

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

February 13, 2007

8:03 a.m.

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Bob Roses, Vice Chair
Representative John Coghill
Representative Kyle Johansen
Representative Craig Johnson
Representative Andrea Doll
Representative Max Gruenberg

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 6

"An Act relating to campaign contributions by groups that are not political parties; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 88

"An Act relating to televisions, monitors, portable computers, and similar devices in motor vehicles; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 109

"An Act relating to the requirement for candidates, groups, legislators, public officials, and other persons to submit reports electronically to the Alaska Public Offices Commission; relating to disclosures by legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and certain candidates for public office concerning services performed for compensation and concerning certain income, gifts, and other financial matters; requiring legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and municipal officers to make certain financial disclosures when they leave office; relating to insignificant ownership interest

in a business and to gifts from lobbyists for purposes of the Alaska Executive Branch Ethics Act; relating to certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act; and providing for an effective date.

- BILL HEARING POSTPONED PENDING SUBCOMMITTEE REPORT

PREVIOUS COMMITTEE ACTION

BILL: HB 6

SHORT TITLE: CAMPAIGN CONTRIBUTIONS

SPONSOR(s): REPRESENTATIVE(s) HARRIS, RAMRAS, HAWKER, CHENAULT, SAMUELS, FAIRCLOUGH, NEUMAN, OLSON, DAHLSTROM, SEATON, JOHNSON

01/16/07	(H)	PREFILE RELEASED 1/5/07
01/16/07	(H)	READ THE FIRST TIME - REFERRALS
01/16/07	(H)	STA, JUD
02/03/07	(H)	STA AT 10:00 AM SPEAKER'S CHAMBER
02/03/07	(H)	LEGISLATIVE DISCLOSURES/OUTSIDE INCOME
02/13/07	(H)	STA AT 8:00 AM CAPITOL 106

BILL: HB 88

SHORT TITLE: TVS AND MONITORS IN MOTOR VEHICLES

SPONSOR(s): REPRESENTATIVE(s) GATTO, GRUENBERG

01/16/07	(H)	PREFILE RELEASED 1/12/07
01/16/07	(H)	READ THE FIRST TIME - REFERRALS
01/16/07	(H)	STA, JUD, FIN
01/29/07	(H)	BILL REPRINTED 1/29/07
02/08/07	(H)	STA AT 8:00 AM CAPITOL 106
02/08/07	(H)	Scheduled But Not Heard
02/13/07	(H)	STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

TOM WRIGHT, Staff
House Majority Office
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Offered a comment during the hearing on HB 6.

REPRESENTATIVE MARK NEUMAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Explained how HB 5 was incorporated into HB 6 and answered questions during the hearing on HB 6.

BROOKE MILES, Executive Director
Alaska Public Offices Commission (APOC)
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 6.

DON ETHERIDGE
American Federation of Labor and Congress of Industrial
Organizations (AFL-CIO)
Juneau, Alaska

POSITION STATEMENT: Testified on behalf of the AFL-CIO to state concerns and respond to questions during the hearing on HB 6.

DAVID WISER
Boston, Massachusetts

POSITION STATEMENT: Testified on behalf of himself in support of HB 88.

RODNEY DIAL, Lieutenant
Deputy Commander
A Detachment
Division of Alaska State Troopers
Department of Public Safety
Ketchikan, Alaska

POSITION STATEMENT: Testified on behalf of the department in support of HB 88.

ACTION NARRATIVE

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at [8:03:13 AM](#). Representatives Roses, Coghill, Johnson, Doll, and Lynn were present at the call to order. Representatives Johansen and Gruenberg arrived as the meeting was in progress.

HB 6-CAMPAIGN CONTRIBUTIONS

[Contains discussion of HB 5.]

[8:03:58 AM](#)

REPRESENTATIVE LYNN announced that the first order of business was HOUSE BILL NO. 6, "An Act relating to campaign contributions

by groups that are not political parties; and providing for an effective date."

[8:04:04 AM](#)

TOM WRIGHT, Staff, House Majority Office, Alaska State Legislature, mentioned that there is a committee substitute in the committee packet and part of [HB 5], a bill sponsored by Representative Mark Neuman, has been incorporated into it.

[8:04:57 AM](#)

REPRESENTATIVE COGHILL moved to adopt the committee substitute (CS) for HB 6, Version LS-0055\K, Bullard, 2/1/07, as work draft.

CHAIR LYNN objected for discussion purposes.

[8:05:32 AM](#)

REPRESENTATIVE MARK NEUMAN, Alaska State Legislature, as prime sponsor of HB 5, confirmed that HB 5 was incorporated into HB 6. He stated his goal was to close some gaps in existing statute. He continued as follows:

In May 2003, during the Twenty-Third Legislature, Senate Bill 119 was passed, and part of that bill allowed for the exempt status to be raised from \$2,500 to \$5,000. And it may not seem like a lot, but it's still three times our highest permanent fund dividend check.

REPRESENTATIVE NEUMAN explained that candidates running for political office can file exempt status. In that status, any funds they collect and spend that are less than \$5,000 do not have to be reported to the Alaska Public Offices Commission (APOC).

