

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

February 15, 2007
8:09 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
02/13/07	(H)	Heard & Held
02/13/07	(H)	MINUTE(STA)
02/15/07	(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
02/13/07	(H)	Heard & Held
02/13/07	(H)	MINUTE(STA)
02/15/07	(H)	STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

REPRESENTATIVE JOHN HARRIS

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Testified as joint prime sponsor of HB 6.

TAMMY KEMPTON, Project Coordinator
Regulation of Lobbying
Alaska Public Offices Commission (APOC)
Juneau, Alaska

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

ALPHEUS BULLARD, Attorney
Legislative Legal and Research Services
Legislative Affairs Agency
Juneau, Alaska

POSITION STATEMENT: Offered comment regarding a possible amendment to HB 6.

REPRESENTATIVE HARRY CRAWFORD
Alaska State Legislature

POSITION STATEMENT: Offered information regarding an initiative during the hearing on HB 6.

MICHAEL X. CMMISA, Director
Safety
Technical Affairs
Association of International Automobile Manufacturers (AIAM)
Arlington, Virginia

POSITION STATEMENT: Testified during the hearing on HB 6.

JAY LANDERS, Senior Director
Government Affairs
Recreational Vehicle Industry Association (RVIA)
Reston, Virginia

POSITION STATEMENT: Testified during the hearing on HB 6.

ACTION NARRATIVE

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at [8:09:07 AM](#). Representatives Roses, Coghill, Johnson, Gruenberg, Doll, and Lynn were present at the call to order. Representative Johansen arrived as the meeting was in progress.

HB 6-CAMPAIGN CONTRIBUTIONS

[8:09:57 AM](#)

CHAIR 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."

8:10:03 AM

CHAIR LYNN removed his objection [stated during the February 13 House State Affairs Standing Committee meeting] to the motion to adopt the committee substitute (CS) to HB 6, Version 25-LS0055\K, Bullard, 2/1/07, as a work draft. There being no further objection, Version K was before the committee.

[Due to technical difficulties recording did not begin until this point.]

8:11:21 AM

REPRESENTATIVE JOHN HARRIS, Alaska State Legislature, as joint prime sponsor of HB 6, said the bill is somewhat controversial. He said HB 6 will strengthen the initiative rather than weaken it. He stated his belief that had all the proposals in HB 6 been in the initiative, the voting public would still have passed the initiative. He reminded the committee that it is illegal to weaken an initiative within two years of its passing; however, it is legal to amend it in a manner that strengthens it. He said he thinks the public wants individuals, not some group with an agenda, to have the most influence on candidates. He related that he thinks the public is demanding full disclosure, which is another concept of the bill that may be debatable.

8:14:49 AM

REPRESENTATIVE HARRIS, in response to Chair Lynn, offered his understanding that the maximum a party can give to an individual candidate has changed from \$10,000 to \$5,000.

CHAIR LYNN asked, "So then, to be consistent, would you recommend that we go down to \$500 for a party (indisc. -- overlapping voices)?"

REPRESENTATIVE HARRIS responded that he doesn't care one way or the other. He added that he would be fine with the elimination of group contributions altogether, leaving only individual contributions; although he said he thinks that may not be legal. He emphasized that his focus is in regard to where the influence should be. He said one argument is that rich people can afford to give \$500 more than poor people can. He pointed out that

there are more poor people out there and more less affluent voters, and if they choose to participate in the process, they can control it.

8:18:14 AM

REPRESENTATIVE HARRIS revealed that he has been a member of the Teamsters for 32 years and is the only legislator who is a working union member. He shared his background as a laborer from a family of laborers. He explained that some people have called this bill union bashing, and he assured the committee it is not.

8:18:58 AM

REPRESENTATIVE LYNN revealed that he is a former member of NEA-Alaska and [the California Teachers Association (CTA)], among other organizations. He indicated that Representative Roses is, as well. He said a recent cruise ship initiative passed that had multiple effects. There were differing opinions regarding whether the legislature can make changes to that initiative. Regarding the initiative that would be affected by HB 6, he noted that included in the committee packet is an opinion issued by Legislative Legal and Research Services stating that "this wouldn't go to the heart of the issue." He asked Representative Harris if he knows what the opinion of the administration and the attorney general is on the matter.

REPRESENTATIVE HARRIS said he doesn't know. He said it is not uncommon to ask two attorneys for an opinion and get two different responses. He said the initiative reduced the amount of campaign contributions from individuals from \$1,000 to \$500 and the amount from political action committees (PACs) from \$2,000 to \$1,000. He said he is just trying to get a discussion going to consider bringing the \$1,000 PAC limit down to [\$500].

