of payment of contributions; the address, occupation and employer of contributors; the cumulative amount given by a contributor in a year; and the debts owed by a campaign.

How will the public ascertain things like the amount of money a candidate has received from outside the state or from lobbyists; whether a campaign has a surplus or debt; or the total amount a contributor has given over the course of the year?

Also, how will the Division evaluate whether reports are complete and accurate?

3. Current law contains exemptions for small contributions (under \$100) and small campaigns (under \$2500). In both cases, public disclosure is not required. Is it the intent of the sponsor to require disclosure in those situations?
4. Because reporting due dates are not contingent on the date of an election, there may be a substantial period of time between when the last report was filed and the election. Currently, the law requires a report seven days before the election and one page statements of any large contributions just prior to the election. Is the sponsor aware that the public may not have timely information concerning a candidate's campaign just prior to the election?

5. Currently, during the course of the campaign season, members of the public routinely contact staff with questions about candidate reports and activities. Staff often serves as a buffer by resolving the concerns of the public while protecting candidates from unfounded allegations. How will a member of the public with questions about a filer's disclosures have their questions resolved?

Campaign disclosure enforcement

6. The bill places the responsibility for enforcing the campaign disclosure law with the director of elections, who is appointed by the Lt. Governor. During a gubernatorial election year, the director must ensure that all candidates, including those for governor and Lt. governor, have complied with the reporting requirements. Conceivably, the director would be required to refer the Lt. Governor or a competing candidate to the district attorney for criminal prosecution. Is this the intent of the sponsor?
7. Under the campaign disclosure law, removal from the ballot has never been a penalty for any violation of the campaign disclosure law--including missing or inaccurate campaign disclosure reports. Currently, the removal penalty is only associated with COI or LFD statements which are generally due by June 1 at the latest. Is it the sponsor's intent to expand the enforcement mechanisms to include removal as a penalty?
8. Currently, candidates who file late campaign disclosure reports are subject to civil penalties and thereby motivated to file timely. Are there any consequences for late reports under SSHB 179?

Repeal of campaign disclosure reforms

9. This bill appears to repeal all reforms enacted in 1996. Is it the sponsor's intent that candidates, groups and parties be permitted to receive unlimited amounts of money from any source at any time?
10. Is it the sponsor's intent that candidates be free to use their campaign contributions for any purpose including taking them as personal income?
11. The current campaign disclosure law currently prohibits state, University, and municipal money from being used to influence elections except in limited circumstances. Is it the sponsor's intent that these entities be permitted to contribute public money to campaigns?
12. The bill repeals the provision which identifies who may receive campaign contributions on behalf of the candidate. If anyone may accept a contribution on behalf of a candidate, how will a candidate know when a contribution is received for reporting purposes?
13. Currently, the campaign disclosure law prohibits anonymous contributions, contributions made using a fictitious name, and contributions made using another person's name. The bill repeals those prohibitions. Is it the sponsor's intent to permit these kinds of

contributions? If that is the case, how will the Division or the district attorney determine whether a filer has provided false information on a disclosure report?

14. Similarly, the law currently prohibits cash contributions over \$100. With the prospect of unlimited cash contributions, how will the district attorney's office determine whether a false statement was made regarding the origin or amount of a contribution?

**Implementation and enforcement of
conflict of interest, legislative financial disclosure, and lobbying laws**

15. When the legislature passed the Legislative Ethics Law in 1993, it set a higher standard for itself with regards to the disclosure of income and loans over \$1000 if the source was known to have a substantial interest in legislative, administrative or political action. This bill eliminates that requirement. Is there some reason why this information is no longer necessary?

**Testimony of Joyce Michaelson, Vice Chair,
Alaska Public Offices Commission
on SSHB 179**

**Before the House State Affairs Committee
on April 22, 1999**

Elimination of the APOC

Currently, the Commission implements public disclosure requirements for candidates, legislators, public officials and lobbyists. Does the legislature really want to move enforcement authority over that disclosure from a bipartisan, independent Commission that uses a public administrative process to an executive branch official appointed by an elected official?

- Every state in the nation and province in Canada currently has an agency similar to the APOC. Alaska's existing disclosure scheme is an exceptional one. The Center for Public Integrity has ranked Alaska #3 in the country "for making basic information on state legislator's private income, assets, and conflicts of interest available to the public."
- Because of its bipartisan nature, independent status, and public administrative process, the Commission is best equipped to effectively and efficiently implement and enforce Alaska's public disclosure requirements.
- The Commission is structured to minimize partisan decision-making. Current composition: 2 Republicans, 2 Democrats, 1 Public member. The five members of the Commission serve five year terms. Each year, one seat becomes available. On an alternating basis, the two top parties in the last gubernatorial election select nominees, the governor submits one to the legislature, and the legislature confirms. The fifth member is the "public member"—the Commission publicly solicits applicants through newspaper and radio ads, it selects one nominee from the applicants and that name is forwarded to the legislature for confirmation.
- The Commission's independent nature ensures that decisions are nonpartisan. When the Commission was created in 1974 with passage of the campaign disclosure law, it was originally located in the Lt. Governor's Office. In 1979, the legislature recognized that to maximize the Commission's independence, it should be moved to its current location as one of the independent Commissions under Department of Administration. No one in the administration exercises authority over the Commissioners (who receive only minimal reimbursement for their service to the State) or their decisions.
- The Commission's public administrative processes ensure that filers and the public have an opportunity to be heard. These public processes also ensure that candidates and groups are protected from unfounded allegations.

Amendments to the Campaign Disclosure Law

Since the 1996 campaign disclosure reforms took effect, the Commission has made education the priority over enforcement. Realizing that the new rules are complicated, the Commission has worked hard to notify candidates, groups and other political participants about the requirements. Commission staff has mailed information, made phone calls, conducted statewide trainings. I believe that this approach is working. However, it will take time until all participants are comfortable with the new requirements. The rules should not be changed at this stage.

- SSHB 179 proposed amendments to the campaign disclosure law contravene the will of the initiative signers and the efforts of the legislature to honor that will. The bill would move Alaska from a state with one of the strongest campaign disclosure laws in the country to one of the weakest.
- The bill is in direct opposition to the mandates of the 1996 campaign disclosure reforms which seek to limit the time and expense of campaigns; encourage highly qualified citizens to run; reduce the influence of organized special interests; level the playing field between challengers and incumbents; limit how candidates can use campaign funds; and deter misconduct under the law with higher fines.
- Under SSHB 179, campaigns may continue indefinitely; candidates and groups may accept money without restriction from any entities inside or outside the State; incumbents may carry forward all campaign surpluses towards their next election campaign; candidates may use campaign contributions as personal income; and enforcement is focused upon criminal prosecution. All of which may serve to discourage qualified Alaskans from running for office.
- SSHB replaces the checks and balances of the Commission's administrative enforcement process with criminal investigation and prosecution by the district attorney. Filers subject to unfounded allegations about their disclosure reports may be forced to defend themselves in a criminal proceeding. Meanwhile, voters who believe that a filer has not complied with the reporting requirements will be forced to file a complaint with the district attorney rather than resolve their concerns through an accessible body in a public process.

STATE OF ALASKA

DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

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April 22, 1999

The Honorable Rep. Jeannette James
Chair, House State Affairs Committee
House of Representatives
State Capitol, Room 102
Juneau, Alaska 99801-1182

Re: SSHB 179

Dear Representative James:

As requested, below is a copy of my testimony on SSHB 179 given to the House State Affairs Committee this morning. SSHB 179 would eliminate the Alaska Public Office Commission (APOC), change the campaign finance law including eliminating all contribution and expenditure limits, and transfer administration of the lobbying, conflict of interest, and financial disclosure statutes from the Alaska Public Offices Commission to the Division of Elections..

Currently, SSHB 179 raises several significant legal issues and drafting questions that warrant further consideration. Several others who already testified have identified some of these issues. I will not reiterate those concerns and will just point out a few others that have not been discussed.

First, the bill's enforcement scheme provides that the director of elections can refer suspected criminal violations to the District Attorney's office for criminal prosecution. [See, proposed 15.13.035(f)] However, it does not establish any criteria for the director to make that decision and it specifically prohibits the Division of Elections from enacting regulations to clarify how this provision will be implemented. [See proposed 15.13.037] Currently, a filer with APOC is allowed and has the ability to amend his or her reports. As written, SSHB 179 does not permit a filer to file amendments to a report. It also eliminates the administrative due process presently permitted for a filer to explain an omission, mistake, or amendment to his or her report. Without the administrative process to explain omissions and mistakes or regulations to clarify when and if a filer can amend a report, a filer is left open to criminal prosecution or forfeiture from the ballot or office.

Concomitantly, SSHB 179 does not contemplate a procedure for a member of the public to raise questions about the accuracy of a candidate's report? Currently, when a member of the public has questions regarding a candidate's report, he or she contacts the APOC staff and they act as an intermediary, protecting the candidate from unfounded allegations and encouraging amendments to a filer's report when necessary. If a substantial problem is discovered, the matter is heard by the APOC Commissioners in a public proceeding. Short of initiating a legal proceeding in court, a member of the public has no recourse under SSHB 179 to question a candidate's report.

Second, there appears to be a drafting inconsistency in SSHB 179 concerning reporting in municipal races. The bill amends the definition of "candidate" to exclude municipal candidates [see Proposed 15.13.400(1)(A)]. Accordingly, the bill as written requires no campaign finance disclosure reports of municipal candidates. It is unclear how the public will obtain information about those candidates and campaigns. However, it appears that groups, parties, municipalities and individuals acting or participating in municipal campaigns must still file campaign disclosure reports [see proposed AS 15.13.025 and 15.13.010(b) and (d)]. Is this the sponsor's intent?

Of considerable concern, is the procedure set out in section 5, which permits a qualified Alaska voter to bring criminal charges under the chapter. Proposed AS 15.13.035(g) states:

"The attorney general or qualified Alaska voter may bring criminal charges under the chapter."

This language appears to give a qualified Alaskan voter the same authority to bring criminal charges as the attorney general is given. The Department of Law is not aware of any other Alaska statute that permits a citizen to directly bring criminal charges against another citizen. Allowing this without some administrative process is fraught with problems. The filing of a criminal charge commences a court process, which is both costly and out of which often flow serious consequences -- possibility of arrest and damage to reputation, to name just to name a few. Often, in the heat of an election campaign, animosities arise and issues flare up. APOC traditionally gets an influx of complaints right before an election. The administrative process provides a screening mechanism and a place for people to go with these complaints and grievances. Under this bill, that screen is eliminated. What is going to stop people who, for political advantage, want to commence a criminal complaint against a candidate?

Additionally, because the second sentence of proposed AS 15.13.035(g) states that "the charges will be dealt with in the same manner as AS 15.13.035(d)," it raises the question of whether criminal charges are limited to violations of the affidavit reporting requirement discussed in that section. It is not clear if that is the sponsor's intent.

The Honorable Jeanette James
House State Affairs Committee

April 22, 1999
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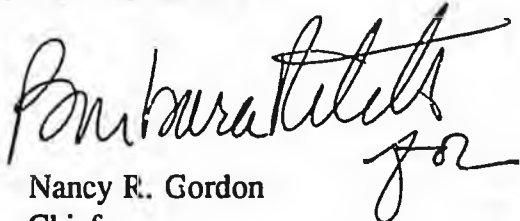
Finally, the bill prohibits the Division of Elections from promulgating regulations to implement any of the disclosure laws. This raises questions about whether the Commission's existing regulations will still be valid? How will the Division of Elections implement the Conflict of Interest and Legislative Financial Disclosure laws without the processes set out in the regulations for exemptions, amendments, grace periods, notice, advisory opinion requests and appeals? Moreover, with as many reports as a filer will be required to file under the proposed bill, how will the Division of Election clarify issues for filers and the public without the ability to promulgate regulations?

I appreciate the opportunity to communicate with you about the above stated issues raised by this bill.

Very truly yours,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:


Nancy R. Gordon
Chief
Civil Division, Anchorage

NRG:jv

Cc: Members, House State Affairs Committee
Pat Pourchot, Legislative Director, Office of the Governor
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Concomitantly, SSHB 179 does not contemplate a procedure for a member of the public to raise questions about the accuracy of a candidate's report? Currently, when a member of the public has questions regarding a candidate's report, he or she contacts the APOC staff and they act as an intermediary, protecting the candidate from unfounded allegations and encouraging amendments to a filer's report when necessary. If a substantial problem is discovered, the matter is heard by the APOC Commissioners in a public proceeding. Short of initiating a legal proceeding in court, a member of the public has no recourse under SSHB 179 to question a candidate's report.

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Of considerable concern, is the procedure set out in section 5, which permits a qualified Alaska voter to bring criminal charges under the chapter. Proposed AS 15.13.035(g) states:

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The Honorable Jeanette James
House State Affairs Committee

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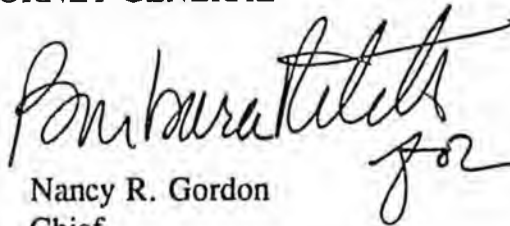
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I appreciate the opportunity to communicate with you about the above stated issues raised by this bill.

Very truly yours,

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SECTIONAL FOR CSSSHB 179(STA)

Sec. 1 AS 15.13.010(b)-Separates political parties from groups and imposes applicability of Chapter 13 to political parties.

Sec. 2 AS 15.13.010(d)-Applies Chapter 13 to propositions. This language was contained in AS 15.13.65. (Contributions) which is being repealed.

Sec. 3 AS 15.13.015 - This adds a new section that requires a candidate for public office to complete all required forms including an affidavit in order to qualify to run for office.

Repealed AS 15.13.020 - This section created Alaska Public Offices Commission and its purpose.

Sec. 4 AS 15.13.025 - Creates a new section requiring candidates, groups, political parties, municipalities, or individuals accepting a contribution or making an expenditures for an election to submit semi-monthly full disclosure reports to the Division of Elections.

