

CS FOR HOUSE BILL NO. 157(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/14/21

Referred: Rules

Sponsor(s): REPRESENTATIVES RASMUSSEN, Kreiss-Tomkins, Schrage, Merrick, LeBon, Josephson, Hopkins, Story, Tarr

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring the disclosure of the identity of certain persons, groups, and
2 nongroup entities that expend money in support of or in opposition to an application
3 filed for a state referendum or recall election; relating to the location of offices for the
4 Alaska Public Offices Commission and the locations at which certain statements and
5 reports filed with the commission are made available; relating to the duties of the Alaska
6 Public Offices Commission; clarifying the limits on making, accepting, and reporting
7 certain cash campaign contributions; relating to campaign finance reporting by certain
8 groups; increasing the time the Alaska Public Offices Commission has to respond to a
9 request for an advisory opinion; repealing a reporting requirement for certain
10 contributions; relating to contribution limits and recall campaigns; and providing for an
11 effective date."

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

1 * **Section 1.** AS 15.13.010(b) is amended to read:

2 (b) Except as otherwise provided, this chapter applies to contributions,
3 expenditures, and communications made **to influence the nomination or election of**
4 **a candidate or** for the purpose of

5 **(1) influencing the outcome of a ballot proposition or question; or**

6 **(2) supporting or opposing**

7 **(A) an initiative proposal application filed under**
8 **AS 15.45.020;**

9 **(B) a referendum application filed under AS 15.45.260; or**

10 **(C) a recall application filed under AS 15.45.480** [AS WELL
11 AS THOSE MADE TO INFLUENCE THE NOMINATION OR ELECTION
12 OF A CANDIDATE].

13 * **Sec. 2.** AS 15.13.020(j) is amended to read:

14 (j) The commission shall establish **a central** [AN] office [, WHICH MAY BE
15 CALLED A REGIONAL OFFICE, IN EACH SENATE DISTRICT IN THE STATE]
16 to keep on file for public inspection copies of all reports filed with the commission
17 [BY CANDIDATES FOR STATEWIDE OFFICE AND BY CANDIDATES FOR
18 LEGISLATIVE OFFICE IN THAT DISTRICT; HOWEVER, WHERE ONE
19 MUNICIPALITY CONTAINS MORE THAN ONE HOUSE DISTRICT, ONLY
20 ONE COMMISSION OFFICE SHALL BE ESTABLISHED IN THAT
21 MUNICIPALITY. THE REGIONAL OFFICE SHALL MAKE ALL FORMS AND
22 PERTINENT MATERIAL AVAILABLE TO CANDIDATES. ALL REPORTS
23 SHALL BE FILED BY CANDIDATES, GROUPS, AND INDIVIDUALS
24 DIRECTLY WITH THE COMMISSION'S CENTRAL DISTRICT OFFICE. THE
25 COMMISSION SHALL ENSURE THAT COPIES OF ALL REPORTS BY
26 STATEWIDE AND LEGISLATIVE CANDIDATES IN EACH SENATE DISTRICT
27 ARE FORWARDED PROMPTLY TO THAT DISTRICT OR REGIONAL OFFICE].

28 * **Sec. 3.** AS 15.13.030 is amended to read:

29 **Sec. 15.13.030. Duties of the commission.** The commission shall

30 (1) develop and provide all forms for the reports and statements
31 required to be made under this chapter, AS 24.45, and AS 39.50;

1 (2) prepare and publish a manual setting out uniform methods of
 2 bookkeeping and reporting for use by persons required to make reports and statements
 3 under this chapter and otherwise assist all persons in complying with the requirements
 4 of this chapter;

5 (3) receive and hold open for public inspection reports and statements
 6 required to be made under this chapter and, upon request, furnish copies at cost to
 7 interested persons;

8 (4) compile and maintain a current list of all filed reports and
 9 statements;

10 (5) prepare a summary of each report filed under AS 15.13.110 and
 11 make copies of this summary available to interested persons at their actual cost;

