

**ALASKA STATE LEGISLATURE
SENATE JUDICIARY STANDING COMMITTEE**

April 8, 2022

1:33 p.m.

MEMBERS PRESENT

Senator Roger Holland, Chair
Senator Mike Shower, Vice Chair
Senator Shelley Hughes
Senator Robert Myers
Senator Jesse Kiehl

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SENATE BILL NO. 229

"An Act relating to misconduct involving confidential information; relating to artifacts of the state; and relating to penalties regarding artifacts or historic, prehistoric, or archeological resources of the state."

- HEARD & HELD

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 157(FIN)

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

- HEARD & HELD

SENATE BILL NO. 39

"An Act relating to elections; relating to voter registration; relating to ballots and a system of tracking and accounting for ballots; establishing an election offense hotline; designating as a class A misdemeanor the collection of ballots from other voters; designating as a class C felony the intentional opening or tampering with a sealed ballot, certificate, or package of ballots without authorization from the director of the division of elections; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 229

SHORT TITLE: STATE HISTORICAL ARTIFACTS; CRIMES

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

03/11/22	(S)	READ THE FIRST TIME - REFERRALS
03/11/22	(S)	JUD, RES
03/23/22	(S)	JUD AT 1:30 PM BUTROVICH 205
03/23/22	(S)	<Bill Hearing Canceled>
04/06/22	(S)	JUD AT 1:30 PM BUTROVICH 205
04/06/22	(S)	Heard & Held
04/06/22	(S)	MINUTE(JUD)
04/08/22	(S)	JUD AT 1:30 PM BUTROVICH 205

BILL: HB 157

SHORT TITLE: APOC; REPORT REFERENDA/RECALL CONTRIBUTOR

SPONSOR(s): RASMUSSEN

03/31/21	(H)	READ THE FIRST TIME - REFERRALS
03/31/21	(H)	STA, JUD
04/17/21	(H)	STA AT 3:00 PM GRUENBERG 120
04/17/21	(H)	Heard & Held
04/17/21	(H)	MINUTE(STA)
04/27/21	(H)	STA AT 3:00 PM GRUENBERG 120
04/27/21	(H)	Moved HB 157 Out of Committee
04/27/21	(H)	MINUTE(STA)
04/28/21	(H)	FIN REPLACES JUD REFERRAL
04/28/21	(H)	BILL REPRINTED
04/28/21	(H)	STA RPT 1DP 1NR 5AM
04/28/21	(H)	DP: KREISS-TOMKINS
04/28/21	(H)	NR: TARR
04/28/21	(H)	AM: CLAMAN, STORY, EASTMAN, KAUFMAN, VANCE
05/03/21	(H)	FIN AT 1:30 PM ADAMS 519

05/03/21 (H) Heard & Held
 05/03/21 (H) MINUTE(FIN)
 05/04/21 (H) FIN AT 9:00 AM ADAMS 519
 05/04/21 (H) Heard & Held
 05/04/21 (H) MINUTE(FIN)
 05/13/21 (H) FIN AT 9:00 AM ADAMS 519
 05/13/21 (H) Moved CSHB 157(FIN) Out of Committee
 05/13/21 (H) MINUTE(FIN)
 05/14/21 (H) FIN RPT CS(FIN) NEW TITLE 4DP 5NR
 05/14/21 (H) DP: LEBON, JOSEPHSON, RASMUSSEN,
 MERRICK
 05/14/21 (H) NR: ORTIZ, CARPENTER, THOMPSON, WOOL,
 FOSTER
 05/19/21 (H) LIMIT ALL DEBATE TO 2 MIN EACH Y23 N16
 E1
 05/19/21 (H) TRANSMITTED TO (S)
 05/19/21 (H) VERSION: CSHB 157(FIN)
 01/18/22 (S) READ THE FIRST TIME - REFERRALS
 01/18/22 (S) STA, JUD
 01/21/22 (S) FIN REFERRAL ADDED AFTER JUD
 02/17/22 (S) STA AT 3:30 PM BUTROVICH 205
 02/17/22 (S) Scheduled but Not Heard
 03/01/22 (S) STA AT 3:30 PM BUTROVICH 205
 03/01/22 (S) -- MEETING CANCELED --
 03/03/22 (S) STA AT 3:30 PM BUTROVICH 205
 03/03/22 (S) Heard & Held
 03/03/22 (S) MINUTE(STA)
 03/24/22 (S) STA AT 3:30 PM BUTROVICH 205
 03/24/22 (S) Moved CSHB 157(FIN) Out of Committee
 03/24/22 (S) MINUTE(STA)
 03/25/22 (S) STA RPT 3DP
 03/25/22 (S) DP: SHOWER, HOLLAND, COSTELLO
 03/28/22 (S) JUD AT 1:30 PM BUTROVICH 205
 03/28/22 (S) Heard & Held
 03/28/22 (S) MINUTE(JUD)
 04/04/22 (S) JUD AT 1:30 PM BUTROVICH 205
 04/04/22 (S) Scheduled but Not Heard
 04/08/22 (S) JUD AT 1:30 PM BUTROVICH 205

