

ALASKA LEGISLATURE COMMITTEE FILES 1999-2000 8672

10008 HOUSE STATE AFFAIRS

seated or installed in office if the person has not complied. Nominated, hired, or appointed officials, commissioners, chairs, or members of commissions or boards specified in AS 39.50.200(b) may not be confirmed by the legislature if compliance has not been made. In the case of elected officials, the lieutenant governor, or other certifying authority, may not certify a person's nomination for office or the person's election to office if compliance was not made within the time required. The nomination to office or election to office shall be certified to the highest vote getter for that nomination for that office or election to that office who has complied within the times required and who shall be declared nominated or elected. For purposes of this subsection, a person is considered to have complied within the time required if the person complies within 30 days after the due date established by this chapter.

\*Sec. 56. AS 39.50.070 is amended to read:

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

\*Sec. 57. AS 39.50.080 is amended to read:

**Sec. 39.50.080. Failure to report by a commission or board chairman or member.** A person hired or appointed as a commissioner, chairman or member of a state commission or board specified in AS 39.50.200(b) who knowingly fails to file a report of financial interests required under this chapter when due may not hold office, and the person's name may not be submitted to the legislature until the person complies. The person may not be confirmed, and the person forfeits and may not be paid any salary, per diem or travel expenses until the person complies. If, after being seated as commissioner, chairman or member of such a commission or board the person refuses or knowingly fails to file the required statement when due, the person is guilty of a class B misdemeanor and upon conviction is punishable by a fine of not less than 1,000 [~~\$100~~] nor more than \$5,000 [~~\$1,000~~], or by imprisonment for a period of not more than six months, or by both. The person [AND] shall be removed from office if compliance is not made within 30 days after the due date of the report.

\*Sec. 58. AS 39.50. is amended by adding a new section to read:

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

(1) that the statement has not been filed;

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

(3) that refusal or failure to file

(A) is punishable as a misdemeanor offense; and

(B) on or before the 30th day of lateness will cause the commission to

(i) request the administrator of the court system to withhold salary, per diem, and travel expense payments to the judicial officer under AS 39.50.110;

(ii) request the Commission on Judicial Conduct to refer the matter to the supreme court with a recommendation that the judicial officer be removed from office under AS 39.50.110;

(iii) request the attorney general to initiate misdemeanor proceedings under AS 39.50.060 or 39.50.110; and

(iv) take other action as appropriate to carry out AS 39.50.060 or 39.50.110;

(4) the amount of the civil penalty assessed to date under AS 39.50.135;

(5) that the civil penalty assessed under AS 39.50.135 increases until the statement is filed; and

(6) the right of appeal under AS 39.50.135 and 2 AAC 50.112.

(b) If the annual statement of a judicial officer is late for 22 days, the staff of the commission shall send a written notice to the judicial officer at the address on file with the commission. The notice must include the information included in a notice sent under (a) of this section.

(c) If the annual statement of a judicial officer is late for 30 days, the staff of the commission shall

(1) send a written notice to the judicial officer at the address on file with the commission; the notice must include the information included in a notice sent under (a) of this section;

(2) notify the commission that the statement has been late for 30 days; and

(3) under the direction of the commission, take other action as appropriate to carry out AS 39.50.060 and 39.50.110.

(d) If the annual statement of a judicial officer is late for 30 days, the commission will

(1) request the administrator of the court system to withhold salary, per diem, and travel expense payments to the judicial officer under AS 39.50.110;

(2) request the Commission on Judicial Conduct to refer the matter to the supreme court with a recommendation that the judicial officer be removed from office under AS 39.50.110;

(3) request the attorney general to initiate misdemeanor proceedings under AS 39.50.060 or 39.50.110; and

(4) take other action as appropriate to carry out AS 39.50.060 or 39.50.110.

(e) If a judicial officer files a statement after the date applicable to that officer under AS 39.50.020(a), the staff of the commission shall send a written notice to the judicial officer at the address on file with the commission. The notice must state the (1) amount of the civil penalty assessed under AS 39.50.135; and (2) right of appeal under AS 39.50.135 and AS 39.50.155.

\*Sec. 59. AS 39.50.135 is amended to read:

**Sec. 39.50.135. Civil Penalty For Late Or Incomplete Statements From Filers Other Than Municipal Officers.**

(a) Except as provided under AS 39.50.063, the staff of the commission shall assess a civil penalty under AS 39.50.135 against a filer other than a municipal officer on each day that the filer's statement is late. A statement is late or incomplete if it is not complete and filed

(1) 30 days after the commission sends notice under a AS 39.50.052, for an initial statement from an executive branch public official or judicial officer; and

(2) April 15, for an annual statement.

(b) For a statement required because a filer is an executive branch public official, candidate for state elective office, or judicial officer, the staff of the commission shall assess the civil penalty against the filer as follows:

(1) \$10 per late day through the first 10 days of lateness;

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

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

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

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

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

[SEC. 39.50.135. CIVIL PENALTY: LATE FILING OF REQUIRED REPORTS.

A PERSON WHO FAILS TO FILE A PROPERLY COMPLETED AND CERTIFIED REPORT 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 THE COMMISSION DETERMINES SUBJECT TO 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 39.50.060 - 39.50.130 DOES NOT EXCUSE THAT PERSON FROM FILING REPORTS REQUIRED BY THIS CHAPTER.]

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

**Sec. 39.50.146. Civil Penalty Assessments For Late Filing By Municipal Officers.**

(a) The statement of a municipal officer is delinquent if the municipal clerk or designated municipal official does not receive the statement on or before April 15, for an annual statement.

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

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

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

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

(d) Within five days after receiving a notification under (c) of this section, the staff of the commission shall send a written notice to the municipal officer. The notice must state

(1) that the statement has not been filed;

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

(3) that refusal or failure to file

(A) is punishable as a misdemeanor offense; and

(B) on or before the 30th day of lateness will cause the commission to

(i) request the attorney general to initiate misdemeanor proceedings under AS 39.50.060; and

(ii) take other action as appropriate to carry out AS 39.50.060;

(4) the amount of the civil penalty assessable to date under (e) of this section;

(5) that the civil penalty assessable under (e) of this section increases until the statement is filed; and

(6) the right of appeal under AS 39.50.135 and AS 39.50.155

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

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

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

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

(2) within five days after notification by the municipal clerk or designated official of receipt of a delinquent statement, send a notice of the civil penalty assessed against the municipal officer, and include

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

(B) an affidavit appeal form.

(f) If a municipal officer disputes the amount of a civil penalty assessed under (e) of this section, the municipal officer, using the affidavit appeal form provided under (e) of this section, may submit to the commission an affidavit stating facts in mitigation within 30 days of the date of the notice described in (e) of this section. The commission will review the affidavit under the procedures set out at AS 39.50.155.

(g) Repealed 7/20/95.

(h) Repealed 7/20/95.

(i) Repealed 7/20/95.

(j) Notwithstanding (e) of this section, the staff of the commission assess \$10 per day for each day that a statement is late if a municipal officer has

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

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

**\*Sec. 61.** AS 39.50 is amended by adding a new section to read:

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

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

(c) If, at or after a meeting scheduled under (b) of this section, the commission determines that a candidate for elective municipal office has not supplied required information on a major source of income, interest in real property, business interest, loan, or trust, the commission will recommend that the appropriate municipal clerk or designated municipal official refuse or return the candidate's filing fees and filing for office and remove the candidate's name from the filing records.

(d) If information discovered after the withdrawal-of-candidacy deadline indicates that a candidate for elective municipal office has failed to comply substantially with the requirements of AS 39.50, the staff of the division shall undertake a preliminary investigation under 2 AAC 50.460. The staff shall report its findings to the director. The director will determine the appropriate penalty under AS 39.50.135.

[SEC. 39.50.150. INITIAL FILING DATE FOR PUBLIC OFFICIALS. [REPEALED, § 60 CH 21 SLA 1985.].]

**\*Sec. 62.** AS 39.50 is amended by adding a new section to read:

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

**\*Sec. 63.** AS 39.50 is amended by adding a new section to read:

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

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

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

(b) No later than 60 days after a meeting described in (a) of this section, the staff of the commission shall send a written notice of the decision by the commission to the filer at the address on file with the commission.

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

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

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

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

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

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

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

**(d)** If information discovered after the withdrawal-of-candidacy deadline indicates that a candidate for state elective office has failed to comply substantially with the

requirements of AS 39.50, the staff of the division shall undertake a preliminary investigation under 15.13.045. The staff shall report its findings to the division. The commission will determine the appropriate penalty under AS 39.50.135.

**\*Sec. 65.** AS 39.50 is amended by adding a new section to read:

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

- (1) shall consider the correction to be a fact in mitigation as described in AS 39.50.135; and
- (2) may not assess a civil penalty under AS 39.50.135 or AS 39.50.146.

**\*Sec. 66.** AS 39.50.20 is amended read:

**Sec. 39.50.200. Definitions.** (a) In this chapter

(1) "assistant to the governor or the lieutenant governor" includes any executive, legislative, special, administrative, or press assistant to the governor or lieutenant governor, and any person similarly employed in a policy-making position; except for a judicial officer or a municipal officer;

(2) "candidate" means a candidate for

(A) state elective office; and

(B) elective municipal office;

[(2)] (3) "child" includes a biological child, an adoptive child, and a stepchild;

[(3) "COMMISSION" MEANS THE ALASKA PUBLIC OFFICES COMMISSION CREATED UNDER AS 15.13.020(A);]

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

(6) "gift"

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

(B) includes

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

(ii) the provision of accommodations;

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

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

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

(C) does not include

(i) a political contribution;

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

**(iii) an inheritance;**

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

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

[(6)] **(9)** "mother or father" includes a biological parent, an adoptive parent, and a step-parent;

[(7)] **(10)** "municipal officer" includes a borough or city mayor, borough assemblyman, city councilman, school board member, elected utility board member, city or borough manager, members of a city or borough planning or zoning commission within a home rule or general law city or borough, or a unified municipality;

[(8)] **(11)** "public official" means

(A) a judicial officer;

(B) the governor or the lieutenant governor;

(C) a person hired or appointed in a department in the executive branch as

(i) the head or deputy head of the department;

(ii) the director or deputy director of a division;

(iii) a special assistant to the head of the department;

(iv) a person serving as the legislative liaison for the department;

(D) an assistant to the governor or the lieutenant governor;

(E) the chair or a member of a state commission or board;

(F) state investment officers and the state comptroller in the Department of Revenue;

(G) the executive director of the Alaska Tourism Marketing Council;

(H) the chief procurement officer appointed under AS 36.30.010;

(I) the executive director of the Alaska Human Resource Investment Council; and

(J) each appointed or elected municipal officer;

(9) "source of income" means the entity for which service is performed or which is otherwise the origin of payment; if the person whose income is being reported is employed by another, the employer is the source of income; but if the person is self-employed by means of a sole proprietorship, partnership, professional corporation, or a corporation in which the person, the person's spouse or spousal equivalent, or the person's children, or a combination of them, hold a controlling interest, the "source" is the client or customer of the proprietorship, partnership, or corporation, but, if the entity which is the origin of payment is not the same as the client or customer for whom the service is performed, both are considered the source;

[(10)] **(12)** "spousal equivalent" means a person who is cohabiting with another person in a relationship that is like a marriage but that is not a legal marriage.