[8:07:08 AM](#)

REPRESENTATIVE ROSES asked, "Are there any provisions currently ... that would prevent an outside entity from running a campaign against their component?"

REPRESENTATIVE NEUMAN answered no. He said currently an organization could run several candidates against one particular candidate for office. He indicated that the proposed

legislation would deal with that issue by making it a requirement to disclose to the public the identity of those who support a candidate and where the money is being spent. That would apply only to the those running for governor, lieutenant governor, or the legislature. Representative Neuman explained that he would prefer not to impose the will of the legislature or state government on the local level.

8:08:52 AM

REPRESENTATIVE NEUMAN reiterated that the bill will allow for open disclosure on all campaign contributions. In response to a question from Chair Lynn, he said currently there is no requirement to report how the money is spent. He mentioned [subsection](g), which he indicated would be repealed.

8:10:52 AM

REPRESENTATIVE COGHILL made some observations in the statute book related to [subsection (g)].

REPRESENTATIVE NEUMAN, in response to a question from Chair Lynn, said if a candidate, for example, was to raise \$5,001, then he/she would have to file the standard paperwork.

8:13:12 AM

REPRESENTATIVE ROSES commented that the only negative he can foresee in the bill is an unintended, minor consequence, and that would be the additional paperwork that will be required of APOC.

8:13:47 AM

MR. WRIGHT surmised that APOC would rather see full disclosure, because it makes the job easier in the long run. He said he and Ms. Miles, the executive director of APOC, discussed exemptions for municipal candidates. He indicated that under the bill, municipal candidates, constitutional convention delegates, and judges up for judicial retention are exempt if they "raise and spend less than \$5,000." He clarified how the statute read with and without the proposed legislation.

REPRESENTATIVE NEUMAN noted that with the implementation of mandatory electronic recording, the burden on APOC will be reduced.

[8:17:00 AM](#)

MR. WRIGHT highlighted the new language in Version K, which appears in: Section 1, page 1, lines 4, 6-9, and 15, and page 2, lines 1 and 6-17; Section 2, page 2, lines 24 and 25; Section 3, page 2, line 31, and page 3, lines 1-3; Section 4, line 20, and Section 5, line 10.

[8:18:49 AM](#)

REPRESENTATIVE ROSES asked for confirmation that currently a union political action groups (PAC), for example, that collects political contributions with an aggregate less than \$100 does not have to report the name and address of each of those individuals, and Version K would require them to report those contributions regardless of the amount.

MR. WRIGHT answered that's correct.

REPRESENTATIVE ROSES stated concern that there are groups out there that want to get the name and address of every member of the union and could do so if this portion of the bill were passed. He said he likes the disclosure aspect of the bill, but he suggested that the personal information gathered could be kept on file for APOC's use, but not be made public.

CHAIR LYNN proffered that Representative Roses' concern would apply to other social groups, such as pro-life and pro-choice organizations.

REPRESENTATIVE JOHNSON stated his understanding that contributions [to candidates] are voluntary, and as long as everyone knows the consequence of his/her contribution, then full disclosure is something for which the legislature ought to strive.

[8:21:37 AM](#)

REPRESENTATIVE COGHILL stated that boycotts of those who have supported candidates have already occurred. Notwithstanding that, he stated, "If the policy call of APOC is to say, 'These are the people who are supporting candidates who affect public policy,' then I suggest that either we do it for all of them or do it for none of them."

MR. WRIGHT responded that it is the speaker's intention that [the bill] deal with full disclosure for anybody participating in the political arena.

REPRESENTATIVE ROSES expressed support of full disclosure and described all the ways he has gone above and beyond present full disclosure requirements. He said Representative Neuman works outside of the legislature as a furniture builder and kitchen remodeler. There is a bid process in that type of work, and if the proposed legislation passes, every one of Representative Neuman's competitors would know exactly how much he made on each job. Representative Roses said he wants to ensure citizen legislators can earn a living outside of the legislature. He opined that "what we want to do" is prevent a candidate getting money for something he/she hasn't done or being paid four or five times the amount that would be the normal rate for a job, in order to influence that candidate. He suggested a firewall be used to protect information given to APOC. Representative Roses remarked that it's easy to ask for ethics, but much more difficult to write legislation surrounding it that is fair and equitable.

REPRESENTATIVE JOHNSON stated his belief that a large purpose of the ethics discussion is to [rebuild] the confidence of the public regarding its appointed leaders. He said the public elected its candidates and has a right to full disclosure. He stated his support of full disclosure of every penny used in election and every person who donates money.

[8:27:24 AM](#)

CHAIR LYNN stated that another part of trust is accountability, and he said he thinks the public wants [legislators] to be accountable to a certain set of standards. The debate, he indicated, will be whether or not the proposed legislation "gets us to that point."

[8:27:43 AM](#)

MR. WRIGHT, in response to a question from Representative Doll, said bake sales and raffle ticket sales are exempt from the proposed legislation.

[8:28:37 AM](#)

REPRESENTATIVE DOLL said she would like Ms. Miles to address her question.