8:22:47 AM

REPRESENTATIVE ROSES said his understanding of the bill is that every contribution from a PAC would have to be reported. He said he sees that in two different ways: being reported to APOC or being reported to the public. He suggested a firewall be used to allow APOC to view disclosures while protecting those individuals reporting. He warned that an unintended consequence of requiring the reporting of every name and address in every union could easily aide those who want "to organize to try to break unions." Furthermore, there are law enforcement officers

who belong to organized labor, and he said he is not certain every police officer necessarily wants to have his/her name and address made public. He said he fears the bill may create "something that becomes difficult to manage."

8:25:08 AM

REPRESENTATIVE HARRIS said he does not disagree with Representative Roses and would not object to protecting the rights of folks who want to preserve their right to privacy. As a union member himself, he said he understands the attempts to break the unions. He said his focus is to make sure that all contributions to candidates are recorded. He continued:

There used to be a provision in campaign finance that allowed for monies - \$100 or less - to not be reported individually. In other words, all you did was fill out ... at the bottom of your form: "received 'x' amount of dollars, less \$100 per contribution." I want to make sure that that doesn't exist under any circumstance. So, anybody that contributes to a candidate individually - that should be recorded whether they give \$5 or whether they give \$500

8:26:50 AM

REPRESENTATIVE ROSES said he thinks there is another area of concern. He offered the following example:

Let's say ... the cruise ship industry had a PAC Well, inside that you've got the bus boys' PAC, and then inside that you've got the cruise ship waiters' PAC. Well, on one cruise one way the guy's the bus boy, [and] on the other cruise going the other way ... the guy's the waiter. So, does he ... contribute in all three of those PACs?

REPRESENTATIVE ROSES said he does not want to see that type of thing happen because it gives an unfair advantage to one group over another.

8:28:04 AM

REPRESENTATIVE HARRIS offered his understanding that it is already in law that "if you contribute more than \$100 ... to a group or PAC, that's disclosed." He said he thinks that should remain as is. He noted that the Alaska State Employees' Union

has a voluntary system wherein the state writes a check for the PAC for a voluntary contribution that a state employee makes to the PAC. Some people question whether that's the job of the state or employer to be forced to write a check from somebody's payroll to a PAC. He said the numbers involved are small, but the state still goes through the expense of writing the check and sending it to the PAC each year.

REPRESENTATIVE HARRIS indicated that former Representative Ethan Berkowitz had some concern about this issue, and he said he will find out what that concern was. He stated, "We certainly ... have to try to protect the rights of people ... from being abused by the public for whatever reasons because they choose to participate; but yet we also want to make sure that we honor the public's ... desire to have as much full disclosure as possible."

[8:30:42 AM](#)

REPRESENTATIVE JOHNSON said he is pretty sure that APOC does not have a vote. He said the committee needs to look at "accountability for candidates and who gives them money." He stated that full disclosure is essential, and he emphasized the need to [restore] the public's confidence that its legislators are working on its behalf. He indicated the action needed is to "follow the money." In response to the previous concern expressed by Representative Roses, he said it would be simple for a policeman, for example, to give his/her business address rather than a home address. He said the act of giving contributions is 100 percent voluntary.

[8:32:21 AM](#)

REPRESENTATIVE GRUENBERG directed attention to a handout in the committee packet addressing the issue of constitutionality. He said this memorandum does not discuss the superior court's decision on the [Trust the People Initiative]. He indicated that that decision may be helpful to consider. He directed attention to another legal memorandum in the committee packet [from Alpheus Bullard, Legislative Legal and Research Services, dated February 14, 2007], and he paraphrased the first sentence, which read as follows:

You inquired about existing law concerning campaign contributions as applied to groups that support or oppose a ballot proposition and about whether the

groups or individuals who contribute to the groups could be subjected to contribution limits.

REPRESENTATIVE GRUENBERG said, "I was even more interested in whether they could be the subject to require disclosure, and that's quite a different question than contribution limits." He said his glance at some of the cases shows that none of them seem to deal with disclosures. He suggested that if "they" have a right to anonymity, "might not contributors to individual candidates have some constitutionally protected right of privacy also?" He opined that the Alaska State Constitution's right to privacy in Article 1, Section 22 is "broader than the federal right to privacy."