Repealed. AS 15.13.030 - This section created the duties of the APOC Commission.

Sec. 5 AS 15.13.031 - This new section authorizes Division of Elections to develop and provide all forms, publish a campaign manual and provide all forms in several forms. APOC already has this capability.

Sec. 6 AS 15.13.035 - This new section provides for criminal penalties for purposeful failure to comply with full disclosure statutes. It also authorizes the director of the Division of Elections to remove from the ballot the name of a candidate who is convicted of a crime under this section.

Sec. 7 AS 15.13.037 - Prohibits the alteration of disclosure laws by regulation.

Repealed. AS 15.13.40 - This section contained the old reporting requirements under APOC.

Sec. 8 AS 15.13.045 - This section was amended to allow the Division of Elections to conduct investigations and compels cooperation on the part of the person being investigated.

Sec. 9 AS 15.13.050 - This section is amended to require registration of a candidate with the Division of Elections prior to incurring a expense or a contribution. The requirement for a group that supports or opposes only one candidate or spends 1/3 or

more of its income to support or oppose only one candidate must use that candidate's name as part of its name.

Sec. 10 AS 15.13.060 - This section combines in one section the requirement for a political group or a candidate to appoint a campaign treasurer and provide the name and address of that treasurer to the Division of Elections. It requires timely notification to the Division should the status of the campaign treasurer changes. It incorporated provisions from regulation that allows a candidate or treasurer to authorize a person to accept or solicit campaign contributions at a single event.

Repealed. AS 15.13.065 - This section provided for who could contribute to a candidate and a political party.

AS 15.13.065 also included language exempting "proposition" contributions to many of the restrictions for contributions in the existing law. This language was incorporated in AS 15.13.010.

Repealed. AS 15.13.067 - This restricted who may make campaign contributions.

Repealed. AS 15.13.070 - This statute set contribution limits.

Repealed. AS 15.13.072 - Since there are no set limits on who may make a contribution and since a person must register with the Division before any expenses are incurred there is no applicability of this section to the law.

Repealed. AS 15.13.074 - The portions of this section that were repealed prohibited contributions that are allowed under this legislation. The section was reenacted to prohibit certain contributions such as anonymous contributions or contributions from corporations, partnerships, and unions.

Sec. 11 AS 15.13.074 - This reenacted prohibits anonymous contributions and contributions from a corporation, company, partnership, firm, association, organization, business trust or surety, labor union, or publicly funded entity that does not satisfy the definition of group. My thinking here is that these entities do not fall under the definition of a group because the people involved in these entities did not come together for political reasons. The inclusion of group in the ability to contribute would allow two or more people in a corporation, partnership, organization, or union to become a political action committee which is a group.

Sec. 12 AS 15.13.076 - Expands the authority of a treasurer to receive contributions to treasurers of political parties.

Sec. 13 AS 15.13.078 - The provisions of this section that restricted recover of candidate's loan to a campaign are repealed.

Repealed. AS 15.13.080 - Requirements of a contributor to report contributions or services valued at \$500 is repealed. Full disclosure will require the payee to full disclose those contributions.

Sec. 13 AS 15.13.086 - Distinguishes that a political party is not a group and that the treasurer of a political party may make an expenditures.

Sec. 14 AS 15.13.090 - Broadens the requirement for disclaimers on advertising to billboards, signs, and printed material paid for other than an advertisement in a newspaper or other periodical. Provisions of the regulations for this section have been inserted in the statute. It also requires disclaimers for communications made to influence the outcome of a ballot proposition as defined in AS 15.13.010(d).

Sec. 15. AS 15.13.092 - incorporated regulations regarding objects too small to contain the proper identification into statute.

AS 15.13.093 - Provides that incumbent public officials' communications with his constituency are not consider reportable campaign expenses and that the Division can, when there is a questionable communication, review said communication.

Sec. 16. AS 15.13.100 - Amended to emphasize that there are no expenditures in a political campaign until the person registers with the Division, except for personal travel expenses and opinion polls or survey.

Repealed. AS 15.13.110 - It also repeals the old reporting requirements.

Sec. 17. AS 15.13.112 - Provides for the Division of Elections to impose civil penalties for violations under this section.

Sec. 18. AS 15.13.116 - eliminates limits on the transfer of funds to an account for a future election campaign.

Sec. 19. AS 15.13.120 - Transfers authority for investigating complaints and imposing civil penalties from APOC to the Division of Elections. It also provide that if the Director of the Division of Elections does not open a preliminary investigation on a complaint in five days or has not completed that investigation in 10 days the complainant can file a complaint in superior court.

Sec. 20. AS 15.13.122 - Transfer authority of section to Division of Elections.

Sec. 21. AS 15.13.125 - Incorporates civil fines and appeal provisions imposed in APOC regulation and repeals the division's less punitive civil penalties.

Sec. 22. AS 15.13.400 - adds definitions and amends existing definitions as follows:

"candidate" - qualifies a candidate as one who filed according to AS 15.13.015 to encompass the affidavit and a check off list of forms. Also distinguishes that a candidate is just a candidate not the treasurer or family of the candidate.

"commission" - definition is repealed as it refers to the Alaska Public Offices Commission.

"contribution" - the definition is expanded to include professional services volunteered by individuals for which they ordinarily would be paid a fee or wage. It also incorporates into the definition additional regulatory exemptions for news stories, non-monetary contribution of \$50.00 or less, political signs, recount payments, and contributions by a spouse.

"full disclosure" - establishes definition in Alaska Statutes.

"group" - details that a political party is not a group.

"political action committee" - establishing a definition of a PAC in Alaska Statutes.

"purposely" - establishes a definition.

"resident" - clearly defines resident must manifest intent by establishing an ongoing physical presence in the state and occupies a dwelling in the state.

Sec. 23. AS 15.25.030 - Requires a candidate to fulfill the provisions of AS 15.13.015 before qualifying as a candidate. It also conforms language referring to the Conflict of Interest Statement. And transfers authority for the section to the Division.

Sec. 24. AS 15.25.040(a) - conforms language of filing declaration to AS 15.13.015.

Sec. 25. AS 15.25.180(b) - transfers authority from POC director to Division of Elections in accepting nomination petition.

Sec. 26. AS 15.25.180(c) - Replacing APOC with Division of Elections for the filing Conflict of Interest Statements for incumbent public officials other than legislators.

Sec.s 27 - 28 AS 24.45.021 - Transfer authority to Division of Elections.

Sec. 29. AS 24.45.041 - Transfer authority to Division of Elections and make depository regional office of Division of Elections. Also reference the mention of representational lobbyist in section to new definition of representative lobbyist as defined in repealed regulations. Specifying that the postmark is presumed to be the date the report is deposited in the post office.

- Sec. 30.** AS 24.45.116 - authorizes Division of Elections to receive reports from civic leagues or organizations.
- Sec. 31.** AS 24.45.121 - refers to new definition of representational lobbyist in their exclusion to lobbyist prohibitions.
- Sec. 32.** AS 24.45.131 - Transfers authority to Division of Elections.
- Sec. 33.** AS 24.45.141 - Transfers authority for civil penalties to the Division of Elections and expands statute to include regulations adopted by APOC pertaining to civil penalties.
- Sec. 34.** AS 24.45.151 - imposes increased criminal consequences for purposely violating disclosure laws in this Chapter. And changes the standard from knowingly to purposely.
- Sec. 35.** AS 24.45.171 - adds a definition for representative lobbyist as defined in regulation.
- Sec. 36.** AS 24.60.080(d) - eliminates the authority for the ethics committee to forward disclosures concerning gifts to APOC.
- Sec. 37.** AS 24.60.080(e) - reference language tying to AS 15.13.025.
- Sec. 38.** AS 24.60.170(1) - inserting Division of Elections
- Sec. 39.** AS 24.60.200 - inserting Division of Elections
- Sec. 40.** AS 24.50.210 - inserting Division of Elections
- Sec. 41.** AS 24.60.220 - inserting Division of Elections and deleting authority for regulations.
- Secs. 42 - 46** AS 24.60.230-24.60.990 inserting Division of Elections

CSSSHB 179(STA)

Sponsor: Representative John Coghill

***Section 1.** AS 15.13.010(b) is amended to read:

(b) Except as otherwise provided, this chapter applies to contributions, expenditures and communications made by a candidate, group, political party, municipality, or individual for the purpose of influencing the outcome of a ballot proposition or question as well as those made to influence the nomination or election of a candidate.

***Section 2.** AS 15.13.010(d) is amended to read:

(d) This chapter does not limit the authority of a person to make contributions to influence the outcome of a voter proposition submitted to the public for a vote at a municipal election. In this subsection, [IN ADDITION TO ITS MEANING UNDER AS 15.13.065(C),] "proposition" means a municipal reclassification, proposal to adopt or amend a home rule charter, a unification proposal, a boundary change proposal, or the approval of an ordinance when approval by public vote is a requirement for the ordinance, or an issue placed on a ballot to determine whether

(1) A debt shall be contracted;

(2) an advisory question shall be approved or rejected; or

(3) a municipality shall be incorporated.

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

Sec. 15.13.015. Registration and affidavit of candidate. A candidate for the state legislature, for municipal office, governor, or for lieutenant governor, including an individual campaigning as a write-in candidate for the office of state legislator, governor, or lieutenant governor, shall, with the person's declaration of candidacy or nominating petition, submit an affidavit, signed under oath and notarized, to the division of elections stating that the candidate

(1) meets the qualifications for the office specified in the Constitution of the State of Alaska;

(2) is a resident of Alaska and intends to remain a resident of Alaska indefinitely;

(3) has not claimed residency in another state during the preceding calendar year; and

(4) is familiar with the provisions of this chapter and the penalties for violating a provision of this chapter.

(5) has completed a Candidate Registration Form

(6) has completed a Conflict of Interest Statement as defined in AS 39.50.30.

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

Sec. 15.13.025. Full Disclosure Reports. Full disclosure reports. (a) A candidate, group, political party, municipality, or individual accepting a contribution or making an expenditure for the purpose of influencing the outcome of an election shall fully disclose all contributions and expenditures to the division of elections.

(b) A candidate, group, political party, municipality, or individual subject to the disclosure requirement of (a) of this section shall make a full disclosure report semi-monthly from the beginning of the campaign throughout the election year. The final report is due on January 15th, following the election. Full disclosure reports for transactions conducted from the first day of each month through the 15th day of each month shall be submitted by the 20th day of that month. Full disclosure reports for transactions conducted from the 16th day of each month through the end of the month shall be submitted by the fifth day of the following month. Each full disclosure report must include a list of

(1) all expenditures, including method of payment, payee, description of expenditure, and amount of expenditure;

(a) each paid expenditure by reporting

- (1) the date of the payment;
- (2) the check number, credit card, or cash;
- (3) the name of the payee;
- (4) a detailed description of the expenditure; and
- (5) the amount; and

(b) each accrued expenditure by reporting

- (1) the date the expenditure was incurred;
- (2) the name of the business or individual with whom the debt was incurred;
- (3) a detailed description of the expenditure; and
- (4) the amount.

(2) all contributions over \$100, including the name, affiliation, and occupation of each contributor and the amount contributed by each contributor.

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

- (A) the date received;
- (B) the check number;
- (C) the name of the contributor;
- (D) the principal occupation and employer of the contributor; and
- (E) the amount;

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

- (A) the date received;
- (B) the name of the contributor;

- (C) the principal occupation and employer of the contributor;
- (D) a description of the contributions; and
- (E) its estimated fair market value;

(3) all loans, including the name of each lender and the amount loaned by each lender.

- (A) the date received;
- (B) the name of the lender, guarantor or cosigner;
- (C) the principal occupation and employer of the lender, loan guarantor or cosigner;
- (D) the interest rate; and
- (E) the amount;

(c) Every candidate and group required to report contributions or expenditures under the provisions of AS 15.13 shall maintain detailed records of all contributions received and expenditures made in accordance with the uniform methods of bookkeeping set out in the Division's bookkeeping guide.

(1) A candidate or his treasurer, and the treasurer of a group or political party, may issue a receipt, and shall record the receipt of every contribution received, unless otherwise exempted by this chapter, regardless of the dollar amount or value of the contribution.

(2) Each bookkeeping record required under this section shall be maintained by the candidate or the treasurer of a group and may not be destroyed for a period of four years from the date of the contribution.

(3) The records shall be available for inspection by the Division of Elections upon request of the division.

(d) Full disclosure reports shall be submitted electronically to the division of elections' campaign disclosure web page or by hard copy hand delivered to the nearest regional supervisor's office of the division of elections or addressed to the nearest regional supervisor's office of the division of elections and postmarked no later than the applicable deadline set out in (b) of this section.

(e) Each candidate, group, political party, municipality, or individual subject to disclosure of (a) of this section intending to raise or spend more than \$5,000 in a calendar year shall

(1) designate on a registration statement or on the first campaign disclosure statement filed with the Division, one or more regulated banking institutions as its campaign depository or depositories. Each account title must indicate that it is a campaign account.

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

(f) each contribution that exceeds \$250 and that is made within fifteen days of the election shall be reported to the Division by date, amount, and contributor within 24 hours of receipt by the candidate, group, campaign treasurer, or deputy campaign treasurer either by a e-mail, facsimile, collect telegram or by actual physical delivery within the prescribed time. 24 Hour Reports may not be mailed.

(g) The division of elections shall, upon receipt of a full disclosure report,

- (1) prepare a summary of each report filed under this section; and
- (2) make all of the information available to the public on the division of elections' web page; and

(3) make copies available for a reasonable fee at the regional office of the division of elections where the report was filed; and

(4) Examine, investigate, and compare all reports, statements, and actions required by this chapter, AS 24.45, and AS 39.50.

(h) If a candidate, group, political party, municipality, or individual required to file a full disclosure report fails to file a full disclosure report, the division of elections shall, within five business days after the deadline, notify the candidate, group, political party, municipality, or individual of that failure and post a notice on the division of elections' web site that the candidate, group, political party, municipality, or individual has failed to file a report. The notice must be bordered in red, at least four inches wide and four inches high, and contain the name of the candidate, group, political party, municipality, or individual, as well as the phrase "has failed to file a full disclosure report for this reporting period in a timely manner. This is a violation of AS 15.13.025 and could result in a fine or imprisonment, or both.

