

ALASKA STATE LEGISLATURE
SENATE STATE AFFAIRS STANDING COMMITTEE

May 6, 2005

3:02 p.m.

MEMBERS PRESENT

Senator Gene Therriault, Chair
Senator Thomas Wagoner, Vice Chair
Senator Charlie Huggins
Senator Bettye Davis
Senator Kim Elton

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 277

"An Act naming the Charles Gamble Jr. - Donald Sperl Joint Use Facility in Juneau."

MOVED HB 277 OUT OF COMMITTEE

CS FOR HOUSE BILL NO. 94(FIN) am

"An Act relating to qualifications of voters, requirements and procedures regarding independent candidates for President and Vice-President of the United States, voter registration, voter residence, precinct boundary and polling place designation and modification, political parties, voters unaffiliated with a political party, early voting, absentee voting, ballot design, ballot counting, voting by mail, voting machines, vote tally systems, qualifications for elected office, initiative, referendum, recall, and definitions in the Alaska Election Code; and relating to incorporation elections."

MOVED SCS CSHB 94(STA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 277

SHORT TITLE: GAMBLE-SPERL UAS JOINT USE FACILITY

SPONSOR(s): REPRESENTATIVE(s) SENATOR ELTONRITTULA

04/19/05	(H)	READ THE FIRST TIME - REFERRALS
04/19/05	(H)	MLV, STA

04/30/05 (H) WAIVE MLV REFERRAL DENIED
 05/02/05 (H) MLV REFERRAL WAIVED
 05/03/05 (H) STA RPT 7DP
 05/03/05 (H) DP: GARDNER, LYNN, GATTO, GRUENBERG,
 ELKINS, RAMRAS, SEATON
 05/03/05 (H) STA AT 8:00 AM CAPITOL 106
 05/03/05 (H) Moved Out of Committee
 05/03/05 (H) MINUTE(STA)
 05/04/05 (H) TRANSMITTED TO (S)
 05/04/05 (H) VERSION: HB 277
 05/04/05 (S) READ THE FIRST TIME - REFERRALS
 05/04/05 (S) STA
 05/05/05 (S) STA AT 3:30 PM BELTZ 211

BILL: HB 94

SHORT TITLE: ELECTIONS/VOTERS/POLITICAL PARTIES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/21/05 (H) READ THE FIRST TIME - REFERRALS
 01/21/05 (H) STA, JUD, FIN
 02/03/05 (H) STA AT 8:00 AM CAPITOL 106
 02/03/05 (H) Heard & Held
 02/03/05 (H) MINUTE(STA)
 02/08/05 (H) STA AT 8:00 AM CAPITOL 106
 02/08/05 (H) Heard & Held
 02/08/05 (H) MINUTE(STA)
 02/10/05 (H) STA AT 8:00 AM CAPITOL 106
 02/10/05 (H) Heard & Held
 02/10/05 (H) MINUTE(STA)
 02/17/05 (H) STA AT 8:00 AM CAPITOL 106
 02/17/05 (H) Heard & Held
 02/17/05 (H) MINUTE(STA)
 02/19/05 (H) STA AT 10:00 AM CAPITOL 106
 02/19/05 (H) Bills Previously Heard/Scheduled
 03/08/05 (H) STA AT 8:00 AM CAPITOL 106
 03/08/05 (H) Heard & Held
 03/08/05 (H) MINUTE(STA)
 03/15/05 (H) STA AT 8:00 AM CAPITOL 106
 03/15/05 (H) Moved CSHB 94(STA) Out of Committee
 03/15/05 (H) MINUTE(STA)
 03/18/05 (H) STA RPT CS(STA) NT 3DP 2NR
 03/18/05 (H) DP: GATTO, GRUENBERG, SEATON;
 03/18/05 (H) NR: GARDNER, LYNN
 03/21/05 (H) JUD AT 1:00 PM CAPITOL 120
 03/21/05 (H) Heard & Held
 03/21/05 (H) MINUTE(JUD)
 04/01/05 (H) JUD AT 1:00 PM CAPITOL 120

