

HB 234 - Political Contribution Limits

Office of Representative Calvin Schrage



Contact

907-465-4931

Rep.Calvin.Schrage@akleg.gov

History of Alaska's political contribution limits

1974 to 1995

- Statutory individual contribution limit: \$1,000
- 1975 Contribution limit adjusted for inflation: \$4,725
- 1995 Contribution limit adjusted for inflation: \$1,708

1996

- Alaska Legislature reacts to a citizens' Initiative and reduced individual contribution limit to \$500
- 1996 Contribution limit adjusted for inflation: \$831

2003

- Legislature passed SB 119, increasing the individual contribution limits back to \$1,000
- 2003 contribution limit adjusted to inflation: \$1,460

History of Alaska's political contribution limits

2006 Alaska Campaign Finance Reform Initiative

- Passed overwhelmingly with 73% support

Decreased the amounts:

- an individual may give a candidate or group from \$1,000 to \$500
 - 2006 individual limit adjusted for inflation: \$669
- an individual may give a political party from \$10,000 to \$5,000
- a group may give a candidate or other group from \$2,000 to \$1,000
- a group may give a political party from \$4,000 to \$1,000

History of Alaska's Political Contribution Limits at a Glance

Year	History	Limit	2022 Equivalent
1974	Statute	\$1,000	\$4,725
1995	Last year of 1974 limit	\$1,000	\$1,708
1996	Citizens' Initiative / Legislature	\$500	\$831
2003	Legislature passes SB 119	\$1,000	\$1,460
2006	Citizens' Initiative	\$500	\$669

Thompson v. Hebdon (2019)

Background:

- Plaintiffs sued challenging Alaska's political contribution and out-of-state limits that an individual can contribute to a candidate for political office, or to an election-oriented group other than a political party, as infringement under the First Amendment.
- The District Court and Ninth Circuit initially upheld the individual limits as a "sufficiently important state interest" and "closely drawn" to that end but ruled the out-of-state contribution limits were unconstitutional.
- The U.S. Supreme Court remanded this decision back to the Ninth Circuit to reconsider upholding Alaska's contribution limits, citing *Randall v. Sorrel* (2006) which ruled Vermont's \$400 contribution limit unconstitutional.
- The Ninth Circuit then struck down Alaska's statutory political contribution limits citing that they were too low and had not been adjusted for inflation since initially implemented.

Where we are now

- The Alaska Public Offices Commission (APOC) has issued an advisory opinion under *AS 15.13.374* to enforce \$1,500 individual and \$3,000 non-political party group contribution limits.
- APOC advisory opinion limits are based on the 2003 legislative political contribution limits increased for inflation.
- Uncertainty remains as to whether the contribution limits enacted in APOC's advisory opinion are valid and if they have the authority to set these limits. These limits have yet to be adopted by APOC's five commissioners and could be changed or rejected.
- The only way to ensure that contribution limits are known and enforceable is for the Alaska Legislature to act and implement statutory limits that will be upheld by the court system.

HB 234 Overview

- Brings Alaska's political contribution limits in accordance with the *Thompson v Hebdon (2019)* decision which struck down Alaska's existing statutory limits.
- Doubles existing statutory campaign contribution limits with the exception of donations to political parties (example: an individual could donate \$1,000 to a candidate instead of the statutory \$500 limit).
- Requires the Alaska Public Offices Commission (APOC) to update political contribution limits every ten years based on inflation, rounded to the nearest \$50 increment.

HB 234 Overview

Category	Statutory Limit	APOC Advisory Opinion	HB 234 Limit
Individual to candidate and non-political party group	\$500	\$1,500	\$1,000
Group to candidate, group, or non-group	\$1,000	\$3,000	\$2,000
Individual to joint campaign for Gov. & Lt. Gov	\$1,000	\$3,000	\$2,000

Sectional Analysis

Section 1

Amends AS 15.13.070(b) to change the limit an individual may contribute per year to a non-group entity with the purpose of influencing an election, candidate, write-in candidate, or group that is not a political party from \$500 to \$1,000.

Section 2

Amends AS 15.13.070(c) to change the limit a non-political party group may contribute per year to a candidate, write-in candidate, another group, non-group entity, or political party from \$1,000 to \$2,000.

Section 3

Amends AS 15.13.070(f) to change the limit a nongroup entity may contribute per year to another nongroup entity for the purpose of influencing an election, candidate, write-in candidate, group, or political party from \$1,000 to \$2,000.

Sectional Analysis cont.

Section 4

Amends AS 15.13.070(g) to change the limit an individual may contribute per year to a joint campaign for governor and lieutenant governor from \$1,000 to \$2,000 and the limit a group may contribute from \$2,000 to \$4,000.

Section 5

Amends AS 15.13.070 to include a new subsection (h) that states contribution limits provided under (b)(1), (c)(2), and (f) of this section do not apply to individual, group, or non-group entity contributing to a group that makes solely independent expenditures. This section is also amended to include a new subsection (i) that directs the Alaska Public Offices Commission to update contribution limits every ten years based on consumer inflation rates for Anchorage, Alaska. These increases are rounded to the nearest \$50 increment.

Section 6

Implements an immediate effective date under AS.01.10.070(c)

Thank you for your time and
consideration of HB 234.