



LAWS OF ALASKA

2018

Source

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Chapter No.

AN ACT

Relating to campaign expenditures and contributions; relating to the per diem of members of the legislature; relating to limiting gifts by lobbyists to legislators and legislative employees; requiring a legislator to abstain from taking or withholding official action or exerting official influence that could benefit or harm an immediate family member or certain employers; requiring a legislator to request to be excused from voting in an instance where the legislator may have a financial conflict of interest; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

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2 the legislature; relating to limiting gifts by lobbyists to legislators and legislative employees;
3 requiring a legislator to abstain from taking or withholding official action or exerting official
4 influence that could benefit or harm an immediate family member or certain employers;
5 requiring a legislator to request to be excused from voting in an instance where the legislator
6 may have a financial conflict of interest; and providing for an effective date.

7

8 * **Section 1.** AS 15.13.068 is amended to read:

9 **Sec. 15.13.068. Expenditures and contributions by foreign-influenced**
10 **corporations and foreign nationals.** (a) A **foreign-influenced corporation or**
11 foreign national may not, directly or indirectly, in connection with an election under
12 this chapter, make a contribution or expenditure or make an express or implied

1 promise to make a contribution or expenditure.

2 (b) The provisions of this section prohibit a **foreign-influenced corporation**
3 **or** foreign national from making a contribution or expenditure in connection with a
4 state election only to the extent

5 (1) [THAT] federal law prohibits **the foreign-influenced corporation**
6 **or** [A] foreign national from making a contribution or expenditure in connection with
7 a state election; and

8 (2) permitted by federal law.

9 (c) In this section,

10 (1) **"corporation" means any corporation, company, limited**
11 **liability company, limited partnership, business trust, business association, or**
12 **other similar entity;**

13 (2) **"covered expenditure" means an independent expenditure,**
14 **electioneering expenditure, or express communication, but does not include a**
15 **media communication, membership communication, shareholder**
16 **communication, or expenditure as defined in AS 15.13.400;**

17 (3) **"election" means any state or local election, including a special**
18 **or runoff election;**

19 (4) **"electioneering expenditure" means a purchase or transfer of,**
20 **or a promise or agreement to purchase or transfer, money or a thing of value to**
21 **enable or facilitate the broadcast or other distribution of a communication that**

22 (A) **clearly refers to a candidate for an election under (B) of**
23 **this paragraph;**

24 (B) **occurs in a 60-day period immediately preceding a**
25 **general, special, or runoff election or within the 30 days preceding a**
26 **primary or preference election, or a convention or caucus of a political**
27 **party legally permitted to nominate a candidate for an election under this**
28 **chapter; and**

29 (C) **may be received by 500 or more persons in the**
30 **jurisdiction the candidate seeks to represent;**

31 (5) **"foreign-influenced corporation" means a corporation for**

1 which

2 (A) a foreign national or foreign owner holds, owns,
3 controls, or has direct or indirect beneficial ownership of equity or voting
4 shares in an amount equal to or greater than five percent of all corporate
5 voting shares outstanding or all corporate equity;

6 (B) two or more foreign nationals or foreign owners
7 combined hold, own, control, or have direct or indirect beneficial
8 ownership of equity or voting shares in an amount equal to or greater
9 than 20 percent of all corporate voting shares outstanding or all corporate
10 equity; or

11 (C) a foreign national or foreign owner participates directly
12 or indirectly in decisions relating to covered expenditures or
13 contributions;

14 (6) "foreign national" means

15 (A) [INCLUDES (1)] an individual who is not a United States
16 citizen or lawfully admitted for permanent residence under 8 U.S.C.

