

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 36(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 3/19/10

Referred: Rules

Sponsor(s): REPRESENTATIVES JOHANSEN, MILLETT, AND PEGGY WILSON, Johnson, Kelly,
Neuman, Keller, Muñoz

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to ballot initiative proposal applications, to ballot initiatives and to
2 those who file or organize for the purpose of filing a ballot initiative proposal, and to
3 election pamphlet information relating to certain propositions."

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

5 * **Section 1.** AS 15.13.040(k) is amended to read:

6 (k) Every individual, person, nongroup entity, or group contributing a total of
7 \$500 or more to a group organized for the principal purpose of influencing the
8 outcome of a proposition, **and every individual, person, nongroup entity, or group**
9 **contributing a total of \$500 or more to a group organized for the principal**
10 **purpose of filing an initiative proposal application under AS 15.45.020 or that has**
11 **filed an initiative proposal application under AS 15.45.020,** shall report the
12 contribution or contributions on a form prescribed by the commission not later than 30
13 days after the contribution that requires the contributor to report under this subsection
14 is made. The report must include the name, address, principal occupation, and

1 employer of the individual filing the report and the amount of the contribution, as well
 2 as the total amount of contributions made to that group by that individual, person,
 3 nongroup entity, or group during the calendar year.

4 * **Sec. 2.** AS 15.13.050(a) is amended to read:

5 (a) Before making an expenditure in support of or in opposition to a candidate
 6 or before making an expenditure in support of or in opposition to a ballot proposition
 7 or question **or to an initiative proposal application filed with the lieutenant**
 8 **governor under AS 15.45.020**, each person other than an individual shall register, on
 9 forms provided by the commission, with the commission.

10 * **Sec. 3.** AS 15.13.050 is amended by adding a new subsection to read:

11 (c) If a group intends to make more than 50 percent of its contributions or
 12 expenditures in support of or opposition to a single initiative on the ballot, the title or
 13 common name of the initiative must be a part of the name of the group. If the group
 14 intends to make more than 50 percent of its contributions or expenditures in opposition
 15 to a single initiative on the ballot, the group's name must clearly state that the group
 16 opposes that initiative by using a word such as "opposes," "opposing," "in opposition
 17 to," or "against" in the group's name.

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

19 (c) Except for reports required by AS 15.13.040 and 15.13.110 and except for
 20 the requirements of AS 15.13.050, 15.13.060, and 15.13.112 - 15.13.114, the
 21 provisions of AS 15.13.010 - 15.13.116 do not apply to limit the authority of a person
 22 to make contributions to influence the outcome of a ballot proposition. In this
 23 subsection, in addition to its meaning in AS 15.60.010, "proposition" includes

24 **(1)** an issue placed on a ballot to determine whether

25 **(A)** [(1)] a constitutional convention shall be called;

26 **(B)** [(2)] a debt shall be contracted;

27 **(C)** [(3)] an advisory question shall be approved or rejected; or

28 **(D)** [(4)] a municipality shall be incorporated;

29 **(2)** **an initiative proposal application filed with the lieutenant**
 30 **governor under AS 15.45.020.**

31 * **Sec. 5.** AS 15.13.110(e) is amended to read:

1 (e) A group formed to sponsor [AN INITIATIVE,] a referendum or a recall
 2 shall report 30 days after its first filing with the lieutenant governor. Thereafter, each
 3 group shall report within 10 days after the end of each calendar quarter on the
 4 contributions received and expenditures made during the preceding calendar quarter
 5 until reports are due under (a) of this section.

6 * **Sec. 6.** AS 15.13.110 is amended by adding a new subsection to read:

7 (g) An initiative committee, person, group, or nongroup entity receiving
 8 contributions exceeding \$500 or making expenditures exceeding \$500 in a calendar
 9 year in support of or in opposition to an initiative on the ballot in a statewide election
 10 or an initiative proposal application filed with the lieutenant governor under
 11 AS 15.45.020 shall file a report within 10 days after the end of each calendar quarter
 12 on the contributions received and expenditures made during the preceding calendar
 13 quarter until reports are due under (a) and (b) of this section. If the report is a first
 14 report, it must cover the period beginning on the day an initiative proposal application
 15 is filed under AS 15.45.020 and ending three days before the due date of the report.