BILL: SB 39

SHORT TITLE: BALLOT CUSTODY/TAMPERING; VOTER REG; MAIL
 SPONSOR(s): SHOWER

01/25/21 (S) PREFILE RELEASED 1/15/21
 01/25/21 (S) READ THE FIRST TIME - REFERRALS
 01/25/21 (S) STA, JUD
 01/26/21 (S) STA AT 3:30 PM BUTROVICH 205

01/26/21	(S)	-- MEETING CANCELED --
01/28/21	(S)	STA AT 3:30 PM BUTROVICH 205
01/28/21	(S)	Heard & Held
01/28/21	(S)	MINUTE(STA)
02/02/21	(S)	STA AT 3:30 PM BUTROVICH 205
02/02/21	(S)	Heard & Held
02/02/21	(S)	MINUTE(STA)
02/09/21	(S)	STA AT 3:30 PM BUTROVICH 205
02/09/21	(S)	Scheduled but Not Heard
02/11/21	(S)	STA AT 3:30 PM BUTROVICH 205
02/11/21	(S)	Heard & Held
02/11/21	(S)	MINUTE(STA)
02/16/21	(S)	STA AT 3:30 PM BUTROVICH 205
02/16/21	(S)	Heard & Held
02/16/21	(S)	MINUTE(STA)
02/18/21	(S)	STA AT 3:30 PM BUTROVICH 205
02/18/21	(S)	-- MEETING CANCELED --
02/25/21	(S)	STA AT 3:30 PM BUTROVICH 205
02/25/21	(S)	Heard & Held
02/25/21	(S)	MINUTE(STA)
03/16/21	(S)	STA AT 3:30 PM BUTROVICH 205
03/16/21	(S)	Heard & Held
03/16/21	(S)	MINUTE(STA)
03/18/21	(S)	STA AT 3:30 PM BUTROVICH 205
03/18/21	(S)	Scheduled but Not Heard
03/30/21	(S)	STA AT 3:30 PM BUTROVICH 205
03/30/21	(S)	Scheduled but Not Heard
04/01/21	(S)	STA AT 3:30 PM BUTROVICH 205
04/01/21	(S)	-- MEETING CANCELED --
04/08/21	(S)	STA AT 3:30 PM BUTROVICH 205
04/08/21	(S)	Scheduled but Not Heard
04/15/21	(S)	STA AT 3:30 PM BUTROVICH 205
04/15/21	(S)	Heard & Held
04/15/21	(S)	MINUTE(STA)
04/20/21	(S)	STA AT 3:30 PM BUTROVICH 205
04/20/21	(S)	-- MEETING CANCELED --
04/21/21	(S)	STA WAIVED PUBLIC HEARING NOTICE, RULE 23
04/22/21	(S)	STA AT 3:30 PM BUTROVICH 205
04/22/21	(S)	Heard & Held
04/22/21	(S)	MINUTE(STA)
04/22/21	(S)	STA AT 6:00 PM BUTROVICH 205
04/22/21	(S)	Heard & Held
04/22/21	(S)	MINUTE(STA)
05/04/21	(S)	STA AT 3:30 PM BUTROVICH 205
05/04/21	(S)	Moved CSSB 39(STA) Out of Committee
05/04/21	(S)	MINUTE(STA)

05/07/21 (S) STA RPT CS 1DP 1DNP 2NR 1AM NEW TITLE
05/07/21 (S) DP: SHOWER
05/07/21 (S) DNP: KAWASAKI
05/07/21 (S) NR: COSTELLO, REINBOLD
05/07/21 (S) AM: HOLLAND
05/07/21 (S) JUD AT 1:30 PM BUTROVICH 205
05/07/21 (S) Heard & Held
05/07/21 (S) MINUTE(JUD)
05/08/21 (S) JUD AT 10:00 AM BUTROVICH 205
05/08/21 (S) Heard & Held
05/08/21 (S) MINUTE(JUD)
04/08/22 (S) JUD AT 1:30 PM BUTROVICH 205

WITNESS REGISTER

ED KING, Staff
Senator Roger Holland
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Reviewed the summary of changes from Version B to the Senate committee substitute SCS, Version G, of HB 157 on behalf of the committee.