17 1101(a)(20);

18 (B) [(2)] a foreign government, every political subdivision of a
19 foreign government, every official, agent, or representative of a foreign

20 government, and every agency, corporation, or instrumentality of the foreign

21 government or of a political subdivision of a foreign government;

22 (C) [(3)] a person outside of the United States, unless it is
23 established that the person is an individual and a citizen of and domiciled in

24 the United States, or that the person is not an individual and is organized under

25 or created by the laws of the United States or of any state or other place subject

26 to the jurisdiction of the United States and has its principal place of business in

27 the United States; or

28 (D) [(4)] a partnership, association, corporation, organization,
29 or other combination of persons organized under the laws of or having its

30 principal place of business in a foreign country;

31 (7) "foreign owner" means a person for whom a foreign national

1 holds, owns, controls, or otherwise has directly or indirectly acquired beneficial
2 ownership of equity or voting shares in a corporation in an amount equal to or
3 greater than 50 percent of all corporate voting shares outstanding or all
4 corporate equity;

5 (8) "media communication" means a communication

6 (A) in a news story, commentary, or editorial distributed
7 through the facilities of a radio station, television station, cable television
8 system, or satellite system, newspaper, magazine, or other periodical
9 publication, unless the facilities are owned or controlled by a political
10 party, political committee, or candidate; or

11 (B) that constitutes a public debate or forum that includes
12 at least two opposing candidates for an office or one advocate and one
13 opponent of an issue, or that solely promotes such a debate or forum and
14 is made by or on behalf of the person sponsoring the debate or forum,
15 provided that the staging organization

16 (i) is a charitable organization that does not make
17 other covered expenditures and does not otherwise support or
18 oppose any political candidate, political party, ballot propositions
19 or questions, or initiative proposals or is a newspaper, radio
20 station, television station, cable television system, or satellite
21 system, newspaper, magazine, or other periodical publication, or
22 other recognized news medium; and

23 (ii) does not structure the debate to promote or
24 advance one candidate or issue position over another;

25 (9) "membership communication" means a direct and private
26 communication between a membership organization or union and one or more
27 members of the organization or union, if the membership organization or union

28 (A) has members with authority to administer the
29 membership organization or union;

30 (B) expressly states the qualifications and requirements for
31 membership in articles, bylaws, or other formal organizational

1 documents; and

2 (C) is not organized primarily for the purpose of making
3 covered expenditures or influencing elections, ballot propositions, ballot
4 questions, or ballot initiative proposals;

5 (10) "shareholder communication" means a direct and private
6 communication between a corporation and shareholders, executives, or
7 administrative personnel of the corporation.

8 * **Sec. 2.** AS 15.13.068 is amended by adding new subsections to read:

9 (d) Notwithstanding (a) of this section, a foreign-influenced corporation may
10 make a contribution to a person who makes covered expenditures or contributions if
11 that person segregates contributions from foreign nationals and foreign-influenced
12 corporations into a separate bank account that may not be used, directly or indirectly,
13 to finance covered expenditures or contributions.

14 (e) In this section, when determining the percentage of a corporation's shares
15 outstanding or equity owned by two or more foreign nationals,

16 (1) ownership in a mutual or pension fund that holds securities is not a
17 form of ownership or control in such securities unless the foreign national or foreign
18 owner can exercise control or participate in the management of the fund;

19 (2) for privately held corporations, a corporation shall determine its
20 percentage of foreign ownership at the time it obligates funds to make covered
21 expenditures or contributions;

22 (3) a publicly held corporation shall determine whether it is a foreign-
23 influenced corporation based on its aggregate foreign ownership percentage at the
24 close of trading on the last business day of the calendar quarter preceding the date the
25 corporation makes or obligates funds to make a covered expenditure or contribution,
26 unless the corporation has actual knowledge of its foreign ownership percentage at the
27 time it makes or becomes obligated to make the covered expenditure or contribution;
28 for the purposes of this paragraph, the corporation shall rely on facts, including
29 information

30 (A) in the corporation's shareholder register;

31 (B) in possession of the United States Securities and Exchange

1 Commission or another governmental agency that is available to the general
2 public;

3 (C) known to the corporation as a result of litigation, financing
4 transactions, or proxies voted at annual or other meetings; and

5 (D) known to the corporation from another source.