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

Sec. 15.13.031. Preparation of campaign forms and manual. The Division of Elections shall

(1) develop and provide all forms for the reports and statements required to be made under this chapter, as 24.45, and as 39.50;

(2) prepare and publish a manual setting out uniform methods of bookkeeping and reporting for use by persons required to make reports and statements under this chapter and otherwise assist candidates, groups, and individuals in complying with the requirements of this chapter;

(3) All forms will be available at the divisions regional offices, on the division's Home Page, on a electronic filing floppy disk, and at the participating municipalities.

***Sec. 6.** AS 15.13 is amended by adding new sections to read:

Sec. 15.13.035. Criminal Penalties and enforcement. (a) A candidate, group, political party, municipality, or individual who purposely fails to disclose a contribution or expenditure as required in AS 15.13.025 or who provides false information on a full disclosure report is guilty of a class B misdemeanor and upon conviction is punishable by a fine of not less than \$1,000 or more than \$5,000, or imprisonment of not more than one year, or both.

(b) The director may remove from the ballot the name of a candidate who is convicted of purposely failing to disclose a contribution or expenditure as required in AS 15.13.025 or providing false information on a full disclosure report. A candidate who has been convicted of purposely failing to disclose a contribution or expenditure as required in AS 15.13.025 or providing false information on a full disclosure report is disqualified from holding the office sought.

(c) In addition to other penalties imposed under this title, a candidate who misrepresents or purposely omits a fact on an affidavit required under AS 15.13.015 is

guilty of a class B misdemeanor and upon conviction is punishable by a fine of not less than \$1,000 or more than \$5,000, or imprisonment of not more than one year, or both.

(d) The director may remove from the ballot the name of a candidate who misrepresents or purposely omits a fact on an affidavit required under AS 15.13.015.

(e) A candidate who has been convicted of perjury for making a false statement on an affidavit required under AS 15.13.015 or who has been found in a civil action to have misrepresented or purposely omitted a fact on an affidavit required under AS 15.13.015 is disqualified from holding the office sought.

(f) The director shall immediately refer any suspected criminal violation of this chapter to the district attorney for criminal prosecution. The district attorney may file a complaint regarding a violation of this chapter up to 30 days before an election. The district attorney may file a complaint regarding a violation of this chapter occurring within 30 days of an election immediately following the election.

(g) The attorney general may bring a civil action to enforce compliance with this chapter. The attorney general may bring a civil action relating to violations under this chapter seeking damages.

***Sec. 7. Sec. 15.13.037. Regulations.** The director may not adopt regulations to implement this chapter.

***Sec. 8.** AS 15.13.045 is amended to read:

Sec. 15.13.045. Investigations, hearings.

(a) The division [COMMISSION] may [ISSUE SUBPOENAS, ADMINISTER OATHS, HOLD HEARINGS AND] conduct investigations.

(b) In conjunction with (a) of this section, the division [COMMISSION] may compel the attendance of witnesses and production of papers, books, records, accounts, documents, and interrogation for the purposes of auditing report forms during the reivew of reports that appear to be incomplete or in error and the person filing the report have failed to correct the report or fails to cooperate with the Division's review of the report. [TESTIMONY, AND MAY HAVE THE DEPOSITION OF WITNESSES TAKEN IN A MANNER PRESCRIBED BY COURT RULE OR LAW FOR THE TAKING OF DEPOSITIONS IN CIVIL ACTIONS WHEN CONSISTENT WITH THE POWERS AND DUTIES ASSIGNED TO THE COMMISSION BY THIS CHAPTER.]

(c) The division [COMMISSION] may examine the papers, books, records, accounts and documents of any person subject to this chapter to ascertain the correctness of a report filed with the division [COMMISSION], or in conjunction with an investigation or inspection conducted under (a) of this section.

(d) [SUBPOENAS MAY BE ISSUED AND SHALL BE SERVED IN THE MANNER PRESCRIBED BY AS 44.62.430 AND COURT RULE.] The failure, refusal or neglect to [OBEY A SUBPOENA IS PUNISHABLE AS CONTEMPT IN THE

MANNER PRESCRIBED BY LAW OR COURT RULE] cooperate with the Division by a candidate, group, political party, municipality, or individual could result a person being fined and/or convicted under AS 15.13.035 and AS 15.13.120.[THE SUPERIOR COURT MAY COMPEL OBEDIENCE TO THE SUBPOENA IN THE SAME MANNER AS PRESCRIBED FOR OBEDIENCE TO A SUBPOENA ISSUED BY THE COURT.]

*Sec. 9. AS 15.13.050 is amended to read:

Sec. 15.13.050. Registration before expenditure. (a) Before making an expenditure in support of or in opposition to a candidate or before making an expenditure in support of or in opposition to a ballot proposition or question, each person other than an individual shall register, on forms provided by the Division of Elections[COMMISSION], with the division [COMMISSION].

[(b) IF A GROUP INTENDS TO SUPPORT ONLY ONE CANDIDATE, OR TO CONTRIBUTE TO OR EXPEND ON BEHALF OF ONE CANDIDATE 33 1/3 PERCENT OR MORE OF ITS FUNDS, THE NAME OF THE CANDIDATE SHALL BE A PART OF THE NAME OF THE GROUP. IF THE GROUP INTENDS TO OPPOSE ONLY ONE CANDIDATE, OR TO CONTRIBUTE ITS FUNDS IN OPPOSITION TO OR MAKE EXPENDITURES IN OPPOSITION TO A CANDIDATE, THE GROUP'S NAME MUST CLEARLY STATE THAT IT OPPOSES THAT CANDIDATE BY USING A WORD SUCH AS "OPPOSES," "OPPOSING," "IN OPPOSITION TO," OR "AGAINST" IN THE GROUP'S NAME. PROMPTLY UPON RECEIVING THE REGISTRATION, THE COMMISSION SHALL NOTIFY THE CANDIDATE OF THE GROUP'S ORGANIZATION AND INTENT]

*Sec. 10 AS 15.13.060 is amended to read:

Sec. 15.13.060. Campaign treasurers. (a) Each political group shall appoint a treasurer, and each candidate and group shall appoint a campaign treasurer who is responsible for receiving, holding, and disbursing all contributions and expenditures, and for filing all reports and statements required by law. A candidate may be a campaign treasurer.

(b) Each group or political party shall file the name and address of its campaign treasurer with the Division of Elections[COMMISSION] at the time it registers with the Division of Elections[COMMISSION] under AS 15.13.050.

(c) Each candidate for state office shall file the name and address of the campaign treasurer with the Division of Elections[COMMISSION, OR SUBMIT, IN WRITING, THE NAME AND ADDRESS OF THE CAMPAIGN TREASURER TO THE DIRECTOR FOR FILING WITH THE COMMISSION], no later than 15 days after the date of filing the declaration of candidacy or the nominating petition. Each candidate for municipal office shall file the name and address of the campaign treasurer with the Division of Elections[COMMISSION] no later than seven days after the date of filing

the declaration of candidacy or the nominating petition. If the candidate does not designate a campaign treasurer, the candidate is the campaign treasurer.

(d) In the case of the death, resignation or removal of a campaign treasurer, the candidate shall appoint a successor as soon as practicable and file the successor's name and address with the **Division of Elections**[COMMISSION] within 48 hours of the appointment. The candidate is disqualified if found to have been in **purposely** [WILFUL] violation of this subsection.

(e) A campaign treasurer may appoint as many deputy campaign treasurers as necessary. The candidate shall file the names and addresses of the deputy campaign treasurers with the **Division of Elections**[COMMISSION]. The candidate is responsible for the performance of the campaign treasurer, and any default or violation by the treasurer also shall be considered a default or violation by the candidate if the candidate knew or had reason to know of the default or violation.

(e) A candidate or the treasurer of a candidate, group, or political party may authorize a person who is not registered as a deputy treasurer to accept or solicit campaign contributions on its behalf for any single event.

Sec. 11. AS 15.13.074 is repealed and reenacted to read:

Sec. 15.13.074. Prohibited contributions. (a) a person or group may not make a contribution if the making of the contribution would violate this chapter.

(b) a person or group may not make a contribution anonymously, using a fictitious name, or using the name of another.

(c) a corporation, company, partnership, firm, association, organization, business trust or surety, labor union, or publicly funded entity that does not satisfy the definition of group in as 15.13.400 may not make a contribution to a candidate or group.

***Sec. 12.** AS 15.13.076 is amended to read:

Sec. 15.13.076. Authorized recipients of contributions. A contribution to a

(1) candidate may be received only by

(A) the candidate; or

(B) the candidate's campaign treasurer or a deputy campaign treasurer;

(2) group **or political party** may be received only by the group's campaign treasurer or a deputy treasurer.

***Sec. 13.** AS 15.13.078 is amended to read:

Sec. 15.13.078. Contributions and loans from the candidate. (a) The provisions of this chapter do not prohibit the individual who is a candidate from giving any amount of the candidate's own money or other thing of value to the campaign of the candidate. Donations made by the candidate to the candidate's own campaign shall be reported as contributions in accordance with AS 15.13.040 and 15.13.110.

(b) The provisions of this chapter do not prohibit the individual who is a candidate from lending any amount to the campaign of the candidate. Loans made by the candidate shall

be reported as contributions in accordance with AS 15.13.040 and 15.13.110.
[HOWEVER, THE CANDIDATE MAY NOT

(1) RECOVER, UNDER THIS SECTION AND AS 15.13.116(A)(5), THE AMOUNT OF A LOAN MADE BY THE CANDIDATE TO THE CANDIDATE'S OWN CAMPAIGN THAT EXCEEDS

(A) \$25,000, IF THE CANDIDATE RAN FOR GOVERNOR OR LIEUTENANT GOVERNOR;

(B) \$10,000, IF THE CANDIDATE RAN FOR

(I) THE LEGISLATURE; OR

(II) DELEGATE TO A CONSTITUTIONAL CONVENTION;

(C) \$10,000, IF THE CANDIDATE WAS A JUDGE SEEKING RETENTION;

(D) \$5,000, IF THE CANDIDATE RAN IN A MUNICIPAL ELECTION; OR

(2) REPAY A LOAN THAT THE CANDIDATE HAS MADE TO THE CANDIDATE'S OWN CAMPAIGN UNLESS, WITHIN FIVE DAYS OF MAKING THE LOAN, THE CANDIDATE NOTIFIES THE COMMISSION, ON A FORM PROVIDED BY THE COMMISSION, OF THE CANDIDATE'S INTENTION TO REPAY THE LOAN UNDER AS 15.13.116(A)(5).

(C) ON AND AFTER THE DATE DETERMINED UNDER AS 15.13.110 AS THE LAST DAY OF THE PERIOD ENDING THREE DAYS BEFORE THE DUE DATE OF THE REPORT REQUIRED TO BE FILED UNDER AS 15.13.110(A)(1) AND UNTIL THE DATE OF THE ELECTION FOR WHICH THE REPORT IS FILED, A CANDIDATE MAY NOT GIVE OR LOAN TO THE CANDIDATE'S CAMPAIGN THE CANDIDATE'S MONEY OR OTHER THING OF VALUE OF THE CANDIDATE IN AN AMOUNT THAT EXCEEDS \$5,000.

(D) THE PROVISIONS OF THIS SECTION APPLY ONLY TO THE INDIVIDUAL WHO IS A CANDIDATE, AS THAT TERM IS DEFINED BY AS 15.13.400(1)(A), AND DO NOT APPLY TO AUTHORIZE A CONTRIBUTION OR LOAN UNDER THIS SECTION BY AN INDIVIDUAL DESCRIBED IN THE DEFINITION OF THE TERM "CANDIDATE" UNDER AS 15.13.400(1)(B).

***Sec. 14.** AS 15.13.086 is amended to read:

Sec. 15.13.086. Authorized makers of expenditures. An expenditure

(1) authorized by or in behalf of a candidate may be made only by

(A) the candidate; or

(B) the candidate's campaign treasurer or a deputy campaign treasurer;

(2) authorized by AS 15.13.067(3) by or in behalf of a group or political party may be made only by the group's or political parties campaign treasurer.

***Sec. 15.** AS 15.13.090 is amended to read:

Sec. 15.13.090. Identification of communications. (a) All advertisements, billboards, handbills, paid-for television and radio announcements and other communications intended to influence the election of a candidate or outcome of a ballot proposition or

question shall be clearly identified by the words "paid for by" followed by the name [AND ADDRESS] of the candidate, group or individual paying for the advertising. In addition, candidates and groups must identify the name of their campaign chairman.

(b) "proper identification" of a communication intended to influence the election of a candidate or the outcome of a ballot issue means that the communication is clearly identified with the words "paid for by," followed by the name and full address of the candidate, group, or individual actually paying for the advertising. The name of the campaign chairman must also be identified. If the candidate and the chairman are the same person, the name need not be repeated.

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

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

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

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

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

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

(3c) be both visual and spoken, in accordance with (A) and (B) of this paragraph;

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

(f) In this section and in AS 15.13.090, "communications" include all material related to campaign fund-raisers, campaign letterhead, thank you notes, and press releases but does not include envelopes paid for by the campaign which are used solely to convey the campaign's properly identified communications.

(g) [(b)] The provisions of (a) of this section do not apply when the advertisement [(1)] is paid for by an individual acting independently of any group and independently of any other individual;

[(2) IS MADE TO INFLUENCE THE OUTCOME OF A BALLOT PROPOSITION AS THAT TERM IS DEFINED BY AS 15.13.065(C); AND

(3) IS MADE FOR

(A) A BILLBOARD OR SIGN; OR

(B) PRINTED MATERIAL OTHER THAN AN ADVERTISEMENT MADE IN A NEWSPAPER OR OTHER PERIODICAL.]

Sec. 16 - AS 15.13 is amended by adding new sections that read:

Sec. 15.13.092. Objects too small to contain the proper identification. If the size of an object used for a campaign advertisement is such that it is impractical to print the identification of the candidate, group, or person paying for the advertisement on the object, the advertisement must instead be identified in a regular expenditure report to the commission. Objects considered too small for full identification include pencils, pens, buttons, and other objects that are smaller than 3 1/2 " x 5" in size. All media advertisements must be identified, regardless of size.