12 (6) notify, by registered or certified mail, all persons who are
 13 delinquent in filing reports and statements required to be made under this chapter;

14 (7) examine, investigate, and compare [ALL] reports, statements, and
 15 actions required by this chapter, AS 24.45, and AS 39.50;

16 (8) prepare and publish a biennial report concerning the activities of
 17 the commission, the effectiveness of this chapter, its enforcement by the attorney
 18 general's office, and recommendations and proposals for change; the commission shall
 19 notify the legislature that the report is available;

20 (9) adopt regulations necessary to implement and clarify the provisions
 21 of AS 24.45, AS 39.50, and this chapter, subject to the provisions of AS 44.62
 22 (Administrative Procedure Act); and

23 (10) consider a written request for an advisory opinion concerning the
 24 application of this chapter, AS 24.45, AS 24.60.200 - 24.60.260, or AS 39.50.

25 * **Sec. 4.** AS 15.13.040(b) is amended to read:

26 (b) Each group shall make a full report **on** [UPON] a form prescribed by the
 27 commission, listing

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

29 (2) the aggregate amount of all contributions made to it; and, for all
 30 contributions in excess of \$100 in the aggregate **in a calendar** year, the name, address,
 31 principal occupation, and employer of the contributor, and the date and amount

1 contributed by each contributor; for purposes of this paragraph, "contributor" means
2 the true source of the funds, property, or services being contributed; and

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

5 * **Sec. 5.** AS 15.13.050(a) is amended to read:

6 (a) Before making an expenditure in support of or in opposition to a candidate
7 or before making an expenditure in support of or in opposition to a ballot proposition
8 or question or to an initiative proposal application filed [WITH THE LIEUTENANT
9 GOVERNOR] under AS 15.45.020, **a referendum application filed under**
10 **AS 15.45.260, or a recall application filed under AS 15.45.480,** each person other
11 than an individual shall register, on forms provided by the commission, with the
12 commission.

13 * **Sec. 6.** AS 15.13.065(c) is amended to read:

14 (c) Except for reports required by AS 15.13.040 and 15.13.110 and except for
15 the requirements of AS 15.13.050, 15.13.060, and 15.13.112 - 15.13.114, the
16 provisions of AS 15.13.010 - 15.13.116 do not apply to limit the authority of a person
17 to make contributions to influence the outcome of a ballot proposition. In this
18 subsection, [IN ADDITION TO ITS MEANING IN AS 15.80.010,] "proposition"

19 **(1) includes, in addition to its meaning in AS 15.80.010,**

20 **(A)** [(1)] an issue placed on a ballot to determine whether

21 **(i)** [(A)] a constitutional convention shall be called;

22 **(ii)** [(B)] a debt shall be contracted;

23 **(iii)** [(C)] an advisory question shall be approved or
24 rejected; or

25 **(iv)** [(D)] a municipality shall be incorporated;

26 **(B)** [(2)] an initiative proposal application filed [WITH THE
27 LIEUTENANT GOVERNOR] under AS 15.45.020; **and**

28 **(C) a referendum application filed under AS 15.45.260;**

29 **(2) does not include a recall application filed under AS 15.45.480**
30 **or a recall question.**

31 * **Sec. 7.** AS 15.13.072(b) is amended to read:

1 (b) **In a calendar year, a** [A] candidate or an individual who has filed with
 2 the commission the document necessary to permit the individual to incur election-
 3 related expenses under AS 15.13.100, or a group, may not solicit or accept a cash
 4 contribution that exceeds \$100.