(b) In this chapter "state commission or board" means the

(1) Agricultural Revolving Loan Fund Board (AS 03.10.050);

(2) Alaska State Council on the Arts (AS 44.27.040);

(3) Alcoholic Beverage Control Board (AS 04.06.010);

- (4) State Assessment Review Board (AS 43.56.040);
- (5) [Repealed, § 1 ch 54 SLA 1981.]
- (6) Board of Education (AS 14.07.075);
- (7) Alaska Public Broadcasting Commission (AS 44.21.256);
- [(8) ALASKA PUBLIC OFFICES COMMISSION (AS 15.13.020);]
- (9) [Repealed, § 16 ch 61 SLA 1995.]
- (10) Alaska Commercial Fisheries Entry Commission (AS 16.43.020);
- (11) Fishermen's Fund Advisory and Appeals Council (AS 23.35.010);
- (12) [Repealed, § 140 ch 4 FSSLA 1992.]
- (13) State Commission for Human Rights (AS 18.80.010);
- (14) [Repealed, § 86 ch 59 SLA 1982.]
- (15) Alaska Judicial Council (art. IV, § 8, Alaska Constitution);
- (16) Commission on Judicial Conduct (art. IV, § 10, Alaska Constitution);
- (17) Governor's Commission on the Administration of Justice (AS 44.19.110);
- (18) Local Boundary Commission (AS 44.47.565);
- (19) Occupational Safety and Health Review Board (AS 18.60.057);
- (20) Board of Parole (AS 33.16.020);
- (21) State Personnel Board (AS 39.25.060);
- (22) [Repealed, § 20 ch 110 SLA 1981.]
- (23) Public Employees Retirement Board (AS 39.35.030);
- (24) Alaska Public Utilities Commission (AS 42.05.010);
- (25) University of Alaska Board of Regents (AS 14.40.120);
- (26) Alaska Royalty Oil and Gas Development Advisory Board (AS 38.06.020);
- (27), (28) [Repealed, § 86 ch 59 SLA 1982.]
- (29) Alaska Teachers' Retirement Board (AS 14.25.035);
- (30) [Repealed, 1983 Initiative Proposal No. 2, § 6.]
- (31) Workers' Compensation Board (AS 23.30.005);
- (32) Alaska Commission on Postsecondary Education (AS 14.42.015);
- (33) Alaska Municipal Bond Bank Authority (AS 44.85.020);
- (34) [Repealed, § 1 ch 54 SLA 1981.]
- (35) Alaska Medical Facility Authority (AS 18.26);
- (36) Alaska Oil and Gas Conservation Commission (AS 31.05);
- (37) Alaska Housing Finance Corporation (AS 18.56.010 - 18.56.900);
- (38) Alaska Coastal Policy Council members and their alternates (AS 44.19.155);
- (39) [Repealed, § 1 ch 75 SLA 1979.]
- (40) Board of Fisheries (AS 16.05.221(a));
- (41) Board of Game (AS 16.05.221(b));
- (42) Board of Trustees, executive director, and investment officers of the Alaska Permanent Fund Corporation (AS 37.13.040);
- (43) [Repealed, § 69 ch 14 SLA 1987.]
- (44) Alaska Seafood Marketing Institute (AS 16.51.010);
- (45) Council on Domestic Violence and Sexual Assault (AS 18.66.010);
- (46) [Repealed, § 27 ch 18 SLA 1993.]
- (47) [Repealed, § 38 ch 168 SLA 1990.]
- (48) [Repealed, § 16 ch 33 SLA 1996.]
- (49) Alaska Tourism Marketing Council (AS 44.33.700);

- (50) [Repealed, § 9 E.O. No. 84 (1993).]
  - (51) Hazardous Substance Spill Technology Review Council (AS 46.13.110);
  - (52) Correctional Industries Commission (AS 33.32.070);
  - (53) the board of directors and the executive director of the Alaska Aerospace Development Corporation (AS 14.40.821);
  - (54) Alaska State Pension Investment Board (AS 37.10.210);
  - (55) Alaska Human Resource Investment Council (AS 44.19.620).
- (13) "statement" means a statement or report of income sources and business interests required under AS 39.50.**

**\*Sec. 67.** AS 39.2.180(a) is amended by adding a new section to read:

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

**\*Sec. 68.** AS 39.52 is amended by adding a new section to read:

**Sec. 39.52.271. Procedures for late statements from executive branch public officials.** (a) If the annual statement of an executive branch public official is late for eight days, the staff of the commission shall send a written notice to the executive branch public official at the address on file with the commission. The notice must state

(1) that the statement has not been filed;

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

**(3) that refusal or failure to file**

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

**(B) on or before the 30th day of lateness will cause the commission to**

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

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

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

**(iv) take other action as appropriate to carry out AS 39.50.062 - 39.50.080 or 39.50.130;**

**(4) the amount of the civil penalty assessed to date under AS 39.50.053;**

(5) that the civil penalty assessed under AS 39.50.053 increases until the statement is filed; and

(6) the right of appeal under AS 39.50.135 and AS 39.50.054.

(b) If the annual statement of an executive branch public official is late for 22 days, the staff of the commission shall send a written notice to the executive branch public official at the address on file with the commission. The notice must include the information included in a notice sent under (a) of this section.

(c) If the annual statement of an executive branch public official has been late for 30 days, the staff of the commission shall

(1) send a written notice to the executive branch public official at the address on file with the commission; the notice must include the information included in a notice sent under (a) of this section;

(2) notify the commission that the statement has been late for 30 days; and

(3) under the direction of the commission, take other action as appropriate to carry out AS 39.50.060 - 39.50.080 and 39.50.130.

(d) If the annual statement of an executive branch public official is late for 30 days, the commission will

(1) request the governor to remove the official from office under AS 39.50.060 - 39.50.080, unless the official is the governor or lieutenant governor;

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

(3) request the attorney general to initiate misdemeanor proceedings under AS 39.50.060 - 39.50.080 or 39.50.130; and

(4) take other action as appropriate to carry out AS 39.50.060 - 39.50.080 or 39.50.130.

(e) If an executive branch public official files a statement after the date applicable to that official under AS 39.50.020(a), the staff of the commission shall send a written notice to the executive branch public official at the address on file with the commission. The notice must state the

(1) amount of the civil penalty assessed under 2 AAC 50.110; and

(2) right of appeal under AS 39.50.135 and 2 AAC 50.112.

Sec. 69. AS 15.13.020, AS 15.13.067, AS 15.13.070, AS 15.13.072, AS 15.13.074, AS 15.13.080, AS 15.13.082 are repealed.

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE COGHILL

TO: SSBH 179

1 Technical amendment throughout bill:

2 Delete: "division of elections"

3 Insert: Division of Elections

4

5 Page 4, line 10, after the word "s "disclosure report"

6 Insert: or an affidavit required under AS 15.13.015

7

8 Page 4, line 11 after "less than":

9 Delete: \$500

10 Insert: \$5,000

11

12 Page 4, line 11 after "more than":

13 Delete: \$1,000

14 Insert: \$10,000

15

16 Page 4, line 18:

17

18

1 Delete subsection (c) and add a new subsection (c):

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

7 (d) A candidate who misrepresents or purposely omits a fact on an affidavit  
8 required under AS 15.13.015 is guilty of a class A misdemeanor and upon conviction  
9 is punishable by a fine of not less than \$5,000 and not more than \$10,000, or by  
10 imprisonment for not more than one year, or by both.

11 (e) A candidate who recklessly omits a fact on an affidavit required under AS  
12 15.13.015 is guilty of a class B misdemeanor and upon conviction is punishable by a  
13 fine of not less than \$1,000 and not more than \$5,000, or by imprisonment for not  
14 more than six months, or by both.

15

16 Page 4, line 21:

17 Renumber subsection (d) as (f)

18

19 Page 4, line 29, after the words "district attorney may":

20 Insert within 72 hours

21

22 Page 5, line 1, after the words "district attorney":

23 Delete: "may"

- 1     Insert:         "shall"
- 2     Page 5, line 3 :
- 3     Delete subsection (e) and insert:
- 4     (g) The attorney general or qualified Alaska voter may bring criminal charges under
- 5     this chapter. The charges will be dealt with in the same manner as AS 15.13.035(d)
- 6
- 7     Page 9, line 23:
- 8     Delete: "indicia"
- 9     Insert: evidence
- 10
- 11    Page 10, line 12, after "petition for a state"
- 12    Delete: "legislative"
- 13    Insert "elective"
- 14
- 15    Page 11, line 23, after the word "shall":
- 16    Insert: not
- 17
- 18    Page 12, line 5:
- 19    Delete: subsection (a)(4)
- 20
- 21    Page 17, line 31:
- 22    Delete: "the regulations of the division [ALASKA PUBLIC OFFICES COMMISSION]"
- 23    Insert: AS 24.45.171 (14)
- 24

1 Page 18, line 13:

2 Delete: "regulations of the division {COMMISSION}

3 Insert: AS 24.45.171(14)

4

5 Page 19, line 14:

6 Insert:

7 (14) "representational lobbyist" means

8 (a) An individual who attempts to influence legislative or administrative action, and

9 receives only reimbursement for his travel and personal living expenses, is considered

10 a representational lobbyist. "Representational lobbyist" means that the individual is

11 not employed by the person or group on whose behalf he is lobbying and receives no

12 salary, fee, retainer, or any economic consideration whatsoever, other than

13 reimbursement of travel and personal living expenses, for his services as a lobbyist. A

14 representational lobbyist need not submit reports pursuant to AS 24.45.051, but must

15 register his representation on a form prescribed by the commission. "Personal living

16 expenses" is considered to be an amount equal to the per diem currently allowed by

17 the Administrative Manual of the State of Alaska. "Travel" means the cost of

18 traveling to the capital city or the location of official proceedings of standing, interim,

19 or special legislative or administrative committees or agencies.

20 (b) The person or group which reimburses a representational lobbyist for his expenses

21 must register and report as the employer of a lobbyist in accordance with the

22 requirements of AS 24.45.061.

1 Page 20, line 21, after the word "agency."

2 Insert:

3 **If the committee finds evidence of a probable violation of AS 15.13, the committee**  
4 **shall transmitt a statement to that effect and factual findings limited to the probable**  
5 **violation to Division of Elections.**

6

7 Page 21, line 4, after the word "giving":

8 Delete: lines 4 through 19

4 Insert: **giving the information that a public official is required to report**  
5 **under AS 39.50.030, other than information about gifts.**

6

7 Page 22, line 27, after the word "shall":

8 Insert: **immediately**

9

10 Page 22, line 29:

11 Delete: "Lieutenant governor;"

12 Insert: **District Attorney's Office as provided for in 15.13.035:**

13 Page 24, line 27, after the word "shall"

14 Insert: **not**

15

16

17

18

19

# Alaska State Legislature

Interim:  
119 N. Cushman, Suite 211  
Fairbanks, AK 99701  
(907) 456-5081 - Phone  
(907) 456-8245 - Fax



Session:  
State Capitol, Room 416  
Juneau, AK 99801  
(907) 465-3719 - Phone  
(907) 465-3258 - Fax

Representative John Coghill

Sectional for HB 179

## **FULL CAMPAIGN DISCLOSURE - - AS 15.13**

- Section 1: Specifies that unless otherwise provided, Chapter 13 applies to political parties distinguishing that political parties are not groups.
- Section 2: Deletes extended definition of proposition reference as defined in AS 15.13.065(c) because AS 15.13.065 is being repealed and incorporates the extended definition of proposition into AS 15.13.010(d).
- Section 3: Section 4 adds a new provision that requires a candidate to sign a notarized affidavit affirming that he or she meets the constitutional qualifications of the office, is a resident of Alaska, intends to remain a resident of Alaska, has not claimed residency in another state for the period of time specified for the office, has completed a full disclosure statement, and is familiar with the provisions of Chapter 15.
- Section 4: Provides for full disclosure of contributions over \$100 and expenses by all persons and entities covered by Chapter 13 on a semi-monthly basis from the date of filing or making a transaction until the final post-election report. Reports are due on the fifth day and the twentieth day of each month and can be transmitted electronically by the due date or by hard copy postmarked on the due date. Reports will include all expenditures, including method of payment, payee, description of expense, and the amount of the expenses. Reports will also include the name of each contributor and the amount contributed. The Division of Elections will make the information available immediately on their Internet Home Page and, for a reasonable fee, by hard copy. If a disclosure reporter fails to file a report, the Division will indicate this on its Home Page.