6 * **Sec. 3.** AS 24.10.120(a) is amended to read:

7 (a) Salaries, per diem, travel expenses, relocation expenses, and additional
8 allowances for members of the legislature shall be paid as approved by the legislative
9 fiscal officer. **The legislative fiscal officer may not approve payment for a**
10 **member's travel outside the United States unless the member first provides a**
11 **report establishing that the travel has a legislative purpose. The legislative fiscal**
12 **officer shall provide a form on which a report under this subsection must be**
13 **submitted.**

14 * **Sec. 4.** AS 24.10.130(b) is amended to read:

15 (b) Legislators and officers and employees of the legislative branch of
16 government may be entitled to a per diem allowance; **however, if a bill that fully**
17 **funds an operating budget has not, within the first 121 consecutive days of a**
18 **regular legislative session, including the day the legislature first convenes in that**
19 **regular session, been passed by the legislature, a member of the legislature is not**
20 **entitled to a daily per diem allowance for a day the legislature is in session after**
21 **that 121-day period until the first day after a bill that fully funds an operating**
22 **budget is passed by the legislature or the first day of the next regular legislative**
23 **session, whichever occurs earlier. In this subsection, "passed by the legislature"**
24 **has the meaning given in AS 01.10.070.**

25 * **Sec. 5.** AS 24.10.130(c) is amended to read:

26 (c) The Alaska Legislative Council shall adopt a policy in accordance with **(b)**
27 **of this section and** AS 39.23.540(d) regarding reimbursement for moving expenses
28 [APPLICABLE TO ALL LEGISLATORS] and **payment of a** [AN APPLICABLE]
29 per diem allowance [POLICY]. The policy must set conditions for the reimbursement
30 for moving expenses and payment of per diem and prescribe the amounts of
31 reimbursement adapted to the special needs of the legislative branch as determined by

1 the council.

2 * **Sec. 6.** AS 24.45.121(a) is amended to read:

3 (a) A lobbyist may not

4 (1) engage in any activity as a lobbyist before registering under
5 AS 24.45.041;

6 (2) do anything with the intent of placing a public official under
7 personal obligation to the lobbyist or to the lobbyist's employer;

8 (3) intentionally deceive or attempt to deceive any public official with
9 regard to any material fact pertinent to pending or proposed legislative or
10 administrative action;

11 (4) cause or influence the introduction of a legislative measure solely
12 for the purpose of thereafter being employed to secure its passage or its defeat;

13 (5) cause a communication to be sent to a public official in the name of
14 any fictitious person or in the name of any real person, except with the consent of that
15 person;

16 (6) accept or agree to accept any payment in any way contingent upon
17 the defeat, enactment, or outcome of any proposed legislative or administrative action;

18 (7) serve as a member of a state board or commission, if the lobbyist's
19 employer may receive direct economic benefit from a decision of that board or
20 commission;

21 (8) serve as a campaign manager or director, serve as a campaign
22 treasurer or deputy campaign treasurer on a finance or fund-raising committee, host a
23 fund-raising event, directly or indirectly collect contributions for, or deliver
24 contributions to, a candidate, or otherwise engage in the fund-raising activity of a
25 legislative campaign or campaign for governor or lieutenant governor if the lobbyist
26 has registered, or is required to register, as a lobbyist under this chapter, during the
27 calendar year; this paragraph does not apply to a representational lobbyist as defined
28 in the regulations of the Alaska Public Offices Commission, and does not prohibit a
29 lobbyist from making personal contributions to a candidate as authorized by AS 15.13
30 or personally advocating on behalf of a candidate;

31 (9) offer, solicit, initiate, facilitate, or provide to or on behalf of a

1 person covered by AS 24.60 a gift, other than food or **a nonalcoholic** beverage for
2 immediate consumption **under AS 24.60.080(a)(2)(A)**, or a compassionate gift under
3 AS 24.60.075; however, this paragraph does not prohibit a lobbyist from providing

4 (A) a gift to a legislator or legislative employee who is a
5 member of the lobbyist's immediate family as defined in AS 24.60.990(a), if
6 the gift is unconnected to the recipient's legislative status;

7 (B) tickets to a charity event described in
8 AS 24.60.080(a)(2)(B); or

9 (C) a contribution to a charity event under
10 AS 24.60.080(c)(10);

11 (10) make or offer a gift or a campaign contribution whose acceptance
12 by the person to whom it is offered would violate AS 24.60 or AS 39.52.

