

HOUSE BILL NO. 177

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE

Introduced: 3/12/01

Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act placing certain special interest organizations within the definition of 'group' for**
2 **purposes of Alaska's campaign finance statutes; providing a contingent amendment to**
3 **take effect in case subjecting these organizations to all of the statutory requirements**
4 **pertaining to groups is held by a court to be unconstitutional; requiring certain**
5 **organizations to disclose contributions made to them and expenditures made by them;**
6 **requiring disclosure of the true source of campaign contributions; and providing for an**
7 **effective date."**

8 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

9 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
10 to read:

11 **SHORT TITLE.** This Act may be known as the Full Disclosure of Campaign Finance
12 Act.

13 * **Sec. 2.** AS 15.13.040(b) is amended to read:

1 (b) Each group shall make a full report upon a form prescribed by the
2 commission, listing

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

4 (2) the aggregate amount of all contributions made to it; and, for all
5 contributions in excess of \$100 in the aggregate a year, the name, address, principal
6 occupation, and employer of the contributor, and the date and amount contributed by
7 each contributor; **for purposes of this paragraph, "contributor" means the true**
8 **source of the funds, property, or services being contributed;** and

9 (3) the date and amount of all contributions made by it and all
10 expenditures made, incurred or authorized by it.

11 * **Sec. 3.** AS 15.13.040(b), as amended by sec. 2 of this Act, is amended to read:

12 (b) Each group **and qualified nongroup entity** shall make a full report upon a
13 form prescribed by the commission, listing

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

15 (2) the aggregate amount of all contributions made to it; and, for all
16 contributions in excess of \$100 in the aggregate a year, the name, address, principal
17 occupation, and employer of the contributor, and the date and amount contributed by
18 each contributor; for purposes of this paragraph, "contributor" means the true source
19 of the funds, property, or services being contributed; and

20 (3) the date and amount of all contributions made by it and all
21 expenditures made, incurred or authorized by it.

22 * **Sec. 4.** AS 15.13.400(5) is amended to read:

23 (5) "group" means (A) every state and regional executive committee of
24 a political party; [AND] (B) any combination of two or more individuals acting jointly
25 who organize for the principal purpose of influencing the outcome of one or more
26 elections and who take action the major purpose of which is to influence the outcome
27 of an election; **and (C) a special interest organization; for purposes of this**
28 **subparagraph, a special interest organization is a person, other than an**
29 **individual, that cannot participate in business activities, does not have**
30 **shareholders who have a claim on corporate earnings, and is independent from**
31 **the influence of business corporations;** a group that makes expenditures or receives

1 contributions with the authorization or consent, express or implied, or under the
 2 control, direct or indirect, of a candidate shall be considered to be controlled by that
 3 candidate; a group whose major purpose is to further the nomination, election, or
 4 candidacy of only one individual, or intends to expend more than 50 percent of its
 5 money on a single candidate, shall be considered to be controlled by that candidate
 6 and its actions done with the candidate's knowledge and consent unless, within 10
 7 days from the date the candidate learns of the existence of the group the candidate files
 8 with the commission, on a form provided by the commission, an affidavit that the
 9 group is operating without the candidate's control; a group organized for more than
 10 one year preceding an election and endorsing candidates for more than one office or
 11 more than one political party is presumed not to be controlled by a candidate;
 12 however, a group that contributes more than 50 percent of its money to or on behalf of
 13 one candidate shall be considered to support only one candidate for purposes of
 14 AS 15.13.070, whether or not control of the group has been disclaimed by the
 15 candidate;

16 * **Sec. 5.** AS 15.13.400(5), as amended by sec. 4 of this Act, is amended to read:

17 (5) "group" means (A) every state and regional executive committee
 18 of a political party; **and** (B) any combination of two or more individuals acting jointly
 19 who organize for the principal purpose of influencing the outcome of one or more
 20 elections and who take action the major purpose of which is to influence the outcome
 21 of an election; [AND (C) A SPECIAL INTEREST ORGANIZATION; FOR
 22 PURPOSES OF THIS SUBPARAGRAPH, A SPECIAL INTEREST
 23 ORGANIZATION IS A PERSON, OTHER THAN AN INDIVIDUAL, THAT
 24 CANNOT PARTICIPATE IN BUSINESS ACTIVITIES, DOES NOT HAVE
 25 SHAREHOLDERS WHO HAVE A CLAIM ON CORPORATE EARNINGS, AND
 26 IS INDEPENDENT FROM THE INFLUENCE OF BUSINESS CORPORATIONS;]
 27 a group that makes expenditures or receives contributions with the authorization or
 28 consent, express or implied, or under the control, direct or indirect, of a candidate shall
 29 be considered to be controlled by that candidate; a group whose major purpose is to
 30 further the nomination, election, or candidacy of only one individual, or intends to
 31 expend more than 50 percent of its money on a single candidate, shall be considered to

1 be controlled by that candidate and its actions done with the candidate's knowledge
 2 and consent unless, within 10 days from the date the candidate learns of the existence
 3 of the group the candidate files with the commission, on a form provided by the
 4 commission, an affidavit that the group is operating without the candidate's control; a
 5 group organized for more than one year preceding an election and endorsing
 6 candidates for more than one office or more than one political party is presumed not to
 7 be controlled by a candidate; however, a group that contributes more than 50 percent
 8 of its money to or on behalf of one candidate shall be considered to support only one
 9 candidate for purposes of AS 15.13.070, whether or not control of the group has been
 10 disclaimed by the candidate;

11 * **Sec. 6.** AS 15.13.400 is amended by adding a new paragraph to read:

12 (12) "qualified nongroup entity" means a person, other than an
 13 individual, that

14 (A) cannot participate in business activities;

15 (B) does not have shareholders who have a claim on corporate
 16 earnings; and

17 (C) is independent from the influence of business corporations.

18 * **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to
 19 read:

20 **CONDITIONAL EFFECT.** Sections 3, 5, and 6 of this Act take effect only if a court
 21 order is entered and becomes final declaring that nonprofit entities that meet the test outlined
 22 in *State of Alaska v. Alaska Civil Liberties Union*, 978 P.2d 597 (Alaska 1999), and must be
 23 permitted to make campaign contributions and independent expenditures, may not be
 24 regulated to the same extent as other groups under Alaska law.

25 * **Sec. 8.** If secs. 3, 5, and 6 of this Act take effect, they take effect on the day after the date
 26 of a court order described in sec. 7 of this Act becomes final.