Section 5:

**Imposes penalties and enforcement.** A candidate, group, political party, municipality, or individual that is convicted of purposely failing to provide information, providing false information, or misrepresenting facts on an affidavit has committed a Class A Misdemeanor. If convicted a person is subject to a fine of not less than \$5,000 nor more than \$10,000, and shall be sentenced to a definite term of imprisonment of not more than one year.

A candidate, group, political party, municipality, or individual that recklessly omits or misrepresents information on a disclosure report or an affidavit has committed a class B misdemeanor. If convicted a person shall be sentenced to a fine of not less than \$1,000 nor more than \$5,000, and may be sentenced to a definite term of imprisonment of not more than one year.

If convicted of any infraction a candidate's name may be removed from the ballot.

Section 5 also provides a timeline for expeditious handling of complaints to be handled by the District Attorney and the Superior Court. It also provides for the attorney general or a qualified Alaskan voter to file criminal charges with the District Attorney's Office.

Section 6:

Specifies that before making an expenditure in support of or in opposition of a candidate or a ballot issue, each person other than an individual shall register with the Division of Elections, not the APOC Commission.

Section 7:

Language was inserted to expand the section relating to campaign treasurers to distinguish that a political party is not a group. Section 8 also requires notification on matters related to the campaign treasurer be made to the Division of Elections, not the Commission.

Section 8:

Clarifies that a political party is not a group and that both must register the name of its treasurer at the same time it registers with the Division of Elections, whereas it previously reported the treasurer to APOC.

Section 9:

Provides that each candidate for state office register the name and address of his or her campaign treasurer in writing within 15 days of filing to the Division of Elections. Each candidate for municipal office submits the name and address of his or her candidate within seven days of filing for office. If a name is not registered; the Division will consider the candidate the treasurer.

- Section 10: Requires notice of replacement of a treasurer be sent to Division of Elections and deletes language of candidate disqualification that is repetitious of AS 15.13.035. Penalties and enforcement.
- Section 11: Redefines "candidate" as a person who qualifies for state office under AS 15.13.015 to allow for the broadening of qualifications as created by the affidavit, but narrows down who the candidate is. The old definition included family treasurers, agents of the candidate, the campaign committee, groups making expenditures for the candidate, and even immediate family members as the candidate.
- Section 12: This section eliminates a provision that prevented campaign supporters that normally provide professional services for a fee from volunteering those services for a candidate, ballot proposition, group, or political party.
- Section 13: Redefines "group" to clearly separate political parties as a separate entity from groups.
- Section 14: Redefines "political party" to make the definition consistent with AS 15.60.010(20), "Definitions", and to include every state and regional committee of the party as a political party, not a group.
- Section 15: Defines "full disclosure," "purposely," "recklessly", "resident".
- Section 16: Requires a person filing for office to simultaneously file either a statement of income sources and business interest as specified in AS 39.50 Conflict of Interest or AS 24.50 Standards of Conduct, whichever applies.
- Section 17: Provides that if an incumbent public official or legislator already has a current financial disclosure statement on file with the Division of Elections, they need not file a new one when filing for candidacy.
- Section 18: Provides that a candidate filing a nomination petition must simultaneously file with the declaration of candidacy an income and expenses statement or a disclosure statement, whichever applies.
- Section 19: Provides that if an incumbent public official or legislator already has a current financial disclosure statement on file with the Division of Elections, they need not file a new one when filing a nomination petition for candidacy.

Section 20: Requires disclosure of name and address of the distributor of a letter, circular or publication relating to a candidate or ballot issue.

Requires a disclaimer containing "paid for by", the name and address of the candidate, group or individual, and in the case of a candidate or group, the name of the chairman.

Prohibits the writing, printing or circulation of false information about a candidate, group or ballot issue.

Section 21: Provides the Division of Elections shall administer the campaign disclosure law. It also stipulates that the division shall not adopt regulations to implement the provisions of this chapter.

Section 22: Transfers the powers and duties of campaign disclosure to the Division of Elections and eliminates a commission requirement to prepare and publish a biennial report of activities and findings.

## **REGULATION OF LOBBYISTS - - AS 24.45**

Section 23: Requires persons engaged in lobbying that previously registered with APOC to register with the Division of Elections

Section 24: Directs the Division of Elections to supply the lobbyist registration form that APOC formally prescribed.

Section 25: Requires that a change of information about the status of a lobbyist be filed with the Division of Elections within ten days.

Section 26: Requires the Division of Elections to, within 45 days after the legislature convenes, to publish a directory of registered lobbyist.

Section 27: Requires lobbyists to renew registration with Division of Elections annually.

Section 28: Requires lobbyists to pay a registration fee or renewal fee of \$100 to the Division of Elections.

- Section 29: Transfers the reporting requirements of a lobbyist to the Division of Elections.
- Section 30: Requires a person who employs a lobbyist to file a statement of that effect with the Division of Elections within 15 days of the action.
- Section 31: Requires copies of the statements and reports of lobbyists to be made available to the public at the Division of Elections.
- Section 32: Provides that the Division of Elections may charge actual costs for duplication of reports for the public.
- Section 33: Requires lobbyists to preserve reporting and accounting records for six years and make those records available for inspection by the Division of Elections upon request.
- Section 34: Transfers the reporting requirements of civic leagues or organizations to the Division of Elections.
- Section 35: Transfers definition of "representational lobbyist to Section 24.45.171 Definitions.
- Section 36: Stipulates that a former legislator must wait one year after leaving the legislature before engaging in lobbying activities unless they are representational lobbying activities.
- Section 37: Requires the Division of Elections to examine lobbyist reports within ten days and notify a lobbyist immediately of failure to report or errors. This section also transfer investigative powers to the Division of Elections.
- Section 38: Transfers collection of civil penalties for lobbyists in violation to the Division of Elections.
- Section 39: Adds two definitions to the Chapter regulating lobbyists - "division" and "representational lobbyist".

## **STANDARDS OF CONDUCT - LEGISLATORS & EMPLOYEES - -AS 24.60**

Section 40: Deletes language requiring the Committee on Legislative Ethics' requirement to report findings to APOC.

Section 42: Requires the Committee on Legislative Ethics to forward any evidence of a probable violation of 15.13 to the Division of Elections.

Section 43: Requires a legislator, public member of a committee, and legislative director file the financial disclosure form with the Division of Elections that was previously filed with APOC. It also repetitious language that is embraced by language in AS 39.50.30.

Sections 44: Replaces the mention of APOC with Division of Elections for statutes referring to  
45: Deadlines for filing of public disclosure statements, Administration of standards of  
46: conduct, Statements as public records, and Civil penalty for late filing.  
47:

Section 48: Requires that the Division of Elections notify a candidate immediately if a financial disclosure report is late and if the candidate does not file in 30 days, the division is to report it to the district attorney as provided in AS 15.13.035.

Section 49: Replaces the mention of APOC with Division of Elections for statutes referring to  
50: false or deliberately misleading or incomplete disclosure.

Section 51: Replaces the mention of APOC with Division of Elections for statutes referring to the definition of lobbyist in Standard of Conduct definitions.

## **CONFLICT OF INTEREST FOR PUBLIC OFFICIALS - - 39.50**

Section 52: Replaces the mention of APOC with Division of Elections for statutes referring to  
53: Report of financial and business interests, Content of statements, and  
54: Administration and inspection of reports.

Section 55: Provides that the Division of Elections shall not adopt new regulations to enact HB 179.

Section 56: Replaces the mention of APOC with Division of Elections for statutes referring to Civil penalty for late filing of Disclosure Reports.

Section 57: Adds to AS 39.50.200(a) Definitions, a definition for "division" referring to the division of elections.

### **EXECUTIVE BRANCH ETHICS ACT - - AS 39.52**

Section 58: Replaces the mention of APOC with Division of Elections for statutes referring to Restrictions of employment of a public after leaving state services.

Section 59: Replaces the mention of APOC with Division of Elections for statutes referring to AS 39.52.340(a), confidentiality.

### **CHARITABLE SOLICITATIONS - - AS 45.68**

Section 60: Replaces the mention of APOC with Division of Elections for statutes referring to Exemptions from registration requirement for Charitable Solicitations with the Department of Law.

### **REPEALS THE FOLLOWING STATUTES**

Section 61: ~~AS 15.13.010(a)(2): Consistency changes so that campaign disclosure requirements apply to all municipal candidates.~~

~~AS 15.13.020: Creation of the Alaska Public Offices Commission~~

~~AS 15.13.030: Duties of the commission~~

~~AS 15.13.040: Contribution limits and supplying services to be reported.~~

~~AS 15.13.045: Investigation and hearings by APOC.~~

~~AS 15.13.0050(b): Registration for 33 1/3 of funds provision. (This was a duplication of reporting because the candidate and/or groups and political parties will now provide full disclosure.)~~

~~AS 15.13.065: Contribution restrictions by groups and political parties; Subsection (c) has been inserted into Section 2(d)(3) of the bill.~~

~~AS 15.13.070: Limitations on amount of political contributions.~~

Section 61: REPEALS THE FOLLOWING STATUTES

~~AS 15.13.072: Restrictions on solicitation and acceptance of contributions.~~

~~AS 15.13.074: Prohibited contributions.~~

~~AS 15.13.076: Authorized recipients of contributions.~~

~~AS 15.13.078: Contributions and loans from the candidate.~~

~~AS 15.13.080: Contributions and loans from the candidate.~~

~~AS 15.13.082: Limitations on expenditures.~~

~~AS 15.13.084: Prohibited expenditures.~~

~~AS 15.13.086: Authorized makers of expenditures.~~

~~AS 15.13.090: Identification of communication.~~

~~AS 15.13.095: False statements in telephone polling and calls to convince.~~

~~AS 15.13.100: Expenditures before filing.~~

~~AS 15.13.110: Filing reports.~~

~~AS 15.13.112: Uses of campaign contributions held by candidate or group.~~

~~AS 15.13.114: Disposition of prohibited contributions.~~

~~AS 15.13.116: Disbursement of campaign assets after election.~~

~~AS 15.13.120: Penalty; limitations on actions.~~

~~AS 15.13.122: Legal counsel.~~

~~AS 15.13.125: Civil penalty; late filing of required reports.~~

~~AS 15.13.130: Definitions. [Repealed, ch 48 Sec. 28 SLA 1996].~~

~~AS 15.13.135: Independent expenditures for or against candidates. (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 director a 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 director a disclosure statement that complies with the requirements of AS 24.60.200.~~

Section 61: REPEALS THE FOLLOWING STATUTES

~~AS 15.13.135. Independent expenditures for or against candidates (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 Alaska Public Offices Commission; or an incumbent legislator who has a current disclosure statement under AS 24.60.200 on file with the 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.~~

~~AS 15.13.140. Independent expenditures for or against ballot proposition or question.~~

~~AS 15.13.145. Money of the state and its political subdivisions.~~

~~AS 15.13.150. Election educational activities not prohibited.~~

~~AS 15.13.155. Restrictions on earned income and honoraria.~~

~~As 15.13.400. Definitions:~~

~~(2) "commission" means the Alaska Public Offices Commission;~~

~~(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;~~

~~AS 39.25.120(c)(16). Removes the subsection that gives partially exempt service statutes to the executive director and the staff of the Alaska Public Offices Commission in the State Personnel Act.~~

~~AS 39.50.200(a)(3). Eliminates the definition of "commission" referring to APOC in Conflict of Interest Statutes.~~

~~AS 39.50.200(b)(8). Removes APOC from the definition of "state commission or board" in Conflict of Interest Statutes.~~

~~AS 44.62.330(a)(39). Eliminates Alaska Public Offices Commission from the list of state boards, commissions, and officers that Administrative Adjudication applies to.~~

Shaded

= Significant

Plain Text

= Technical Cleanup

**CANDIDATE FILES**

**\* Conflict of Interest**

HB 178 still requires public officials to file a statement giving income sources and business interests under oath.

