

From: [Susan A](#)
To: [Senate State Affairs](#); [Sen. Scott Kawasaki](#)
Subject: PUBLIC TESTIMONY ON SB 116
Date: Tuesday, April 22, 2025 4:57:11 PM

PUBLIC TESTIMONY ON SB 116

Re: Campaign Contribution Limits and Reporting

Chair, members of the committee:

I am writing to express deep concern about Senate Bill 116. While the bill claims to safeguard electoral fairness by adjusting contribution limits, it fails to close some of the most dangerous loopholes in Alaska's campaign finance law and, in some cases, makes them worse.

1. Super PAC Loophole Still Wide Open

The biggest failure of SB 116 is that it does not address the **independent expenditure loophole**, allowing unlimited funds to flow through Super PACs and outside entities — even if coordinated informally with candidates. The new Section 6(h) explicitly exempts independent expenditures from contribution caps. This undermines the will of the people and contradicts the findings in Section 1, which state that political influence should not be tied to wealth.

Solution: Ban or strictly limit contributions to independent expenditure groups that support or oppose clearly identified candidates. Require full disclosure of donors and prohibit coordination with campaigns.

2. Increases Contribution Limits Without Accountability

SB 116 raises individual contributions from \$500/year to **\$2,000 per election cycle**, and increases other contribution types up to **eight times** previous limits. This only increases the influence of wealthy donors and opens the door for pay-to-play politics.

Solution: Reduce limits back to more reasonable thresholds. If limits are increased, require public matching or small-donor incentives to balance access and influence.

3. No Aggregate Caps Across Candidates

There is no ceiling on how much an individual or group can donate in total across multiple candidates or races, creating systemic power imbalances.

Solution: Reinstate **aggregate limits** on total contributions per cycle by each donor.

4. Automatic Increases Without Oversight

SB 116 includes an inflation adjustment every 10 years tied to the Consumer Price Index. While reasonable in concept, it happens **automatically**, with no legislative check or public input.

Solution: Make CPI adjustments **subject to legislative review** and public comment to ensure they remain fair.

5. Definition of Election Cycle is Ambiguous

The bill defines “election cycle” as beginning when a candidate is eligible to receive funds — but this is open to interpretation and manipulation.

Solution: Use a fixed calendar-based definition (e.g., Jan 1 of the election year to 30 days post-election) for consistency and enforcement.

6. Weak Enforcement and Reporting Standards

The Alaska Public Offices Commission (APOC) needs **greater enforcement power**, especially with increased limits. SB 116 doesn’t strengthen penalties or reporting standards.

Solution:

Impose **strong penalties** for willful violations, including disqualification.

Require **near real-time digital reporting** for donations above \$250.

Expand APOC’s authority and resources to audit suspicious activity.

Final Note:

Alaska’s elections should not be for sale. SB 116, as it stands, **increases the risk of corruption** and undermines public trust. I urge this body to either **rewrite the bill to close the loopholes** and reduce donation limits, or reject it outright until a legally robust, enforceable, and equitable version can be proposed.

Thank you
Susan Allmeroth
Two Rivers
Myself

PUBLIC TESTIMONY ON SB 116 – LEGAL AND CONSTITUTIONAL ANALYSIS

Re: Campaign Contribution Limits and Reporting (AS 15.13.070)

Chair and members of the committee,

I submit this testimony in strong opposition to Senate Bill 116 in its current form. While it appears to modernize Alaska's campaign finance law, it ultimately exacerbates the corruption risks and unconstitutional imbalances struck down in both state and federal courts. Below is a legal and constitutional breakdown of SB 116's key flaws — and the required corrections to ensure compliance with precedent and to uphold the equal protection rights of Alaskans.

1. The Super PAC / Independent Expenditure Loophole (Section 6(h))

Issue: SB 116 explicitly exempts contributions to "nongroup entities that make only independent expenditures" from contribution limits. This directly invites the same flood of untraceable, high-dollar donations previously opened by *Citizens United v. FEC*, 558 U.S. 310 (2010), but fails to place any enforceable guardrails against coordination, thereby creating **de facto candidate-affiliated Super PACs**.

