### CAMPAIGN CONTRIBUTION LIMITS

Representative Andy Josephson

32<sup>nd</sup> Legislature

#### SECTIONAL ANALYSIS

Sec I. Contribution limits on individuals

~

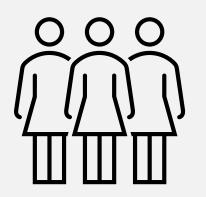
\$700	House of Representatives*
\$1,000	Senator
\$1,500	Governor
\$1,000	Groups*
\$5,000	Political parties
	\$1,000 \$1,500 \$1,000

<sup>\*</sup>Applies to municipal races, judges seeking retention, and delegates to a constitutional convention

<sup>\*</sup>Groups or PACs that give directly to candidates

#### **SECTIONAL**

Sec. 2\* Limits on groups that are not political parties





Double the limits of an individual

**Candidates** 

Other groups

Political parties

<sup>\*</sup>Section 3 duplicates the language for nongroup entities.

#### **SECTIONAL**

• Sec. 4 Joint campaigns for governor and lieutenant governor



\$3,000

Joint campaign for governor and lieutenant governor.



\$6,000

#### **SECTIONAL**

- Sec. 5 Indexing for inflation
- Sec. 6 Limiting nonresident contributions to 50% of a candidate's total contributions during the campaign.

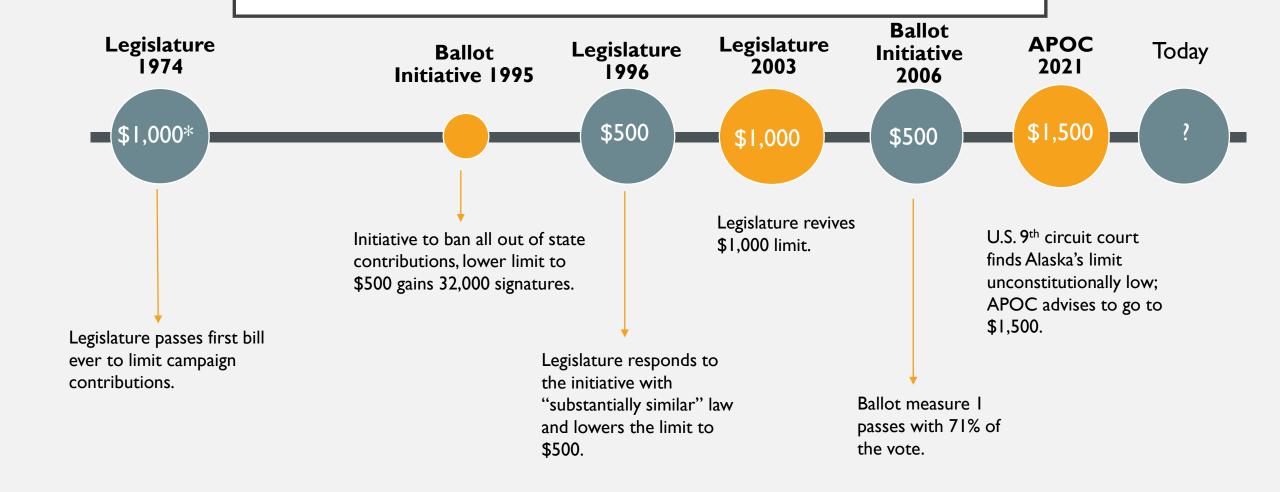
#### BILL PROPOSAL AND GOAL

Maintain the spirit of previous law and Alaskans' preferences as closely as possible while staying in the confines of the Constitution. Combat corruption and the appearance of corruption in our elections.

### HISTORY OF CAMPAIGN CONTRIBUTION LIMITS IN ALASKA

- 1974: AK Leg passes \$1,000 contribution limit.
- 1996: Legislature lowers the limit to \$500 to pre-empt a ballot initiative.
- 2003: Legislature raises the limit back to \$1,000.
- 2006: Ballot initiative passes with 73% support for limit to be lowered back to \$500.
- 2021: Thompson v. Hebdon 9<sup>th</sup> Circuit finds Alaska's \$500 limit unconstitutional and APOC reverts to \$1,000 + inflation = \$1,500.