[8:36:29 AM](#)

REPRESENTATIVE HARRIS promised that if any attorney general's opinion is received that shows that HB 6 is violating the intent of the law, he will not pursue the bill further. He stated that if Representative Gruenberg's assumption is correct, then no contribution would have to be reported.

REPRESENTATIVE GRUENBERG said small contribution amounts may be subject to greater constitutional protection.

REPRESENTATIVE HARRIS stated, "As long as the aggregate amount wasn't over that, I am not opposing the \$100 or less not being reported." He added, "To a group, not to a candidate"

REPRESENTATIVE GRUENBERG stated, "If I'm giving \$25 to a candidate or \$25 to a group which I know is going to be supporting a certain group of candidates, the constitutional protection should still remain."

REPRESENTATIVE HARRIS responded, "Well, that's obviously if the attorney general is coming out with that position."

REPRESENTATIVE GRUENBERG asked, "How about if the attorney general or somebody doesn't come out with that opinion if they're constitutionally protected; how about on a policy basis?"

REPRESENTATIVE HARRIS answered that that has to be debated. He said the merits of the bill as currently presented are related to having full disclosure. He reiterated that he is not trying to bust unions or infringe on privacy. He said Representative Johnson brought up an alternative, and he said he would like to

work through that issue. He said he would like to have a discussion in the House Judiciary Standing Committee regarding the legal questions; however, he said he is presently still "open to the discussion."

8:40:19 AM

REPRESENTATIVE GRUENBERG said Alaska Supreme Court Judges, in interpreting the Alaska State Constitution, are to some extent considering the policy issues involved. He said they may express that consideration in terms of history, precedent, or text, but ultimately there is consideration of practical implication and policy. He stated, "We are forced, more often than the court system in determining what's good public policy, and that makes for tougher decisions in many cases, and this happens to be one of them." He asked Representative Harris to consider whether someone who makes a small contribution of \$10-\$50 to a candidate or through a PAC should have an expectation that that contribution should be private. He said, "You know, we have a one-dollar check-off on the federal income tax, because logically, if everything's reported, then everybody who checks that one dollar off has no expectation that the world won't know that they're giving a dollar."

8:42:36 AM

REPRESENTATIVE HARRIS stated that the intent of bill is to have full disclosure for everyone; he is not advocating that there be exemptions. He said if a question of legality arises, he would at the very least want full disclosure regarding contributions to candidates.

REPRESENTATIVE GRUENBERG said he thinks people are concerned about the possibility of identity theft, for example, as a result of having their names entered into a database.

REPRESENTATIVE HARRIS echoed Representative Johnson's remark that making a contribution is a 100 percent voluntary act.

8:44:30 AM

REPRESENTATIVE COGHILL described one of the problems he thinks could result from a \$100 limit as follows:

You could come up with a lot of money and assign names to it, and nobody really knows. So, I think because of the effect that it has on elections, you want to

know if there's credibility to that money. So, for me, personally, that's how I look at it. ... And I agree that for groups to go ahead and gather money together from their perspective supporters and then collectively put that together and send it off to a candidate, the group itself probably needs to be the more accountable - I understand that. So, it might be the better thing to do is to limit those groups' abilities. But I was just talking with the -- so parties and groups are the same thing. Parties are made for the express purpose of helping candidates get elected and promoting political philosophy. And if groups are going to act under that same auspices, then that's ... just what's going to have to happen. It might change the actual dynamics of elections, where people have to be engaged beyond their group.

REPRESENTATIVE COGHILL said last night he filled out his disclosure report to APOC; everybody who wrote him a check was recorded, with those contributing at a certain level being reported with employer information. He questioned whether it is important to know where those contributors got their money. He said, "I think when a group has a contributor's list ... of contributors over \$100 we can find out." He continued:

So, let's just say \$20 million goes into Alaska's campaign, and we don't know where the \$20 million came from, because they all fly under the \$100 limit. That is a significant impact to the policy of Alaska, and ... I've heard that number at least once in this testimony. So, if we're going to require ... of political parties that they tell us who is giving it from \$100 and up, we certainly would be requiring it for \$100 and below. Same things with groups. My guess is that would change the dynamic of how groups work, because there are some people that don't want their name out there on that list. But I can tell you, everybody who has put their \$101 out there, they are on that list. And so, ... the question is, I guess a little on the philosophical side, and that is: If you're going to participate in elections, whether it's voting, because that's available - just the simple act of voting, that's available whether you did or didn't vote - we can find that out. We can actually find out your name and address if you voted. Do you want the anonymity to go down to just the simple act of a vote? Or, if you're going to

participate in elections at all, can people know who you are? I don't really have a problem with that. And so, to say that a certain group deserve[s] anonymity over the other I struggle with. ... Therefore, I'm going to probably head in the direction of doing this without trying to bust anybody, because there's people above that list that can already be busted, and it hasn't happened as far as I know. Except for maybe on one occasion, I know where a particular group decided that they were going to picket a certain business because of political action that they were doing. But, it's free society; they had the right to picket; I did not complain about that. I got angry at them, but they had the right. So, you have the right to participate; you have the right not to participate.