Sec. 15.13.093. Communications by incumbent elected officials. (a) A communication by an incumbent state elected official, who is also a declared candidate for elective office, with his constituency via a newsletter or other printed matter, or a paid radio or television spot, does not constitute a reportable campaign expense unless it specifically and expressly advocates the election or defeat of a candidate (including himself), or the passage or defeat of a ballot issue. (b) A communication by an incumbent municipal elected officer who is also a declared candidate for elective office, with his constituency via a newsletter or other printed matter, or a paid radio or television spot, does not constitute a reportable campaign expense unless it specifically and expressly advocates the election or defeat of a candidate (including himself), or the passage or defeat of a ballot issue. (c) The Division will, in its discretion, review a communication by an incumbent elected official when a question concerning whether or not the communication is a reportable campaign expense arises.

*Sec. 17. AS 15.13.100 is amended to read:

Sec. 15.13.100. Expenditures before filing. A political campaign expenditure may not be made or incurred by a person in an election or by a person, [OR] group, or a political party with the person's knowledge and on the person's behalf before [THE DATE UPON WHICH] the person files completes the registration and addidavit provisions of AS 15.13.015 [FOR NOMINATION FOR THE OFFICE WHICH THE PERSON SEEKS], except for personal travel expenses or for opinion surveys or polls. These expenditures must be included in the first report required under this chapter after filing for office.

[(a) EACH CANDIDATE AND GROUP SHALL MAKE A FULL REPORT IN ACCORDANCE WITH AS 15.13.040 FOR THE PERIOD ENDING THREE DAYS BEFORE THE DUE DATE OF THE REPORT AND BEGINNING ON THE LAST DAY COVERED BY THE MOST RECENT PREVIOUS REPORT. IF THE REPORT IS A FIRST REPORT, IT SHALL COVER THE PERIOD FROM THE BEGINNING OF THE CAMPAIGN TO THE DATE THREE DAYS BEFORE THE DUE DATE OF THE REPORT. IF THE REPORT IS A REPORT DUE FEBRUARY 15, IT SHALL COVER THE PERIOD BEGINNING ON THE LAST DAY COVERED BY THE MOST RECENT PREVIOUS REPORT OR ON THE DAY THAT THE CAMPAIGN STARTED, WHICHEVER IS LATER, AND ENDING ON DECEMBER 31 OF THE PRIOR YEAR. THE REPORT SHALL BE FILED

- (1) 30 DAYS BEFORE THE ELECTION; HOWEVER, THIS REPORT IS NOT REQUIRED IF THE DEADLINE FOR FILING A NOMINATING PETITION OR DECLARATION OF CANDIDACY IS WITHIN 30 DAYS OF THE ELECTION;
- (2) ONE WEEK BEFORE THE ELECTION;
- (3) 10 DAYS AFTER THE ELECTION; AND
- (4) FEBRUARY 15 FOR EXPENDITURES MADE AND CONTRIBUTIONS RECEIVED THAT WERE NOT REPORTED DURING THE PREVIOUS YEAR,

INCLUDING, IF APPLICABLE, ALL AMOUNTS EXPENDED FROM A PUBLIC OFFICE EXPENSE TERM ACCOUNT ESTABLISHED UNDER AS 15.13.116(A)(8) AND ALL AMOUNTS EXPENDED FROM A MUNICIPAL OFFICE ACCOUNT UNDER AS 15.13.116(A)(9), OR WHEN EXPENDITURES WERE NOT MADE OR CONTRIBUTIONS WERE NOT RECEIVED DURING THE PREVIOUS YEAR.

(B) EACH CONTRIBUTION THAT EXCEEDS \$250 AND THAT IS MADE WITHIN NINE DAYS OF THE ELECTION SHALL BE REPORTED TO THE COMMISSION BY DATE, AMOUNT, AND CONTRIBUTOR WITHIN 24 HOURS OF RECEIPT BY THE CANDIDATE, GROUP, CAMPAIGN TREASURER, OR DEPUTY CAMPAIGN TREASURER.

(C) ALL REPORTS REQUIRED BY THIS CHAPTER SHALL BE FILED WITH THE COMMISSION'S CENTRAL OFFICE AND SHALL BE KEPT OPEN TO PUBLIC INSPECTION. WITHIN 30 DAYS AFTER EACH ELECTION, THE COMMISSION SHALL PREPARE A SUMMARY OF EACH REPORT WHICH SHALL BE MADE AVAILABLE TO THE PUBLIC AT COST UPON REQUEST. EACH SUMMARY SHALL USE UNIFORM CATEGORIES OF REPORTING.

(D) [REPEALED, § 35 CH 126 SLA 1994.]

(E) A GROUP FORMED TO SPONSOR AN INITIATIVE, A REFERENDUM OR A RECALL SHALL REPORT 30 DAYS AFTER ITS FIRST FILING WITH THE LIEUTENANT GOVERNOR. THEREAFTER EACH GROUP SHALL REPORT WITHIN 10 DAYS AFTER THE END OF EACH CALENDAR QUARTER ON THE CONTRIBUTIONS RECEIVED AND EXPENDITURES MADE DURING THE PRECEDING CALENDAR QUARTER UNTIL REPORTS ARE DUE UNDER (A) OF THIS SECTION.

(F) DURING THE YEAR IN WHICH THE ELECTION IS SCHEDULED, EACH OF THE FOLLOWING SHALL FILE THE CAMPAIGN DISCLOSURE REPORTS IN THE MANNER AND AT THE TIMES REQUIRED BY THIS SECTION:

(1) A PERSON WHO, UNDER THE REGULATIONS ADOPTED BY THE COMMISSION TO IMPLEMENT AS 15.13.100, INDICATES AN INTENTION TO BECOME A CANDIDATE FOR ELECTIVE STATE EXECUTIVE OR LEGISLATIVE OFFICE;

(2) A PERSON WHO HAS FILED A NOMINATING PETITION UNDER AS 15.25.140 - 15.25.200 TO BECOME A CANDIDATE AT THE PRIMARY ELECTION FOR ELECTIVE STATE EXECUTIVE OR LEGISLATIVE OFFICE;

(3) A PERSON WHO CAMPAIGNS AS A WRITE-IN CANDIDATE FOR ELECTIVE STATE EXECUTIVE OR LEGISLATIVE OFFICE AT THE GENERAL ELECTION; AND

(5) A GROUP THAT RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES ON BEHALF OF OR IN OPPOSITION TO A PERSON DESCRIBED IN (1) - (3) OF THIS SUBSECTION.]

***Sec. 18.** AS 15.13.112 is amended to read:

Sec. 15.13.112. Uses of campaign contributions held by candidate or group. (a) Except as otherwise provided, campaign contributions held by a candidate or group may be used only to pay the expenses of the candidate or group, and the campaign expenses

incurred by the candidate or group, that reasonably relate to election campaign activities, and in those cases only as authorized by this chapter.

(b) Campaign contributions held by a candidate or group may not be

(1) used to give a personal benefit to the candidate or to another person;

(2) converted to personal income of the candidate;

(3) loaned to a person;

(4) knowingly used to pay more than the fair market value for goods or services purchased for the campaign;

(5) used to pay a criminal fine;

(6) used to pay civil penalties; however, campaign contributions held by a candidate or group may be used to pay a civil penalty assessed under this chapter if authorized by the **Division of Elections** [COMMISSION] or a court after it first determines that

(A) the candidate, campaign treasurer, and deputy campaign treasurer did not cause or participate in the violation for which the civil penalty is imposed and exercised a reasonable level of oversight over the campaign; and

(B) the candidate, campaign treasurer, and deputy campaign treasurer cooperated in the revelation of the violation and in its immediate correction; or

(7) used to make contributions to another candidate or to a group.

(c) A candidate may use up to a total of \$1,000 in campaign contributions in a year to pay the cost of

(1) attending, or paying the cost for guests of the candidate to attend, an event or other function sponsored by a political party or subordinate unit of a political party;

(2) membership in a political party, subordinate unit of a political party, or other entity within a political party, or subscription to a publication from a political party; and

(3) co-sponsorship of an event or other function sponsored by a political party or by a subordinate unit of a political party.

***Sec. 19.** AS 15.13.116 is amended to read:

Sec. 15.13.116. Disbursement of campaign assets after election. (a) A candidate who, after the date of the general, special, municipal, or municipal runoff election or after the date the candidate withdraws as a candidate, whichever comes first, holds unused campaign contributions shall distribute the amount held within 90 days. The distribution may only be made to

(1) pay bills incurred for expenditures reasonably related to the campaign and the winding up of the affairs of the campaign, including a victory or thank you party and thank you gifts to campaign employees and volunteers, and to pay expenditures associated with post-election fund raising that may be needed to raise funds to pay off campaign debts;

(2) make donations, without condition, to

(A) a political party;

(B) the state's general fund;

(C) a municipality of the state; or

- (D) the federal government;
- (3) make donations, without condition, to organizations qualified as charitable organizations under 26 U.S.C. 501(c)(3), provided the organization is not controlled by the candidate or a member of the candidate's immediate family;
- (4) repay loans from the candidate to the candidate's own campaign under AS 15.13.078(b);
- (5) repay contributions to contributors, but only if repayment of the contribution is made pro rata in approximate proportion to the contributions made using one of the following, as the candidate determines:
 - (A) to all contributors;
 - (B) to contributors who have contributed most recently; or
 - (C) to contributors who have made larger contributions;
- (6) establish a fund for, and from that fund to pay, attorney fees or costs incurred in the prosecution or defense of an administrative or civil judicial action that directly concerns a challenge to the victory or defeat of the candidate in the election;
- (7) transfer all or a portion of the unused campaign contributions to an account for a future election campaign; [A TRANSFER UNDER THIS PARAGRAPH IS LIMITED TO
 - (A) \$50,000, IF THE TRANSFER IS MADE BY A CANDIDATE FOR GOVERNOR OR LIEUTENANT GOVERNOR;
 - (B) \$10,000, IF THE TRANSFER IS MADE BY A CANDIDATE FOR THE STATE SENATE;
 - (C) \$5,000, IF THE TRANSFER IS MADE BY A CANDIDATE FOR THE STATE HOUSE OF REPRESENTATIVES; AND
 - (D) \$5,000, IF THE TRANSFER IS MADE BY A CANDIDATE FOR AN OFFICE NOT DESCRIBED IN (A) - (C) OF THIS PARAGRAPH;]
- (8) transfer all or a portion of the unused campaign contributions to a public office expense term account or to a public office expense term account reserve in accordance with (d) of this section; a transfer under this paragraph is subject to the following:
 - (A) the authority to transfer is limited to candidates who are elected to the state legislature;
 - (B) the public office expense term account established under this paragraph may be used only for expenses associated with the candidate's serving as a member of the legislature;
 - (C) all amounts expended from the public office expense term account shall be annually accounted for under AS 15.13.110(a)(4); and
 - [(D) A TRANSFER UNDER THIS PARAGRAPH IS LIMITED TO \$5,000 MULTIPLIED BY THE NUMBER OF YEARS IN THE TERM TO WHICH THE CANDIDATE IS ELECTED; AND]
- (9) transfer all or a portion of the unused campaign contributions to a municipal office account; a transfer under this paragraph is subject to the following:
 - (A) the authority to transfer is limited to candidates who are elected to municipal office, including a municipal school board;
 - (B) the municipal office account established under this paragraph may be used only for expenses associated with the candidate's serving as mayor or as a member of the assembly, city council, or school board;

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

(D) A TRANSFER UNDER THIS PARAGRAPH IS LIMITED TO \$5,000.]

(b) After a general, special, municipal, or municipal runoff election, a candidate may retain the ownership of one computer and one printer and of personal property, except money, that was acquired by and for use in the campaign. The current fair market value of the property retained, exclusive of the computer and printer, may not exceed \$2,500. All other property shall be disposed of, or sold and the sale proceeds disposed of, in accordance with (a) or (c) of this section. Notwithstanding any other provision of this chapter, a candidate may (1) retain a bulk mailing permit that was paid for with campaign funds, and (2) use personal funds, campaign funds, or unused campaign contributions transferred to a public office expense term account under (a)(8) of this section to pay the continuing charges for the permit after the election. Money used to continue the life of the permit is not considered to be a contribution under this chapter. In addition to any other use permitted under this chapter, during the candidate's term of office, the candidate may use the bulk mailing permit for mailings associated with service in the office to which the candidate was elected. During the candidate's term of office, if the candidate files a declaration of candidacy or a letter of intent to become a candidate for the same or a different elective office, the candidate may also use the bulk mailing permit in that election campaign.

(c) Property remaining after disbursements are made under (a) - (b) of this section is forfeited to the state. Within 30 days, the candidate shall deliver the property to the Department of Revenue. The Department of Revenue shall deposit any money received into the general fund and dispose of any other property in accordance with law.

[(d) AFTER A GENERAL OR SPECIAL ELECTION, A CANDIDATE FOR THE STATE LEGISLATURE WHO HAS BEEN ELECTED TO THE STATE LEGISLATURE IN THAT ELECTION MAY, FROM THE AMOUNT RETAINED IN THE PUBLIC OFFICE EXPENSE TERM ACCOUNT RESERVE UNDER THIS SUBSECTION, TRANSFER TO A PUBLIC OFFICE EXPENSE TERM ACCOUNT NOT MORE THAN \$5,000 EACH CALENDAR YEAR FOR USE ONLY FOR EXPENSES ASSOCIATED WITH THE CANDIDATE'S SERVING AS A MEMBER OF THE LEGISLATURE. A CANDIDATE FOR THE SENATE MAY TRANSFER UP TO \$20,000 FROM UNUSED CAMPAIGN CONTRIBUTIONS TO A PUBLIC OFFICE EXPENSE TERM ACCOUNT RESERVE. A CANDIDATE FOR THE HOUSE OF REPRESENTATIVES MAY TRANSFER UP TO \$10,000 FROM UNUSED CAMPAIGN CONTRIBUTIONS TO A PUBLIC OFFICE EXPENSE TERM ACCOUNT RESERVE. THE PUBLIC OFFICE EXPENSE TERM ACCOUNT RESERVE MAY ONLY BE USED TO MAKE TRANSFERS TO THE PUBLIC OFFICE EXPENSE TERM ACCOUNT. AT THE END OF THE CANDIDATE'S TERM OF OFFICE, A BALANCE IN THE PUBLIC OFFICE EXPENSE TERM ACCOUNT RESERVE MUST BE DISPOSED OF AS PROVIDED IN (A) OF THIS SECTION BUT MAY NOT BE DISPOSED OF AS PROVIDED IN (A)(1), (4), OR (6) - (9) OF THIS SECTION. ALL AMOUNTS EXPENDED UNDER THIS SUBSECTION SHALL BE ANNUALLY ACCOUNTED FOR UNDER AS 15.13.110(A)(4).]