04/01/05 (H) Scheduled But Not Heard
 04/04/05 (H) JUD AT 1:00 PM CAPITOL 120
 04/04/05 (H) -- Meeting Canceled --
 04/06/05 (H) JUD AT 1:00 PM CAPITOL 120
 04/06/05 (H) Heard & Held
 04/06/05 (H) MINUTE(JUD)
 04/07/05 (H) JUD AT 3:00 PM CAPITOL 120
 04/07/05 (H) Moved CSHB 94(JUD) Out of Committee
 04/07/05 (H) MINUTE(JUD)
 04/13/05 (H) JUD RPT CS(JUD) NT 1DP 4NR 1AM
 04/13/05 (H) DP: KOTT;
 04/13/05 (H) NR: ANDERSON, COGHILL, GARA, MCGUIRE;
 04/13/05 (H) AM: GRUENBERG
 04/19/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519
 04/19/05 (H) Moved CSHB 94(FIN) Out of Committee
 04/19/05 (H) MINUTE(FIN)
 04/21/05 (H) FIN RPT CS(FIN) NT 3DP 4NR 1AM
 04/21/05 (H) DP: HAWSENATOR ELTONR, FOSTER, MEYER;
 04/21/05 (H) NR: CROFT, MOSES, SENATOR ELTONLLY,
 CHENAULT;
 04/21/05 (H) AM: STOLTZE
 04/27/05 (H) BEFORE THE HOUSE
 04/28/05 (H) BEFORE THE HOUSE
 04/28/05 (H) TRANSMITTED TO (S)
 04/28/05 (H) VERSION: CSHB 94(FIN) AM
 05/01/05 (S) READ THE FIRST TIME - REFERRALS
 05/01/05 (S) STA, JUD, FIN
 05/05/05 (S) STA AT 3:30 PM BELTZ 211

WITNESS REGISTER

Laura Glaiser, Director
 Office of the Lieutenant Governor
 Division of Elections
 P.O. Box 110017
 Juneau, AK 99811-0017

POSITION STATEMENT: Explained changes in SCS CSHB 94(STA)

Joe Balash
 Staff to the Legislative Budget and Audit Committee
 Alaska State Capitol
 Juneau, AK 99801-1182

POSITION STATEMENT: Answered questions related to SCS CSHB 94(STA)

ACTION NARRATIVE

CHAIR GENE THERRIault reconvened the May 5, 2005 Senate State Affairs Standing Committee meeting at [3:02:42 PM](#) on May 6, 2005.

CSHB 94(FIN)am-ELECTIONS/VOTERS/POLITICAL PARTIES

CHAIR THERRIault announced the committee would take up HB 94. He noted that Senator Davis had offered Amendment 1 and asked her for a motion.

[3:03:40 PM](#)

SENATOR DAVIS motioned to adopt Amendment 1 [R.1].

24-GH1048\R.1
Kurtz
05/06/05

A M E N D M E N T

OFFERED IN THE SENATE BY SENATOR DAVIS
TO: SCS CSHB 94(STA), Draft Version "R"

Page 34, following line 5:

Insert a new bill section to read:

"* **Sec. 60.** AS 15.60.010(23) is amended to read:

(23) "political party" means an organized group of voters that represents a political program and **that**

(A) [THAT] nominated a candidate for governor who received at least **two** [THREE] percent of the total votes cast for governor at the preceding general election [OR HAS REGISTERED VOTERS IN THE STATE EQUAL IN NUMBER TO AT LEAST THREE PERCENT OF THE TOTAL VOTES CAST FOR GOVERNOR AT THE PRECEDING GENERAL ELECTION];

(B) [IF THE OFFICE OF GOVERNOR WAS NOT ON THE BALLOT AT THE PRECEDING GENERAL ELECTION BUT THE OFFICE OF UNITED STATES SENATOR WAS ON THAT BALLOT, THAT] nominated a candidate for United States senator who received at least **two** [THREE] percent of the total votes cast for United States senator at **the preceding general election or at the most recent general election at which a governor was elected;** [THAT GENERAL ELECTION OR HAS REGISTERED VOTERS IN THE STATE EQUAL IN NUMBER TO AT LEAST THREE PERCENT OF THE TOTAL

VOTES CAST FOR UNITED STATES SENATOR AT THAT GENERAL ELECTION; OR]