8:29:19 AM

REPRESENTATIVE GRUENBERG asked the committee to consider that if this level of disclosure were required on the federal level, then everyone who checked off the box on the income tax return form, opting to give a dollar to the presidential campaign, would have to be reported. He said he thinks people in Alaska prize their right to privacy and purposely give below the amount that has to be disclosed. He stated, "I think we all know people who have suffered reprisals, losses of jobs, business opportunities, because they have certain political beliefs - because they have supported certain candidates or opposed certain issues, and they need to be protected, too."

MR. WRIGHT responded to Representative Gruenberg by echoing the previous remark of Representative Johnson that the act of contributing to someone's campaign is voluntary. He said there is a need for transparency within Alaska's disclosure laws.

8:31:38 AM

CHAIR LYNN asked, "You're talking about the candidate ... [him/herself], but what about the privacy of the person who makes the contribution?"

MR. WRIGHT reiterated that it's up to the individual [whether or not to contribute].

8:31:53 AM

REPRESENTATIVE COGHILL indicated that he thinks the issue is in regard to groups that pool money together to affect either the candidacy of an individual or a public policy call. He suggested the question is, "Who are these folks?" He stated:

You're demanding full disclosure of everybody else, but these folks, if I understand correctly. And so, why should groups who affect the outcome of an election be exempt, when ... candidates ... have to disclose?

REPRESENTATIVE COGHILL said he understands the issue of privacy, and he related that he had a reaction to being required to submit financial and campaign disclosures. He stated that he thinks a group who is banding together specifically to influence the outcome of an election should "be disclosed." He said he

knows of a candidate in the Fairbanks area who received over \$30,000 in campaign contributions, each individual contribution less than \$100. He said people can surmise where those funds came from, but nobody really knows, which he stated is the problem.

[8:34:36 AM](#)

REPRESENTATIVE JOHNSON said:

The groups that we're talking about, in the last election contributed to candidates, in two issues, in various forms, \$3.4 million. That's a lot of money.

REPRESENTATIVE JOHNSON indicated that even though that money came from small contributions, he thinks the citizens of the state have the right to know where that money originates.

CHAIR LYNN recollected that during a recent ballot proposition there had been some controversy regarding the identification of either the proponents or opponents. Eventually, he said, "they opened that up."

[8:36:03 AM](#)

REPRESENTATIVE GRUENBERG said the mention of the proposition really puts the issue in perspective, because there is no requirement that people who are for or against propositions "disclose a dime." He said who supported Proposition 2 is far more important to most people in the state than who supported his own campaign, for example. He stated:

This is a very, very patchwork-like system of regulation; it's not truly disclosure for the public. And the U.S. Supreme Court has said, for example, that people can write editorials, and they don't have to disclose who writes the editorial. That's on a day to day basis. And that's just the opinion of one person in newspapers. ... Political parties have a right to close our primary - a right of association - the U.S. Supreme Court has said that. And they don't have to disclose who's doing all of that - that's a whole group of people. ... What real interest, compared to that, does the public have in knowing who gives a dollar to my campaign?

[8:37:59 AM](#)

MR. WRIGHT said he does not feel that the bill sponsor is being hypocritical, but rather wants full disclosure for any group or entity. He offered his understanding that APOC addressed the issue of groups and individuals involved in propositions. He said, "If that is your wish to have those folks disclose, we would have no problem with that"

[8:38:47 AM](#)

REPRESENTATIVE JOHNSON said he would support full disclosure being required of [those involved with propositions].

REPRESENTATIVE GRUENBERG clarified that he is suggesting the opposite. He explained:

People have a right to privacy. ... If you really wanted disclosure, the bill would have had it in it. But I don't think this bill has it in it, because it's not true disclosure that's wanted on all issues - it's just on some issues: who supports a dollar to a candidate.

REPRESENTATIVE JOHNSON stated, "And I would support your amendment to the bill, as well." Regarding a previous comment from Representative Gruenberg, he said voter registration is public information, available on the Internet.

REPRESENTATIVE GRUENBERG pointed out that the voter registration on line shows who has voted and to which party he/she may have registered. He noted that there are people who support parties who are not registered to vote.

CHAIR LYNN said those who run for office give up a certain right to privacy. He said he supposes an argument could be made that anyone who contributes to a candidate or cause has given up some right to privacy. He concluded, "But this is a very sticky wicket ..., because we do want to have appropriate disclosure."

[8:40:58 AM](#)

REPRESENTATIVE COGHILL said the Select Committee on Legislative Ethics has focused on lobbyists and the administrative executive branch. He said special interest groups have a huge impact on public policy and the individuals that make up those groups should be known to the public. He said whether or not the employer should be included might be debatable; however, he

concurrent with making the individual known who makes the contribution.

[8:42:00 AM](#)

REPRESENTATIVE JOHNSON stated his intent to offer an amendment that would ban PACs from contributing to campaigns, which he said would take special interest out of the equation. He stated, "If this committee decides to pass that amendment, this particular section becomes moot."

CHAIR LYNN said he would like a better definition of a PAC.

REPRESENTATIVE JOHNSON said a constituent visited another member of the legislature to oppose "banning of PACs," because that person said it would prevent lobbying. Representative Johnson said, "Well, what we have is: lobbyists can't contribute - we've made that law; we have PACs that are donating so they can lobby; and I ... absolutely don't see the difference between a group coming in and lobbying that can contribute to their campaign, or an individual lobbyist coming in and lobbying a legislator."