**\* Financial Disclosure**

HB 178 continues to require candidates to fully disclose their financial interests when they file for office.

**\* Affidavit of Residency**

HB 79 requires a new provision that requires a candidate to sign a notarized affidavit affirming the following:

- \* affirming that he or she meets the constitutional qualifications of the office
- \* is a resident of Alaska
- \* intends to remain a resident of Alaska
- \* has not claimed residency in another state for the period of time specified for the office
- \* has completed a full disclosure statement
- \* and is familiar with the provisions of Chapter 15.

**Semi-Monthly Campaign Report**

- \* 1st half Due by 20th day of month
- \* 2nd half due 5th day of next month

**Campaign Disclosure Report Not Filed**

- \* Division of Elections Gives Notice in 5 days
- \* Posts notice on candidates Internet Disclosure Page

**CANDIDATE ACCOUNTABILITY UNDER FULL DISCLOSURE AS PROVIDED IN HB 179**  
Sponsored by Representative John Coghill

**PRIMARY ELECTION**

**Files Disclosure Reports After Notice**

**VIOLATIONS**

- \* Fails to File Disclosure Reports After Notice
- \* Recklessly fails to disclose information
- \* Purposely fails to disclose information

**COMPLAINTS**

- \* Division of Elections files complaint with District Attorney
- \* Alaskan Voter files complaint with District Attorney

<b>31 days or more from Election</b>	<b>30 days or less from Election</b>
District Attorney's Office reviews complaint	<ul style="list-style-type: none"> <li>* No action until after the election</li> <li>* District Attorney's Office reviews complaint</li> </ul>

**GENERAL ELECTION**

**DA Does Not File Charges**

DA reviews and investigates complaint within 72 hours and determines there are no violations or that the violation occurred because of illness or other circumstances that the candidate had no control over.

**FINAL DISCLOSURE REPORT**  
Due February 15th for previous year

Sentenced but Division of Elections does not disqualify candidate from ballot.

**Verdict**

Not Guilty

Guilty

**Expedited Hearing**

- \* Superior Court Judge holds hearing and makes a decision within 10 working days
- \* If a judge is not available to calendar, Administrative Rule 23 is applied.

**DA Does File Charges**

DA reviews and investigates complaint within 72 hours and determines there are violations. DA files formal charges with Superior Court of the judicial district in which the candidate resides.

**ANNUAL DISCLOSURE REPORT**  
Due March 15th

Sentenced & removed from Ballot.  
If after election, disqualified to hold office.

OR



**Subject:** fiscal notes

**Date:** Thu, 15 Apr 1999 14:17:03 -0800

**From:** Barbara Cotting <Barbara\_Cotting@legis.state.ak.us>

**Organization:** Alaska State Legislature

**To:** Shari Kochman <shari\_kochman@gov.state.ak.us>

Hi Shari,

For some reason I'm not getting the fiscal notes delivered to my office. I prepare the bill packets without the fiscal notes then discover the bill sponsor has had one for quite awhile. Could you make sure they are delivered to me too? Thanks.

I need new fiscal notes on the following bills which I have scheduled (or rescheduled) for April 20:

HB 199, State Employee Compensation, Admin  
HB 195, Pledge of Allegiance in Public Schools, DOE  
HB 179, APOC Repeal, Elections

Thanks again.

Barbara

Re: fiscal notes

**Subject: Re: fiscal notes**

**Date:** Fri 16 Apr 1999 09:45:33 -0800

**From:** Shari Kochman <shari\_kochman@gov.state.ak.us>

**Organization:** Alaska Office of the Governor

**To:** Barbara Cotting <Barbara\_Cotting@legis.state.ak.us>

have put in requests -- but i'm not sure if we'll be ready on hb 179.  
that one will take some time.

Barbara Cotting wrote:

>  
> Hi Shari,  
>  
> For some reason I'm not getting the fiscal notes delivered to my  
> office. I prepare the bill packets without the fiscal notes then  
> discover the bill sponsor has had one for quite awhile. Could you make  
> sure they are delivered to me too? Thanks.  
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> I need new fiscal notes on the following bills which I have scheduled  
> (or rescheduled) for April 20:  
>  
> HB 199, State Employee Compensation, Admin  
> HB 195, Pledge of Allegiance in Public Schools, DOE  
> HB 179, APOC Repeal, Elections  
>  
> Thanks again.  
>  
> Barbara

FISCAL NOTE

STATE OF ALASKA  
2000 LEGISLATIVE SESSION

BILL NO. HB 179

Revision Date: 4/25/00  
 Title: ... Campaign Contributions ...  
 Sponsor: Rep. Cognill  
 Requester: Rep. Cognill

Dept. Affected \_\_\_\_\_  
 BRU \_\_\_\_\_  
 Component \_\_\_\_\_  
 Component Serial No. \_\_\_\_\_

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY00) cost: \_\_\_\_\_

POSITIONS

Full-time					
Part-time					
Temporary					

ANALYSIS: (Attach a separate page if necessary)

Prepared by House State Affairs Committee / Blatter Phone 465-6822  
 Phone 465-4963  
 Date 4/25/00

(7)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 19, 1999

FURTHER REFERRALS:

Judiciary  
Finance

Date of Committee Action: 4/25/00

The STATE AFFAIRS Committee considered:

SSHB 179

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 179

APOC REPEAL: CAMPAIGN/DISCLOSURE/LOBBYIST

"An Act eliminating the Alaska Public Offices Commission and all campaign contribution and expenditure limits; transferring the administration of lobbying, conflict of interest, and financial disclosure statutes from the Alaska Public Offices Commission to the division of elections; relating to reporting of campaign contributions and expenditures; defining 'full disclosure,' 'purposely,' 'recklessly,' and 'resident'; amending the definition of 'contribution,' 'group,' and 'political party'; changing the residency requirements for candidates for public offices; and providing for criminal penalties for violation of these provisions."

recommends it be replaced with the following committee substitute CS SS HB 179 (STA)  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_ APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_  
 fiscal note(s) \_\_\_\_\_  fiscal note(s) \_\_\_\_\_

zero fiscal note(s) HSO STA  zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Annelle James</i>	<input checked="" type="checkbox"/>			
<i>Bill Hult</i>			<input checked="" type="checkbox"/>	
<i>...</i>			<input checked="" type="checkbox"/>	
<i>...</i>			<input checked="" type="checkbox"/>	

CHAIR'S SIGNATURE Annelle James

1-LS0401V

Kurtz

4/25/00

*adopted*

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 179( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES COGHILL, Sanders

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the reporting of campaign contributions and to the  
2 identification of political campaign communications."

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

4 \* Section 1. AS 15.13.040(d) is amended to read:

5 (d) Every individual, person, or group making a contribution or expenditure  
6 shall make a full report, upon a form prescribed by the commission, of

7 (1) contributions made to a candidate or group and expenditures made  
8 on behalf of a candidate or group

9 (A) as soon as the total contributions and expenditures to that  
10 candidate or group exceeds [REACHES] \$500 in a year; and

11 (B) for all subsequent contributions and expenditures to that  
12 candidate or group in a year whenever the total contributions and expenditures  
13 to that candidate or group that have not been reported under this paragraph  
14 exceeds [REACHES] \$500;

1 (2) unless exempted from reporting by (h) of this section, any  
 2 expenditure whatsoever for advertising in newspapers or other periodicals, on radio,  
 3 or on television; or, for the publication, distribution, or circulation of brochures, flyers,  
 4 or other campaign material for any candidate or ballot proposition or question.

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

AM # 2

(c) The provisions of (a) of this section do not apply to a telephone call.

7 \* Sec. 3. AS 15.13.125(a) is amended to read:

8 (a) A person who fails to register when required by AS 15.13.050(a) or who  
 9 fails to file a properly completed and certified report within the time required by  
 10 AS 15.13.040(d) - (f), 15.13.060(b) - (d), [15.13.080(c),] 15.13.110(a)(1), (3), or (4),  
 11 (e), or (f) is subject to a civil penalty of not more than \$50 a day for each day the  
 12 delinquency continues as determined by the commission subject to right of appeal to  
 13 the superior court. A person who fails to file a properly completed and certified report  
 14 within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil  
 15 penalty of not more than \$500 a day for each day the delinquency continues as  
 16 determined by the commission subject to right of appeal to the superior court. A  
 17 person who violates a provision of this chapter, except a provision requiring  
 18 registration or filing of a report within a time required as otherwise specified in this  
 19 section, is subject to a civil penalty of not more than \$50 a day for each day the  
 20 violation continues as determined by the commission, subject to right of appeal to the  
 21 superior court. An affidavit stating facts in mitigation may be submitted to the  
 22 commission by a person against whom a civil penalty is assessed. However, the  
 23 imposition of the penalties prescribed in this section or in AS 15.13.120 does not  
 24 excuse that person from registering or filing reports required by this chapter.

25 \* Sec. 4. AS-15.13.080 is repealed.

*Rep. James.*  
Jeannette,

Please announce a State Affairs meeting for tomorrow, whatever time you would like in the afternoon, to hear HB 179, APOC Repeal Campaign Disclosure and Lobbyists.

State Affairs  
Tuesday, April 25  
HB 179  
APOC Repeal Campaign Disclosure and Lobbyists  
Time ??? (preferably PM)

*Conn x6848*

*2 PM*

*Barb -  
Scheduled for  
2 PM (pending  
when we're in session)  
make up for  
we will discuss - briefly  
maybe have some  
amendments. talk  
Courtney office for  
amendment or CS.  
Jeannette*

Dave K 5669  
2135 FAX

Brook Miles  
4865

I-LS0401V.1

Kurtz

4/25/00

By Representative James

*Adopted*  
**AMENDMENT #1**

OFFERED IN THE HOUSE

TO: CSSSHB 179( ), Draft Version "I"

- 1 Page 1, following line 3:
- 2       Insert new bill sections to read:
- 3       \*\* Section 1. AS 15.13.040(a) is amended to read:
- 4               (a) Except as provided in (g) of this section, each candidate shall make a full
- 5       report, upon a form prescribed by the commission, listing the date and amount of all
- 6       expenditures made by the candidate, the total amount of all contributions, including
- 7       all funds contributed by the candidate, and for all contributions in excess of \$200
- 8       [\$100] in the aggregate a year, the name, address, principal occupation, and employer
- 9       of the contributor and the date and amount contributed by each contributor. The
- 10       report shall be filed in accordance with AS 15.13.110 and shall be certified correct
- 11       by the candidate or campaign treasurer.
- 12       \* Sec. 2. AS 15.13.040(b) is amended to read:
- 13               (b) Each group shall make a full report upon a form prescribed by the
- 14       commission, listing
- 15               (1) the name and address of each officer and director;
- 16               (2) the aggregate amount of all contributions made to it; and, for all
- 17       contributions in excess of \$200 [\$100] in the aggregate a year, the name, address,
- 18       principal occupation, and employer of the contributor, and the date and amount
- 19       contributed by each contributor; and
- 20               (3) the date and amount of all contributions made by it and all
- 21       expenditures made, incurred or authorized by it."
  
- 22 Page 1, line 4:
- 23       Delete "Section 1"
- 24       Insert "Sec. 3"

APR-25-00 TUE 12:21 PM

FAX:

PAGE 3

1-LS0401V.1

- 1 Renumber the following bill sections accordingly.