(C) [IF NEITHER THE OFFICE OF GOVERNOR NOR THE OFFICE OF UNITED STATES SENATOR WAS ON THE BALLOT AT THE PRECEDING GENERAL ELECTION, THAT] nominated a candidate for United States representative who received at least two [THREE] percent of the total votes cast for United States representative at the preceding general election or at the most recent general election at which a governor was elected; [THAT GENERAL ELECTION] or

(D) has registered voters in the state equal in number to at least one-half of one [THREE] percent of the total number of voters registered in the state in the month that the director performs verification of party status as set out in AS 15.60.008(c) [VOTES CAST FOR UNITED STATES REPRESENTATIVE AT THAT GENERAL ELECTION];"

Renumber the following bill sections accordingly.

CHAIR THERRIAULT objected. He asked for verification that the amendment would basically reinsert what was Section 57 in the House Version. The only difference occurs on page 2, line 7 of the amendment. He noted that the amendment follows Mr. Sykes' recommendation for recognizing political parties. It proposes one-half of one percent.

He asked if there was further explanation.

SENATOR DAVIS replied further explanation is on the memo she distributed. She remarked it seems fair because it would take fewer votes for a political party to be recognized.

[3:05:41 PM](#)

CHAIR THERRIAULT mentioned that the current statutory language was established last year and was based on court findings that the 3% standard is supportable. He opposed the amendment because he wanted to wait to determine the impact of the 3% standard.

SENATOR DAVIS asked what the standard was before 3% was established.

CHAIR THERRIAULT asked Mr. Balash to come forward.

JOE BALASH, Staff to the Legislative Budget and Audit Committee, explained that the 3% standard was applied to the governor race so the opportunity to qualification for party status came up every four years instead of on an ongoing basis.

The action last year established the cascading test of looking at statewide races. He recalled that Mr. Sykes said the 3% standard was taken up in 1996, but he had no independent knowledge of that.

CHAIR THERRIAULT explained that a change was made last year because the 3% test was based on the gubernatorial election, which occurs only every four years. The change established that if it was not a gubernatorial year then the US Senate race would be considered and if that race was not on the ballot then the US Representative race would be considered.

MR. BALASH agreed.

CHAIR THERRIAULT added that if you're attempting to measure a modicum of support then you want to look at the race that attracts the most voter participation.

SENATOR DAVIS asked if a party could qualify every year.

CHAIR THERRIAULT replied there would be a race every two years.

[3:09:16 PM](#)

LAURA GLAISER, Director of the Division of Elections, clarified that there are always two options by which a party can maintain their status. The governor race is the qualifying race, but the percentage of voters that a party has registered to its affiliation is an additional means to attain or retain status. Both the House Version and Version R sustain that fact, she said.

SENATOR DAVIS questioned how many states use the same percentage that's in current law.

MS. GLASIER responded she wasn't sure and then reiterated that in the most recent court decision the Alaska standards were determined to be fair. She provided the additional information that not all states offer two ways to maintain or retain status.

[3:12:19 PM](#)

CHAIR THERRIAULT found there was no further debate on Amendment 1. He maintained his objection and called for a roll call vote.

Amendment 1 failed 2 to 2 with Senators Elton and Davis voting yea and Senator Huggins and Chair Therriault voting nay.

[3:13:16 PM](#)

CHAIR THERRIAULT asked Ms. Glaiser if the bill needed any further clarification.

MS. GLAISER responded she had distributed a sheet titled "What Must a Party Do To Nominate Without Petitioning?" to address the question Senator Elton asked about what other states do. In addition he asked about qualification as a party under current law compared to qualification under the House Version. She pointed to a table with that information.

[3:14:30 PM](#)

SENATOR ELTON reviewed the table and remarked that there appears to be no difference between the versions with regard to which parties would have qualified.

MS. GLASIER responded she reads the table differently. More parties qualify under the House Version. The difference comes when you test in different races to get the percentage of votes.

SENATOR ELTON explained how he was reading the table and reiterated that the results appear to be the same under either version.

MS. GLASIER explained what the table was meant to demonstrate and said, "If the only test in this state were the percentage of those who voted either in a race or who had registered voters, those would be the three parties that have qualified year after year - the 'AIPs' the 'Ds' and the 'Rs'."

