32-LS0669\G Bullard 4/4/22

## SENATE CS FOR CS FOR HOUSE BILL NO. 157(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: Referred:

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Sponsor(s): REPRESENTATIVES RASMUSSEN, Kreiss-Tomkins, Schrage, Merrick, LeBon, Josephson, Hopkins, Story, Tarr

### **A BILL**

# FOR AN ACT ENTITLED

"An Act requiring the disclosure of the identity of certain persons, groups, and nongroup entities that expend money in support of or in opposition to an application filed for a state referendum or recall election; relating to the location of offices for the Alaska Public Offices Commission and the locations at which certain statements and reports filed with the commission are made available; clarifying the limits on making, accepting, and reporting certain cash campaign contributions; relating to campaign finance reporting by certain groups; changing the date a legislator is required to report certain campaign contributions and expenditures; increasing the time the Alaska Public Offices Commission has to respond to a request for an advisory opinion; relating to complaints alleging campaign finance violations; repealing a reporting requirement for certain contributions; relating to contribution limits and recall campaigns; relating to reporting of contributions made after the date of the election by a candidate for the

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legislature; and providing for an effective date."

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

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

(b) Except as otherwise provided, this chapter applies to contributions, expenditures, and communications made to influence the nomination or election of a candidate or for the purpose of

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

(2) supporting or opposing

(A) an initiative proposal application filed under AS 15.45.020;

(B) a referendum application filed under AS 15.45.260; or
(C) a recall application filed under AS 15.45.480 [AS WELL
AS THOSE MADE TO INFLUENCE THE NOMINATION OR ELECTION
OF A CANDIDATE].

\* **Sec. 2.** AS 15.13.020(j) is amended to read:

(j) The commission shall establish offices [AN OFFICE, WHICH MAY BE CALLED A REGIONAL OFFICE, IN EACH SENATE DISTRICT IN THE STATE] to keep on file for public inspection copies of all reports filed with the commission [BY CANDIDATES FOR STATEWIDE OFFICE AND BY CANDIDATES FOR LEGISLATIVE OFFICE IN THAT DISTRICT; HOWEVER, WHERE ONE MUNICIPALITY CONTAINS MORE THAN ONE HOUSE DISTRICT, ONLY ONE COMMISSION OFFICE SHALL BE ESTABLISHED IN THAT MUNICIPALITY. THE REGIONAL OFFICE SHALL MAKE ALL FORMS AND PERTINENT MATERIAL AVAILABLE TO CANDIDATES. ALL REPORTS SHALL BE FILED BY CANDIDATES, GROUPS, AND INDIVIDUALS DIRECTLY WITH THE COMMISSION'S CENTRAL DISTRICT OFFICE. THE COMMISSION SHALL ENSURE THAT COPIES OF ALL REPORTS BY STATEWIDE AND LEGISLATIVE CANDIDATES IN EACH SENATE DISTRICT ARE FORWARDED PROMPTLY TO THAT DISTRICT OR REGIONAL OFFICE].

\* Sec. 3. AS 15.13.040(b) is amended to read:

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(b) Each group shall make a full report **on** [UPON] a form prescribed by the commission, listing

(1) the name and address of each officer and director;

- (2) the aggregate amount of all contributions made to it; and, for all contributions in excess of \$100 in the aggregate <u>in</u> a <u>calendar</u> year, the name, address, principal occupation, and employer of the contributor, and the date and amount contributed by each contributor; for purposes of this paragraph, "contributor" means the true source of the funds, property, or services being contributed; and
- (3) the date and amount of all contributions made by it and all expenditures made, incurred, or authorized by it.

\* Sec. 4. AS 15.13.050(a) is amended to read:

(a) Before making an expenditure in support of or in opposition to a candidate or before making an expenditure in support of or in opposition to a ballot proposition or question or to an initiative proposal application filed [WITH THE LIEUTENANT GOVERNOR] under AS 15.45.020, a referendum application filed under AS 15.45.260, or a recall application filed under AS 15.45.480, each person other than an individual shall register, on forms provided by the commission, with the commission.

\* **Sec. 5.** AS 15.13.065(c) is amended to read:

(c) Except for reports required by AS 15.13.040 and 15.13.110 and except for the requirements of AS 15.13.050, 15.13.060, and 15.13.112 - 15.13.114, the provisions of AS 15.13.010 - 15.13.116 do not apply to limit the authority of a person to make contributions to influence the outcome of a ballot proposition. In this subsection, [IN ADDITION TO ITS MEANING IN AS 15.80.010,] "proposition"

# (1) includes, in addition to its meaning in AS 15.80.010,

(A) [(1)] an issue placed on a ballot to determine whether

(i) [(A)] a constitutional convention shall be called;

(ii) [(B)] a debt shall be contracted;

(iii) [(C)] an advisory question shall be approved or

rejected; or

(iv) [(D)] a municipality shall be incorporated;

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(B) [(2)] an initiative proposal application filed [WITH THE LIEUTENANT GOVERNOR] under AS 15.45.020; and