Legal Problem: While *Citizens United* allowed independent expenditures, the Supreme Court **did not permit coordination**, and required transparency. Alaska law has not been sufficiently modernized to ensure this.

Fix: Amend Section 6(h) to:

Prohibit **any indirect coordination** between independent expenditure groups and candidates, including shared vendors, polling, or legal teams (*see: Van Hollen v. FEC*, D.D.C. 2014).

Require **real-time, itemized disclosure** of all contributions to independent expenditure entities.

Empower APOC with audit authority and subpoena power to investigate coordination.

2. Inflation-Based Increases Without Public or Legislative Review (Section 6(i))

Issue: Automatic CPI-based increases every decade risk inflating contribution limits well beyond constitutional "anti-corruption" thresholds (*see: Buckley v. Valeo*, 424 U.S. 1 (1976)), with no democratic oversight.

Legal Problem: The Alaska Supreme Court in *State v. Alaska Civil Liberties Union*, 978 P.2d 597 (Alaska 1999), emphasized that the **legislature has a duty to maintain checks** on contribution levels to avoid corruption or the appearance thereof.

Fix: Amend the CPI adjustment to:

Require **legislative approval** after public notice and comment.

Include a **cap** based on historical campaign spending in Alaska races.

3. Overly Broad Increases in Contribution Limits (Sections 2–5)

Issue: SB 116 increases individual and group contribution limits significantly — from \$500/year to \$2,000 per election cycle (a 400%+ increase). This directly contradicts the court’s reasoning in *Thompson v. Hebdon*, 909 F.3d 1027 (9th Cir. 2018), where the court upheld low limits as narrowly tailored and valid to prevent quid pro quo corruption.

Legal Problem: These increases are **not justified** by any findings that corruption risk has diminished — instead, the risks have increased.

Fix: Restore original limits or increase them **only slightly**, supported by legislative findings and data. Include **aggregate donation caps** (see #4).

4. Lack of Aggregate Donation Limits

Issue: SB 116 does not impose any ceiling on how much an individual or entity can give **in total** across races or committees. This omission was ruled unconstitutional to prohibit in *McCutcheon v. FEC*, 572 U.S. 185 (2014), only because robust disclosure systems were assumed.

Legal Problem: Alaska lacks the **real-time disclosure and technological infrastructure** presumed in *McCutcheon*.

Fix:

Reinstate **aggregate limits** until the state achieves robust real-time disclosure.

Impose mandatory **reporting APIs** for third-party reporting tools to ensure transparency.

5. Vague Definition of Election Cycle (Section 8)

Issue: The bill defines “election cycle” as beginning when a candidate is eligible to receive contributions — a vague trigger point that risks inconsistency and abuse.

Legal Problem: Ambiguity violates due process and makes consistent enforcement under AS 15.13 difficult, risking selective prosecution.

Fix: Define election cycle as:

“The period beginning January 1 of the calendar year prior to the general election and

ending 30 days after the general election.”

6. Weak Reporting and Enforcement

Issue: SB 116 does not increase penalties, resources, or enforcement powers of APOC despite significantly increasing contribution volumes and risks.

Legal Problem: Fails the test of “adequate safeguards” from *Randall v. Sorrell*, 548 U.S. 230 (2006), and allows shell entities and dark money to proliferate with no consequences.

Fix:

Require **electronic disclosure of all contributions above \$250** within 48 hours.

Increase penalties for willful violations to include **civil fines, public censure, and campaign disqualification**.

Fund APOC with **independent enforcement capacity** free from executive interference.

CONCLUSION

The Alaska Constitution, Article I, Section 1, guarantees “equal rights, opportunities, and protection under the law.” Senate Bill 116 — as written — expands the dominance of elite donors while ignoring the realities of coordination, dark money, and lax enforcement. If enacted in its current form, it invites constitutional litigation and further erodes public trust.

I urge the committee to **amend the bill to close the loopholes, reduce limits, clarify definitions, and bolster APOC** — or reject it outright and return with a constitutionally sound alternative.

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