# Amendment # 2

CS For Sponsor Substitute For House Bill No. 179  
Proposed Wording

(c) Telephone communications need only be identified by the name of the candidate, group or individual paying for the communication.

adopted

# ALASKA STATE HOUSE OF REPRESENTATIVES

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119 N. Cushman, Suite 211  
Fairbanks, AK 99701  
(907)-456-5081  
Fax# (907)-456-8245



Session Contact:  
(907)-465-3719  
FAX# (907)-465-325  
State Capitol  
Room 416

## REPRESENTATIVE JOHN COGHILL

### HB 179 Political Campaign Communications Sponsor Statement

HB 179 eliminates a requirement in state law that requires an individual to report his or her contribution of \$500.00 to a candidate or a group. That responsibility should lie in the hands of the recipient, not the contributor.

HB 179 also addressing a recent decision on the part of the Alaska Public Offices Commission concerning telephone calls in campaigns. APOC has determined that phone calls made to invite folks to attend a fundraiser require a disclaimer. APOC claims that when a campaign worker calls a person as a follow up to sending the person an invitation to a fundraiser, the campaign worker is intending to influence the outcome of an election, therefore, a disclaimer, just like the disclaimer on a radio or TV ad is required.

The phrase "other communications" is a broad, catchall phrase commonly used in statutes to accommodate new technology. For instance, the Internet would qualify as other communications. Internet has become a widely used media for campaigning and is under the term "other communications" required to have disclaimers.

When Alaska's campaign laws were written, however, telephones were already a means of communication. It is my contention that if telephones were meant to be covered in identification of communication, telephones would have been mentioned in the language in a specific manner.

Normally, in legal terms of notification for court rules and statutes relevant to legal and court proceedings, telephone calls are not recognized as a means of communication. I contend that they should not be defined as other communications in campaign law either.

HB 179 would specifically exempt telephone calls from a broad, catch all term that are open to interpretation. I favor specific statutes that are not subject to interpretation.

It would appear that this is a reaction to the increasingly annoying push polls that are inundating people's homes at all hours of the day and night. Political polls have become increasingly used to get public opinion in elections. While this is annoying, it does not merit restricting all telephone communications to a disclaimer requirement. If push polling is the problem than campaign laws should specifically address political polls and a disclaimer requirement.

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State Capitol  
Room 416

## REPRESENTATIVE JOHN COGHILL

### HB 179 Political Campaign Communications Sectional

**Section 1: Amends** Sec. 15.13.040(d). Contributions, expenditures and supplying of services to be reported. It requires every individual, person, or group making a contribution to or expenditure for a candidate or group and expenditures made on behalf of a candidate or group exceeding \$500.00 in a year. Current law requires reporting when the total reaches \$500.00. This \$1.00 change would exempt individuals from reporting under this section, because individuals can not contribute more than \$500.00.

**Section 2:** This section exempts telephone calls from the disclaimer requirements of AS 15.13.090. Identification of communication.

**Section 3: Repeals** individuals in AS 15.13.080 from civil penalties and late filing of required reports under Sec. 15.13.125 as they will no longer be required to report the contributions. Reporting will be left exclusively to the candidate or group.

**Section 4: Repeals** AS 15.13.080 which requires individuals contributing \$500.00 to file a contributor's statement with APOC.

**Sec. 15.13.090. Identification of communication.**

(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) 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.

- Repeals individuals in AS 15.13.080 from civil penalties and late filing of required reports under Sec. 15.13.125.
- **REPEALED LANGUAGE IN SECTION 4:**

**Sec. 15.13.080. Statement by contributor.**

(a) An individual who contributes \$500, or goods or services with a value of \$500, to a candidate shall file a contributor's statement as required by this section.

(b) An individual required to file a contributor's statement under (a) of this section shall file on a form made available by the commission. The statement must

(1) identify the contributor and the candidate and all groups receiving contributions;

(2) itemize the contributions and goods; and

(3) state that the contributor is not prohibited by law from contributing and that the contribution consists of funds or property belonging to the contributor and has not been given or furnished by another person or group.

(c) The contributor's statement shall be filed with the commission by the contributor no later than 30 days after the contribution that requires the contributor to report under AS 15.13.040 (d) is made.

# STATE OF ALASKA

## Department of Administration

### Alaska Public Offices Commission

TONY KNOWLES, GOVERNOR

- 2221 EAST NORTHERN LIGHTS, RM 128  
ANCHORAGE ALASKA 99508-4149  
PHONE: (907) 276-4176  
FAX: (907) 276-7018  
e-mail: *First Name\_Last Name@admin.state.ak*
- P.O. BOX 110222  
JUNEAU, ALASKA 99811-0222  
PHONE: (907) 465-4864  
FAX: (907) 465-4832

April 25, 2000

Conor Sullivan  
Office of Rep. John Cowdery  
State Capitol  
Juneau, Alaska 99801-1182

Re: Identification of Telephone Communications

Dear Mr. Sullivan:

This letter responds to your request this morning that I describe the position of the Alaska Public Offices Commission ("Commission") with regard to the responsibility of campaigns to identify telephone communications. The statutory provision that directs campaigns to identify political communications is fairly broad. AS 15.13.090 applies to all communications intended to influence the election of a candidate or outcome of a ballot proposition.

As I mentioned to you, questions related to campaign telephone calls have not arisen often. In the past, Commission staff have received public inquiries from individuals frustrated by the absence of identification on polling calls. Because the primary purpose of most polls is to gather information rather than solicit money or influence voters, however, polling calls do not trigger the identification requirements of AS 15.13.090.

Recently, however, with new technological developments in mass communication, we have received an increasing number of inquiries from members of the public contacted by automatic recorded campaign messages that failed to identify the responsible campaign. In these cases, Commission staff has directed campaigns to include in the recorded message the name of the candidate or group paying for the messages.

In general, staff believes that by disclosing the name of the entity responsible for the communication, the campaign satisfies the intent of the statutory requirement and avoids the potential damage to the public caused by anonymous campaign communications. Staff has not objected to the failure of a campaign to include in a telephone communication, the words "paid for by"; the address of the candidate, group or individual paying for the communications; or the name of the campaign chair.

Informal Advice to Conor Sullivan  
Re: Identification of Telephone Communications

April 25, 2000  
Page 2

I hope this informal advice helps clarify the matter. Please contact me at 276-4176 if you have any questions.

Sincerely,  
ALASKA PUBLIC OFFICES COMMISSION

Karen Boorman  
Executive Director



**HB**

**192**

# HOUSE COMMITTEE REPORT

(7)  
Date Referred to Committee: April 13, 1999

FURTHER REFERRALS:

Judiciary

Date of Committee Action: 4/29/99

The STATE AFFAIRS Committee considered:

HB 192

HOUSE BILL NO. 192

PLEDGE OF ALLEGIANCE IN PUBLIC SCHOOLS

"An Act relating to reciting the pledge of allegiance by public school students."

recommends it be replaced with the following committee substitute \_\_\_\_\_  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): \_\_\_\_\_ (Dep)

APPROVES PREVIOUS: \_\_\_\_\_ (Dept/Date)

fiscal note(s) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) DOE

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Monnette James</i>	✓			
<i>Hal Smucker</i>			AM	✓
<i>Bill Kesthala</i>				✓
<i>John Caputo</i>	✓			
<i>Bill Anderson</i>	✓			
<i>M. A. [unclear]</i>	✓			
<i>Scott [unclear]</i>	✓			

CHAIR'S SIGNATURE

*Monnette James*

# ALASKA STATE LEGISLATURE

REPRESENTATIVE  
**JEANNETTE JAMES**  
PO Box 56622  
North Pole, Alaska 99705  
(907) 456-1546  
FAX (907) 488-4271



While In Juneau  
State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-3743  
FAX (907) 465-2381

House of Representatives  
House District 34

## **HB 192 - CALLING FOR PUBLIC SCHOOL STUDENTS TO RECITE THE PLEDGE OF ALLEGIANCE**

The goal of this bill is to insure civic basics are taught in Alaska's public schools by requiring regular flag exercises - which include the Pledge of Allegiance - be held.

No one will be compelled to recite the pledge against their conscience under HB 192. Instead, such students will be asked to maintain a respectful silence.

By "regular," this bill envisions the pledge to be recited preferably on a weekly basis, but at least on a bi-weekly basis, in all public schools in Alaska.

AMENDMENT #1 Failed

OFFERED IN THE HOUSE

BY REPRESENTATIVE KERTTULA

TO: HB 192

Page 1, line 1. Delete "by public school students."  
Insert "in public schools,"

Page 1, line 9:

Delete "Students"

Insert "Any person"

Yes III  
No IIII

Written testimony for HB 192 by:

Denny Kay Weathers  
Third Judicial District  
c/o P.O. Box 1791  
Cordova, Alaska  
No Zip Code

Attn: Chairperson:

I think this bill is very important to Alaska and the future of America. Many adolescent's and adults I talk with can not recite the pledge of allegiance.

Children in Alaska's public schools are being taught that America is a democracy even though the Constitution of the United States of America Article 4, section 4 and the Alaska Statehood Act, section 3 guarantee's every State in the Union a republican form of government and the pledge of allegiance reinforces "to the republic for which it stands.

Even worse is those elected officials (Legislators, Lt. Governor & Governor) and those appointed officials such as attorney generals & commissioners that publicly refer to Alaska as a democracy. I wonder if while they recite the pledge of allegiance they silently say (to the democracy for which it stands)?

Children now days, unless homeschooled or a member of the Scouts know very little about the American flag.

America's flag has great historical meaning, the 13 stripes stand for the original 13 colonies, in the blue square there are stars that represent each state within the union.

How many children know what the colors of the flag stand for, such as;

Red stands for hardiness and courage.  
White stands for innocence and purity.  
Blue stands for vigilance, perseverance and justice.

Or the following story of how George Washington explained the colors of the American flag to the people;

"We take the stars and blue union from heaven, the red from our mother country, separating it by white stripes, thus showing we have separated from her; and the white stripes shall go down to posterity representing liberty."

How many children or adults for that matter know proper "Flag etiquette" or the other names for which the American flag is known. How many know the pledge of allegiance was first published in 1892, at Boston, Mass. by Francis Bellamy.

The American flag is the symbol of the land, the people, the ideals and the government of the united states of America it was adopted as our flag on June 14, 1777.

I support and will defend HB 192 as I will the Flag of the united states of America which will be 222 years old on June 14, 1999 and I will continue to pledge allegiance to the flag of the united states of America and to the republic for which it stands as Americans have been doing for the past 106 years and would hope others would too.

*Dwight  
Wells  
April 29, 1999*

04/29/99  
08:05:32

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM  
PARTICIPANT LIST (TESTIFIERS ONLY)  
SCHEDULED FOR:04/29/99 08:00 TO 10:00  
HOUSE STATE AFFAIRS

TCN:90647  
PUBLIC HEARING

LTN1150  
BY:JNU  
FOR:ALL

LOCATION:CORDOVA

HB 192 MS DENNY WEATHERS

TESTIFY

LOCATION:FAIRBANKS

HB 192 MS. CAROL NILSON

TESTIFY

**Legislative Research Report 99.103**

**April 21, 1999**

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## **State Statutes Regarding Recitation of the Pledge of Allegiance in Public Schools**

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Legislative Research Services  
Division of Legal and Research Services  
Legislative Affairs Agency  
Alaska State Legislature

Prepared for Representative Jeannette James  
Prepared by Gina P. Spartz



*Legislative Research Services  
130 Seward Street, Room 218  
Juneau, AK 99801  
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907-463-3351 (fax)  
[www.legis.state.ak.us/research/home.htm](http://www.legis.state.ak.us/research/home.htm)*

## SUMMARY

You asked if there is a state or school district policy in Alaska regarding recitation of the pledge of allegiance in public schools. You also asked about state laws that require the recitation of the pledge of allegiance in public schools.