[3:17:08 PM](#)

CHAIR THERRIAULT asked Mr. Thompson to testify.

[3:17:30 PM](#)

MYRL THOMPSON, Susitna Valley, said he was testifying for himself. He observed that the version of HB 94 that passed the House was a very good bill. However, he said, big problems have

emerged since Version R was introduced. Specifically, Sections 11,12, and the new paragraph in Section 13 present a problem. This appears to be a return to the 1990s when there was an infusion of soft money in Alaska politics. That's going in the wrong direction, he emphasized.

This trend toward soft money works against the majority of the registered voters in Alaska because 51% of those voters have elected not to be a member of a party. Although the Republican Party is the largest party in the state, it is comprised of just over 25% of the registered voters. By no stretch of the imagination can the proposed provisions benefit the people or the voters of Alaska, he emphasized.

"This is a very bad addition to what was a very good bill," he concluded.

[3:22:04 PM](#)

SENATOR HUGGINS asked him to expand on what he took particular exception to in Section 11.

MR. THOMPSON pointed to sub-subparagraph (vi) on page 10, lines 17 through 19. It's the bolded and underlined part, he said.

The same language is included in Section 12 subparagraph (B) and Section 13 defines "party building" in paragraph (17). The latter is problematic since the majority of the state has elected not to be a member of a political party. All three sections invite soft money. Although campaign finance reforms are needed, this is going the wrong way.

[3:23:07 PM](#)

CHAIR THERRIault pointed out that language at the end of paragraph (17) in proposed Section 13 specifically excludes both express and electioneering communications. This money could neither be used for elections ads nor could it flow through the party to candidates to run elections ads. With that in mind, which of the functions listed in paragraph (17) do you find problematic, he asked.

MR. THOMPSON acknowledged that he was generalizing when he included Section 13 in his response to Senator Huggin's question.

CHAIR THERRIAULT pointed out that the money that is raised under Sections 11 and 12 are tied together and Section 13 controls the activities.

MR. THOMPSON responded he reads it as soft money and he'd like to be corrected if he's wrong.

CHAIR THERRIAULT explained that soft money could be used to register voters, organize precinct meetings, district picnics and things of that nature. Soft money could not be used for advocacy on a candidate's behalf, advertising and things of that nature.

MR. THOMPSON responded it would benefit parties, but the majority of voters in Alaska who aren't in a major party wouldn't be benefited.

[3:25:54 PM](#)

SENATOR ELTON remarked he tended to agree with Mr. Thompson's testimony. Furthermore, a consequence of Section 13 is that hard money would be freed to conduct the other activities Mr. Thompson is concerned about.

CHAIR THERRIAULT asked Mr. Balash to refresh members on the federal limitations that were discussed in previous testimony.

MR. BALASH discussed the federal law first. He explained that as a result of the Bipartisan Campaign Reform Act (BCRA), the activities of a state party fall under the auspices of the FEC code. That is because every election has at least one federal race - for congressman. That means that a state party must use federal or hard dollars for any activity in the 60 days before a primary election and in the 60 days before a general election.

CHAIR THERRIAULT recapped that the restrictions in that 120-day period must follow the federal law, which prohibits the use of soft money for those purposes.

SENATOR ELTON asked if that is in any race.

MR. BALASH clarified that the state party may not use soft money because everything it does benefits the federal candidate. He noted that because of BCRA, all the money that the Alaska Democratic Party received from the Democratic Senatorial Campaign Committee (DSCC) in the 2004 election had to be hard money

SENATOR ELTON questioned whether soft money couldn't be used to free hard money for use in a state legislative race.

MR. BALASH answered the hard money would be used to cover all state party expenses in the 120-day period. The state law allows the parties to give hard dollars to candidates, to make independent expenditures, to do voter ID and voter turnout, and to obtain temporary campaign space.

SENATOR ELTON said the assumption is that the more soft money that is used for activities like this, the more hard money there will be for the activities just described.

MR. BALASH said that's a fair argument.

CHAIR THERRIAULT stated that he didn't have any problem with using soft money to encourage people to vote and participate in the process.