[8:49:41 AM](#)

REPRESENTATIVE DOLL said she realizes that legislators are here to serve the public, yet she stated there is fine line involved in doing so. She said she thinks that there is a point at which the legislature hinders public participation. She questioned Representative Roses' idea of having a firewall, because once any information goes to APOC, it becomes public.

[8:51:18 AM](#)

REPRESENTATIVE JOHNSON referred to a court case referenced in the committee packet. He said he would like to look at the bigger picture, which is that the citizens of the state have no confidence in state legislators. He opined that HB 6 is a great way to be accountable for every penny.

[8:53:34 AM](#)

REPRESENTATIVE DOLL said someone told her that HB 6 would make it difficult for people to donate small amounts, and it would be an incumbent's dream. She interpreted that to mean that when people run for office for the first time, they typically get contributions in small amounts through grass roots efforts.

[8:54:23 AM](#)

REPRESENTATIVE HARRIS said Representative Doll had commented previously about reporting cash contributions. He said he hopes she is not doing that, because accepting cash contributions is

illegal. Furthermore, he said the bill would not change current law as it relates to candidates; it does effect contributions in regard to groups. He said the bill would not affect incumbents any more than it would challengers.

REPRESENTATIVE DOLL clarified that she had not been referring to groups, but to individual contributors.

REPRESENTATIVE HARRIS reemphasized that the law regarding individual contributions to legislators or candidates is not being touched.

REPRESENTATIVE DOLL said she understands that. She stated, "What we're asking here is additional information on employer and occupation."

[8:55:54 AM](#)

CHAIR LYNN said it seems that the whole committee is concerned about having transparency regarding where money is coming from. He said that transparency already exists regarding contributions from individuals. He posited that the concern is related to money that people get from PACs, and he indicated that information should be disclosed. He brought to the attention of the committee an amendment [never offered], labeled 25-LS0055\K.6, Bullard, 2/14/07, which read as follows:

Page 2, line 19, following "(b)":

Delete "Each"

Insert "**Except as provided in (p) of this section, each** [EACH]"

Page 4, following line 8:

Insert a new bill section to read:

"* **Sec. 5.** AS 15.13.040 is amended by adding a new subsection to read:

(p) Notwithstanding other provisions of this chapter, a group that is not a political party is not required to file a report under AS 15.13.110(b), and is not required to file a report under (b) of this section unless 90 percent or more of the aggregate amount of all contributions made to that group is attributable to the contributions of 10 or fewer contributors."

Renumber the following bill sections accordingly.

CHAIR LYNN said the amendment would address the concern about following the money.

8:57:50 AM

REPRESENTATIVE HARRIS said he thinks there are existing rules regarding how much PACs can contribute, based upon how large a membership they have.

8:59:56 AM

TAMMY KEMPTON, Project Coordinator, Regulation of Lobbying, Alaska Public Offices Commission (APOC), clarified, "The limit on a PAC isn't how much it can give totally, but how much it can give to each candidate. Currently that's \$1,000."

9:00:30 AM

REPRESENTATIVE LYNN asked if there is any limit to what a person can give to a PAC.

9:00:47 AM

MS. KEMPTON answered yes. She stated:

The only group that can accept unlimited contributions are those that are ballot proposition/ballot initiative. Those you can give, either as an individual or as a company, an unlimited amount; however, the contributor, once they've given \$500 to a ballot measure group, an initiative group, has to report that \$500. [If] they give another \$500 they have to report that It's an incremental reporting thing. And the group itself, of course has to report receiving those. But for regular groups, including political parties, there's a limit to the amount that you can contribute ... to a PAC or to any other group, because a pack is just a group that's formed to support multiple candidates. A pack can't support a single candidate, because then it becomes a controlled group and not a PAC.

MS. KEMPTON corrected a past misstatement by clarifying that it is all right to accept cash contributions if the identity of the person giving the cash is known. Cash left in a basket at a fundraiser by an anonymous donor has to be turned over to the state. She stated, "If the person gives it to you and tells you

their name or you already knew their name, then you can accept it, so long as they don't give you more than \$100 aggregate in the election season."