5 * **Sec. 8.** AS 15.13.074(e) is amended to read:

6 (e) A person or group may not make a cash contribution that exceeds \$100 **in**
 7 **a calendar year.**

8 * **Sec. 9.** AS 15.13.110(e) is amended to read:

9 (e) A **referendum committee, person, group, or nongroup entity receiving**
 10 **contributions exceeding \$500 or making expenditures exceeding \$500 in a**
 11 **calendar year in support of or in opposition to a referendum on the ballot in a**
 12 **statewide election or a referendum application filed with the lieutenant governor**
 13 **under AS 15.45.260 shall file a** [GROUP FORMED TO SPONSOR A
 14 REFERENDUM OR A RECALL SHALL REPORT 30 DAYS AFTER ITS FIRST
 15 FILING WITH THE LIEUTENANT GOVERNOR. THEREAFTER, EACH GROUP
 16 SHALL] report within 10 days after the end of each calendar quarter on the
 17 contributions received and expenditures made during the preceding calendar quarter
 18 until reports are due under (a) **and (b)** of this section. **If the report is a first report, it**
 19 **must cover the period beginning the day a referendum application is filed under**
 20 **AS 15.45.260 and ending three days before the due date of the report.**

21 * **Sec. 10.** AS 15.13.110 is amended by adding a new subsection to read:

22 (k) A recall committee, person, group, or nongroup entity receiving
 23 contributions exceeding \$500 or making expenditures exceeding \$500 in a calendar
 24 year in support of or in opposition to the recall of a public official in a statewide
 25 election or a recall application filed with the lieutenant governor under AS 15.45.480
 26 shall file a report within 10 days after the end of each calendar quarter on the
 27 contributions received and expenditures made during the preceding calendar quarter
 28 until reports are due under (a) and (b) of this section. If the report is a first report, it
 29 must cover the period beginning the day a recall application is filed under
 30 AS 15.45.480 and ending three days before the due date of the report.

31 * **Sec. 11.** AS 15.13.374(c) is amended to read:

1 (c) Within seven **business** days after receiving a request satisfying the
 2 requirements of (b) of this section, the executive director of the commission shall
 3 recommend a draft advisory opinion for the commission to consider at its next
 4 meeting.

5 * **Sec. 12.** AS 15.13.400(4) is amended to read:

6 (4) "contribution"

7 (A) means a purchase, payment, promise or obligation to pay,
 8 loan or loan guarantee, deposit or gift of money, goods, or services for which
 9 charge is ordinarily made, and includes the payment by a person other than a
 10 candidate or political party **or other group**, or compensation for the personal
 11 services of another person, that is rendered to the candidate or political party
 12 **or other group** [,] and that is made for the purpose of

13 (i) influencing the nomination or election of a
 14 candidate;

15 (ii) influencing a ballot proposition or question; or

16 (iii) supporting or opposing an initiative proposal
 17 application filed [WITH THE LIEUTENANT GOVERNOR] under
 18 AS 15.45.020, **a referendum application filed under AS 15.45.260,**
 19 **or a recall application filed under AS 15.45.480;**

20 (B) does not include

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

24 (ii) ordinary hospitality in a home;

25 (iii) two or fewer mass mailings before each election by
 26 each political party describing members of the party running as
 27 candidates for public office in that election, which may include
 28 photographs, biographies, and information about the candidates;

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

1 (v) any communication in the form of a newsletter from
 2 a legislator to the legislator's constituents, except a communication
 3 expressly advocating the election or defeat of a candidate or a
 4 newsletter or material in a newsletter that is clearly only for the private
 5 benefit of a legislator or a legislative employee;

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

8 (vii) an opportunity to participate in a candidate forum
 9 provided to a candidate without compensation to the candidate by
 10 another person and for which a candidate is not ordinarily charged;

11 * **Sec. 13.** AS 15.13.400(7) is amended to read:

12 (7) "expenditure"

13 (A) means a purchase or a transfer of money or anything of
 14 value, or promise or agreement to purchase or transfer money or anything of
 15 value, incurred or made for the purpose of

16 (i) influencing the nomination or election of a candidate
 17 or of any individual who files for nomination at a later date and
 18 becomes a candidate;

19 (ii) use by a political party;