*Sec. 20. AS 15.13.120 is amended to read:

Sec. 15.13.120. Penalty; limitations on actions. (a) [Repealed, § 28 ch 48 SLA 1996.]

(b) [Repealed, § 6 ch 134 SLA 1982.]

(c) Promptly after the final date for filing statements and reports, the Division of Elections [COMMISSION] shall notify all persons who have become delinquent in filing them, including contributors who failed to file a statement in accordance with AS 15.13.025 and AS 15.13.035, [AND SHALL MAKE AVAILABLE A LIST OF THESE DELINQUENTS FOR PUBLIC INSPECTION.] The Division of Elections [COMMISSION] shall also report to the attorney general the names of all candidates in an election whose campaign treasurers have failed to file the reports required by this chapter.

(d) [A MEMBER OF THE COMMISSION, THE COMMISSION'S EXECUTIVE DIRECTOR,] The Director of Elections or a person who believes a violation of this chapter [OR A REGULATION ADOPTED UNDER THIS CHAPTER] has occurred or is occurring may file an administrative complaint with the Lt. Governor [COMMISSION] within two years [FOUR YEARS] of the date of the alleged violation. [IF A MEMBER OF THE COMMISSION HAS FILED THE COMPLAINT, THAT MEMBER MAY NOT PARTICIPATE AS A COMMISSIONER IN ANY PROCEEDING OF THE COMMISSION WITH RESPECT TO THE COMPLAINT. If the Lt. Governor directs the Division of Elections [COMMISSION ACCEPTS THE COMPLAINT AND OPENS] to open a preliminary investigation, it shall do so within 90 days of the filing date of the complaint and shall investigate the complaint. After affording the respondent notice and an opportunity to be heard, if the division [COMMISSION] finds that the respondent has engaged in or is about to engage in an act or practice that constitutes or will constitute a violation of this chapter or a regulation adopted under it, the division [COMMISSION] shall enter an order requiring the violation to be ceased or to be remedied, and shall assess civil penalties under as 15.13.125. A division [COMMISSION] order may be appealed to the superior court by either the complainant or respondent within 30 days. The division [COMMISSION] or the division's [COMMISSION'S EXECUTIVE] director shall promptly report to the attorney general concerning any acts or practices that may constitute violations of this chapter or regulations adopted under this chapter, or concerning the violation of any order of the commission.

(e) If the Division of Elections [COMMISSION] does not open a preliminary investigation within [90] 5 days of the filing date of the complaint or complete action on the complaint within [180] 10 days of the filing, the complainant may file a complaint in superior court alleging a violation of this chapter by a respondent in the administrative complaint. The complainant may provide copies of the complaint filed in the superior court to the [COMMISSION] and the attorney general. The state may intervene in a timely manner. A complaint may not be filed in superior court under this subsection if more than two years have elapsed from the date of the alleged violation. This subsection does not create a private cause of action against the [COMMISSION].

(f) If, after being sworn into office, a person who was a successful candidate or the campaign treasurer or deputy campaign treasurer of a person who was a successful candidate is convicted of a violation of this chapter, proceedings shall be held and appropriate action taken in accordance with

(1) art. II, § 12 of the state constitution, if the candidate is a candidate for the state legislature;

(2) art. II, § 20 of the state constitution, if the candidate is a candidate for governor or lieutenant governor;

(3) AS 29.20.170, if the candidate is a candidate for the borough assembly;

(4) AS 29.20.280, if the candidate is a candidate for borough mayor;

(5) AS 29.20.170, if the candidate is a candidate for city council;

(6) AS 29.20.280, if the candidate is a candidate for city mayor;

(7) the provisions of the call for the constitutional convention, if the candidate is a candidate for constitutional convention delegate;

(8) art. IV, § 10 of the state constitution, if the candidate is a candidate for judicial retention.

(g) Information developed by the Division [COMMISSION] under (d) of this section shall be considered during a proceeding under (f) of this section.

(h) When, after being sworn into office, a successful candidate or the campaign treasurer or deputy campaign treasurer of a person who was a successful candidate is charged with a violation of this chapter, the case shall be promptly tried and accorded a preferred position for purposes of argument and decision, so as to assure a speedy disposition of the matter.

*Sec. 21. AS 15.13 is amended by adding a new section to read:

Sec. 15.13.121. Enforcement by private citizens. A qualified Alaska voter may bring a civil action to enforce any of the sections of this chapter.

*Sec. 22. AS 15.13.122 is amended to read:

Sec. 15.13.122. Legal counsel. (a) The attorney general is legal counsel for the Division of Elections [COMMISSION]. The attorney general shall advise the Division of Elections [COMMISSION] in legal matters arising in the discharge of its duties and represent the Division of Elections [COMMISSION] in actions to which it is a party. If, in the opinion of the Division of Elections [COMMISSION], the public interest warrants, the Division of Elections [COMMISSION] may request the chief justice of the supreme court to appoint a special prosecutor to represent the Division of Elections [COMMISSION] in a proceeding involving an alleged violation of this chapter and to prosecute that violation.

(b) When the public interest warrants, the Division of Elections [COMMISSION] may employ temporary legal counsel from time to time in matters in which the Division of Elections [COMMISSION] is involved.

*Sec. 23. AS 15.13.125 is amended to read:

Sec. 15.13.125. Civil penalty assessments for the late filing of a campaign disclosure report. (a) A report required to be filed within the time required by AS 15.13.025 is delinquent if not received on or before the due date.

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

(c) Division staff will send notice to each candidate or group of his or its delinquency under AS 15.13.025 within five working days after the due date of the report.

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

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

(A) \$20 a day for each semi-monthly report;

(B) \$20 a day for each year-end report received after February 15;

(C) \$50 a day up to a maximum of \$450 for each 24-hour report;

(2) send notice of the civil penalty assessed against the candidate or group within five working days after receipt of a delinquent report or the non-receipt of a report required by AS 15.13.025 and include:

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

(B) an affidavit appeal form.

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

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

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

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

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

(f) If a candidate or group subject to a civil penalty assessment for the late filing of a campaign disclosure report refuses, or fails, within the time required, to submit an affidavit or make payment, then Division staff will refer the matter to the attorney general for appropriate action.

(g) A candidate or group may appeal the Division's assessments to the superior court within 30 days from the date the Division's decision is mailed or otherwise distributed to the candidate, group, political party, municipality, or individual. If no appeal is made within 30 days and a payment is not made, the matter will be referred to the attorney general for appropriate action.

[CIVIL PENALTY; LATE FILING OF REQUIRED REPORTS. (A) A PERSON WHO FAILS TO REGISTER WHEN REQUIRED BY AS 15.13.050(A) OR WHO FAILS TO FILE A PROPERLY COMPLETED AND CERTIFIED REPORT WITHIN THE TIME REQUIRED BY AS 15.13.040(D) - (F), 15.13.060(B) - (D), 15.13.080(C), 15.13.110(A)(1), (3), OR (4), (E), OR (F) IS SUBJECT TO A CIVIL PENALTY OF

NOT MORE THAN \$50 A DAY FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT. A PERSON WHO FAILS TO FILE A PROPERLY COMPLETED AND CERTIFIED REPORT WITHIN THE TIME REQUIRED BY AS 15.13.110(A)(2) OR 15.13.110(B) IS SUBJECT TO A CIVIL PENALTY OF NOT MORE THAN \$500 A DAY FOR EACH DAY THE DELINQUENCY CONTINUES AS DETERMINED BY THE COMMISSION SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT. A PERSON WHO VIOLATES A PROVISION OF THIS CHAPTER, EXCEPT A PROVISION REQUIRING REGISTRATION OR FILING OF A REPORT WITHIN A TIME REQUIRED AS OTHERWISE SPECIFIED IN THIS SECTION, IS SUBJECT TO A CIVIL PENALTY OF NOT MORE THAN \$50 A DAY FOR EACH DAY THE VIOLATION CONTINUES AS DETERMINED BY THE COMMISSION, SUBJECT TO RIGHT OF APPEAL TO THE SUPERIOR COURT. AN AFFIDAVIT STATING FACTS IN MITIGATION MAY BE SUBMITTED TO THE COMMISSION BY A PERSON AGAINST WHOM A CIVIL PENALTY IS ASSESSED. HOWEVER, THE IMPOSITION OF THE PENALTIES PRESCRIBED IN THIS SECTION OR IN AS 15.13.120 DOES NOT EXCUSE THAT PERSON FROM REGISTERING OR FILING REPORTS REQUIRED BY THIS CHAPTER.]

[(B) WHEN AN ADMINISTRATIVE COMPLAINT HAS BEEN FILED UNDER AS 15.13.120(D), THE COMMISSION SHALL GIVE THE RESPONDENT DUE NOTICE AND AN OPPORTUNITY TO BE HEARD. IF, AT THE CONCLUSION OF THE HEARING, THE COMMISSION DETERMINES THAT THE RESPONDENT ENGAGED IN THE ALLEGED VIOLATION, THE COMMISSION SHALL ASSESS

(1) CIVIL PENALTIES UNDER (A) OF THIS SECTION;
(2) THE COMMISSION'S COSTS OF INVESTIGATION AND ADJUDICATION;
AND
(3) REASONABLE ATTORNEY FEES.

(C) THE COMMISSION'S DETERMINATION UNDER (B) OF THIS SECTION MAY BE APPEALED TO THE SUPERIOR COURT UNDER AS 44.62 (ADMINISTRATIVE PROCEDURE ACT).

(D) WHEN AN ACTION HAS BEEN FILED IN THE SUPERIOR COURT UNDER AS 15.13.120(E), UPON PROOF OF THE VIOLATION, THE COURT SHALL ENTER A JUDGMENT IN THE AMOUNT OF THE CIVIL PENALTY AUTHORIZED TO BE COLLECTED BY (A) OF THIS SECTION.

(E) IF THE COMMISSION OR SUPERIOR COURT FINDS THAT THE VIOLATION WAS NOT A REPEAT VIOLATION OR WAS NOT PART OF A SERIES OR PATTERN OF VIOLATIONS, WAS INADVERTENT, WAS QUICKLY CORRECTED, AND HAD NO ADVERSE EFFECT ON THE CAMPAIGN OF ANOTHER, THE COMMISSION OR THE COURT MAY

(1) SUSPEND IMPOSITION OF THE PENALTIES; AND
(2) ORDER THE PENALTIES SET ASIDE IF THE PERSON DOES NOT ENGAGE IN A SIMILAR VIOLATION FOR A PERIOD OF ONE YEAR.

(F) A PARTY WHO HAS FILED A CIVIL ACTION UNDER AS 15.13.120(E)

(1) IS NOT ENTITLED TO TRIAL BY JURY ON THE CIVIL ACTION;

(2) IS NOT ENTITLED TO BE REPRESENTED BY LEGAL COUNSEL AT PUBLIC EXPENSE.]

*Sec. 24. AS 15.13.400 is amended to read:

Sec. 15.13.400. Definitions.

In this chapter,

(1) "candidate"

(A) means an individual who qualifies for state office under AS 15.13.015 and files for election to the state legislature, for governor, for lieutenant governor, for municipal office, for retention in judicial office, or for constitutional convention delegate, or who campaigns as a write-in candidate for any of these offices; [AND

(B) WHEN USED IN A PROVISION OF THIS CHAPTER THAT LIMITS OR PROHIBITS THE DONATION, SOLICITATION, OR ACCEPTANCE OF CAMPAIGN CONTRIBUTIONS, OR LIMITS OR PROHIBITS AN EXPENDITURE, INCLUDES

(I) A CANDIDATE'S CAMPAIGN TREASURER AND A DEPUTY CAMPAIGN TREASURER;

(II) A MEMBER OF THE CANDIDATE'S IMMEDIATE FAMILY;

(III) A PERSON ACTING AS AGENT FOR THE CANDIDATE;

(IV) THE CANDIDATE'S CAMPAIGN COMMITTEE; AND

(V) A GROUP THAT MAKES EXPENDITURES OR RECEIVES CONTRIBUTIONS WITH THE AUTHORIZATION OR CONSENT, EXPRESS OR IMPLIED, OR UNDER THE CONTROL, DIRECT OR INDIRECT, OF THE CANDIDATE;]

[(2) "COMMISSION" MEANS THE ALASKA PUBLIC OFFICES COMMISSION;]

(3) "contribution"

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

(B) but does not include

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or ballot proposition or question ;

(ii) services provided without compensation by an individual volunteering part-time or full-time on behalf of a candidate, a group registered under AS 15.13.050, a political party, or a ballot proposition [, BUT IT DOES INCLUDE PROFESSIONAL SERVICES VOLUNTEERED BY INDIVIDUALS FOR WHICH THEY ORDINARILY WOULD BE PAID A FEE OR WAGE;

(ii) SERVICES PROVIDED BY AN ACCOUNTANT OR OTHER PERSON TO PREPARE REPORTS AND STATEMENTS REQUIRED BY THIS CHAPTER]; or

(iii) ordinary hospitality in a home;

(iv) costs incurred in covering or carrying a news story by a broadcasting station, newspaper, or periodical of regular publication, unless the facility is owned by or

controlled by a political party, political group, or candidate; in that case, the cost of the news story is a contribution, unless the news story is a bona fide news account that is part of a general pattern of campaign-related news accounts which gives reasonably equal coverage to all opposing candidates in the circulation or listening area;

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

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

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

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

(ix) the permission of the owner of real or personal property to post political signs, including bumper stickers, or to use space for an event or to store campaign-related materials is not considered to be a contribution to a candidate under this chapter unless the owner customarily charges a fee or receives payment for that activity. The fact that the owner customarily charges a fee or receives payment for posting signs that are not political signs is not determinative of whether the owner customarily does so for political signs.