13 * **Sec. 7.** AS 24.60.030(e) is amended to read:

14 (e) A legislator may not directly, or by authorizing another to act on the
15 legislator's behalf,

16 (1) agree to, threaten to, or state or imply that the legislator will take or
17 withhold a legislative, administrative, or political action, including support **for** or
18 opposition to a bill, employment, nominations, and appointments, as a result of a
19 person's decision to provide or not provide a political contribution, donate or not
20 donate to a cause favored by the legislator, or provide or not provide a thing of value;

21 (2) state or imply that the legislator will perform or refrain from
22 performing a lawful constituent service as a result of a person's decision to provide or
23 not provide a political contribution, donate or not donate to a cause favored by the
24 legislator, or provide or not provide a thing of value; or

25 (3) **except as provided in (g) of this section or while participating**
26 **in a public discussion or debate** [UNLESS REQUIRED BY THE UNIFORM
27 RULES OF THE ALASKA STATE LEGISLATURE], take or withhold official
28 action or exert official influence that could substantially benefit or harm the financial
29 interest of **a** [ANOTHER] person

30 **(A) who is a member of the legislator's immediate family;**

31 **(B) by** [WITH] whom the legislator **or a member of the**

1 legislator's immediate family is employed;

2 (C) with whom the legislator is negotiating for employment;

3 (D) from whom the legislator or a member of the
4 legislator's immediate family has, in the immediately preceding 12-month
5 period, received more than \$10,000 of income.

6 * **Sec. 8.** AS 24.60.030(g) is amended to read:

7 (g) Unless **otherwise** required by the Uniform Rules of the Alaska State
8 Legislature, a legislator **shall declare a conflict of interest before voting** [MAY
9 NOT VOTE] on a question **before a committee of the legislature, and shall request**
10 **to be excused from voting on a question before a house of the legislature,** if the
11 legislator **or a member of the legislator's immediate family** has **a financial** [AN
12 EQUITY OR OWNERSHIP] interest in a business, investment, real property, lease, or
13 other enterprise if the interest is substantial and the effect on that interest of the action
14 to be voted on is greater than the effect on **the general public of the state. However,**
15 **notwithstanding (e)(3) of this section and the limitations of this subsection, a**
16 **legislator may vote on an appropriation bill that meets the requirements of**
17 **AS 37.07.020(a) or 37.07.100** [A SUBSTANTIAL CLASS OF PERSONS TO
18 WHICH THE LEGISLATOR BELONGS AS A MEMBER OF A PROFESSION,
19 OCCUPATION, INDUSTRY, OR REGION].

20 * **Sec. 9.** AS 24.60.030(j) is amended to read:

21 (j) In this section,

22 **(1)** "administrative hearing" means a quasi-judicial hearing before an
23 agency; "administrative hearing" does not include an informal conference or review
24 held by an agency before a final decision is issued or a rate-making proceeding or
25 other nonadjudicative public hearing;

26 **(2)** "**substantially benefit or harm**" means the effect on the
27 **person's financial interest is greater than the effect on the financial interest of the**
28 **general public of the state.**

29 * **Sec. 10.** AS 24.60.080(a) is amended to read:

30 (a) Except as otherwise provided in this section, a legislator or legislative
31 employee may not