# (C) a referendum application filed under AS 15.45.260;

# (2) does not include a recall application filed under AS 15.45.480

### or a recall question.

- \* **Sec. 6.** AS 15.13.072(b) is amended to read:
  - (b) <u>In a calendar year, a</u> [A] candidate or an individual who has filed with the commission the document necessary to permit the individual to incur election-related expenses under AS 15.13.100, or a group, may not solicit or accept a cash contribution that exceeds \$100.
- \* Sec. 7. AS 15.13.074(e) is amended to read:
  - (e) A person or group may not make a cash contribution that exceeds \$100 in a calendar year.
- \* Sec. 8. AS 15.13.110(a) is amended to read:
  - (a) Each candidate, group, and nongroup entity shall make a full report in accordance with AS 15.13.040 for the period ending three days before the due date of the report and beginning on the last day covered by the most recent previous report. If the report is a first report, it must cover the period from the beginning of the campaign to the date three days before the due date of the report. If the report is a report due February 15, or a report subject to (m) of this section, it must cover the period beginning on the last day covered by the most recent previous report or on the day that the campaign started, whichever is later, and ending on February 1 of that year. The report shall be filed
  - (1) 30 days before the election; however, this report is not required if the deadline for filing a nominating petition or declaration of candidacy is within 30 days of the election;
    - (2) one week before the election;
    - (3) 105 days after a special election; and
  - (4) <u>except as provided by (m) of this section</u>, February 15 for expenditures made and contributions received that were not reported previously, including, if applicable, all amounts expended from a public office expense term

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account established under AS 15.13.116(a)(8) and all amounts expended from a municipal office account under AS 15.13.116(a)(9), or when expenditures were not made or contributions were not received during the previous year.

\* Sec. 9. AS 15.13.110(e) is amended to read:

- (e) A referendum committee, person, group, or nongroup entity receiving contributions exceeding \$500 or making expenditures exceeding \$500 in a calendar year in support of or in opposition to a referendum on the ballot in a statewide election or a referendum application filed with the lieutenant governor under AS 15.45.260 shall file a [GROUP FORMED TO SPONSOR A REFERENDUM OR A RECALL SHALL REPORT 30 DAYS AFTER ITS FIRST FILING WITH THE LIEUTENANT GOVERNOR. THEREAFTER, EACH GROUP SHALL] report within 10 days after the end of each calendar quarter on the contributions received and expenditures made during the preceding calendar quarter until reports are due under (a) and (b) of this section. If the report is a first report, it must cover the period beginning the day a referendum application is filed under AS 15.45.260 and ending three days before the due date of the report.
- \* Sec. 10. AS 15.13.110 is amended by adding new subsections to read:
  - (l)A recall committee, person, group, or nongroup entity receiving contributions exceeding \$500 or making expenditures exceeding \$500 in a calendar year in support of or in opposition to the recall of a public official in a statewide election or a recall application filed with the lieutenant governor under AS 15.45.480 shall file a report within 10 days after the end of each calendar quarter on the contributions received and expenditures made during the preceding calendar quarter until reports are due under (a) and (b) of this section. If the report is a first report, it must cover the period beginning the day a recall application is filed under AS 15.45.480 and ending three days before the due date of the report.
  - (m) Notwithstanding AS 15.13.110(a)(4), a candidate who is serving as a legislator shall file the report due under AS 15.13.110(a)(4) not later than 15 days after the date of the adjournment of the regular legislative session.
  - (n) A candidate for the legislature shall report each contribution exceeding \$500 that is made on or after the date of the election to the commission by date,

amount, and contributor within seven days after the candidate, campaign treasurer, or deputy campaign treasurer receives the contribution.

# \* **Sec. 11.** AS 15.13.374(c) is amended to read:

- (c) Within seven <u>business</u> days after receiving a request satisfying the requirements of (b) of this section, the executive director of the commission shall recommend a draft advisory opinion for the commission to consider at its next meeting.
- \* Sec. 12. AS 15.13.380(b) is amended to read:
  - (b) A person who believes a violation of this chapter or a regulation adopted under this chapter has occurred or is occurring may file an administrative complaint with the commission within <u>two</u> [FIVE] years after the date of the alleged violation. If a member of the commission has filed the complaint, that member may not participate as a commissioner in any proceeding of the commission with respect to the complaint. The commission may consider a complaint on an expedited basis or a regular basis.
- \* **Sec. 13.** AS 15.13.400(4) is amended to read:

## (4) "contribution"

- (A) means a purchase, payment, promise or obligation to pay, loan or loan guarantee, deposit or gift of money, goods, or services for which charge is ordinarily made, and includes the payment by a person other than a candidate or political party <u>or other group</u>, or compensation for the personal services of another person, that is rendered to the candidate or political party <u>or other group</u> [,] and that is made for the purpose of
  - (i) influencing the nomination or election of a candidate;
    - (ii) influencing a ballot proposition or question; or
  - (iii) supporting or opposing an initiative proposal application filed [WITH THE LIEUTENANT GOVERNOR] under AS 15.45.020, a referendum application filed under AS 15.45.260, or a recall application filed under AS 15.45.480;
    - (B) does not include
      - (i) services provided without compensation by