(C) A contribution made by a married individual is not attributed to that individual's spouse, unless otherwise specified in writing by the spouse at the time the contribution is made.

(D) in this section a "loan" includes a guarantee, endorsement, and any other forms of security.

(E) a loan is a contribution at the time it is made.

(4) "expenditure"

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

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

(ii) use by a political party;

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

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

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

(5) "group" means

(A) [EVERY STATE AND REGIONAL EXECUTIVE COMMITTEE OF A POLITICAL PARTY; AND

(B)] any combination of two or more individuals acting jointly who organize for the principal purpose of influencing the outcome of one or more elections and who take action the major purpose of which is to influence the outcome of an election, except a political party is not considered a group; [A GROUP THAT MAKES EXPENDITURES OR RECEIVES CONTRIBUTIONS WITH THE AUTHORIZATION OR CONSENT, EXPRESS OR IMPLIED, OR UNDER THE CONTROL, DIRECT OR INDIRECT, OF A CANDIDATE SHALL BE CONSIDERED TO BE CONTROLLED BY THAT CANDIDATE; A GROUP WHOSE MAJOR PURPOSE IS TO FURTHER THE NOMINATION, ELECTION, OR CANDIDACY OF ONLY ONE INDIVIDUAL, OR INTENDS TO EXPEND MORE THAN 50 PERCENT OF ITS MONEY ON A SINGLE CANDIDATE, SHALL BE CONSIDERED TO BE CONTROLLED BY THAT CANDIDATE AND ITS ACTIONS DONE WITH THE CANDIDATE'S KNOWLEDGE AND CONSENT UNLESS, WITHIN 10 DAYS FROM THE DATE THE CANDIDATE LEARNS OF THE EXISTENCE OF THE GROUP THE CANDIDATE FILES WITH THE COMMISSION, ON A FORM PROVIDED BY THE COMMISSION, AN AFFIDAVIT THAT THE GROUP IS OPERATING WITHOUT THE CANDIDATE'S CONTROL; A GROUP ORGANIZED FOR MORE THAN ONE YEAR PRECEDING AN ELECTION AND ENDORSING CANDIDATES FOR MORE THAN ONE OFFICE OR MORE THAN ONE POLITICAL PARTY IS PRESUMED NOT TO BE CONTROLLED BY A CANDIDATE; HOWEVER, A GROUP THAT CONTRIBUTES MORE THAN 50 PERCENT OF ITS MONEY TO OR ON BEHALF OF ONE CANDIDATE SHALL BE CONSIDERED TO SUPPORT ONLY ONE CANDIDATE FOR PURPOSES OF AS 15.13.070, WHETHER OR NOT CONTROL OF THE GROUP HAS BEEN DISCLAIMED BY THE CANDIDATE;]

(6) "immediate family" means the spouse, parents, children, including a stepchild and an adoptive child, and siblings of an individual;

(7) "independent expenditure" means an expenditure that is made without the direct or indirect consultation or cooperation with, or at the suggestion or the request of, or with the prior consent of, a candidate, a candidate's campaign treasurer or deputy campaign treasurer, or another person acting as a principal or agent of the candidate;

(8) "individual" means a natural person;

(9) "person" has the meaning given in AS 01.10.060, and includes a labor union and a group;

(10) "political party" means

(A) an organized group of voters that represents a political program and that either nominated a candidate for governor who received at least three percent of the total votes cast for governor at [any one of the last five] preceding general election [ELECTIONS] or has registered voters in the state equal in number to at least three percent of the total votes cast for governor at the preceding general election; and

(B) every state and regional executive committee of [A SUBORDINATE UNIT OF THE ORGANIZED GROUP OF VOTERS QUALIFYING AS A POLITICAL PARTY UNDER (A) OF THIS PARAGRAPH IF, CONSISTENT WITH THE RULES OR BYLAWS OF THE POLITICAL PARTY, THE UNIT CONDUCTS OR SUPPORTS

CAMPAIGN OPERATIONS IN A MUNICIPALITY, NEIGHBORHOOD, ELECTION DISTRICT, OR PRECINCT;]

(11) "publicly funded entity" means a person, other than an individual, that receives half or more of the money on which it operates during a calendar year from government, including a public corporation.

(12) "full disclosure" means complete and abundantly detailed revelation of all assets and all income;

(13) "purposely" has the meaning given for "knowingly" in AS 11.81.900(a);

(14) "resident" means a person who

(A) occupies a dwelling within the state;

(B) intends to remain in the state for a period of time; and

(C) manifests the genuineness of that intent by establishing an ongoing physical presence in the state together with indicia that presence in the state is something other than merely transitory in nature.

(15) "political action committee" means a combination of two or more individuals, or a person other than an individual (corporation, association, etc.) which accepts contributions or makes expenditures for the purpose of influencing the results of an or sponsor of a proposed constitutional amendment by initiative intending to seek the signatures of registered electors.

*Sec. 25. AS 15.25.030 is amended to read:

Sec. 15.25.030. Declaration of candidacy. (a) A member of a political party who seeks to become a candidate of the party in the primary election when declaring candidacy shall execute and file a declaration of candidacy fulfilling the obligations required under AS 15.13.015. The declaration shall be executed under oath before an officer authorized to take acknowledgments and shall state in substance:

(1) the full name of the candidate;

(2) the full mailing address of the candidate;

(3) if the candidacy is for the office of state senator or state representative, the election or senate district of which the candidate is a resident;

(4) the office for which the candidate seeks nomination;

(5) the name of the political party of which the person is a candidate for nomination;

(6) the full residence address of the candidate, and the date on which residency at that address began;

(7) the date of the primary election at which the candidate seeks nomination;

(8) the length of residency in the state and in the district of the candidate;

(9) that the candidate will meet the specific citizenship requirements of the office for which the person is a candidate;

(10) that the candidate is a qualified voter as required by law;

(11) that the candidate will meet the specific age requirements of the office for which the person is a candidate;

- (12) that the candidate requests that the candidate's name be placed on the primary election ballot;
 - (13) that the required fee accompanies the declaration;
 - (14) that the person is not a candidate for any other office to be voted on at the primary or general election and that the person is not a candidate for this office under any other declaration of candidacy or nominating petition;
 - (15) the manner in which the candidate wishes the candidate's name to appear on the ballot; and
 - (16) that the candidate is registered to vote as a member of the political party whose nomination is being sought.
- (b) A person filing a declaration of candidacy under this section, other than a person subject to AS 24.60 who is filing a declaration for a state legislative office, shall simultaneously file with the Division of Elections [DIRECTOR] a Conflict of Interest Statement [STATEMENT OF INCOME SOURCES AND BUSINESS INTERESTS] that complies with the requirements of AS 39.50. A person who is subject to AS 24.60 and is filing a declaration of candidacy for state legislative office shall simultaneously file with the Division of Elections [DIRECTOR] a disclosure statement that complies with the requirements of AS 15.13.015 and AS 24.60.200.
- (d) An incumbent public official, other than a legislator, who has Conflict of Interest Statement [STATEMENT OF INCOME SOURCES AND BUSINESS INTERESTS] under AS 39.50 on file with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION], or an incumbent legislator who has a current disclosure statement under AS 24.60.200 on file with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION], is not required to file a statement of income sources and business interests or a disclosure statement with the declaration of candidacy under (b) of this section.

***Sec. 26.** AS 15.25.040(a) is amended to read:

Sec. 15.25.040. Manner and date of filing declaration. (a) The declaration is filed by either

- (1) the actual physical delivery of the declaration in person or by mail at or before 5:00 p.m., prevailing time, June 1 of the year in which a general election is held for the office; or
- (2) the actual physical delivery by telegram of a copy in substance of the statements made in paragraphs (1) - (5) of the declaration as required by AS 15.13.015 and AS 15.25.030(a) at or before 5:00 p.m., prevailing time, June 1 of the year in which a general election is held for the office and also the actual physical delivery of the declaration containing paragraphs (1) - (16) as required by AS 15.25.030(a) by registered mail which is received not more than 15 days after that time.

***Sec. 27.** AS 15.25.180(b) is amended to read:

(b) A person filing a nominating petition under this section, other than a person subject to AS 24.60 who is filing a petition for a state legislative office, shall simultaneously file with the Division of Elections [DIRECTOR] Conflict of Interest Statement [STATEMENT OF INCOME SOURCES AND BUSINESS INTERESTS] that complies with the requirements of AS 39.50. A person who is subject to AS 24.60 and is filing a nominating petition for state legislative office shall simultaneously file with the Division of Elections [DIRECTOR] a disclosure statement that complies with the requirements of AS 24.60.200.

*Sec. 28. AS 15.25.180(c) is amended to read:

(c) An incumbent public official, other than a legislator, who has a current statement of income sources and business interests under AS 39.50 on file with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION], or an incumbent legislator who has a current disclosure statement under AS 24.60.200 on file with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION], is not required to file a [STATEMENT OF] Conflict of Interest Statement OF INCOME SOURCES AND BUSINESS INTERESTS] with the nominating petition under (b) of this section.

Sec. 29. AS 24.45.021 is amended to read:

Sec. 24.45.021. Administration. (a) This chapter shall be administered by the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] created under AS 15.13.020(a).

(b) The division [COMMISSION] shall adopt regulations under AS 44.62 (Administrative Procedure Act) to implement the provisions of this chapter.

Sec. 30. AS 24.45.031 is amended to read:

Sec. 24.45.031. Powers and duties. (a) In addition to its other duties under this chapter, the division [COMMISSION] shall

(1) prescribe the forms for registration, reports, statements, notices, and other documents required by this chapter;

(2) prepare and publish instructions setting out the methods of accounting, bookkeeping, and preservation of records required to facilitate compliance with and enforcement of this chapter and explaining the duties of persons subject to the provisions of this chapter; the instructions shall be updated periodically;

(3) provide assistance to persons in complying with the provisions of this chapter;

(4) prepare and publish a biennial report of its activities, findings, and recommendations under this chapter, which shall be made available to the governor, legislature, and to the public by February 1 of each odd-numbered calendar year; the division [COMMISSION] shall notify the legislature that the report is available;

(5) report suspected violations of this chapter to the attorney general.

(b) The division [COMMISSION] may

- (1) hold hearings and conduct investigations into compliance with the provisions of this chapter;
- (2) in conjunction with (1) of this subsection, issue subpoenas, compel the attendance and testimony of witnesses, administer oaths and affirmations, and require the production of books, papers, records, documents, or other items material to the division's [COMMISSION'S] duties or powers under this chapter;
- (3) prepare, publish, and make available to the public, periodic, but at least biannually, summaries of the statements and reports received; these summaries shall list separately individual lobbyists and employers of lobbyists.

*Sec. 31. AS 24.45.041 is amended to read:

Sec. 24.45.041. Registration. (a) Before engaging in lobbying, a lobbyist shall file a registration statement on a form prescribed by the division [COMMISSION].

(b) The registration form prescribed by the division [COMMISSION] must include

(1) the lobbyist's full name and complete permanent residence and business address and telephone number, as well as any temporary residential and business address and telephone number in the state capital during a legislative session;

(2) the full name and complete address of each person by whom the lobbyist is retained or employed;

(3) whether the person from whom the lobbyist receives compensation employs the person solely as a lobbyist or whether the person is a regular employee performing other services for the employer that include but are not limited to the influencing of legislative or administrative action;

(4) the nature or form of the lobbyist's compensation for engaging in lobbying, including salary, fees, or reimbursement for expenses received in consideration for, or directly in support of or in connection with, the influencing of legislative or administrative action;

(5) a general description of the subjects or matters on which the registrant expects to lobby or to engage in the influencing of legislative or administrative action;

(6) the full name and complete address of the person, if other than the registrant, who has custody of the accounts, books, papers, bills, receipts, and other documents required to be maintained under this chapter;

(7) the identification of a legislator, legislative employee, or public official to whom the lobbyist is married or who is the spousal equivalent of the lobbyist; in this paragraph, "spousal equivalent" has the meaning given in AS 39.50.030(g).

(c) At the option of the registrant, the registration form may be accompanied by four two and one-half inch by two and one-half inch black and white photographs of the lobbyist. The photographs may not be more than five years old. These photographs shall be included in the directory published under (e) of this section.

(d) If a change occurs in any of the information contained in a registration statement filed under (a) of this section, or in any accompanying document, an appropriate amendment shall be filed with the division [COMMISSION] within 10 days after the change.

(e) Within 45 days after the convening of each regular session of the legislature, the division [COMMISSION] shall publish a directory of registered lobbyists, containing the information prescribed in (b) of this section for each lobbyist and the photograph, if

any, furnished by a lobbyist under (c) of this section. From time to time thereafter, the division [COMMISSION] shall publish those supplements to the directory that in the division's [COMMISSION'S] judgment may be necessary. The directory shall be made available to public officials and to the public at the following locations: a public place adjacent to the legislative chambers in the state capitol building, the office of the lieutenant governor, the legislative reference library of the Legislative Affairs Agency, and the division's [COMMISSION'S CENTRAL] regional office.

(f) Each lobbyist shall renew the registration annually by filing a new registration statement together with a new authorization to act as a lobbyist before engaging in lobbying. The lobbyist also shall file any reports or statements the lobbyist has failed to file for a previous reporting period. The division [COMMISSION] may not renew lobbying credentials until this provision is complied with.

(g) An application for registration as a lobbyist under (a) of this section or for renewal of a registration under (f) of this section is subject to a fee of \$100. The division [COMMISSION] may not accept an application for registration or renew a registration until the fee is paid. This subsection does not apply to a volunteer lobbyist under AS 24.45.161 or a representational lobbyist defined in 24.45.171(14) [UNDER REGULATIONS OF THE COMMISSION].

(h) The timely filing for registering and reporting may be accomplished in one of two ways: either hand-carried to the commission's office on or before the due date, or placed in the mail so that it is postmarked on or before the due date. The date shown by the postmark is presumed to be the date it was deposited in the United States mail.