[8:44:15 AM](#)

MR. WRIGHT returned to his explanation of the changes made in the bill. Regarding Section 3, he said if the legislature held municipal candidates to the same standard, "we would have a hellacious fiscal note." He said that, plus not wanting to tell municipalities how they should file, is the reason that the \$5,000 exemption is left in place for municipal candidates, for judges seeking retention, and for constitutional convention delegates.

MR. WRIGHT, in response to Representative Gruenberg, said that an example of a nongroup entity, to which reference is made in Section 4, would be the Alaska Conservation Foundation.

[8:46:33 AM](#)

REPRESENTATIVE COGHILL noted that the definition of nongroup entity is found in AS 15.13.400(13), which reads as follows:

(13) "nongroup entity" means a person, other than an individual, that takes action the major purpose of

which is to influence the outcome of an election, and that

(A) cannot participate in business activities;

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

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

[8:47:17 AM](#)

BROOKE MILES, Executive Director, Alaska Public Offices Commission (APOC), in response to a request from Chair Lynn, said there is very little difference in the way the campaign disclosure law applies to PACs and nongroup entities. She explained that "nongroup entity" was created after campaign finance reform, when the Alaska Supreme Court's opinion stated that the law needed to provide some method by which nonprofit corporations could have a voice in elections. She noted that there is only one nongroup entity in Alaska, and that is the Alaska Conservation Voters. She explained that the structure of a nonprofit organization does not permit it to register as a PAC. She said Alaska law treats the nongroup entity "in the same manner," and has done so now for many years. She offered her recollection that it was sometime between 2000-2002 when the state created the nongroup entity section of law, the purpose being "to hold it at a minimum to the standards that ... are required from any other political action committee." In response from questions from Chair Lynn, she confirmed that, politically speaking, a PAC and a nongroup entity are about the same; both their restrictions are the same.

[8:50:08 AM](#)

MR. WRIGHT returned to his sectional analysis. He predicted that the change in Section 5 may be controversial, but Representative Harris believes that PACs should be limited by the same restrictions as an individual, in terms of contribution amounts.

CHAIR LYNN pointed out an initiative just passed [in 2006], lowering the amount that a PAC could contribute to a candidate from \$2,000 to \$1,000. He stated his understanding that a change in law made by an initiative could not be altered for two years.

[8:51:22 AM](#)

MR. WRIGHT offered his understanding that the legislature can amend the language of law passed through initiative to a more restrictive standard within the two-year time frame, but it cannot make it less restrictive.

8:52:00 AM

MR. WRIGHT, in response to a question from Representative Gruenberg, reiterated that his previous statement, regarding what the legislature is allowed to do, is based on his understanding of discussions with Legislative Legal and Research Services.

REPRESENTATIVE COGHILL said he would like a legal opinion on that issue.

MR. WRIGHT said there could be arguments on both sides of the matter.

CHAIR LYNN illustrated Mr. Wright's comment, by noting that he has seen two opposite opinions put forth by Legislative Legal and Research Services and the Office of the Attorney General.

8:53:38 AM

REPRESENTATIVE GRUENBERG said this is actually an issue of public policy. If in doubt, he said, "defer to the initiative." He said the initiative is "one of the last vestiges of direct democracy in society." He said it is dangerous for the legislature to create precedence to undercut the initiative process. He asked Mr. Wright, "Why is this so important that you should go up to the edge of the envelope ...?"

MR. WRIGHT replied that he thinks he has already provided sufficient explanation.

REPRESENTATIVE ROSES said he doesn't see how the amended language [in Section 5] would undercut the law, because that would mean making the language less restrictive, and Section 5 would make it more restrictive.

8:54:48 AM

REPRESENTATIVE GRUENBERG reiterated that the issue at hand is the right of privacy and the right of association. When the voters in the initiative took a balanced approach that allowed a

PAC to give \$1,000, he said, that was "a considered view by the electorate."

[8:55:16 AM](#)

REPRESENTATIVE ROSES contended that the reason that the people voted for the amount of \$1,000 is because that is the way the language was written in the initiative, and it does not mean they wouldn't have preferred \$500, for example.

CHAIR LYNN concurred with Representative Coghill that it would behoove the committee to get a legal opinion on the subject.

[8:56:05 AM](#)

REPRESENTATIVE COGHILL requested that the actual ballot language and "purpose intended" be included in the committee packet.

[8:56:23 AM](#)

MR. WRIGHT said he will provide the initiative language for the committee.

[8:57:18 AM](#)

REPRESENTATIVE GRUENBERG said he does not think the issue can be "disguised" by whether \$500 is more or less restrictive; the real issue is: "What power has the legislature to amend an initiative within two years?" He said this is an issue that the legislature has repeatedly confronted.

REPRESENTATIVE ROSES explained that he does not see that it is an issue to lower an amount when the language specifically used the phrase "not more than" in context of the amount.

[8:58:34 AM](#)

REPRESENTATIVE GRUENBERG responded, "If that's the case, then that same logic would allow us to eliminate the right of a political party to contribute entirely."