#### LEGISLATIVE HISTORY



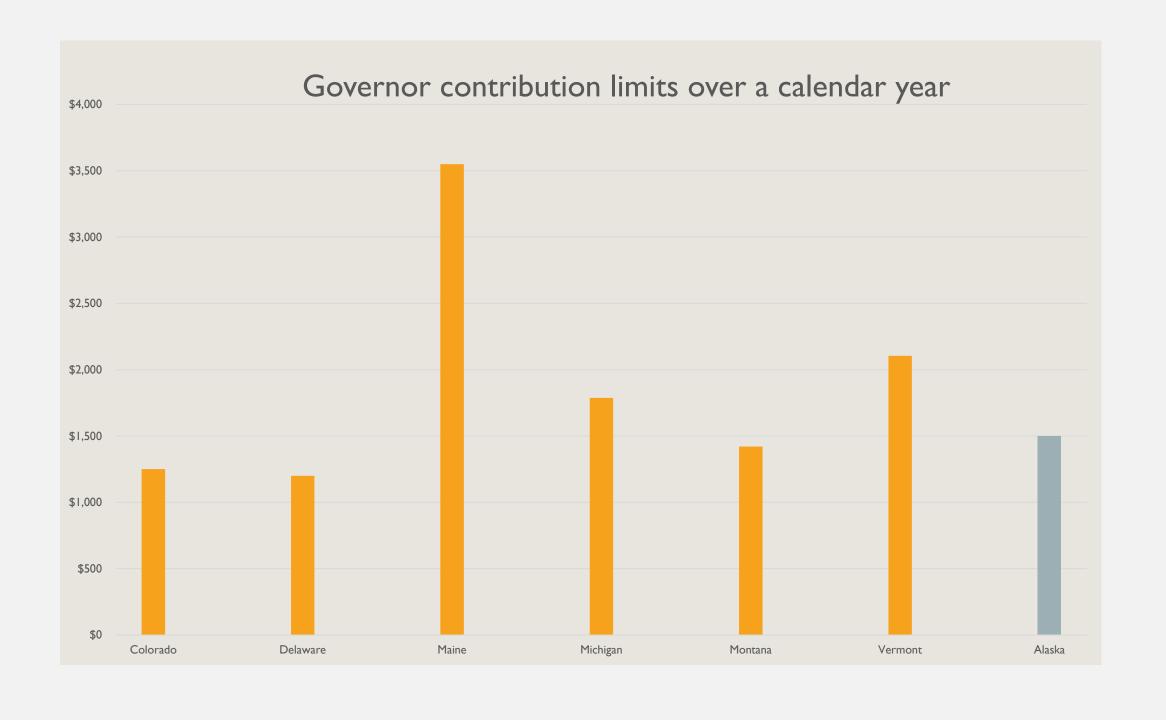
# HISTORICAL LIMITS IN TODAY'S DOLLARS

Year	Historical Value	Value in Today's Dollars (10/2021)
1974	\$1,000* (Legislative)	\$5,900 <sup>1</sup>
1996	\$500 (Ballot pre-empting)	<mark>\$895</mark>
2003	\$1,000 (Legislative)	\$1,522 <sup>2</sup>
2006	\$500 (Ballot)	\$697 <sup>3</sup>

- I. The legislature also limited campaign expenses severely to 40% of the equivalent of the state's population. This lowered the impact of the high contribution limit.
- 2. This is where APOC derived the source of their \$1,500 estimate.
- 3. This is where this bill derives its starting point for House races.







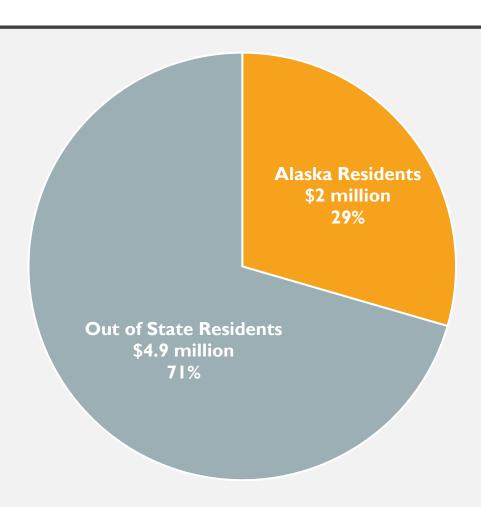
#### STATE BY STATE COMPARISON

	House	Senate	Governor	
Colorado	\$200	\$200	\$625	per election
Adjusted to calendar year	\$400	\$400	\$1,250	
Connecticut	\$250	\$1,000	\$3,500	per election
Adjusted to calendar year	\$500	\$2,000	\$7,000	
Delaware	\$600	\$600	\$1,200	per cycle
Adjusted to calendar year	\$600	\$600	\$1,200	
Maine	\$425	\$425	\$1,725	per election
Adjusted to calendar year	\$850	\$850	\$3,550	
Michigan	\$1,050	\$2,100	\$7,150	per cycle
Adjusted to calendar year	\$525	\$525	\$1,787	
Montana	\$180	\$360	\$710	per election
Adjusted to calendar year	\$360	\$720	\$1,420	
Vermont	\$1,050	\$1,580	\$4,210	per two-years
Adjusted to calendar year	\$525	\$790	\$2,105	

#### ALASKANS PREFER LOW LIMITS

- There have been two ballot initiatives to lower limits and reduce nonresident influence over Alaskan elections.
  - The 1995 initiative quickly gained 32,000 signatures and put pressure on the legislature to pass a similar bill.
    - The Anchorage Daily News published this quote at the time:
      - "VECO's Pete Leathard said he fears the initiative might diminish the industry's influence."
  - The 2006 Ballot Initiative went to the ballot and passed with 71% of voters approving the measure.

## CONTRIBUTIONS TO CANDIDATES FOR GOVERNOR THROUGH INDEPENDENT EXPENDITURES 2018



#### CONSTITUTIONALITY

- Passes the test laid out in Randall v. Sorrell.
- Nonresident limits like this are untested by the courts.

#### EMPIRICAL EVIDENCE

- Empirical studies have found links between large contributions and public trust in government.
- One study found that "a large majority of Americans believe that the campaign finance system contributes to corruption in government."
  - Perceptions of Corruption and Campaign Finance: When Public Opinion Determines Constitutional Law, 153 U. Pa. Law Review 119, 120 (2004)
- Another found that "members' dependency on outside contributions draws them
  in a more extremely liberal or extremely conservative ideological direction that is
  counter to the ideological preferences of the districts they represent."
  - Getting Short-Changed? The Impact of Outside Money on District Representation, <u>97 Social</u>
     <u>Science Quarterly</u>