He noted that there was testimony that some groups bought all the available airtime during the campaign last year and thereby blocked others from advertising. He asked for an explanation of how those groups got the money to do that.

MR. BALASH said BCRA provided a "carve out" for IRS code 527 organizations meaning there is no requirement for 527s to disclose where money comes from or how it is spent. The FEC split evenly when the question was raised and the result is that 527s have no regulation. "Citizens for a Stronger Senate" is one such organization.

CHAIR THERRIAULT asked what restrictions they have on raising money and whether they could register people and advocate.

MR. BALASH answered no restrictions and they can do those activities.

He added that "Americans Coming Together" operated at the federal level but not in Alaska. They did a comprehensive voter ID, registration, and contact effort using undisclosed and unaccountable money. Several organizations reported their sources publicly, but there is no requirement for that.

[3:32:35 PM](#)

SENATOR ELTON stated that he had problems with Sections 11,12, and 13 in Version R. Others, including the director of APOC have expressed similar concern. He spoke to his objection:

Less than a decade ago we kind of banned soft money; we did an appropriate thing under campaign finance reform. As Joe mentioned yesterday, the Singleton decision said well, you can't maybe do it the way you want to do it and then the 9th Circuit Court [of Appeals] said, well you can.

So what the addition of these sections appears, to me, to do is go back to the Singleton approach. It's a rather large paradigm shift in how we have been doing things. And it's a shift that bothers me because what we're ending up with is kind of at the last minute we're making very substantive changes. Not to the way we conduct elections, but to the manner in which we regulate the flow of money into campaigns under the APOC statutes... and that gives me a great deal of concern.

[3:34:56 PM](#)

SENATOR ELTON moved Amendment 2 to strike Sections 11,12, and 13 from Version R. Alaskans have indicated a strong desire to control soft money and this opens the door to accomplish things Alaskans aren't prepared to accept, he said.

CHAIR THERRIAULT said, "Your statement would lead one to believe that you're alleging that soft money can flow through to campaigns," which is clearly not the case. He didn't understand why APOC might say that a new source of funding is running into campaigns because it's still hard dollars.

SENATOR ELTON said he ought not speak on behalf of APOC. When he spoke with APOC they said they were not okay with the addition to the election bill. We need to know exactly what their problems are with the bill rather than having me tell you what I think their problems might be. For that reason he suggested moving ahead with the bill in the form that has been thoroughly vetted. He encouraged a conversation with APOC.

[3:37:41 PM](#)

CHAIR THERRIAULT objected to Amendment 2. Finding no further debate he asked for a roll call vote.

Amendment 2 failed 2 to 3 with Senators Davis and Elton voting yea and Senators Huggins, Wagoner and Chair Therriault voting nay.

CHAIR THERRIAULT noted that the bill has at least one more referral and said that he would contact APOC, but he couldn't see that the bill changes anything they would have to track.

[3:38:42 PM](#)

SENATOR WAGONER motioned to report SCS CSHB 94(STA) and attached fiscal notes from committee with individual recommendations. There being no objection, it was so ordered.

HB 277-GAMBLE-SPERL UAS JOINT USE FACILITY

[3:39:12 PM](#)

CHAIR THERRIAULT announced HB 277 to be up for consideration. He noted the meeting that morning with General Campbell.

SENATOR ELTON reported on the meeting and expressed appreciation to General Campbell, John Cramer, the member from the governor's office and the family that was able to attend. General Campbell was fair in his discussion about the hesitations regarding naming the facility. Furthermore, General Campbell has been in the loop for less than 3 weeks and didn't know of the 3-year history, he said.

General Campbell listened with sympathy to the sponsors and the family and although he didn't promise a specific outcome, he said he would talk with the Office of the Governor and then report back. He did so expeditiously and stated that he had no problems with the bill.

[3:41:32 PM](#)

SENATOR HUGGINS commented that he would hope that this sort of naming process for National Guard kinds of things is not precedent setting.

CHAIR THERRIAULT asked Senator Elton for a motion.

SENATOR ELTON motioned to report HB 277 and attached fiscal zero note from committee with individual recommendations. There being no objection, it was so ordered.

There being no further business to come before the committee,
Chair Therriault adjourned the meeting at 3:42:58 PM.