[8:59:08 AM](#)

REPRESENTATIVE JOHNSON talked about unintended consequences by offering the example of the recent cruise ship tax, which he said may inadvertently have legalized gambling in the state.

CHAIR LYNN offered information regarding the cruise ship initiative, which he said illustrates his previous statement that Legislative Legal and Research Services and the Office of the Attorney General often hold opposite opinions. In response to Representative Johnson, he explained that although the cruise ship initiative is not on topic, it is an issue with which he is concerned.

[9:00:55 AM](#)

MR. WRIGHT noted that [Section 6] provides for an immediate effective date.

[9:01:08 AM](#)

CHAIR LYNN directed attention to the copy of Ballot Measure 1 [included in the committee packet].

[9:01:22 AM](#)

REPRESENTATIVE JOHNSON referred to AS 15.13.070(c), which read:

- (c) A group that is not a political party may contribute not more than \$1,000 per year
 - (1) to a candidate, or to an individual who conducts a write-in campaign as a candidate;
 - (2) to another group, to a nongroup entity, or to a political party.

REPRESENTATIVE ROSES reiterated his previous statement that \$500 is not more than \$1,000.

[9:02:17 AM](#)

REPRESENTATIVE COGHILL opined that the full disclosure elements of the bill are probably more important. He stated, "If it comes down to a vote and it means the ... moving or killing of this bill, I probably will stick with the \$1,000, as long as we can get the full disclosure measures in it."

[9:02:50 AM](#)

REPRESENTATIVE GRUENBERG questioned whether the effective date of the bill would have an impact on the upcoming Anchorage municipal race.

MR. WRIGHT said he had not considered the Anchorage municipal race. He said the choice of the effective date was to create the same set of ground rules for everyone.

9:04:38 AM

REPRESENTATIVE ROSES said he thought Mr. Wright had stated that municipal elections were exempt.

MR. WRIGHT clarified that the exemption applies to those who raise \$5,000 or less; those who raise more than \$5,000 would still be subject to reporting requirements.

9:06:09 AM

MS. MILES, reminded the committee that the commission's position on legislation is neutral. Many elements of the proposed legislation are strictly policy decisions that must be made by legislators on behalf of their constituents. In response to a question from Chair Lynn, she said she was concerned about the bill's proposal to remove the exemption process from municipal campaigns. Currently, she noted, APOC is responsible for administering the campaign disclosure law for 31 municipalities. She explained the process as follows:

When a candidate finds that they will not raise or spend more than \$5,000 - that includes their personal money - it does not exempt them from the other provisions of the campaign disclosure law. For example, it does not mean that they can use any contributions that they receive for personal use. If they were doing so, and a person had knowledge of that, they could file a complaint with the commission, and the commission would review the records, which are required to be kept by the candidate. They are only exempt from reporting. If they spend part of their \$5,000 on an advertisement, it needs to be identified with those famous words, "Paid for by Jane Doe for school board, Box 10, Juneau." ... So, it's only an exemption from reporting.

When Tom Wright agreed to consider the idea of keeping the exemption for the municipalities - although removing it from state candidates - I felt that a lot of that burden - the paper weight burden - had been removed. So, I'm not seeing anything in particular in

any one of the sections that's going to cause a whole lot more work for the commission and its staff.

REPRESENTATIVE GRUENBERG asked Ms. Miles if she is saying that people running for local office would be exempt from APOC's regulation.

MS. MILES responded that people who run for municipal office and choose to file an exemption - a sworn statement that they will not be spending more than \$5,000 in their campaigns - will be exempt from reporting, but they will still be subject to the law.

[9:10:22 AM](#)

REPRESENTATIVE COGHILL asked if, under existing reporting requirements, there have been any complaints regarding privacy by those who have had their names on public disclosures.

MS. MILES said APOC does not receive those complaints. She stated, "It's a choice to participate in the election process. ... Really, once a person decides to do that, and the state has disclosure laws, there's no presumption of privacy."

[9:11:12 AM](#)

MR. WRIGHT clarified that under current law, municipal candidates who are going to raise more than \$5,000 must file a report to APOC.

[9:11:37 AM](#)

MS. MILES, in response to a question from Representative Gruenberg, said previously any contribution under \$100 did not have to be reported.

REPRESENTATIVE GRUENBERG asked what percentage of people who give to political campaigns give less than \$100.

MS. MILES said she does not have that information at hand, but can get back to Representative Gruenberg with an answer. Notwithstanding that, she noted that during the 2002 gubernatorial election, there had been approximately \$2 million contributed in amounts of under \$100.

REPRESENTATIVE GRUENBERG said it takes four contributions of \$25 each to get to the \$100 mark. He stated that he is not concerned about the amount of the contributions, but is

concerned about the number of contributors. He explained, "I would be interested in knowing the number of people who are going to be affected, who now have a right to privacy, who won't if this passes."

[9:13:26 AM](#)

MS. MILES stated, "Everybody's reporting 100 percent of everything under current law." In response to a remark from Representative Gruenberg, she clarified, "The initiative changed it for groups - changed it back to a hundred-dollar aggregate"

[9:14:09 AM](#)

MS. MILES, in response to a request from Mr. Wright, said there had been a proposal to remove the "exempt fundraising section of law," which relates to low-cost, high-volume fundraising activities, such as selling hotdogs, t-shirts, bake sale items, and raffle tickets. Anyone who spends more than \$50 at such an event "gets pulled out and named [separately] as a regular contributor."