*Sec. 32. AS 24.45.116 is amended to read:

Sec. 24.45.116. Disclosure of contributions. A civic league or organization shall report the total amount of contributions received for the reporting period and for any contribution over \$100, the name of the contributor and the amount contributed. The civic league or organization may establish a separate fund to account for receipts and expenditures arising out of activities to influence legislative action. Reports shall be made on a form provided by the Division [COMMISSION] on February 10, April 25, and July 10 of each year, listing contributions received during the period that ended 10 days earlier.

*Sec. 31. AS 24.45.121 is amended to read:

Sec. 24.45.121. Prohibitions. (a) A lobbyist may not

- (1) engage in any activity as a lobbyist before registering under AS 24.45.041;
- (2) do anything with the intent of placing a public official under personal obligation to the lobbyist or to the lobbyist's employer;
- (3) intentionally deceive or attempt to deceive any public official with regard to any material fact pertinent to pending or proposed legislative or administrative action;
- (4) cause or influence the introduction of a legislative measure solely for the purpose of thereafter being employed to secure its passage or its defeat;

- (5) cause a communication to be sent to a public official in the name of any fictitious person or in the name of any real person, except with the consent of that person;
 - (6) accept or agree to accept any payment in any way contingent upon the defeat, enactment, or outcome of any proposed legislative or administrative action;
 - (7) serve as a member of a state board, or commission, if the lobbyist's employer may receive direct economic benefit from a decision of that board or commission;
 - (8) serve as a campaign manager or director, serve as a campaign treasurer or deputy campaign treasurer on a finance or fund-raising committee, host a fund-raising event, directly or indirectly collect contributions for, or deliver contributions to, a candidate or otherwise engage in the fund-raising activity of a legislative campaign or campaign for governor or lieutenant governor if the lobbyist has registered, or is required to register as a lobbyist, under this chapter, during the calendar year; this paragraph does not apply to a representational as defined in AS 24.45.171(14) [THE REGULATIONS OF THE ALASKA PUBLIC OFFICES COMMISSION], and does not prohibit a lobbyist from making personal contributions to a candidate as authorized by AS 15.13 or personally advocating on behalf of a candidate;
 - (9) offer, solicit, initiate, facilitate, or provide to or on behalf of a person covered by AS 24.60, during a legislative session, a gift, other than food or beverage for immediate consumption;
 - (10) make or offer a gift or a campaign contribution whose acceptance by the person to whom it is offered would violate AS 24.60.
- (b) A person may not employ for pay or any consideration, or pay or agree to pay consideration to, a person to lobby who is not registered under AS 24.45.041 unless that person registers and that person does in fact so register before engaging in lobbying.
- (c) A former member of the legislature may not engage in activity as a lobbyist before the legislature for a period of one year after the former member has left the legislature. This subsection does not prohibit a former member from acting as a volunteer lobbyist described in AS 24.45.161(a)(1) or a representational lobbyist as defined in AS 24.45.171(14) [UNDER REGULATIONS OF THE COMMISSION].

*Sec. 34. AS 24.45.131 is amended to read:

Sec. 24.45.131. Examination of statements, reports. (a) The Division [COMMISSION] or its staff shall examine each statement or report filed under this chapter within 10 days after the date it is filed. A person required to file a statement or report under this chapter shall be notified immediately if

- (1) it appears that the person has failed to file a statement or report as required by law or that the statement or report filed does not conform to the requirements of this chapter; or
- (2) a written complaint is filed with the Division [COMMISSION] by any qualified voter alleging that a statement or report filed with the Division [COMMISSION] does not conform to the requirements of this chapter, or to the truth, or that a person subject to the provisions of this chapter has failed to file a statement or report in the manner prescribed by this chapter.

(b) The Division [COMMISSION] shall conduct an investigation, and may thereafter conduct a hearing, into an allegation under (a)(2) of this section.

(c) The Division [COMMISSION] shall report any suspected violations of this chapter to the attorney general, to a district attorney in the judicial district where the alleged violation occurred, or to a grand jury.

*Sec. 35. AS 24.45.141 is amended by adding a new section to read:

Sec. 24.45.141. Civil penalty: (a) Late registration, filing of required statements or reports. A person who fails to register or to file a properly completed and certified report or statement, as applicable, within the time required by this chapter is subject to a civil penalty of not more than \$10 a day for each day the delinquency continues as determined by the Division subject to right of appeal to the superior court. An affidavit stating facts in mitigation may be submitted to the Division by a person against whom a civil penalty is assessed. However, the imposition of the penalties prescribed in this section or in AS 24.45.151 does not excuse the lobbyist or employer of a lobbyist from filing statements or reports required by this chapter.

(b) A registration statement or report required to be filed under AS 24.45.041, 24.45.051, 24.45.061, or 24.45.081 is delinquent if not received on or before the due date.

(c) A registration statement or report continues to be delinquent and subject to a civil penalty until received.

(d) Upon receipt of a delinquent registration statement or report, Division staff will calculate the initial civil penalty at \$10 for each day from the due date through the date the registration or report is submitted, and send a notice of the civil penalty assessed against the lobbyist or employer of lobbyist. The notice shall include
(1) a statement of the amount of the assessment; and
(2) an affidavit form which may be used by the lobbyist or employer of lobbyist to request a reduction or waiver of the assessment.

(d) Within 30 days of the date of the assessment notice described in (d) of this section, a lobbyist or employer of a lobbyist subject to a civil penalty assessment must

(1) submit an affidavit stating reasons for the late filing to show why a civil penalty should be reduced or waived; an affidavit

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

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

(2) pay the civil penalty assessed.

(e) If a lobbyist or employer of a lobbyist subject to a civil penalty assessment for the late filing of a registration statement or report refuses or fails, within the time required, to submit an affidavit or make payment, Division staff will pursue appropriate collection action. The Division will not consider an untimely request to reduce or waive an assessment. A request is untimely if an affidavit is not filed within the time required under (e) of this section.

(f) An affidavit timely filed will be considered by the Division. Affiant will be given notice of the meeting and will be given an opportunity to appear before the Division in person or by telephone. After considering the matter, the commission will issue an order setting out its decision, and the findings of fact and conclusions of law which support the decision. Staff will send the order to the affiant. If a lobbyist's or employer of a lobbyist's appeal is

(1) denied by the Division, the order will require that the civil penalty originally assessed be paid within 30 days after the date of the letter forwarding the order; or

(2) accepted, in full, by the Division, the order will state that the civil penalty assessment has been waived and that the matter is considered closed; or

(3) accepted, in part, by the Division, the order will require that the reduced civil penalty assessment be paid within 30 days after the date of the letter forwarding the order.

(g) A decision of the Division to deny a reduction or waiver of the civil penalty may be appealed to the superior court pursuant to AS 44.62.560 and Alaska Rules of Appellate Procedure 601-612. If payment of the penalty is not made or if an appeal is not filed within 30 days after the date of the letter forwarding the Division's order, commission staff will pursue appropriate collection action.

(h) If, upon review of a report or registration, the Division's staff finds substantial or continuous noncompliance with AS 24.45 or a provision of this chapter, the matter must be brought to the review. After notice and an opportunity to be heard the Division may assess a civil penalty of not more than \$10 per day, subject to the appeal process, for each day the registration or report did not substantially comply with the requirements of AS 24.45, or instruct its staff to begin a preliminary investigation into the matter.

Sec. 36. AS 24.45.151 is amended to read:

Sec. 24.45.151. Criminal penalties. (a) An individual who "purposely" [knowingly] violates any provisions of this chapter, whether acting for oneself, on behalf of an employer, or in concert with other persons, is, upon conviction, punishable by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both.

(b) An individual who "purposely" [knowingly] causes, participates in, aids, abets, ratifies, or confirms any violation of a provision of this chapter is, upon conviction, is guilty of a class B misdemeanor, punishable by a fine of not more than \$5,000 [\$1,000], or by imprisonment for not more than one year, or by both.

(c) A person, other than an individual, "purposely" [knowingly] violates any provision of this chapter, whether acting for oneself, on behalf of an employer, or in concert with other persons, or who knowingly causes, participates in, aids, abets, ratifies, or confirms any violation of a provision of this chapter is, upon conviction, is guilty of a class B misdemeanor, punishable by a fine of not more than \$5,000 [\$1,000] for each offense, or by imprisonment for not more than one year, or both.

(d) A person who "purposely" [knowingly] makes a false or misleading report or statement required under this chapter is, upon conviction is guilty of a class B

misdemeanor, punishable by a fine of not more than \$5,000 [\$1,000], or by imprisonment for not more than one year, or by both.

*Sec. 37. AS 24.45.171 is amended by adding new paragraphs to read:

(13) "division" means the Division of Elections.

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

(b) The person or group which reimburses a representational lobbyist for his expenses must register and report as the employer of a lobbyist in accordance with the requirements of AS 24.45.061.

*Sec. 38. AS 24.60.080(d) is amended to read:

(c) A legislator or legislative employee who accepts a gift under (c)(4) of this section that has a value of \$250 or more shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor and the approximate value of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this section that the recipient expects will have a value of \$250 or more in the calendar year shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor, a general description of the matter of legislative concern with respect to which the gift is made, and the approximate value of the gift. The committee shall maintain a public record of the disclosures it receives relating to gifts under (c)(4) and (8) of this section and shall forward the disclosures to the appropriate house for inclusion in the journal. [THE COMMITTEE SHALL FORWARD TO THE ALASKA PUBLIC OFFICES COMMISSION COPIES OF THE DISCLOSURES CONCERNING GIFTS UNDER (C)(4) AND (8) OF THIS SECTION THAT IT RECEIVES FROM LEGISLATORS AND LEGISLATIVE DIRECTORS.] A legislator or legislative employee who accepts a gift under (c)(6) of this section that has a value of \$250 or more shall disclose to the committee annually on or before March 15 the name and occupation of the donor and a description of the gift. The committee shall maintain disclosures relating to gifts under (c)(6) of this section as confidential records and may only use, or permit a committee employee or contractor to use, a disclosure under (c)(6) of this section in the investigation of a possible violation of this section or in a proceeding under AS 24.60.170. If the disclosure under (c)(6) of this section

becomes part of the record of a proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

***Sec. 39.** AS 24.60.080(e) is amended to read:

(d) A political contribution is not a gift under this section if it is reported under AS 15.13.025 [AS 15.13.040 OR IS EXEMPT FROM THE REPORTING REQUIREMENT UNDER AS 15.13.040(G).] The use of a bulk mailing permit owned by a legislator's campaign committee or used in a legislator's election campaign is not a gift to that legislator under this section.

Sec. 40. AS 24.60.170(l) is amended to read:

(l) Proceedings of the committee relating to complaints before it are confidential until the committee determines that there is probable cause to believe that a violation of this chapter has occurred. The complaint and all documents produced or disclosed as a result of the committee investigation are confidential and not subject to inspection by the public. If in the course of an investigation or probable cause determination the committee finds evidence of probable criminal activity, the committee shall transmit a statement and factual findings limited to that activity to the appropriate law enforcement agency. If the committee finds evidence of a probable violation of as 15.13, the committee shall transmit a statement to that effect and factual findings limited to the probable violation to Division of Elections [THE ALASKA PUBLIC OFFICES COMMISSION.] All meetings of the committee before the determination of probable cause are closed to the public and to legislators who are not members of the committee. However, the committee may permit the subject of the complaint to attend a meeting other than the deliberations on probable cause. The confidentiality provisions of this subsection may be waived by the subject of the complaint.

***Sec. 41.** AS 24.60.200 is amended to read:

Sec. 24.60.200. Financial disclosure by legislators, public members of the committee, and legislative directors. A legislator, a public member of the committee, and a legislative director shall file a disclosure statement, under oath and on penalty of perjury, with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] giving the following information about the income received by the discloser [,] and the discloser's spouse or spousal equivalent [, THE DISCLOSER'S DEPENDENT CHILDREN, AND THE DISCLOSER'S NONDEPENDENT CHILDREN WHO ARE LIVING WITH THE DISCLOSE]:

- (1) the information that a public official is required to report under AS 39.50.030, other than information about gifts;
- (2) as to income in excess of \$1,000 received as compensation for personal services, the name and address of the source of the income, and a statement describing the nature of the services performed; if the source of income is known or reasonably should be known

to have a substantial interest in legislative, administrative, or political action and the recipient of the income is a legislator or a legislative director, the amount of income received from the source shall be disclosed;

(4) as to each loan or loan guarantee over \$1,000 from a source with a substantial interest in legislative, administrative, or political action, the name and address of the person making the loan or guarantee, the amount of the loan, the terms and conditions under which the loan or guarantee was given, the amount outstanding at the time of filing, and whether or not a written loan agreement exists.

***Sec. 42.** AS 24.60.210 is amended to read:

Sec. 24.60.210. Deadlines for filing of disclosure statements. A person required to file a disclosure statement under AS 24.60.200 shall file an annual report with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION], covering the previous calendar year, containing the disclosures required by AS 24.60.200, on or before March 15 of each year.

***Sec. 43.** AS 24.60.220 is amended to read:

Sec. 24.60.220. Administration of AS 24.60.200 - 24.60.260. the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] shall

(1) [ADOPT REGULATIONS TO IMPLEMENT AND INTERPRET THE PROVISIONS OF AS 24.60.200 - 24.60.260;

(2)] prepare standardized forms on which the statements required by AS 24.60.200 shall be filed; and

[(3)] (2) examine, investigate, and compare all reports and statements required under AS 24.60.200, and report all possible violations of this chapter it discovers to the committee.

***Sec. 44.** AS 24.60.230 is amended to read:

Sec. 24.60.230. Statements as public records. A statement filed with the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] under AS 24.60.200 is a public record. A person is not required to comply with AS 24.60.200 to the extent that a court of competent jurisdiction of the state determines that legally privileged professional relationships or constitutional privacy considerations would be violated by compliance.