16 * **Sec. 7.** AS 15.13.400(4) is amended to read:

17 (4) "contribution"

18 (A) means a purchase, payment, promise or obligation to pay,
 19 loan or loan guarantee, deposit or gift of money, goods, or services for which
 20 charge is ordinarily made, **and includes the payment by a person other than**
 21 **a candidate or political party, or compensation for the personal services of**
 22 **another person, that is rendered to the candidate or political party,** and
 23 that is made for the purpose of

24 (i) influencing the nomination or election of a
 25 candidate;

26 (ii) [, AND IN AS 15.13.010(b) FOR THE PURPOSE
 27 OF] influencing a ballot proposition or question; **or**

28 (iii) **supporting or opposing an initiative proposal**
 29 **application filed with the lieutenant governor under AS 15.45.020** [,
 30 INCLUDING THE PAYMENT BY A PERSON OTHER THAN A
 31 CANDIDATE OR POLITICAL PARTY, OR COMPENSATION FOR

1 THE PERSONAL SERVICES OF ANOTHER PERSON, THAT ARE
 2 RENDERED TO THE CANDIDATE OR POLITICAL PARTY];

3 (B) does not include

4 (i) services provided without compensation by
 5 individuals volunteering a portion or all of their time on behalf of a
 6 political party, candidate, or ballot proposition or question;

7 (ii) ordinary hospitality in a home;

8 (iii) two or fewer mass mailings before each election by
 9 each political party describing the party's slate of candidates for
 10 election, which may include photographs, biographies, and information
 11 about the party's candidates;

12 (iv) the results of a poll limited to issues and not
 13 mentioning any candidate, unless the poll was requested by or designed
 14 primarily to benefit the candidate;

15 (v) any communication in the form of a newsletter from
 16 a legislator to the legislator's constituents, except a communication
 17 expressly advocating the election or defeat of a candidate or a
 18 newsletter or material in a newsletter that is clearly only for the private
 19 benefit of a legislator or a legislative employee; or

20 (vi) a fundraising list provided without compensation
 21 by one candidate or political party to a candidate or political party;

22 * **Sec. 8.** AS 15.13.400(6) is amended to read:

23 (6) "expenditure"

24 (A) means a purchase or a transfer of money or anything of
 25 value, or promise or agreement to purchase or transfer money or anything of
 26 value, incurred or made for the purpose of

27 (i) influencing the nomination or election of a candidate
 28 or of any individual who files for nomination at a later date and
 29 becomes a candidate;

30 (ii) use by a political party;

31 (iii) the payment by a person other than a candidate or

1 political party of compensation for the personal services of another
 2 person that are rendered to a candidate or political party; [OR]

3 (iv) influencing the outcome of a ballot proposition or
 4 question; **or**

5 **(v) supporting or opposing an initiative proposal**
 6 **application filed with the lieutenant governor under AS 15.45.020;**

7 (B) does not include a candidate's filing fee or the cost of
 8 preparing reports and statements required by this chapter;

9 (C) includes an express communication and an electioneering
 10 communication, but does not include an issues communication;

11 * **Sec. 9.** AS 15.13.400(8) is amended to read:

12 (8) "group" means

13 (A) every state and regional executive committee of a political
 14 party; [AND]