REPRESENTATIVE HARRIS thanked Ms. Kempton for the correction, explaining that his understanding had been that a candidate could not accept cash at all.

CHAIR LYNN asked Ms. Kempton if there is anything in the language of his aforementioned amendment that would not be appropriate from the viewpoint of APOC.

[9:03:57 AM](#)

REPRESENTATIVE HARRIS interjected:

... The law says that ... if four or five or six people were to give the maximum amount, you still wouldn't have a whole lot of money there, and they would ... just be able to give you that particular amount of money If you had a thousand people in a PAC, I mean if the PAC was truly representative, ... each one of those thousand people could contribute the maximum amount that they could to the PAC, and the PAC would then be able to distribute that amount of money out. Do you follow what I'm saying?

[9:04:58 AM](#)

MS. KEMPTON interpreted that the aforementioned amendment would exempt groups from having to file the 24-hour reports. She explained that [AS] 15.10.110(b), as referenced in the amendment, addresses 24-hour reports.

CHAIR LYNN responded that that was not his intent.

REPRESENTATIVE GRUENBERG indicated that Chair Lynn's amendment needed to be "looked at."

MS. KEMPTON offered further comment regarding AS 15.13.110(b), which read as follows:

(b) Each contribution that exceeds \$250 and that is made within nine days of the election shall be reported to the commission by date, amount, and contributor within 24 hours of receipt by the

candidate, group, campaign treasurer, or deputy campaign treasurer. Each contribution to a nongroup entity for the purpose of influencing the outcome of an election that exceeds \$250 and that is made within nine days of the election shall be reported to the commission by date, amount, and contributor within 24 hours of receipt by the nongroup entity.

MS. KEMPTON, in response to a question from Chair Lynn, said she believes the aforementioned statute is not the correct one to be included in the amendment.

REPRESENTATIVE GRUENBERG offered his understanding that Chair Lynn's intent was "to exempt everyone who has more than 10 members from filing any reports, so this is properly drafted."

[9:07:44 AM](#)

REPRESENTATIVE HARRIS asked Chair Lynn to confirm that that is his intent.

CHAIR LYNN stated, "Well, it would be disclosure if they had ... 10 or fewer people, ... and 90 percent of the money came from that."

REPRESENTATIVE HARRIS cautioned Chair Lynn that he is leaving himself "pretty open here."

[9:08:24 AM](#)

REPRESENTATIVE JOHNSON asked if there are any rules or regulations that say a person must be able to clearly identify from a PAC's name who it represents.

[9:09:49 AM](#)

MS. KEMPTON answered no. She stated that there is a statute or regulation - but most likely a statute - that requires all groups formed to support or oppose a candidate clearly identify the name of the candidate and whether they're supporting or opposing that candidate. She added, "But there's not a similar requirement that a PAC name itself in such a way that you know ... philosophically what it supports."

[9:10:38 AM](#)

REPRESENTATIVE JOHNSON said that concerns him. He said he would like [PACs] to have some kind of mission statement made available to the public.

MS. KEMPTON said PACs are required to be registered with APOC before they can give contributions. She said that listing can be found in the group listings. In response to a follow-up question from Representative Johnson, she explained that when group registers with APOC, one of the selections it makes on the registration form is what type of group it is, for example: a subsidiary of a political party; a new political party; or a PAC. Furthermore, that group has to state what its purpose is, which she said could be as simple as declaring support or opposition of a certain candidate. She added, "Some groups get more explicit, some don't, but you could certainly make those requirements."

[9:12:28 AM](#)

REPRESENTATIVE JOHNSON posited that this is an issue that the committee should discuss. He explained that at a minimum he would like groups to reveal where they come from, who they stand for, and who they represent, so that the public can easily identify whether or not he/she supports the candidate. In response to a request from Chair Lynn, he said he would be willing to "investigate" the matter further and consider offering an amendment; however, he stated that HB 6 may not be the vehicle for this issue.

[9:13:41 AM](#)

REPRESENTATIVE COGHILL indicated that one way to address the issue would be to delineate those groups that are PACs by putting an asterisks next to their names on a web page, for example, and then "noticing what their access to information is."

[9:14:24 AM](#)

REPRESENTATIVE JOHNSON said he is not suggesting that APOC begin keeping a database of all groups at a depth that would show the groups' philosophies; however, he stated that he thinks there is some way to find out what PACs stand for with a little bit of research.