Alaska is among those states with no statutes regarding the pledge of allegiance in public schools. In Alaska, use of the pledge of allegiance varies by school district. Among the 23 states with laws addressing the pledge of allegiance in public schools, 16 require the pledge of allegiance – 12 provide for voluntary participation and 4 are silent in regard to participation. Laws in 4 states require participation, despite the Supreme Court's ruling that such a requirement is a violation of an individual's constitutional right to free speech. Laws in 2 states allow individual school districts to decide whether or not to conduct pledge exercises. And 1 state's law refers to instruction in the pledge of allegiance but makes no mention of recitation of the pledge.

## THE PLEDGE OF ALLEGIANCE IN ALASKA SCHOOLS

Alaska Statutes and regulations contain no mention of the pledge of allegiance.<sup>1</sup> Harry Gamble, public information officer, Department of Education, reports that the department offers no guidelines to school districts regarding the pledge. We asked school officials in Alaska's three largest communities (Anchorage, Fairbanks, and Juneau) if the districts have specific policies regarding the pledge of allegiance. We found that the use of the pledge of allegiance varies by school district. Furthermore, the Anchorage and Fairbanks school districts have written policies but the Juneau school district does not.

The Anchorage School District policy states that the pledge shall be recited in most assemblies and students will be given the opportunity to salute the flag with the pledge of allegiance before the start of each day:

### Section 342.6 Patriotism (Pledge of Allegiance)

A. Flags, United States and Alaska, will be displayed in all classrooms, the main entrance of the building, interior entrance areas if appropriate, any auditorium/mult-purpose room or other assembly area. When viewing the flags from the audience, the American flag should be placed on the left and the Alaska flag should be on the right.

B. The Pledge of Allegiance will be held as an opening ceremony at all "formal" assemblies involving resource speakers and visitors. The principal and faculty should determine when the Pledge should be held for other assembly meetings.

C. An opportunity shall be provided for all students to salute the flag with the Pledge of Allegiance during morning announcements each day.

---

<sup>1</sup> The Pledge of Allegiance was written by Francis Bellamy in 1892 and published in the children's magazine, *The Youth's Companion*. The pledge was originally intended to be recited annually by schoolchildren on Columbus Day, but eventually became part of daily public school activities.

D. Students and staff should be encouraged to proudly participate in the Pledge. Students or staff who object to the Pledge may be seated during the Pledge and are expected to be courteous during the ceremony.

The Fairbanks North Star School District policy states that instruction will be given in flag protocol and a flag salute is encouraged at assemblies:

#### Section 924.1 Flag Instruction and Salute

Every elementary student will be given instruction annually in the proper care and respect for flags of the United States and Alaska.

Elementary and secondary principals will be encouraged to begin assemblies with a flag salute.

According to Annie Calkins, assistant superintendent of the Juneau School District, the district does not have a written policy regarding recitation of the pledge of allegiance. She said that, generally, students in Juneau recite the pledge in elementary grades but the practice is usually not as common in middle and high school.

### STATE STATUTES REGARDING THE PLEDGE OF ALLEGIANCE

According to a survey conducted by the National Flag Foundation in 1992, at least 22 states have statutes regarding the recitation of the pledge of allegiance in public schools.<sup>2</sup> Since that time, lawmakers in at least 1 more state, Montana, have passed a law on the pledge of allegiance.<sup>3</sup>

It is important to note that, although a few state's laws require participation in the recitation of the pledge of allegiance in public schools, the U.S. Supreme Court has ruled that schoolchildren cannot be compelled to participate against their wishes. In *West Virginia State Board of Education v. Barnette* (319 U.S. 624, 1943), the Court heard arguments from members of the Jehovah's Witness faith, who objected to compulsory recitation of the pledge on religious grounds. The Court ruled that the right of free speech guaranteed in the First Amendment denies the government the authority to require the saluting of the flag or recitation of the pledge. As a result, many states' laws include language making participation in pledge exercises voluntary or optional.

The attached table includes information on states with laws regarding the pledge of allegiance in public schools and also includes the statutory citation.<sup>4</sup> The following highlight variations and

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<sup>2</sup> The National Flag Foundation is a private, non-profit, educational organization dedicated to fostering research and scholarship on historic flags of the U.S. The survey results, found in *Stars, Stripes, and Statutes*, National Flag Foundation, 1992, lists the following states as having statutes specifically addressing the pledge of allegiance: Alabama, Arizona, California, Delaware, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Rhode Island, Washington, West Virginia, and Wisconsin. We checked all statutory references listed in the 1992 survey and found that these laws are still in effect.

<sup>3</sup> The Montana statute was enacted in 1997.

<sup>4</sup> We have included, as an attachment to this report, copies of the state statutes provided in the table.

similarities in state approaches to this issue:

- ◆ Laws in **Alabama, Arizona, Georgia, Kentucky, Louisiana, Maryland, Montana, New Jersey, Rhode Island, Washington, West Virginia, and Wisconsin** require the pledge of allegiance be recited, however, participation is voluntary.
  - ◆ Laws in **California, Kansas, New Mexico, and New York** require schools or school districts to conduct patriotic exercises that include a recitation of the pledge of allegiance. The statutes are silent, however, on whether or not participation is voluntary.
  - ◆ Laws in **Delaware, Massachusetts, Mississippi, and North Dakota** appear to require compulsory participation by students in the pledge of allegiance in public schools.
  - ◆ Laws in **New Hampshire and Ohio** provide that school districts shall develop independent policies on whether or not to recite the pledge.
  - ◆ **Idaho** law provides that instruction shall be given in flag etiquette and such instruction shall include the pledge of allegiance. The statute makes no mention, however, of recitation of the pledge.
- 

I hope you find this information useful. Please do not hesitate to contact us if you have questions or need additional information.

<b>Table: State Statutes Regarding the Pledge of Allegiance in Public Schools</b>		
<b>State</b>	<b>Statutory Language</b>	<b>Statutory Authority</b>
Alabama	The State Board of Education shall afford all students attending public kindergarten, primary and secondary schools the opportunity each school day to voluntarily recite the pledge of allegiance to the United States flag.	Alabama Code 16-43-5
Arizona	School authorities . . . shall set aside a specific time each day for those students who wish to recite the pledge of allegiance to the United States flag.	Arizona Revised Statutes 15-506
California	In every public elementary school each day during the school year . . . there shall be conducted appropriate patriotic exercises. The giving of the Pledge of Allegiance to the Flag of the United States of America shall satisfy the requirements of this section.	California Codes (Education) 52720
Delaware	In the opening exercises of every free public school each morning, the teachers and pupils assembled shall salute and pledge allegiance to the American flag . . .	Delaware Code Annotated 4105
Georgia	Each student in the public schools of this state shall be afforded the opportunity to recite the Pledge of Allegiance to the flag of the United States of America during each school day. . . .	Georgia Code Annotated 20-2-310.
Idaho	Instruction in the proper use, display and history of and respect for the American flag and the national colors shall be given in all elementary and secondary schools. Such instruction shall include the pledge of allegiance to the flag, words and music of the national anthem, and of "America."	Idaho Code 33-1602
Kansas	It shall be the duty of the state board of education to prepare for the use of the public schools a program providing for patriotic exercises . . . The program . . . shall include a daily recitation of the pledge of allegiance to the flag of the United States of America.	Kansas Statutes 72-5308
Kentucky	The board of education of each school district shall establish a policy and develop procedures whereby the pupils in each elementary and secondary school may participate in the pledge of allegiance to the flag of the United States.	Kentucky Revised Statutes 158.175 (2)
Louisiana	Each parish and city school board in the state shall also permit the proper authorities of each school to allow the opportunity for group recitation of the "Pledge of Allegiance to the Flag." Such recitation shall occur at the commencement of the first class of each day in all grades and in all public schools.	Louisiana Statutes Annotated (1999 supplement) 2115
Maryland	Each county board shall: . . . (2) Prepare a program for each public school classroom for the beginning of each day that provides for the salute to the flag and other patriotic exercises . . . (3) Require all students and teachers in charge to stand and face the flag and while standing give an approved salute and recite in unison the pledge . . . (d) Any student or teacher who wishes to be excused from the requirements . . . shall be excused.	Maryland Annotated Code 7-105

<b>Table: State Statutes Regarding the Pledge of Allegiance in Public Schools</b>		
<b>State</b>	<b>Statutory Language</b>	<b>Statutory Authority</b>
Massachusetts	Each teacher at the commencement of the first class of each day in all grades in all public schools shall lead the class in a group recitation of the "Pledge of Allegiance to the Flag." Failure for a period of five consecutive days by the principal or teacher in charge of a school . . . to display the flag . . . or failure for a period of two consecutive weeks by a teacher to salute the flag and recite said pledge . . . or to cause the pupils in his charge so to do, shall be punished for every such period by a fine of not more than five dollars.	Massachusetts General Laws Annotated (1999 Supplement) 71-69
Mississippi	The boards of trustees of the public schools of this state shall require the teachers under their control to have all pupils repeat the oath of allegiance to the flag of the United States of America at least once during each school month . . .	Mississippi Code Annotated 37-13-7
Montana	(T)he pledge of allegiance to the flag of the United States of America must be recited in all public schools of the state. . . (4) A school district shall inform all students and teachers of their right to not participate in recitation of the pledge. Any student or teacher who, for any reason, objects to participating in the pledge exercise must be excused from participation. (5) If a student or teacher declines to participate in the recitation . . . a school district may not for evaluation purposes include any reference to the student's or teacher's not participating.	Montana Code Annotated 20-7-133
New Hampshire	A school district may authorize the recitation of the traditional Lord's Prayer and the pledge of allegiance to the flag in public elementary schools. Pupil participation in the recitation . . . shall be voluntary. Pupils shall be informed that these exercises are not meant to influence an individual's personal religious beliefs in any manner.	New Hampshire 194:15-a
New Jersey	Every board of education shall . . . (c) require the pupils in each school in the district on every school day to salute the United States flag and repeat the . . . pledge of allegiance. . . . except that pupils who have conscientious scruples against such pledge or salute, . . . shall not be required to render such salute and pledge out shall be required to show full respect to the flag while the pledge is being given.	New Jersey Statutes Annotated 18A: 36-3
New Mexico	Local school boards shall provide that the pledge of allegiance shall be recited daily in each public school in the school district according to regulations adopted by the state board.	New Mexico Statutes Annotated 22-5-4.5
New York	It shall be the duty of the commissioner of education to prepare, for the use of the public schools of the state, a program providing for a salute to the flag and a daily pledge of allegiance to the flag, for instruction in its correct use and display and such other patriotic exercises as may be deemed by him to be expedient, under such regulations and instructions as may best meet the varied requirements of the different grades and such schools.	New York Annotated Statutes Education 802
North Dakota	The officers of every school district shall ensure . . . that each morning the pledge of allegiance to the flag must precede each day's study in the first grade through the sixth grade.	North Dakota Code Annotated 15-47-37
Ohio	The board of education of each city, local, exempted village, and joint vocational school district shall adopt a policy specifying whether or not oral recitation of the pledge of allegiance to the flag shall be a part of the school's program and, if so, establishing a time and manner for such recitation.	Ohio Revised Code 3313.60.2

<b>Table: State Statutes Regarding the Pledge of Allegiance in Public Schools</b>		
<b>State</b>	<b>Statutory Language</b>	<b>Statutory Authority</b>
Rhode Island	(a) All public schools, commencing with preprimary school through and including high school, shall commence each day with the (pledge of allegiance) . . . (b) Any person not wishing to participate in the "pledge of allegiance" is hereby exempt from participation and need not participate in the pledge.	General Laws of Rhode Island 16-22-11
Washington	The board of directors of every school district shall . . . Cause appropriate flag exercises to be held in each classroom at the beginning of the school day, and in every school at the opening of all school assemblies, at which exercises those pupils so desiring shall recite the (pledge of allegiance). . . Students not reciting the pledge shall maintain a respectful silence.	Revised Code of Washington Annotated 28A.230.140
West Virginia	Every instructional day in the public schools of this state shall be commenced with a pledge of allegiance to the flag of the United States. Pupils who do not wish to participate in this exercise shall be excused from making such pledge.	West Virginia Code 18-5-15b
Wisconsin	Every public and private school shall offer the pledge of allegiance in grades one to 8 at the beginning of school at least one day per week. No pupil may be compelled, against the pupil's objections or those of the pupil's parents or guardian, to recite the pledge.	Wisconsin Statutes 118.06
Sources: <i>Stars, Stripes, and Statutes</i> , National Flag Foundation, 1992; and current state statutes.		