[9:16:31 AM](#)

MS. MILES, in response to a question from Representative Johnson and a remark from Representative Gruenberg, stated her understanding that before the ballot initiative, a "group" was required to disclose each contributor by name and address, regardless of the amount of the contribution. For each contributor who gave more than \$250, the group was also required to disclose the contributor's occupation and employer. Ms. Miles noted that the same manner of reporting is required from legislators. She said when the initiative passed, it allowed groups to aggregate their first \$100. For example, the report could show that 10 people gave a total of \$300. However, the ballot initiative established another threshold for a political group, under which the candidate must report the following regarding any group that gives more than \$100: name, address, date, amount of contribution, occupation, and employer. She indicated that that reporting threshold is lower than the candidates' requirement to report occupation and employer information at the over \$250 level. She concluded, "This bill would move groups back to how they were reporting before the ballot initiative."

[9:18:32 AM](#)

MS. MILES, in response to Chair Lynn's reiterated question regarding whether or not the legislature is allowed to change the language put into law through initiative before two years' time, said she is not qualified to address that issue.

[9:18:55 AM](#)

DON ETHERIDGE, testifying on behalf of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), stated that that entity's major concern is regarding the bill's requirement that contributors' names be listed. He said that could have hurtful consequences. He explained that there have been several attempts in the past to acquire the AFL-CIO's "Locals" mailing lists, but those lists are protected; they are not even given out to candidates that the AFL-CIO supports. He said, "If the intent here is to do away with a lot of ... our organized PACs, this will do it. A lot of our groups will not keep their PACs if they have to put out their membership list; it's that sacred to us."

MR. ETHERIDGE stated the other concern is in regard to the \$500 limit. He said the AFL-CIO feels that since it contributes on behalf of a number of its members, the amount should remain at the \$1,000 limit. He said contributions are strictly voluntary. He related that most of the contributions received range between \$10-\$25 a month; it isn't a lot of money.

[9:21:52 AM](#)

CHAIR LYNN asked Mr. Etheridge if he knows what percentage of AFL-CIO members contribute to the PAC.

[9:22:03 AM](#)

MR. ETHERIDGE answered no. He explained that each PAC - each Local - is a separate organization and keeps that information private, between the employee and employer. He said the memberships fluctuate from Local to Local. In response to a request from Chair Lynn to hazard a guess as to whether most members contribute or don't contribute, he responded:

It just depends on the organization Some of our groups are very active politically, and some of them ... don't do hardly anything. Some of our PACs, they don't hardly make enough money to even make contributions; a lot of them stay under the \$100

contributions because that's all they get. And so, it varies, depending on which Local it is that's collecting it. I know some of our Locals ... can't even get enough money to get it back together; they don't even bother. [There are] a lot of our members that don't get active at all. In fact, I'm ashamed at how many of our members don't even vote.

[9:23:42 AM](#)

REPRESENTATIVE ROSES asked, "Are there any of your Locals where the contribution to PAC is mandatory, and you have to exempt out for it not to be taken out of your check?"

MR. ETHERIDGE answered, "Not in our Locals that I'm aware of."

REPRESENTATIVE ROSES said he knows of some [Locals] where that is the case.

[9:24:09 AM](#)

REPRESENTATIVE GRUENBERG asked, "How important do your members feel their privacy is in this matter?"

[9:24:18 AM](#)

MR. ETHERIDGE replied that he thinks that is an important issue to many of the members, which is why many contribute to the PAC rather than directly to the candidate.

REPRESENTATIVE GRUENBERG asked, "How do they feel about government intruding in their privacy in this manner?"

MR. ETHERIDGE answered, "Many of them don't like it at all."

[9:24:45 AM](#)

CHAIR LYNN indicated a foreseeable problem in making it possible for proponents and opponents of issues to send out targeted mailings.

[9:25:27 AM](#)

MR. ETHERIDGE indicated that contributing to candidates can result in receiving a deluge of mail.

CHAIR LYNN restated his concern regarding giving access to private mailing lists.

[9:26:29 AM](#)

REPRESENTATIVE COGHILL said he agrees that anonymity in contributions is good. However, he said, "When you start acting like a political party - ... supporting candidates, getting money to them, and putting money into issues - I think that anonymity, then, needs to dissipate, because the public is being affected." He said that is a policy that Alaskans have chosen [through initiative]. He stated that the AFL-CIO has a huge impact regarding who runs, how much they get, and what the issues are.

MR. ETHERIDGE relayed that overall, the AFL-CIO does not contribute much money, but what it brings to the table is man power.

[9:29:38 AM](#)

REPRESENTATIVE COGHILL said he can attest to the effectiveness of the AFL-CIO's manpower.

[9:29:56 AM](#)

REPRESENTATIVE GRUENBERG said there are a lot of groups that are extremely powerful in the state, for example, the National Rifle Association, pro-life and pro-choice organizations, many women's caucuses, and various associations. He asked, "And if everybody who gives a dime through a PAC has to contribute, why shouldn't everybody who's a member of the NRA have their name listed?"