1 (1) solicit, accept, or receive, directly or indirectly, a gift worth \$250
2 or more, whether in the form of money, services, a loan, travel, entertainment,
3 hospitality, promise, or other form, or gifts from the same person worth less than \$250
4 that in a calendar year aggregate to \$250 or more in value;

5 (2) solicit, accept, or receive a gift with any monetary value from a
6 lobbyist, an immediate family member of a lobbyist, or a person acting on behalf of a
7 lobbyist, except

8 (A) food or nonalcoholic beverage for immediate consumption

9 (i) with a value of \$15 or less; or

10 (ii) provided as part of an event that is open to all
11 legislators or legislative employees;

12 (B) a contribution to a charity event, tickets to a charity event,
13 and gifts to which the tickets may entitle the bearer; however, under this
14 subparagraph a legislator or legislative employee may not solicit, accept, or
15 receive from the same lobbyist, an immediate family member of the lobbyist,
16 or a person acting on behalf of the lobbyist, tickets to a charity event, gifts to
17 which the tickets may entitle the bearer, or both, that in a calendar year
18 aggregate to \$250 or more in value; in this subparagraph, "charity event"
19 means an event the proceeds of which go to a charitable organization with tax-
20 free status under 26 U.S.C. 501(c)(3) and that the Alaska legislative council
21 has approved in advance; the tickets may entitle the bearer to admission to the
22 event, to entertainment, to food or beverages, or to other gifts or services in
23 connection with the charity event;

24 (C) a gift that is unconnected with the recipient's legislative
25 status and is from a member of the legislator's or legislative employee's
26 immediate family;

27 (D) a gift delivered on the premises of a state facility and
28 accepted on behalf of a recognized nonpolitical charitable organization; or

29 (E) a compassionate gift under AS 24.60.075.

30 * **Sec. 11.** AS 24.60.990(a) is amended by adding a new paragraph to read:

31 (17) "financial interest" means ownership of an interest or an

1 involvement in a business, including a property ownership, or a professional or private
2 relationship, that is a source of income, or from which, or as a result of which, a
3 person has received or expects to receive a financial benefit.

4 * **Sec. 12.** AS 39.23.540(d) is amended to read:

5 (d) The commission shall make available to the governor and presiding
6 officers of each house of the legislature a final report of its findings and
7 recommendations as to the rate and form of compensation, benefits, and allowances
8 for legislators, the governor, the lieutenant governor, and each principal executive
9 department head during the first 10 days of a legislative session. Subject to
10 **AS 24.10.130(b) and** (g) of this section, and unless a bill disapproving all the
11 recommendations for all officers listed in this section is enacted into law within 60
12 days after the recommendations are submitted to the governor and presiding officers
13 of each house of the legislature, a recommendation as to the compensation, benefits,
14 and allowances for

15 (1) a legislator has the force of law and becomes effective on the first
16 day of the next regular legislative session; and

17 (2) the governor, the lieutenant governor, and each principal executive
18 department head has the force of law and becomes effective on the first day of the
19 fiscal year following the fiscal year in which the recommendation is submitted.

20 * **Sec. 13.** AS 24.45.051(b) is repealed.

21 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
22 read:

23 REGULATIONS. The Alaska Public Offices Commission shall adopt regulations
24 necessary to implement secs. 1 and 2 of this Act. The regulations are subject to AS 44.62
25 (Administrative Procedure Act). Regulations adopted under this section may not take effect
26 before the effective date of the law being implemented by the regulation.

27 * **Sec. 15.** The uncodified law of the State of Alaska is amended by adding a new section to
28 read:

29 SEVERABILITY. Under AS 01.10.030, if any provision of this Act, or the application
30 of a provision of this Act to any person or circumstance, is held invalid, the remainder of this
31 Act and the application to other persons or circumstances are not affected.

- 1 * **Sec. 16.** Section 14 of this Act takes effect immediately under AS 01.10.070(c).
- 2 * **Sec. 17.** Except as provided in sec. 16 of this Act, this Act takes effect July 1, 2018.