# FISCAL NOTE

**STATE OF ALASKA**  
**1999 LEGISLATIVE SESSION**

**BILL NO. House Bill 192**

Revision Date/Time (Note if correction) \_\_\_\_\_ Dept. Affected Education  
 Title An Act relating to reciting the BRU \_\_\_\_\_  
pledge of allegiance by public school students Component \_\_\_\_\_  
 Sponsor Representative James \_\_\_\_\_  
 Requester House State Affairs Component Serial No. \_\_\_\_\_

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

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY99) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

House Bill 192 addresses the display of flags and the pledge of allegiance and requires appropriate flag exercises to be conducted in schools.

There is no fiscal impact for the department.

Prepared by Barbara Thompson Phone 465-8727  
 Division Teaching and Learning Support Date/Time 4/28/99 4:13 PM  
 Approved by Commissioner: Richard S. Cross Date 4/28/99  
 Agency Department of Education

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Re: fiscal notes

**Subject: Re: fiscal notes**

**Date:** Tue, 27 Apr 1999 14:49:51 -0800

**From:** Shari Kochman <shari\_kochman@gov.state.ak.us>

**Organization:** Alaska Office of the Governor

**To:** Barbara Cotting <Barbara\_Cotting@legis.state.ak.us>

okey dokey  
thanks

Barbara Cotting wrote:

>  
> *I need a fiscal note for:*  
>  
> *HB 192, Pledge of Allegiance in Public Schools, DOE.*  
>  
> *It's scheduled April 29 in House State Affairs.*  
>  
> *Thanks.*  
>  
> *Barbara*

fiscal notes

**Subject:** fiscal notes

**Date:** Tue, 27 Apr 1999 14:32:34 -0800

**From:** Barbara Cotting <Barbara\_Cotting@legis.state.ak.us>

**Organization:** Alaska State Legislature

**To:** Shari Kochman <shari\_kochman@gov.state.ak.us>

I need a fiscal note for:

HB 192, Pledge of Allegiance in Public Schools, DOE.

It's scheduled April 29 in House State Affairs.

Thanks.

Barbara

**HB**

**199**

# HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: April 15, 1999

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/22/99

The STATE AFFAIRS Committee considered:

HB 199

HOUSE BILL NO. 199

STATE EMPLOYEE COMPENSATION

"An Act relating to compensation for certain state employees; and providing for an effective date."

recommends it be replaced

with the following committee substitute

CS HB 199(STA)

the same title

a new title

additional referral to \_\_\_\_\_ Committee

attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) GOV

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Janette James</i>			<input checked="" type="checkbox"/>	
<i>Hal Smucker</i>		<input checked="" type="checkbox"/>		
<i>Ben Barber</i>		<input checked="" type="checkbox"/>		
<i>Bill Hulse</i>		<input checked="" type="checkbox"/>		
<i>M.A. Hulse</i>			<input checked="" type="checkbox"/>	
<i>Scott Orr</i>	<input checked="" type="checkbox"/>			
<i>John Giffell</i>	<input checked="" type="checkbox"/>			

CHAIR'S SIGNATURE

*Janette James*

**Subject: life in the gristmill**

**Date: Fri, 23 Apr 1999 11:52:25 -0800**

**From: Eddie Grasser <Eddie\_Grasser@legis.state.ak.us>**

**Organization: Alaska State Legislature**

**To: Paula Terrel <Paula\_Terrel@legis.state.ak.us>**

hey this looks somewhat like the intent behind hb 199!

Updated 04-20-99: Early Retirement Policy for all current

>employees.....

>

>As a result of the reduction of money budgeted for department

>areas, we are forced to cut down on our number of personnel.

>Under this plan, older employees will be asked to go on early

>retirement, thus permitting the retention of the younger people

>who represent our future. Therefore, a program to phase out

>older personnel by the end of the current fiscal year,

>via retirement, will be placed into effect immediately.

>

>This program will be known as SLAP (Sever Late-Aged Personnel).

>Employees who are SLAPped will be given the opportunity to look

>for jobs outside the company. SLAPped employees can request

>a review of their employment records before actual retirement

>takes place. This phase of the program is called SCREW (Survey

>of Capabilities of Retired Early Workers). All employees who

>have been SLAPped or SCREWed may file an appeal with the upper

>management.

>

>This is called SHAFT (Study by Higher Authority Following Termination).

>

>Under the terms of the new policy, an employee may be SLAPped

>once, SCREWed twice, but may be SHAFTed as many times as the

>company deems appropriate.

>

>If an employee follows the above procedures, he/she will be

>entitled to get HERPES (Half Earnings for Retired Personnel's

>Early Severance) or CLAP (Combined Lump sum Assistance Payment.)

>unless he/she already has AIDS (Additional Income From Dependents or Spouse). As HERPES and CLAP are

>considered benefit plans, any employee who has received HERPES

life in the gristmill

>or CLAP will no longer be SLAPped or SCREWed by the  
company.

Alaska State House of Representatives  
**STATE AFFAIRS COMMITTEE**  
*Representative Jeannette James, Chair*



Rm 102, Capitol Building, Juneau

Phone 465-3743, Fax 465-2381

*Members:*  
*Rep. John Coghill, Vice-Chair*  
*Rep. Bill Hudson*  
*Rep. Beth Kerttula*  
*Rep. Scott Ogan*  
*Rep. Harold Smalley*  
*Rep. Jim Whitaker*

April 21, 1999

*Notes attached CS*

Attached is a proposed CS (DRAFT H) for HB 199.

It makes the following changes to draft G.

1. It deletes all of Section 15, putting S.B.S. participation back into its current status.
2. It deletes from line 19, page ~~30~~<sup>7</sup>, the words [until July 1, 2001], thus "grandfathering in" all existing geographic differentials.

1-LS0823\H  
Cramer✓  
4/21/99

**CS FOR HOUSE BILL NO. 199(STA)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIRST LEGISLATURE - FIRST SESSION**

**BY THE HOUSE STATE AFFAIRS COMMITTEE**

Offered:  
Referred:

Sponsor(s): **HOUSE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to compensation for certain state employees; and providing for  
2 an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 14.20.470 is amended to read:

5 (a) The commission may

6 (1) study proposals developed by regular committees of any existing  
7 professional organization whose members are within the teaching profession;

8 (2) subpoena witnesses, place them under oath, and maintain written  
9 records;

10 (3) warn or reprimand members of the teaching profession, if in the  
11 judgment of the commission such action is warranted;

12 (4) suspend or revoke the certificate of a member of the teaching  
13 profession for one of the reasons set out in AS 14.20.030 except that in the case of an  
14 administrator, the commissioner must concur;

1 (5) make any recommendation to the board or to school boards that will  
2 promote an improvement in the teaching profession;

3 (6) request assistance through any of the investigative processes of any  
4 existing professional teaching organizations when analyzing charges of breach of  
5 ethical or professional teaching practices;

6 (7) appoint an executive secretary, delegate those ministerial functions  
7 to the executive secretary as the commission may decide and set the executive  
8 secretary's compensation with a starting salary not exceeding Step A, Range [RANGE]  
9 26, [STEP B] of the pay plan for state employees in AS 39.27.011(a).

10 \* Sec. 2. AS 22.05.140(d) is amended to read:

11 (d) Beginning July 1, 1999 [JANUARY 1, 1991], if the monthly basic salary  
12 for Step C [STEP E], Range 28, of the salary schedule set out in AS 39.27.011  
13 increases, the monthly base salary of the chief justice and the other justices shall  
14 increase by the same percentage. The increase takes effect when the salary increase  
15 under AS 39.27.011 takes effect and may be retroactive if consistent with the change  
16 in AS 39.27.011. The commissioner of administration shall, by regulation, establish  
17 the percentage at which the salary is increased and the increased salary amount.

18 \* Sec. 3. AS 22.07.090(c) is amended to read:

19 (c) Beginning July 1, 1999 [JANUARY 1, 1991], if the monthly basic salary  
20 for Step C [STEP E], Range 28, of the salary schedule set out in AS 39.27.011  
21 increases, the monthly base salary of the judges of the court of appeals shall increase  
22 by the same percentage. The increase takes effect when the salary increase under  
23 AS 39.27.011 takes effect and may be retroactive if consistent with the change to  
24 AS 39.27.011. The commissioner of administration shall, by regulation, establish the  
25 percentage at which the salary is increased and the increased salary amount.

26 \* Sec. 4. AS 22.10.190(d) is amended to read:

27 (d) Beginning July 1, 1999 [JANUARY 1, 1991], if the monthly basic salary  
28 for Step C [STEP E], Range 28, of the salary schedule set out in AS 39.27.011  
29 increases, the monthly base salary of the judges of the superior court shall increase by  
30 the same percentage. The increase takes effect when the salary increase under  
31 AS 39.27.011 takes effect and may be retroactive if consistent with the change to

1 AS 39.27.011. The commissioner of administration shall, by regulation, establish the  
2 percentage at which the salary is increased and the increased salary amount.

3 \* Sec. 5. AS 22.15.220(e) is amended to read:

4 (e) Beginning July 1, 1999 [JANUARY 1, 1991], if the monthly basic salary  
5 for Step C [STEP E], range 28, of the salary schedule set out in AS 39.27.011  
6 increases, the monthly base salary of the judges of the district court shall increase by  
7 the same percentage. The increase takes effect when the salary increase under  
8 AS 39.27.011 takes effect and may be retroactive if consistent with the change to  
9 AS 39.27.011. The commissioner of administration shall, by regulation, establish the  
10 percentage at which the salary is increased and the increased salary amount.

11 \* Sec. 6. AS 23.40.075 is amended by adding a new subsection to read:

12 (b) An agreement concerning the wages of state employees may not establish  
13 a geographic differential or other cost-of-living allowance that is greater than the  
14 differential set out in AS 39.27.021.

15 \* Sec. 7. AS 23.40.215 is amended by adding a new subsection to read:

16 (d) If an agreement that applies to state employees contains a term that  
17 authorizes a longevity pay increment or service bonus based on length of state  
18 employment and the increment or bonus is based on service that is greater than seven  
19 years, the commissioner of administration shall specifically report the term authorizing  
20 the longevity pay increment or service bonus to the legislature, and the term may not  
21 take effect unless it is approved by the legislature under (a) of this section.

22 \* Sec. 8. AS 39.20.080(a) is amended to read:

23 (a) The monthly salary of the head of each principal executive department of  
24 the state is equal to Step C [STEP E], Range 28, of the salary schedule in  
25 AS 39.27.011(a) for Juneau, Alaska.