[9:30:57 AM](#)

REPRESENTATIVE ROSES asked what percentage of Mr. Etheridge's members give less than \$100 a year.

MR. ETHERIDGE said many members in his Local give three to six dollars a month.

[9:31:49 AM](#)

REPRESENTATIVE DOLL said she wants to see more people get involved in the political process, and she said she knows that confidentiality is an important issue. She stated her belief that supporting the bill's proposed disclosure requirements

would be a poor policy decision, thus she stated her opposition to [the bill].

[9:33:36 AM](#)

CHAIR LYNN closed public testimony.

[9:33:56 AM](#)

REPRESENTATIVE COGHILL, in response to Chair Lynn, said he would prefer to have a legal opinion, related to whether or not the committee may lower the contribution rate requirement, before continuing on with the bill.

CHAIR LYNN concurred.

[9:35:55 AM](#)

REPRESENTATIVE JOHNSON mentioned that he has an amendment to offer, but it goes to the heart of the legal opinion not yet obtained. He echoed that he also would like to wait for that legal opinion.

[9:36:52 AM](#)

CHAIR LYNN announced that HB 6 was heard and held.

Subcommittee on Ethics: Report

[9:38:06 AM](#)

REPRESENTATIVE COGHILL reported that the subcommittee addressed Title 24 at its last meeting as a step in recommending ethics legislation. He stated his intention is that the subcommittee present a "blander" version of a proposed bill, but leave in some of the more controversial topics for the consideration of the entire committee.

REPRESENTATIVE COGHILL said memorandum was sent to bill drafter Dan Wayne of Legislative Legal and Research Services, asking for a committee substitute including the subcommittee's work to date. He announced the committee's upcoming meeting, at which he said the subcommittee hopes to address the executive branch ethics issues.

[9:40:21 AM](#)

CHAIR LYNN said he wants to bring HB 109 to the table as soon as possible, and he thanked the subcommittee for the work it's doing.

[9:41:18 AM](#)

REPRESENTATIVE ROSES said that when the subcommittee decided from the start not to include anything in the bill without a unanimous decision, he was skeptical that that could happen. However, he said he now supports that concept.

[9:42:40 AM](#)

REPRESENTATIVE COGHILL, in response to a question from Chair Lynn, said there were approximately 13 different bills and "50 different language set differences" that the subcommittee has been considering. He also noted that the committee has been reviewing Titles 11, 15, 24, and 39.

REPRESENTATIVE GRUENBERG, on behalf of the House Minority Party, commended the subcommittee's "unanimity rule."

HB 88-TVS AND MONITORS IN MOTOR VEHICLES

[9:44:01 AM](#)

CHAIR LYNN announced that the last order of business was HOUSE BILL NO. 88, "An Act relating to televisions, monitors, portable computers, and similar devices in motor vehicles; and providing for an effective date."

[9:44:09 AM](#)

REPRESENTATIVE GRUENBERG introduced HB 88, as joint prime sponsor. He said it was a bill that arose out of a tragic accident in which a couple died when a car crossed over the center line and hit their car. People cannot watch digital video disks (DVDs) and television (TV) monitors while driving, and such action should be prohibited. The original bill, he said, would make it a crime to have a vehicle with a DVD screen installed and operating in view of the driver. He noted that there is a proposed committee substitute that makes some changes to the bill.

[9:47:04 AM](#)

REPRESENTATIVE GRUENBERG moved to adopt the committee substitute (CS) for HB 88, Version 24-LS0312\C, Luckhaupt, 2/12/07, as a work draft.

[9:47:26 AM](#)

CHAIR LYNN objected for discussion purposes.

[9:47:44 AM](#)

DAVID WISER, testifying on behalf of himself, told the committee that it was his parents, Bob and Donna Wiser, that were killed in the aforementioned car crash. He continued:

On October 12, 2002, my parents, Bob and Donna Wiser, were killed in a horrible and fiery car crash when they were hit head on traveling southbound on the Seward Highway. Charges of second degree murder against the other driver were levied when the Alaska State Troopers had determined through investigation that he was, in fact, driving a pick-up while watching a movie.

In the subsequent trial, the driver was acquitted of all charges. This was a trial that had garnered national attention, and it was dubbed the so called, "murder trial." At the end of that trial, he was acquitted.

You, as legislators, I believe, are working on the vanguard of legislation, in an area that is all but contested, and, in my belief, apolitical - that of our collective safety on the roads of the nation. Full motion video is now available in my market on hand-held phones, with screens the size of two thumbs, side by side, and video iPods are everywhere, layering the difficulty that you all now face in structuring a bill.

I ask, "What societal benefit can possibly be provided by people watching full-motion video in the front of a vehicle - specifically the driver?" None, really. We all have to drive the roads of our nation together, and there doesn't appear to be any corporate opposition on placing limits on the ability of people to do what I mentioned above.

The driver of the other vehicle began his defense, boldly stating through his attorney - and I paraphrase: "Yes, I installed the DVD in the front of my truck. Yes, I wired it in such a way that it could work while under motion. And guess what? There's nothing wrong with that; there's nothing specifically illegal about that. Why did I wire it that way? It was easier."