CHAIR LYNN proffered, "A mission statement from the PAC."

REPRESENTATIVE JOHNSON added, "Or a link to their web page."

REPRESENTATIVE COGHILL indicated that the link [would be a way to access a PAC's] purpose statement.

REPRESENTATIVE JOHNSON indicated that that would be a move toward full disclosure.

CHAIR LYNN noted that not all people have access to the Internet.

REPRESENTATIVE COGHILL commented, "Those who report on that probably have very little problem getting that information out."

[9:16:00 AM](#)

CHAIR LYNN asked Ms. Kempton if Representative Roses' previous suggestion regarding a firewall would be practical and feasible.

MS. KEMPTON replied that she does not know enough about the technology to answer that. She suggested that an easier option may be to allow people to use business addresses if they are a resident of the state. She explained:

The reason we require the address is because you're only allowed to accept a certain percentage of out-of-state contributions. We don't know whether they're in-state or out-of-state contributions unless you provide the address of your contributors. So, if they just provide a business address and the business is in Alaska, they may or may not be an Alaska resident.

MS. KEMPTON indicated that the following occupations would be some of those which would benefit from an amendment allowing them to list their business address: fire fighters, police officers, and people who serve on boards that are sensitive.

[9:17:47 AM](#)

CHAIR LYNN suggested another example of people who would benefit would be [victims of] sexual assault, because they may want to contribute to a candidate who supports their issues, without having their assailants know their home address.

REPRESENTATIVE ROSES, in response to Chair Lynn, said he would check into the idea of the firewall; however, he said the feasibility of that idea would depend upon whether or not the

technology exists and whether or not the state's regulations are changed so that [APOC] has "the ability to do that." He clarified his prior remark about a firewall as follows:

I said if we were concerned about people accessing addresses of everybody inside of a PAC that wanted to therefore use those names and addresses to potential organize to break up a union, that that would be a way in which you could do it. The information's reported, but if ... there are questions about whether or not something was proper or legal, ... APOC could then access that

[9:19:31 AM](#)

REPRESENTATIVE COGHILL, regarding the argument that full disclosure will "break the union," said, "If reporting under \$100 breaks a union, then we've got a problem in America." He said he does not accept or believe that argument. He stated, "I understand that when people want to contribute, they want some degree of protection for their privacy, but that's true when they contribute \$101."

[9:20:39 AM](#)

REPRESENTATIVE ROSES clarified that his concern had not been in regard to the amount of money donated, but was in regard to the disclosure of the name and address of each individual. He added, "Because then it opens up the avenue for them to be contacted through the mail directly and to be solicited."

REPRESENTATIVE COGHILL clarified that he doesn't want to have the issue focused on unions, because it could also affect businesses or groups that have a particular philosophy and want to put together a PAC.

[9:21:35 AM](#)

REPRESENTATIVE HARRIS said it used to be that all campaign contributions were reportable "to any limit." The initiative changed so that any contribution of \$100 or less does not have to be reported. He stated, "The initiative was supposed to be for full disclosure, for more openness, for less contributions. The reality is the initiative, under that condition, was less disclosure."

[9:22:26 AM](#)

REPRESENTATIVE GRUENBERG stated that sometimes there is a lot of pressure on union members to bust the unions. For that reason, he said, unions have guarded their lists. He said, "This is an attempt to open up that membership list. He continued:

It won't be solved by listing a business address, because if somebody's intent on using that list of names, all they'll have to do is go to the Division of Elections and find out their address, because that's public information on their voter file. And so, they'll still ... be able to find out where that person lives and contact them at their home. They'll also certainly know where they work. The point is: they'll know who they are.

[9:23:58 AM](#)

REPRESENTATIVE HARRIS responded that he does not know that union busting was "any different then than it would be now." He said if Representative Gruenberg has factual evidence, then he will stand corrected.

REPRESENTATIVE GRUENBERG said he is not suggesting that has changed. He stated, "I'm suggesting what they're concerned about. And what we're talking about here is the chilling effect. The ability to contribute and to speak out is part of the right to ... petition the government, become part of the governmental process. It's really an aspect of free speech, and it doesn't take a lot to chill that."

REPRESENTATIVE HARRIS said he does not know how to respond to that. He said he has a lot of friends who are part of the union. He stated that there are certainly those businesses in Alaska and across the nation that would like to see less union involvement. He continued:

I think it was just ... indicated here recently that ... certainly less than 20 percent of the work force in the country is organized labor, and about 35 or 40 percent of government workers are organized labor nationally. In Alaska, of course, it's much higher. ... And in the rest of the work force I think it's between 10 to 15 percent of the work force is organized labor.

