

Opting Out of Reporting Requirements Under Alaska Statute 39.50, Public Official Financial Disclosure

Under the same law that requires your municipal officials to file Public Official Financial Disclosure Statements, there is an option for a municipality to exempt their officials and candidates from reporting.

Some municipalities have opted out of the reporting requirement entirely while other municipalities have chosen to opt out and create a simpler version of the requirements forms and now administer their own version of financial disclosure reporting.

The authority to opt out of the POFD reporting requirements can be found in AS 39.50.145, Alaska's Public Official Financial Disclosure Law:

Sec. 39.50.145. Participation by municipalities. A municipality may exempt its municipal officers from the requirements of this chapter if a majority of the voters voting on the question at a regular election, as defined by AS 29.71.800(20), or a special municipality-wide election, vote to exempt its municipal officers from the requirements of this chapter. The question of exemption from the requirements of this chapter may be submitted by the city council or borough assembly by ordinance or by initiative election. (§ 16 ch 25 SLA 1975; am § 1 ch 211 SLA 1975; am § 62 ch 74 SLA 1985)

PROCESS FOR OPTING OUT

- Step 1:** The question of exemption from AS 39.50 is submitted by your city council or borough assembly, by ordinance or by initiative election. The city council must approve the ordinance to place the question of exemption from the law on the ballot. (See attached sample language.)
- Step 2:** Educate voters on the ballot question.
- Step 3:** Voters decide at a regular or special municipality-wide election whether or not to opt out of AS 39.50.
- Step 4:** If a majority of voters decide to opt out of POFD reporting requirements, your municipal officials are no longer subject to AS 39.50.
- Step 5:** You must provide APOC with a copy of the official election results indicating that your municipality is no longer subject to the POFD law administered by APOC. Your officials and candidates will not be required to file POFD statements the following year.
(If a majority of voters decide not to opt out of the POFD reporting requirements, your officials will continue reporting under AS 39.50.)

**SAMPLE ORDINANCE FOR PLACING THE QUESTION OF EXEMPTION
FROM THE AS 39.50, PUBLIC OFFICIAL FINANCIAL DISCLOSURE
LAW ON THE BALLOT**

ORDINANCE NO. _____

THE BOROUGH / CITY OF _____ ORDAINS:

*That the question of whether or not to exempt municipal officers and candidates
for elective office from the requirements of the State of Alaska Public Official
Financial Disclosure Law (AS 39.50) shall be placed on the ballot*

(1) at the regular election to be held on _____ (date of the election).

- OR -

*(2) at a special election called for that purpose and scheduled to be held on
_____ (date of special election).*

**SAMPLE BALLOT LANGUAGE FOR PLACING THE QUESTION OF
EXEMPTION FROM THE PUBLIC OFFICIAL FINANCIAL DISCLOSURE
LAW (AS 39.50) ON THE BALLOT**

OFFICIAL BALLOT

BOROUGH/CITY OF _____ DATE: _____ PROPOSITION NUMBER _____

*Shall the municipal officers and candidates for elective office of the Borough/City
of _____ exempt from the requirements of the AS 39.50, Public Official
Financial Disclosure Law*

**YES _____
NO _____**