26 \* Sec. 9. AS 39.27.011(a) is repealed and reenacted to read:

27 (a) The following monthly basic salary schedule is approved as the pay plan  
28 for classified and partially exempt employees in the executive branch of the state  
29 government whose salaries are not determined under a valid collective bargaining  
30 agreement adopted under the authority of AS 23.40.070 - 23.40.260 (Public  
31 Employment Relations Act) and for employees of the legislature under AS 24.10 and

1 AS 24.20:

2	Range No.	Step	Step	Step
3		A	C	F
4	5	1,557	1,647	1,789
5	6	1,647	1,743	1,895
6	7	1,743	1,841	2,014
7	8	1,841	1,954	2,137
8	9	1,954	2,071	2,269
9	10	2,071	2,206	2,409
10	11	2,206	2,338	2,568
11	12	2,338	2,491	2,745
12	13	2,491	2,656	2,946
13	14	2,656	2,842	3,165
14	15	2,842	3,049	3,392
15	16	3,049	3,267	3,640
16	17	3,267	3,515	3,895
17	18	3,515	3,765	4,174
18	19	3,765	4,022	4,463
19	20	4,022	4,302	4,767
20	21	4,302	4,599	5,095
21	22	4,599	4,918	5,457
22	23	4,918	5,263	5,850
23	24	5,263	5,639	6,253
24	25	5,639	6,048	6,727
25	26	5,850	6,253	6,969
26	27	6,048	6,484	7,234
27	28	6,253	6,727	7,486
28	29	6,484	6,969	7,750
29	30	6,727	7,234	8,023

30 \* Sec. 10. AS 39.27.011 is amended by adding a new subsection to read:

31 (h) An employee who is compensated under the salary schedule set out in (a)

1 of this section qualifies for the next step in the salary schedule only by completing  
 2 three years of continuous service that is evaluated as being of progressively greater  
 3 value to the state.

4 \* Sec. 11. AS 39.27 is amended by adding a new section to read:

5 **Sec. 39.27.021. Pay differentials by election district and in other states.**

6 (a) The following pay differentials are approved as an amendment to the basic salary  
 7 schedules provided in AS 39.27.011:

	Percentage Pay Differential	Geographic Areas (Election Districts)
10	0	1, 2, 3, 4, 7, 8, 9, and 10
11	4	16a (Fairbanks South of the Arctic Circle except the duty stations of Tok and Delta Junction)
13	5	5
14	9	11
15	11	6
16	16	16b (the duty stations of Tok and Delta Junction)
17	20	15b (the duty station of Nenana)
18	27	12 and 13
19	30	15a (Yukon-Kuskokwim except the duty station of Nenana) and 19
21	34	18
22	38	14
23	42	16c (Fort-Yukon - North of the Arctic Circle) and 17
25	-13	Seattle-Tacoma

26 (b) For purposes of (a) of this section, "election district" means an election  
 27 district designated in the governor's proclamation of reapportionment and redistricting  
 28 of December 7, 1961.

29 (c) The director of the division of personnel shall establish salary differentials  
 30 for positions in other states or foreign countries. The differentials shall be adjusted  
 31 annually, effective July 1, to maintain equitable relationships between salaries for

1 positions in other states or foreign countries and salaries for positions in Alaska.

2 \* Sec. 12. AS 39.27.030 is amended to read:

3 **Sec. 39.27.030. Cost-of-living survey.** Subject to an appropriation for this  
4 purpose, the director shall conduct a survey, at least every five years, to review the pay  
5 differentials established in AS 39.27.021 [AS 39.27.020]. The survey may address  
6 factors, as determined by the director, that are also relevant in review of state salary  
7 schedules, entitlement for beneficiaries of state programs, and payments for state  
8 service providers. The survey must reflect the costs of living in various election  
9 districts of the state, and Seattle, Washington, by using the cost of living in Anchorage  
10 as a base.

11 \* Sec. 13. AS 39.27 is amended by adding a new section to read:

12 **Sec. 39.27.036. Salaries paid by agencies not subject to AS 39.27.011.** (a)  
13 A state agency or other entity in the executive, legislative, or judicial branch of state  
14 government that has chosen to adopt the state salary schedule set out in  
15 AS 39.27.011(a) as the basis for paying its employees shall adopt the revisions to the  
16 salary schedule as amended on July 1, 1999.

17 (b) A state agency that employs employees in the exempt service who are not  
18 subject to AS 39.27.011 and that offers its employees a longevity pay increment or  
19 service bonus based on the length of state employment may not offer a longevity pay  
20 increment or service bonus based on service that is greater than seven years unless the  
21 legislature makes a specific appropriation to fund the longevity pay increment or  
22 service bonus. An appropriation for personal services shall not be considered to  
23 include authorization to use the appropriation for the longevity pay increment or  
24 service bonus unless it so states.

25 \* Sec. 14. AS 39.27.045 is amended to read:

26 **Sec. 39.27.045. Definition.** In AS 39.27.021 - 39.27.045 [AS 39.27.020 -  
27 39.27.030], "director" means the director of the division of personnel.

28 \* Sec. 15. AS 39.35.675(d) is amended to read:

29 (d) In this section, "cost-of-living differential" means an adjustment to salary  
30 based on the cost of living in the geographic region where the employee works and  
31 includes a pay step differential under former AS 39.27.020 or a pay differential

1       under AS 39.27.021.

2       \* Sec. 16. AS 39.27.020 and 39.27.022 are repealed.

3       \* Sec. 17. LIMITATION ON SALARY REDUCTION FOR GEOGRAPHIC  
4 DIFFERENTIALS. (a) The salary that an employee is receiving on June 30, 1999, may not  
5 be reduced by application of a provision of sec. 11 of this Act so long as the employee  
6 remains in the same geographic area as set out in AS 39.27.021, enacted by sec. 11 of this  
7 Act. If an employee moves to another geographic area on or after July 1, 1999, the pay  
8 differential in AS 39.27.021, enacted by sec. 11 of this Act, applies to the employee's salary  
9 on the effective date of the move.

10       (b) If, on July 1, 1999, an employee's salary would have been reduced but for the  
11 provisions of (a) of this section, that employee's salary may not be increased by application  
12 of an adjustment to the salary schedules in AS 39.27.011 or a step increase until the  
13 application of the adjustment or increase to the reduced salary the employee would otherwise  
14 have been receiving as of July 1, 1999, results in an amount that meets or exceeds the salary  
15 that the employee was receiving on June 30, 1999.

16       \* Sec. 18. SALARY SCHEDULE TRANSITION. (a) An employee who, on June 30,  
17 1999, is compensated in Step A or B of the salary schedule set out in AS 39.27.011(a) shall  
18 remain in that step until the employee qualifies for Step C by completing three years of  
19 continuous service that is evaluated as being of progressively greater value to the state from  
20 the date of the employee's appointment to Step A. If the employee was directly appointed  
21 to Step B, the three years shall be counted from the date of the employee's initial  
22 appointment.

23       (b) An employee who, on June 30, 1999, is compensated in Step C, D, or E of the  
24 salary schedule set out in AS 39.27.011(a) shall remain in that step until the employee  
25 qualifies for Step F by completing three years of continuous service that is evaluated as being  
26 of progressively greater value to the state from the date that the employee was appointed to  
27 Step C. If the employee was appointed directly to Step D or E, the years of continuous  
28 service shall be counted from the date of the employee's initial appointment.

29       (c) Notwithstanding the repeal of AS 39.27.022 made by sec. 16 of this Act, an  
30 employee who, on June 30, 1999, was compensated under the longevity steps based on pay  
31 increments for longevity in service under AS 39.27.022 may continue to receive longevity pay

1 increments until July 1, 2001, if the employee would have been entitled to them but for the  
2 repeal of AS 39.27.022. Beginning July 1, 2001, an employee may not be compensated at  
3 greater than Step F of the salary schedule under AS 39.27.011(a), as amended by sec. 9 of this  
4 Act.

5 \* Sec. 19. COMMISSIONERS' SALARIES. Notwithstanding the amendments to  
6 AS 39.20.080(a), made by sec. 8 of this Act, and to AS 39.27.011(a) made by sec. 9 of this  
7 Act, the head of a principal executive department of the state who was serving in that capacity  
8 on June 30, 1999, is entitled to receive a monthly salary in the amount of \$7,234 until the date  
9 on which the next governor is sworn into office.

10 \* Sec. 20. This Act takes effect July 1, 1999.

# Bill History/Action Display



BILL: HB 199

SHORT TITLE: STATE EMPLOYEE COMPENSATION

BILL VERSION:

SPONSOR(S): FINANCE

CURRENT STATUS: (H) STA

STATUS DATE: 4/15/99

TITLE: "An Act relating to compensation for certain state employees; and providing for an effective date."

Full Text  No Fiscal Information for Bill/Resolution

Committee Action With Bill History

Jrn-Date	Jrn-Page	Action
4/15/99		(H) READ THE FIRST TIME - REFERRAL(S)
4/15/99		(H) STA, FJN

Similar Subject Match or Exact Subject Match

EXECUTIVE BRANCH

JUDGES

LEGISLATURE

PUBLIC EMPLOYEES

SALARIES & ALLOWANCES

WAGES

Bill Root:   Display History/Action  Clear Bill Root

[Return to BASIS Main Menu\(21st Legislature\)](#)

BASIS Last Updated 4/15/99 1:20 PM



**Alaska State Legislature**  
**HOUSE OF REPRESENTATIVES**  
*Committee on Finance*

Official Business

State Capitol  
Juneau, Alaska 99801-1182

**Sponsor Statement**  
**House Bill 199**

**State Employee Compensation and Benefits**

House Bill 199 will bring state employee compensation and benefits closer more in line with other public and private employees in Alaska.

HB 199 does three things:

1. Establishes a maximum geographical differential for all state employees. It reduces the differential for statutory employees by using the current differential found in the agreements with the general government unit. This schedule is based on a 1985 survey and is the first update of the differential in almost 20 years.
2. Ends longevity steps and reduces the steps in our wage scale for classified and partially exempt employees and other state employees who are compensated based on the state wage scale. It will not affect members of bargaining units with agreements with the state.
3. Eliminates the SBS (Supplemental Benefit System) for new employees after June 30, 1999.

12-1 94001 85P

# LEGISLATIVE BUDGET AND AUDIT COMMITTEE

## Wage and Benefit Study

January 1999

**- FINAL REPORT -**

These survey results were prepared by

Kathleen A. Porterfield, Partner, KPMG LLP

John D. Bloedorn, Partner, KPMG LLP

Elaine E. Jennings, Partner, KPMG LLP

KPMG LLP, 601 West Fifth Avenue, Suite 700, Anchorage, AK 99501, (907) 276-7401

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# Conclusions

## *Compensation*

KPMG believes that private survey of benchmark positions, supplemented with national survey data, is an adequate sample from which to draw certain conclusions.

- Total compensation for State of Alaska employees was calculated to be 120% of the market median and 125% of the market weighted average private survey data. This indicates that State employees are compensated more than employees performing similar work in other organizations within the State's defined labor market.
- Based upon an analysis of private salary survey results using the market median, a significant number of State benchmark jobs are above the market range as follows:
  - 30% of the benchmark jobs (25 out of 82) are considered above the market range
  - 68% of the benchmark jobs (55 out of 82) are considered within the market range
  - 2% of the benchmark jobs (2 out of 82) are considered below the market range
- Based upon an analysis of private salary survey results using the market weighted average, a significant number of State jobs are above market as follows:
  - 38% of the benchmark jobs (31 out of 82) are considered above the market range
  - 61% of the benchmark jobs (50 out of 82) are considered within the market range
  - 1% of the benchmark jobs (1 out of 82) are considered below the market range
- Based upon an analysis of published national data for certain positions for which private survey data is unavailable, 3 of 10 positions were compensated above the market range and 7 were compensated within the market range
- An analysis of the survey data by quartile, range 12 and below, ranges 13-18, ranges 19-22 and range 23 and above, reveals that the aggregate data by quartile is within market, with the exception of ranges 13-18, for which State salaries as a percentage of the survey market weighted average are 134%.