[9:26:47 AM](#)

REPRESENTATIVE HARRIS reiterated that his intent is [to have] full disclosure. He stated, "If you [had] put what I have in this bill today in the initiative that was put forward before the public, it would have passed as overwhelmingly as it did before."

[9:28:05 AM](#)

REPRESENTATIVE GRUENBERG said nobody knows why people vote [a certain way] and people have a right to keep their reasoning secret. He said that is a right of privacy, which is in statute. He stated, "The people's right to be free from change should ... remain for the two-year period. Two years isn't very long."

[9:30:34 AM](#)

REPRESENTATIVE HARRIS said when initiatives are put forward that are not well explained to the public, then people are duped. He said laws are changed by initiative process in a very short period of time, with a limited amount of education, thus many times people's support of an initiative is for emotional reasons. The legislature is a deliberative body, and it has the responsibility to think through initiatives that have passed, he said.

[9:32:35 AM](#)

REPRESENTATIVE GRUENBERG said a central question is: "Who decides the text of the law?" He said he votes "on the side of the people." He remarked that the time to wait before the legislature can change the language of an initiative that has become law is not long. He said the initiative is "the last vestige of direct democracy," and he relayed that he would exercise the right to change an initiative about as often as or less often than he would vote to amend the constitution.

[9:33:38 AM](#)

REPRESENTATIVE HARRIS asked, "Then why is it that we have in law the ability to amend an initiative?"

[9:33:44 AM](#)

REPRESENTATIVE GRUENBERG replied that sometimes there are typographical errors or handwritten initiatives that don't make

legal sense. He said the power given the legislature regarding initiatives is a very basic one that should be used sparingly.

[9:34:44 AM](#)

REPRESENTATIVE ROSES said this issue would not hold the urgency it does if ethics and campaign reform had not been the focal point of every single campaign in the state.

CHAIR LYNN concurred that ethics is one of two main issues this session; the other issue is the gas pipeline.

CHAIR LYNN asked Mr. Bullard from Legislative Legal and Research Services if he thinks the aforementioned amendment [text provided previously] would address some of the issues that have been raised before the committee.

[9:36:44 AM](#)

ALPHEUS BULLARD, Attorney, Legislative Legal and Research Services, Legislative Affairs Agency, stated that part of the discussion he has heard in relation to the aforementioned amendment is how it would work in the context of AS 15.13.110(b) and "why that was excepted." He continued:

... At this time we don't have PACs enshrined in [Alaska] Statute, so best described in statutory terms as a ... group that is not a political party - one that has 10 members or less would be "excepted" from needing to disclose. And areas in law right now where they have to report are in [AS] 15.13.040(b) and 15.13.110.

CHAIR LYNN indicated that he picked the amounts of 90 and 10 percent to "get the concept out on the table." He asked Mr. Bullard for comment.

MR. BULLARD replied, "In dealing with this amendment, there may be constitutional concerns of equal protection and free speech; I have not yet ... had time to map out exactly what those would be."

[9:38:34 AM](#)

REPRESENTATIVE COGHILL said Alaska law allows people to have their voice, and he said he thinks that should continue irrespective of "who has the most dollars involved in a

political action committee." He said individuals contributing over a certain amount have to report that they have done so. He said, "Under this law, those [contributing] under \$100 would have to, and that's really the sticking point." He said, "The question then is: 'How do you allow them to influence a campaign?' Do you allow them to give 60 members in the legislature a thousand dollars each or be able to give, for example, money to a party or have a subgroup of a party give some to the major part of the party? You can transfer money between these groups." He said he likes Representative Johnson's recommendation to "just find out who these folks are." He urged Chair Lynn not to "go down that road" of using the 90 and 10 percent amounts. He suggested another question regarding full disclosure is: "Is there a deserving public policy call for anonymity below the \$100 limit, and should they be able to give a thousand or five hundred as it says in this particular bill?" He suggested requiring PACs to clearly define the acronyms they use. He said another question to ask is whether or not limiting the amount that a PAC can give is limiting its free speech. He stated that he thinks Chair Lynn's amendment answers a question but creates ten more.

[9:43:14 AM](#)

REPRESENTATIVE GRUENBERG suggested hearing from Representative Harry Crawford regarding a court decision related to an initiative.