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individuals volunteering a portion or all of their time on behalf of a political party, candidate, or ballot proposition or question;

- (ii) ordinary hospitality in a home;
- (iii) two or fewer mass mailings before each election by each political party describing members of the party running as candidates for public office in that election, which may include photographs, biographies, and information about the candidates;
- (iv) the results of a poll limited to issues and not mentioning any candidate, unless the poll was requested by or designed primarily to benefit the candidate;
- (v) any communication in the form of a newsletter from a legislator to the legislator's constituents, except a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee;
- (vi) a fundraising list provided without compensation by one candidate or political party to a candidate or political party; or
- (vii) an opportunity to participate in a candidate forum provided to a candidate without compensation to the candidate by another person and for which a candidate is not ordinarily charged;

\* **Sec. 14.** AS 15.13.400(7) is amended to read:

# (7) "expenditure"

- (A) means a purchase or a transfer of money or anything of value, or promise or agreement to purchase or transfer money or anything of value, incurred or made for the purpose of
  - (i) influencing the nomination or election of a candidate or of any individual who files for nomination at a later date and becomes a candidate;
    - (ii) use by a political party;
  - (iii) the payment by a person other than a candidate or political party of compensation for the personal services of another

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person that are rendered to a candidate or political party;

- (iv) influencing the outcome of a ballot proposition or question; or
- (v) supporting or opposing an initiative proposal application filed [WITH THE LIEUTENANT GOVERNOR] under AS 15.45.020, a referendum application filed under AS 15.45.260, or a recall application filed under AS 15.45.480;
- (B) does not include a candidate's filing fee or the cost of preparing reports and statements required by this chapter;
- (C) includes an express communication and an electioneering communication, but does not include an issues communication;

\* **Sec. 15.** AS 15.13.400(9) is amended to read:

- (9) "group" means
- (A) every state and regional executive committee of a political party;
- (B) any combination of two or more individuals acting jointly who organize for the principal purpose of influencing the outcome of one or more elections and who take action the major purpose of which is to influence the outcome of an election; a group that makes expenditures or receives contributions with the authorization or consent, express or implied, or under the control, direct or indirect, of a candidate shall be considered to be controlled by that candidate; a group whose major purpose is to further the nomination, election, or candidacy of only one individual, or intends to expend more than 50 percent of its money on a single candidate, shall be considered to be controlled by that candidate and its actions done with the candidate's knowledge and consent unless, within 10 days from the date the candidate learns of the existence of the group the candidate files with the commission, on a form provided by the commission, an affidavit that the group is operating without the candidate's control; a group organized for more than one year preceding an election and endorsing candidates for more than one office or more than one political party is presumed not to be controlled by a candidate;

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however, a group that contributes more than 50 percent of its money to or on behalf of one candidate shall be considered to support only one candidate for purposes of AS 15.13.070, whether or not control of the group has been disclaimed by the candidate; and

(C) any combination of two or more individuals acting jointly who organize for the principal purpose of filing

(i) an initiative proposal application under AS 15.45.020 or who file an initiative proposal application under AS 15.45.020;

(ii) a referendum application under AS 15.45.260 or who file a referendum application under AS 15.45.260; or

(iii) a recall application under AS 15.45.480 or who file a recall application under AS 15.45.480;

\* **Sec. 16.** AS 24.45.091 is amended to read:

Sec. 24.45.091. Publication of reports. Copies of the statements and reports filed under this chapter shall be made available to the public at the commission's central office and on the commission's Internet website [, THE OFFICE OF THE LIEUTENANT GOVERNOR, THE LEGISLATIVE REFERENCE LIBRARY OF THE LEGISLATIVE AFFAIRS AGENCY, AND AT THE COMMISSION'S DISTRICT OFFICES PRESCRIBED IN AS 15.13.020(j)] as soon as practicable after each reporting period.

\* **Sec. 17.** AS 24.45.111(b) is amended to read:

(b) The commission shall preserve the statements and reports required to be filed under this chapter for a period of six years from the date of filing. Copies [IF THE COMMISSION'S CENTRAL OFFICE IS NOT IN THE STATE CAPITAL, COPIES] of all statements and reports filed under this chapter shall be maintained in the commission's central [AN] office and be made available on the commission's Internet website [ESTABLISHED BY THE COMMISSION IN THE STATE CAPITAL OR IN THE OFFICE OF THE LIEUTENANT GOVERNOR].

\* **Sec. 18.** AS 15.13.040(k) is repealed.

\* Sec. 19. The uncodified law of the State of Alaska is amended by adding a new section to

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APPLICABILITY. This Act applies only to a referendum or recall for which the application is filed with the lieutenant governor under AS 15.45.260 or 15.45.480, respectively, on or after the effective date of this Act.

\* Sec. 20. This Act takes effect January 1, 2023.

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