

**SENATE CS FOR CS FOR HOUSE BILL NO. 177(STA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 5/1/01

Referred: Finance

Sponsor(s): HOUSE RULES COMMITTEE

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act regulating nongroup entities under Alaska's campaign finance statutes."**

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

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

5 SHORT TITLE. This Act may be known as the Full Disclosure of Campaign Finance  
6 Act.

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

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

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

11 (2) the aggregate amount of all contributions made to it; and, for all  
12 contributions in excess of \$100 in the aggregate a year, the name, address, principal  
13 occupation, and employer of the contributor, and the date and amount contributed by  
14 each contributor; **for purposes of this paragraph, "contributor" means the true**

15 **source of the funds, property, or services being contributed;** and

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

3 \* **Sec. 3.** AS 15.13.040 is amended by adding a new subsection to read:

4 (j) Each nongroup entity shall make a full report in accordance with  
5 AS 15.13.110 upon a form prescribed by the commission and certified by the  
6 nongroup entity's treasurer, listing

7 (1) the name and address of each officer and director of the nongroup  
8 entity;

9 (2) the aggregate amount of all contributions made to the nongroup  
10 entity for the purpose of influencing the nomination or election of a candidate; and, for  
11 all such contributions in excess of \$100 in the aggregate a year, the name, address,  
12 principal occupation, and employer of the contributor, and the date and amount  
13 contributed by each contributor; for purposes of this paragraph, "contributor" means  
14 the true source of the funds, property, or services being contributed; and

15 (3) the date and amount of all contributions made by the nongroup  
16 entity, and all expenditures made, incurred, or authorized by the nongroup entity, for  
17 the purpose of influencing the nomination or election of a candidate.

18 \* **Sec. 4.** AS 15.13.065(a) is amended to read:

19 (a) Individuals, groups, nongroup entities, and political parties may make  
20 contributions to a candidate. An individual, [OR] group, or nongroup entity may  
21 make a contribution to a group, to a nongroup entity, or to a political party.

22 \* **Sec. 5.** AS 15.13.067 is amended to read:

23 **Sec. 15.13.067. Who may make expenditures.** Only the following may  
24 make an expenditure in an election for candidates for elective office:

25 (1) the candidate;

26 (2) an individual; [AND]

27 (3) a group that has registered under AS 15.13.050; **and**

28 **(4) a nongroup entity that has registered under AS 15.13.050.**

29 \* **Sec. 6.** AS 15.13.070 is amended by adding a new subsection to read:

30 (f) A nongroup entity may contribute not more than \$500 per year to a  
31 candidate, to an individual who conducts a write-in campaign as a candidate, to a

1 group, or to a political party.

2 \* **Sec. 7.** AS 15.13.072 is amended by adding a new subsection to read:

3 (h) A nongroup entity may solicit or accept contributions for the purpose of  
 4 influencing the nomination or election of a candidate from an individual who is not a  
 5 resident of the state at the time the contribution is made or from an entity organized  
 6 under the laws of another state, resident in another state, or whose participants are not  
 7 residents of this state at the time the contribution is made. The amounts accepted by  
 8 the nongroup entity from these individuals and entities for the purpose of influencing  
 9 the nomination or election of a candidate may not exceed 10 percent of total  
 10 contributions made to the nongroup entity for the purpose of influencing the  
 11 nomination or election of a candidate during the calendar year in which the  
 12 contributions are received.

13 \* **Sec. 8.** AS 15.13.074(a) is amended to read:

14 (a) A person, [OR] group, **or nongroup entity** may not make a contribution if  
 15 the making of the contribution would violate this chapter.

16 \* **Sec. 9.** AS 15.13.074(f) is amended to read:

17 (f) A corporation, company, partnership, firm, association, organization,  
 18 business trust or surety, labor union, or publicly funded entity that does not satisfy the  
 19 definition of group **or nongroup entity** in AS 15.13.400 may not make a contribution  
 20 to a candidate or group.

21 \* **Sec. 10.** AS 15.13.082(b) is amended to read:

22 (b) A candidate, [OR] group, **or nongroup entity** may not make an  
 23 expenditure unless the source of the expenditure has been disclosed as required by this  
 24 chapter.

25 \* **Sec. 11.** AS 15.13.084 is amended to read:

26 **Sec. 15.13.084. Prohibited expenditures.** A person may not make an  
 27 expenditure

28 (1) anonymously, unless the expenditure is

29 (A) paid for by an individual acting independently of any group  
 30 **or nongroup entity** and independently of any other individual;

31 (B) made to influence the outcome of a ballot proposition as

1 that term is defined by AS 15.13.065(c); and

2 (C) made for

3 (i) a billboard or sign; or

4 (ii) printed material, other than an advertisement made  
5 in a newspaper or other periodical;

6 (2) using a fictitious name or using the name of another.