15 (B) any combination of two or more individuals acting jointly
 16 who organize for the principal purpose of influencing the outcome of one or
 17 more elections and who take action the major purpose of which is to influence
 18 the outcome of an election; a group that makes expenditures or receives
 19 contributions with the authorization or consent, express or implied, or under
 20 the control, direct or indirect, of a candidate shall be considered to be
 21 controlled by that candidate; a group whose major purpose is to further the
 22 nomination, election, or candidacy of only one individual, or intends to expend
 23 more than 50 percent of its money on a single candidate, shall be considered to
 24 be controlled by that candidate and its actions done with the candidate's
 25 knowledge and consent unless, within 10 days from the date the candidate
 26 learns of the existence of the group the candidate files with the commission, on
 27 a form provided by the commission, an affidavit that the group is operating
 28 without the candidate's control; a group organized for more than one year
 29 preceding an election and endorsing candidates for more than one office or
 30 more than one political party is presumed not to be controlled by a candidate;
 31 however, a group that contributes more than 50 percent of its money to or on

1 and

2 (7) other specifications prescribed by the lieutenant governor to ensure
3 proper handling and control.

4 * **Sec. 12.** AS 15.45.110(c) is amended to read:

5 (c) A circulator may not receive payment or agree to receive payment [THAT
6 IS GREATER THAN \$1 A SIGNATURE], and a person or an organization may not
7 pay or agree to pay an amount, **based on the number of registered voters who sign a**
8 **petition. This subsection does not prohibit a person or an organization from**
9 **employing a circulator and**

10 **(1) paying an hourly wage or salary;**

11 **(2) establishing express or implied minimum signature**
12 **requirements for the circulator;**

13 **(3) terminating the petition circulator's employment if the**
14 **circulator fails to meet certain productivity requirements; or**

15 **(4) paying discretionary bonuses based on the circulator's**
16 **reliability, longevity, and productivity** [THAT IS GREATER THAN \$1 A
17 SIGNATURE, FOR THE COLLECTION OF SIGNATURES ON A PETITION].

18 * **Sec. 13.** AS 15.45 is amended by adding a new section to read:

19 **Sec. 15.45.195. Public hearings.** (a) At least 30 days before the election at
20 which an initiative is to appear on the ballot, the lieutenant governor or a designee of
21 the lieutenant governor shall hold two or more public hearings concerning the
22 initiative in each judicial district of the state. Each public hearing under this section
23 shall include the written or oral testimony of one supporter and one opponent of the
24 initiative.

25 (b) The lieutenant governor shall provide reasonable notice of each public
26 hearing required under this section. The notice must include the date, time, and place
27 of the hearing. The notice may be given using print or broadcast media. The lieutenant
28 governor shall provide notice in a consistent fashion for all hearings required under
29 this section.

30 (c) Penalties for a violation of this section may not include removal of an
31 initiative from the ballot.

1 * **Sec. 14.** AS 15.58.010 is amended to read:

2 **Sec. 15.58.010. Election pamphlet.** Before each state general election, and
3 before each state primary **or special** election at which a ballot proposition is scheduled
4 to appear on the ballot, the lieutenant governor shall prepare, publish, and mail at least
5 one election pamphlet to each household identified from the official registration list.
6 The pamphlet shall be prepared on a regional basis as determined by the lieutenant
7 governor.

8 * **Sec. 15.** AS 15.58.020(b) is amended to read:

9 (b) Each primary **or special** election pamphlet shall contain only the
10 information specified in (a)(6) and (a)(9) of this section for each ballot measure
11 scheduled to appear on the primary **or special** election ballot.

12 * **Sec. 16.** AS 24.05 is amended by adding a new section to article 4 to read:

13 **Sec. 24.05.186. Review of initiatives certified by the lieutenant governor by**
14 **standing committees of the legislature.** (a) A standing committee of the legislature
15 shall consider an initiative that the lieutenant governor has determined was properly
16 filed under AS 15.45.160.

17 (b) A standing committee shall conduct reviews under this section within 30
18 days after the convening of the legislative session preceding the statewide election at
19 which the initiative proposition must appear on the election ballot under
20 AS 15.45.190.

21 * **Sec. 17.** The uncodified law of the State of Alaska is amended by adding a new section to
22 read:

23 **APPLICABILITY.** This Act applies only to an initiative, the application for which is
24 filed with the lieutenant governor under AS 15.45.020 on or after the effective date of this
25 Act.