***Sec. 45.** AS 24.60.240 is amended to read:

Sec. 24.60.240. Civil penalty for late filing. A person required to file a disclosure statement under AS 24.60.200 who fails to file a properly completed report under AS 24.60.200 is subject to a civil penalty of not more than \$10 a day for each day the delinquency continues as the the Division of Elections [ALASKA PUBLIC OFFICES

COMMISSION]determines, subject to appeal to the superior court. An affidavit stating facts in mitigation may be submitted to the the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION]by the person against whom the civil penalty is assessed. However, the imposition of the penalties prescribed in this section does not excuse the person from filing reports required by AS 24.60.200.

***Sec. 46.** AS 24.60.250 is amended to read:

Sec. 24.60.250. Effect of failure to file. (a) In addition to the sanctions described in AS 24.60.260, if the the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] finds that a candidate for the legislature who is an incumbent legislator has failed to file a report under AS 24.60.200 by March 15, the commission shall notify the candidate that the report is late. If the candidate fails to file the report within 30 days after it is due,

- (1) the Division [COMMISSION] shall notify the lieutenant governor;
- (2) the candidate shall forfeit nomination to office and may not be seated in office;
- (3) the lieutenant governor may not certify the person's nomination for office or election to office; and
- (4) nomination to the office shall be certified as provided in AS 39.50.060(b).

(b) In addition to the sanctions described in AS 24.60.260, if the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] finds that a member of the committee has failed or refused to file a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify the presiding officer of the appropriate legislative body. In the case of a public member of the committee, the Division [COMMISSION] shall notify both presiding officers.

(c) In addition to the sanctions described in AS 24.60.260, if the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] finds that a legislative director has failed or refused to file a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify the Alaska Legislative Council or the Legislative Budget and Audit Committee, as appropriate. For the ombudsman, the Alaska Legislative Council shall be notified.

***Sec. 47.** AS 24.60.260 is amended to read:

Sec. 24.60.260. Prohibited conduct relating to disclosures. (a) A person required to make a disclosure under this chapter may not knowingly make a false or deliberately misleading or incomplete disclosure to the committee or to the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION]. A person who files a disclosure after a deadline set by this chapter or by a regulation adopted by the committee or by the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION] has violated this chapter and may be subject to imposition of a fine as provided in (c) of this section or AS 24.60.240.

(b) A person who violates this section is subject to a proceeding under AS 24.60.170, in addition to penalties that may be imposed by the the Division of Elections [ALASKA

PUBLIC OFFICES COMMISSION] under AS 24.60.240 and to the penalty set out in AS 24.60.250.

(d) The committee may impose a fine on a person who files a disclosure after a deadline set by this chapter. The amount of the fine imposed under this subsection may not exceed \$2 for each day to a maximum of \$100 for each disclosure for a late disclosure. However, if the committee finds that a late filing was inadvertent, the maximum fine the committee may impose under this subsection is \$25.

***Sec. 48.** AS 24.60.990(11) is amended to read:

(11) "lobbyist" means a person who is required to register under AS 24.45.041 and is described under AS 24.45.171(8)(A), but does not include a volunteer lobbyist described in AS 24.45.161(a)(1) or a representational lobbyist as defined under regulations of the Division of Elections [ALASKA PUBLIC OFFICES COMMISSION];

***Sec. 49.** AS 39.50.020 is amended to read:

Sec. 39.50.020. Report of financial and business interests. (a) A public official other than the governor or the lieutenant governor shall file a Conflict of Interest Statement [GIVING INCOME SOURCES AND BUSINESS INTERESTS], under oath and on penalty of perjury, within 30 days after taking office as a public official. Candidates for state elective office other than a candidate who is subject to AS 24.60 shall file the statement with the director of elections at the time of filing a declaration of candidacy or a nominating petition or becoming a candidate by any other means. Candidates for elective municipal office shall file the statement at the time of filing a nominating petition, declaration of candidacy, or other required filing for the elective municipal office. Refusal or failure to file within 30 days after the time prescribed shall require that the candidate's filing fees, if any, and filing for office be refused or that a previously accepted filing fee be returned and the candidate's name removed from the filing records. A statement shall also be filed by public officials no later than March 15 in each following year. Persons who are members of boards or commissions not named in AS 39.50.200(b) are not required to file financial statements.

(b) A public official other than an elected or appointed municipal officer shall file the statement with the Division [ALASKA PUBLIC OFFICES COMMISSION]. Candidates for the office of governor and lieutenant governor and, if the candidate is not subject to AS 24.60, the legislature shall file the statement under AS 15.25.030 or 15.25.180. Municipal officers, and candidates for elective municipal office, shall file with the municipal clerk or other municipal official designated to receive their filing for office. All statements required to be filed under this chapter are public records.

***Sec. 50.** AS 39.50.025 is repealed and reenacted to read:

Sec. 39.50.025 Filing.

(a) The following individuals, who are required to file a statement under AS 39.50.020, shall file the statement with the division of elections electronically, by hand delivery, mail, or facsimile:

- (1) a judicial officer;
- (2) the governor;
- (3) the lieutenant governor;
- (4) an individual hired or appointed as the commissioner, head, deputy head, or director of a
 - (A) department in the executive branch; or
 - (B) division of that department;
- (5) an assistant to the governor;
- (6) a chair or member of a state commission or board;
- (7) a state investment officer and the state comptroller in the Department of Revenue;
- (8) the executive director of the Alaska Tourism Marketing Council.

(b) A candidate for state elective office who is required to file a statement with the director of elections under AS 39.50.020 shall file the statement as the director of elections provides.

(c) A municipal officer or a candidate for elective municipal office who is required to file a statement with the municipal clerk or another municipal official under AS 39.50.020 shall file the statement as the clerk or municipal official provides.

(d) If an individual who is subject to (a) of this section files a statement by hand delivery or facsimile, the date of filing is the date on which an office of the commission receives the statement. If the individual files a statement by mail, the date of filing is the date of the postmark. If a statement filed by mail has a postmark on which the date is missing or illegible, the date of the postmark is rebuttably presumed to be 10 calendar days before the date on which the statement is received.

(e) If a filer is required to file more than one statement under AS 39.50.020, the filer shall file a statement at each place designated in AS 39.50.020. A filer may file a copy of a current statement. The filer shall sign the copy.

***Sec. 51.** AS 39.50.030 is amended to read: Sec. 39.50.030. Contents of Conflict of Interest Statement [statements]. (a) Each statement must be an accurate representation of the financial affairs of the public official or candidate and must contain the same information for the persons's spouse or spousal equivalent [EACH MEMBER OF THE PERSON'S FAMILY], as specified in (b) and (d) of this section, to the extent that it is ascertainable by the public official or candidate.

(b) Except as provided in (g) of this section, each statement filed by a public official or candidate under this chapter must include the following:

(1) the source of all income over \$1,000 during the preceding calendar year, including taxable and nontaxable capital gains, received by the person[,] or the person's spouse or spousal equivalent, [OR THE PERSON'S CHILD,] except that a source of income that is a gift must be included if the value of the gift exceeds \$250;

(2) the identity, by name and address, of each business in which the person[,] or the person's spouse or spousal equivalent[, OR THE PERSON'S CHILD] was a stockholder,

owner, officer, director, partner, proprietor, or employee during the preceding calendar year;

(3) the identity and nature of each interest owned in any business during the preceding calendar year by the person[,] or the person's spouse or spousal equivalent[, OR THE PERSON'S CHILD];

(4) the identity and nature of each interest in real property, including an option to buy, owned at any time during the preceding calendar year by the person[,] or the person's spouse or spousal equivalent[, OR THE PERSON'S CHILD];

(5) the identity of each trust or other fiduciary relation in which the person[,] or the person's spouse or spousal equivalent[, OR THE PERSON'S CHILD] held a beneficial interest exceeding \$1,000 during the preceding calendar year, a description and identification of the property contained in each trust or relation, and the nature and extent of the beneficial interest in it;

(6) any loan or loan guarantee of more than \$1,000 made to the person[,] or the person's spouse or spousal equivalent, [OR THE PERSON'S CHILD,] and the identity of the maker of the loan or loan guarantor and the identity of each creditor to whom the person[,] or the person's spouse or spousal equivalent[, OR THE PERSON'S CHILD] owed more than \$1,000; this paragraph requires disclosure of a loan, loan guarantee, or indebtedness only if the loan or guarantee was made, or the indebtedness incurred, during the preceding calendar year, or if the amount still owing on the loan, loan guarantee, or indebtedness was more than \$1,000 at any time during the preceding calendar year;

(7) a list of all contracts and offers to contract with the state or an instrumentality of the state during the preceding calendar year held, bid, or offered by the person[,] or the person's spouse or spousal equivalent, [OR THE PERSON'S CHILD,] a partnership or professional corporation of which the person is a member, or a corporation in which the person or the person's spouse[,] or spousal equivalent, [OR CHILDREN,] or a combination of them, hold a controlling interest; and

(8) a list of all mineral, timber, oil, or any other natural resource lease held, or lease offer made, during the preceding calendar year by the person, the person's spouse or spousal equivalent, or the person's child, a partnership or professional corporation of which the person is a member, or a corporation in which the person or the person's spouse or spousal equivalent or children, or a combination of them, holds a controlling interest.

(9) any income or loans resulting from the transfer of money from a political campaign account.

(c) [Repealed, § 26 ch 25 SLA 1975.]

(d) In addition to the requirements of (b) of this section, each statement filed under this chapter by a public official in the executive branch of state government other than the chair or a member of a state commission or board must include a disclosure of the formation or maintenance of a close economic association involving a substantial financial matter as required by this subsection. The disclosure must be sufficiently detailed so that a reader can ascertain the nature of the association. A public official shall disclose a close economic association with

(1) a legislator;

(2) a public official who is not an elected or appointed municipal officer;

(3) a lobbyist; or

(4) a public officer if the person required to make the disclosure is the governor or the lieutenant governor.

(e) If a public official required to disclose a close economic association under (d) of this section forms a close economic association after the date on which the public official files the financial disclosure statement required by (a) of this section, disclosure of the association must be made to the **Division of Elections** [Commission] within 60 days after the formation of the association.

(f) When making a disclosure under (d) of this section concerning a relationship with a lobbyist to whom the public official is married or who is the public official's spousal equivalent, the public official shall also disclose the name and address of each employer of the lobbyist and the total monetary value received from the lobbyist's employer. The public official shall report changes in the employers of the spouse or spousal equivalent within 48 hours after the change. In this subsection, "employer of the lobbyist" means the person from whom the lobbyist received money, or goods or services having a monetary value, for engaging in lobbying on behalf of the person.

(g) The requirements in this section for disclosures related to a person's spousal equivalent do not apply to an elected or appointed municipal officer.

(h) In this section,

(1) "child" means a person's dependent child or a person's nondependent child who is living with the person;

(2) "close economic association" means a financial relationship that exists between a public official required to disclose a close economic association under (d) of this section and some other person or entity, including a relationship where the public official serves as a consultant or advisor to, is a member or representative of, or has a financial interest in an association, partnership, business, or corporation;

(3) **"controlling interest" in a corporation means ownership of more than 50 percent of the outstanding shares of the corporation at any time during the preceding calendar year.**

(4) "income" includes money or anything of value received

(a) in exchange for labor or services;

(b) from the sale of goods or property;

(c) as profit from a financial investment;

(d) as alimony;

(e) as child support;

(f) as a government entitlement;

(g) as an honorarium;

(h) as a prize;

(i) as an award;

(j) as proceeds from an insurance policy; or

(k) as a gift.

[(3)] **(5)** "lobbyist" has the meaning given in AS 24.60.990(a);

[(4)] **(6)** "public officer" has the meaning given in AS 39.52.960.

*Sec. 52. AS 39.50.035 is amended to read:

Sec. 39.50.035. Exemptions.

The name of individuals as a source of income is exempt from disclosure the income is for services rendered under the authority of an occupational license or if reporting the name of a source of income would violate a right of the source under the state or federal constitution. [A PERSON SUBJECT TO THIS CHAPTER IS NOT EXEMPT FROM ANY OF ITS PROVISIONS EXCEPT TO THE EXTENT STATE COURTS DETERMINE THAT LEGALLY PRIVILEGED PROFESSIONAL RELATIONSHIPS PRECLUDE COMPLETE COMPLIANCE.]

*Sec. 53. AS 39.50.050 is amended to read:

Sec. 39.50.050. Administration and inspection. (a) The [ALASKA PUBLIC OFFICES COMMISSION CREATED UNDER AS 15.13.020(A)] shall administer the provisions of this chapter. The commission shall prepare and keep available for distribution, standardized forms on which the reports required by this chapter shall be filed.

(b) **Repealed** [THE COMMISSIONS SHALL ADOPT REGULATIONS TO IMPLEMENT AND INTERPRET THE PROVISIONS OF THIS CHAPTER. REGULATIONS OR INTERPRETATION SHALL BE WITHIN THE INTENT AND PURPOSE OF THIS CHAPTER AND ARE SUBJECT TO JUDICIAL REVIEW UNDER THE ADMINISTRATIVE PROCEDURE ACT (AS 44.62).]

(c) Reports filed under this chapter shall be kept on file for at least **four** [SIX] years and are public records.

(d) [Repealed, § 35 ch 126 SLA 1994.]

*Sec. 54. AS 39.50. is amended adding a new section to read:

Sec. 39.50.055. Taking office. As used in AS 39.50.020(a), "within 30 days after taking office" means within 30 days after the earlier of the following days:

- (1) the day on which the filer first earns compensation for work;
- (2) the day on which the filer takes the oath of office.

*Sec. 55. AS 39.50.060 is amended to read:

Sec. 39.50.060. Penalty for wilful violation of disclosure requirements. (a) A person required to file a **Conflict of Interest Statement** [REPORT OF FINANCIAL OR BUSINESS INTERESTS] under this chapter who refuses or knowingly fails to disclose required information within the time required in this chapter, or who provides false or misleading information, knowing it to be false or misleading, is guilty of a **class B** misdemeanor and upon conviction is punishable by a fine of not less than [\$100] **\$1,000** nor more than **\$5000** [\$1,000], or by imprisonment for a period of not more than six months, or by both.

(b) Any person failing or refusing to comply with the requirements of this chapter, in addition to the penalties prescribed, shall forfeit nomination to office and may not be