7 \* **Sec. 12.** AS 15.13.090(a) is amended to read:

8 (a) All advertisements, billboards, handbills, paid-for television and radio  
9 announcements, and other communications intended to influence the election of a  
10 candidate or outcome of a ballot proposition or question shall be clearly identified by  
11 the words "paid for by" followed by the name and address of the candidate, group,  
12 **nongroup entity**, or individual paying for the advertising. In addition, candidates and  
13 groups must identify the name of their campaign chairperson.

14 \* **Sec. 13.** AS 15.13.110(a) is amended to read:

15 (a) Each candidate, [AND] group, **and nongroup entity** shall make a full  
16 report in accordance with AS 15.13.040 for the period ending three days before the  
17 due date of the report and beginning on the last day covered by the most recent  
18 previous report. If the report is a first report, it shall cover the period from the  
19 beginning of the campaign to the date three days before the due date of the report. If  
20 the report is a report due February 15, it shall cover the period beginning on the last  
21 day covered by the most recent previous report or on the day that the campaign  
22 started, whichever is later, and ending on December 31 of the prior year. The report  
23 shall be filed

24 (1) 30 days before the election; however, this report is not required if  
25 the deadline for filing a nominating petition or declaration of candidacy is within 30  
26 days of the election;

27 (2) one week before the election;

28 (3) 10 days after the election; and

29 (4) February 15 for expenditures made and contributions received that  
30 were not reported during the previous year, including, if applicable, all amounts  
31 expended from a public office expense term account established under

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

4 \* **Sec. 14.** AS 15.13.110(b) is amended to read:

5 (b) Each contribution that exceeds \$250 and that is made within nine days of  
 6 the election shall be reported to the commission by date, amount, and contributor  
 7 within 24 hours of receipt by the candidate, group, **nongroup entity**, campaign  
 8 treasurer, or deputy campaign treasurer.

9 \* **Sec. 15.** AS 15.13.110(f) is amended to read:

10 (f) During the year in which the election is scheduled, each of the following  
 11 shall file the campaign disclosure reports in the manner and at the times required by  
 12 this section:

13 (1) a person who, under the regulations adopted by the commission to  
 14 implement AS 15.13.100, indicates an intention to become a candidate for elective  
 15 state executive or legislative office;

16 (2) a person who has filed a nominating petition under AS 15.25.140 -  
 17 15.25.200 to become a candidate at the primary election for elective state executive or  
 18 legislative office;

19 (3) a person who campaigns as a write-in candidate for elective state  
 20 executive or legislative office at the general election; and

21 (4) a group **or nongroup entity** that receives contributions or makes  
 22 expenditures on behalf of or in opposition to a person described in (1) - (3) of this  
 23 subsection.

24 \* **Sec. 16.** AS 15.13.114(a) is amended to read:

25 (a) A candidate, [OR] group, **or nongroup entity** that receives and accepts a  
 26 contribution given in violation of AS 15.13.072 or 15.13.074 shall immediately, upon  
 27 discovery that the contribution is prohibited, return it to the contributor. A candidate,  
 28 [OR] group, **or nongroup entity** that receives and accepts a contribution in excess of  
 29 the limitation on contributions set out in AS 15.13.070 shall immediately, upon  
 30 discovery of the prohibited excess contribution, return the excess to the contributor. If  
 31 the contribution or excess amount cannot be returned in the same form, the equivalent

1 value of the contribution or excess amount shall be returned.

2 \* **Sec. 17.** AS 15.13.135 is amended to read:

3 **Sec. 15.13.135. Independent expenditures for or against candidates.** (a)

4 Only an individual, [OR] group, or nongroup entity may make an independent  
5 expenditure supporting or opposing a candidate for election to public office. An  
6 independent expenditure supporting or opposing a candidate for election to public  
7 office shall be reported in accordance with AS 15.13.040 and 15.13.100 - 15.13.110  
8 and other requirements of this chapter.

9 (b) An individual, [OR] group, or nongroup entity who makes independent  
10 expenditures for a mass mailing, for distribution of campaign literature of any sort, for  
11 a television, radio, newspaper, or magazine advertisement, or any other  
12 communication that supports or opposes a candidate for election to public office

13 (1) shall comply with AS 15.13.090; and

14 (2) shall place the following statement in the mailing, literature,  
15 advertisement, or other communication so that it is readily and easily discernible:

16 This NOTICE TO VOTERS is required by Alaska law. (I/we) certify  
17 that this (mailing/literature/advertisement) is not authorized, paid for,  
18 or approved by the candidate.

19 \* **Sec. 18.** AS 15.13.400(9) is amended to read:

20 (9) "person" has the meaning given in AS 01.10.060, and includes a  
21 labor union, nongroup entity, and a group;

22 \* **Sec. 19.** AS 15.13.400 is amended by adding a new paragraph to read:

23 (12) "nongroup entity" means a person, other than an individual, that  
24 takes action the major purpose of which is to influence the outcome of an election, and  
25 that

26 (A) cannot participate in business activities;

27 (B) does not have shareholders who have a claim on corporate  
28 earnings; and

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