[9:44:33 AM](#)

REPRESENTATIVE HARRY CRAWFORD, Alaska State Legislature, stated:

On the Trust the People Initiative that we did ... we said we wanted to have an elected U.S. Senator - that we didn't want to have an incumbent appointed U.S. Senator. In the bill that was passed by the legislature, they said, "We want you to have a Senator for the interim - that's 60-90 days where we might have a vacancy." After that bill was passed and the Lieutenant Governor took the initiative off the ballot, we took it to court and the [Alaska] Supreme Court decided that that was an actual repeal of a portion of that initiative that was going on the ballot. So, they put it back on the ballot. ... It was not the intent of the initiative to have an interim appointment there - that was repealing - and

they don't have the ability to take that decision away from the people.

So, ... we think that this would ... repeal ... a portion of our initiative that we got passed overwhelmingly. We believe that the reason for the two-year prohibition of a repeal is so that the people can actually see how the law works in ... practice.

[9:46:49 AM](#)

REPRESENTATIVE JOHNSON said he fails to see the analogy.

[9:47:19 AM](#)

REPRESENTATIVE CRAWFORD clarified that he was "addressing the part where it repeals the reporting under \$100." He explained, "The reason why we did that was a number of groups - like the Alaska Outdoor Council and [the National Rifle Association (NRA)] and different unions - had said that that was too onerous for reporting each and every person." He offered an example.

MR. JOHNSON indicated that Representative Crawford's point is relative.

[9:48:13 AM](#)

CHAIR LYNN said he would like to check with the attorney general's office on "this portion we're just talking about."

CHAIR LYNN announced that HB 6 was heard and held.

HB 88-TVS AND MONITORS IN MOTOR VEHICLES

[9:49:25 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."

[9:50:20 AM](#)

MICHAEL X. CAMMISA, Director, Safety, Technical Affairs, Association of International Automobile Manufacturers (AIAM), said AIAM is a trade association representing 14 motor vehicle manufacturers that account for over 40 percent of all light duty

vehicles produced annually in the U.S. He continued with his testimony as follows:

Our members include Aston Martin, Ferrari, Honda, Hyundai, Isuzu, Kia, Maserati, Mitsubishi, Nissan, Peugeot, Renault, Subaru, Suzuki, and Toyota. I'd like to thank the committee for inviting me to participate in this hearing on the important issue of driver distraction from video displays in motor vehicles. AIAM wishes to support your process of developing legislation intended to prevent operators of motor vehicles from watching television, video, and other entertainment programming while driving. AIAM supports your goal of trying to keep drivers from being distracted by viewing images unrelated to the driving task. ... We have developed some model language that we believe accomplishes this goal, while addressing two main concerns, which are: One, we want to ensure that new state requirements do not inadvertently prohibit technology that can assist the driver in the driving task, ... such as navigation systems, ... vehicle information displays, and technology for monitoring forward, rear, and side views to help the driver maneuvering the vehicle. ... These devices also make use of video or image display devices. Likewise, we'd like to see that the legislation does not inadvertently prohibit image display devices that have been designed with appropriate safeguards that are intended to prevent the driver from watching the images while the vehicle is in motion. And then our second concern is it's our hope that states passing legislation to address this issue will adopt clear and consistent requirements: clear, so that the vehicle manufacturers will know what the rules are when designing the vehicles; and consistent, so that the same vehicles can be sold and driven throughout the country.

MR. CMMISA offered to answer questions.

[9:52:54 AM](#)

MR. CMMISA, in response to Representative Gruenberg, said AIAM essentially supports HB 88; however, he noted that he "provided a few markups to the language" to Representative Gruenberg's staff to clarify the language without changing its intent.

[9:53:35 AM](#)

JAY LANDERS, Senior Director, Government Affairs, Recreational Vehicle Industry Association (RVIA), said the RVIA represents approximately 98 percent of all recreational vehicle (RV) manufacturers. He said the RVIA has worked closely not only with [the AIAM] but also with the Consumer Electronics Association to try to develop language that would satisfy the concerns of all involved. He said that similar to "the car manufacturers," the RVIA is looking for "uniformity among the states." He indicated that prior bills passed into law have "succeeded with this concern so far." He relayed that there are RVs that already have televisions "up front." He explained that an interlock device has been installed in those models so that the instant the RV's ignition is engaged, the circuit to those televisions is cut automatically, which makes it impossible to view the television screens while driving. He stated, "... We're not supportive of any kind of handheld movie device sitting on the ... passenger's side" He said he believes HB 88 addresses RVIA's concern.

[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 [9:56:19 AM](#).