20 (iii) the payment by a person other than a candidate or
 21 political party of compensation for the personal services of another
 22 person that are rendered to a candidate or political party;

23 (iv) influencing the outcome of a ballot proposition or
 24 question; or

25 (v) supporting or opposing an initiative proposal
 26 application filed [WITH THE LIEUTENANT GOVERNOR] under
 27 AS 15.45.020, **a referendum application filed under AS 15.45.260,**
 28 **or a recall application filed under AS 15.45.480;**

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

31 (C) includes an express communication and an electioneering

1 communication, but does not include an issues communication;

2 * **Sec. 14.** AS 15.13.400(9) is amended to read:

3 (9) "group" means

4 (A) every state and regional executive committee of a political
5 party;

6 (B) any combination of two or more individuals acting jointly
7 who organize for the principal purpose of influencing the outcome of one or
8 more elections and who take action the major purpose of which is to influence
9 the outcome of an election; a group that makes expenditures or receives
10 contributions with the authorization or consent, express or implied, or under
11 the control, direct or indirect, of a candidate shall be considered to be
12 controlled by that candidate; a group whose major purpose is to further the
13 nomination, election, or candidacy of only one individual, or intends to expend
14 more than 50 percent of its money on a single candidate, shall be considered to
15 be controlled by that candidate and its actions done with the candidate's
16 knowledge and consent unless, within 10 days from the date the candidate
17 learns of the existence of the group the candidate files with the commission, on
18 a form provided by the commission, an affidavit that the group is operating
19 without the candidate's control; a group organized for more than one year
20 preceding an election and endorsing candidates for more than one office or
21 more than one political party is presumed not to be controlled by a candidate;
22 however, a group that contributes more than 50 percent of its money to or on
23 behalf of one candidate shall be considered to support only one candidate for
24 purposes of AS 15.13.070, whether or not control of the group has been
25 disclaimed by the candidate; and

26 (C) any combination of two or more individuals acting jointly
27 who organize for the principal purpose of filing

28 (i) an initiative proposal application under
29 AS 15.45.020 or who file an initiative proposal application under
30 AS 15.45.020;

31 (ii) a referendum application under AS 15.45.260 or

1 who file a referendum application under AS 15.45.260; or

2 (iii) a recall application under AS 15.45.480 or who

3 file a recall application under AS 15.45.480;

4 * **Sec. 15.** AS 24.45.091 is amended to read:

5 **Sec. 24.45.091. Publication of reports.** Copies of the statements and reports
6 filed under this chapter shall be made available to the public at the commission's
7 central office and on the commission's Internet website [, THE OFFICE OF THE
8 LIEUTENANT GOVERNOR, THE LEGISLATIVE REFERENCE LIBRARY OF
9 THE LEGISLATIVE AFFAIRS AGENCY, AND AT THE COMMISSION'S
10 DISTRICT OFFICES PRESCRIBED IN AS 15.13.020(j)] as soon as practicable after
11 each reporting period.

12 * **Sec. 16.** AS 24.45.111(b) is amended to read:

13 (b) The commission shall preserve the statements and reports required to be
14 filed under this chapter for a period of six years from the date of filing. Copies [IF
15 THE COMMISSION'S CENTRAL OFFICE IS NOT IN THE STATE CAPITAL,
16 COPIES] of all statements and reports filed under this chapter shall be maintained in
17 the commission's central [AN] office and be made available on the commission's
18 Internet website [ESTABLISHED BY THE COMMISSION IN THE STATE
19 CAPITAL OR IN THE OFFICE OF THE LIEUTENANT GOVERNOR].

20 * **Sec. 17.** AS 15.13.040(k) is repealed.

21 * **Sec. 18.** 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 a referendum or recall for which the
24 application is filed with the lieutenant governor under AS 15.45.260 or 15.45.480,
25 respectively, on or after the effective date of this Act.

26 * **Sec. 19.** This Act takes effect January 1, 2022.