Basically, he thumbed his nose at us - the family that had just seen the sad death of our folks. Your ability as legislators to prevent that type of affront to future families is what is probably most at issue here.

The jury found reasonable doubt that he was watching the DVD and, therefore, caused the crash, and that is the burden of the State of Alaska to overcome in a murder trial. But I've said it before that I believe the burden as legislators is the reasonable belief that he was, or more importantly, that others do and are doing so every single day, and in reaching this conclusion about him and others, you all have the power to prevent the type of upheaval that our family suffered in the wake of an acquittal. You have, essentially, the power to set an example for the nation.

[9:51:51 AM](#)

It is common sense that one should not be driving while watching motion video; but when that which is common sense not to do becomes totally common place, marketed by manufacturers, and even idealized in television programs like MTV's "Pimp My Ride," it really does fall to the nation's legislatures to influence and, when necessary, provide the mechanism by which the police, district attorney, prosecutors, and juries are able to severely punish people's actions, especially when they result in injury, serious injury, and - in our case - a horrible death.

My parents were on their way to the Kenai Princess Lodge to celebrate their retirements, which were supposedly upcoming in two weeks. They never made it. They were young, 26-year residents of the state of

Alaska, grandparents, law-abiding citizens, and I estimate that over 450 voters attended their trial.

We as a family ask that you support a bill of whatever structure, because it's about protecting Alaskans just like my parents.

[9:53:04 AM](#)

CHAIR LYNN expressed condolences on behalf of the committee and stated his hope that some legislation could prevent this from happening in the future.

[9:53:57 AM](#)

MR. WISER thanked Chair Lynn. He pointed out that, unfortunately, legislation has not been able to keep up with the rapidity of technological development.

[9:54:20 AM](#)

REPRESENTATIVE GRUENBERG suggested that the committee hear from a lieutenant from the Alaska State Troopers.

[9:55:17 AM](#)

REPRESENTATIVE JOHANSEN noted that the officer about to testify is one of his constituents.

[9:55:32 AM](#)

RODNEY DIAL, Lieutenant, Deputy Commander, A Detachment, Division of Alaska State Troopers, Department of Public Safety, testified on behalf of the department in support of HB 88. He stated, "This essentially will allow us to charge a criminal offense for violation of this, where in the past, we've just been able to charge essentially an infraction with a fine."

REPRESENTATIVE GRUENBERG noted the bill would make it unlawful to watch a program or read from a visual display on a portable cellular telephone or PDA, and he asked Lieutenant Dial to explain why that is important.

[9:57:11 AM](#)

LIEUTENANT DIAL responded that full-motion video would be distracting [to someone driving a vehicle], whether it is [shown

on a device] permanently mounted to the vehicle or on a hand-held phone. He said the intent of expanding the language in the bill is to communicate that "watching a video while driving down the road is not acceptable in any format."

CHAIR LYNN predicted that there would be some difficulties in enforcing such a law, because it would be difficult for the Alaska State Troopers to glance in another vehicle and tell that the driver is watching a video.

[9:58:15 AM](#)

LIEUTENANT DIAL, in response to a request from Representative Gruenberg to address the difficulty of enforcement, offered the following list of tactics that would be used to address that issue: visual observations by police, witnesses, passengers in the vehicle; interviews; forensic examination of the equipment when feasible; seizure of equipment; and application of search warrants.

[9:58:42 AM](#)

REPRESENTATIVE GRUENBERG noted that there may be an upcoming amendment addressing the issue of "provisional driver's licenses and the use of wireless phones." He asked Lieutenant Dial to tell the committee what the benefit of that amendment would be.

[9:59:07 AM](#)

LIEUTENANT DIAL replied that the thought behind the amendment is that it is important to limit the distractions of young, inexperienced drivers who are operating vehicles under provisional licensing, so that they can gain experience and drive safely. One way to do that, he said, would be to prevent those individuals from operating a cellular phone while driving a vehicle.

[9:59:37 AM](#)

REPRESENTATIVE JOHNSON noted that Global Positioning System (GPS) units are computers with moving video monitors that are installed in the dashboard of a vehicle. He asked how they fit in to this legislation.

LIEUTENANT DIAL responded that those would be specifically exempted under both the bill and existing statute.

REPRESENTATIVE GRUENBERG noted that the exemption is shown on page 2, lines 13 and 14.

REPRESENTATIVE JOHNSON related that he had rented a vehicle that was equipped with a "Magellan" and a slot for a DVD mounted in the car. He indicated that he would like those issues investigated.

[10:00:49 AM](#)

CHAIR LYNN suggested the committee may want to investigate what the policy of the rental car agencies in the state is.

[10:01:06 AM](#)

LIEUTENANT DIAL said his research indicates that at least 38 states have or are working on passing similar legislation. He offered his understanding that many manufacturers of systems that play DVDs do not allow the DVD to be played while the vehicle is in motion.

[10:01:35 AM](#)

REPRESENTATIVE GRUENBERG noted that a number of states are also going in the direction of the aforementioned amendment regarding provisional drivers.

[HB 88 was heard and held.]

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at [10:02:12 AM](#).