CRYSTAL KOENEMAN, Staff
Representative Sara Rasmussen
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the discussion of HB 157.

HEATHER HEBDON, Executive Director
Alaska Public Offices Commission
Anchorage, Alaska

POSITION STATEMENT: Answered question during the discussion of HB 157.

SCOTT OGAN, Staff
Senator Mike Shower
Alaska State Legislature

POSITION STATEMENT: Answered questions on Amendment 3 to HB 157 on behalf of the sponsor.

SCOTT OGAN, Staff
Senator Mike Shower
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided the sectional analysis for SB 39, Version D, on behalf of the sponsor.

ACTION NARRATIVE

[1:33:33 PM](#)

CHAIR ROGER HOLLAND called the Senate Judiciary Standing Committee meeting to order at 1:33 p.m. Present at the call to order were Senators Myers, Hughes, Shower, Kiehl, and Chair Holland.

SB 229-STATE HISTORICAL ARTIFACTS; CRIMES

[1:34:07 PM](#)

CHAIR HOLLAND announced the consideration of SENATE BILL NO. 229 "An Act relating to misconduct involving confidential information; relating to artifacts of the state; and relating to penalties regarding artifacts or historic, prehistoric, or archeological resources of the state."

[SB 229 was previously heard on 4/6/22.]

[1:34:23 PM](#)

CHAIR HOLLAND opened public testimony; finding none, he closed public testimony on SB 229.

[1:35:25 PM](#)

CHAIR HOLLAND held SB 229 in committee.

HB 157-APOC; REPORT REFERENDA/RECALL CONTRIBUTOR

[1:35:30 PM](#)

CHAIR HOLLAND announced the consideration of HB 157 CS FOR HOUSE BILL NO. 157(FIN) "An Act requiring the disclosure of the identity of certain persons, groups, and nongroup entities that expend money in support of or in opposition to an application filed for a state referendum or recall election; relating to the location of offices for the Alaska Public Offices Commission and the locations at which certain statements and reports filed with the commission are made available; relating to the duties of the Alaska Public Offices Commission; clarifying the limits on making, accepting, and reporting certain cash campaign contributions; relating to campaign finance reporting by certain groups; increasing the time the Alaska Public Offices Commission has to respond to a request for an advisory opinion; repealing a reporting requirement for certain contributions; relating to

contribution limits and recall campaigns; and providing for an effective date."

[CSHB 157(Fin) was before the committee.]

[HB 157 was previously heard on 3/28/22.]

[1:35:49 PM](#)

SENATOR SHOWER moved to adopt the [Senate] committee substitute (CS) for HB 157, work order 32-LS0669\G, as the working document.

CHAIR HOLLAND objected for discussion purposes.

[1:36:12 PM](#)

ED KING, Staff, Senator Roger Holland, Alaska State Legislature, Juneau, Alaska, explained the changes in the committee substitute for HB 157 from Version B to Version G.

[Original punctuation provided.]

SUMMARY OF CHANGES
(VERSION B TO VERSION G)

Change 1: Changed "a central office" to "offices"
(Page 2, line 17)

Change 2: Section 3 of version B was deleted

Change 3: Adds an extension for sitting legislators to file their end-of-year reports until after session ends but requires declaration of any contributions over \$500 within 7-days (page 5, line 28 through page 6, line 3). Section 8 of version I is a conforming change to this addition (page 4, line 12 through page 5, line 4).

Change 4: Shortens the time to file a complaint from five years to two years (page 6, line 12)

Change 5: Updates the effective date clause (page 10, line 20)

[1:37:05 PM](#)

CHAIR HOLLAND removed his objection; he found no further objection, and Version G was adopted.

[1:37:16 PM](#)

At ease

[1:39:03 PM](#)

CHAIR HOLLAND reconvened the meeting.

[1:39:25 PM](#)

SENATOR SHOWER noted that during the at ease he verified that the amendments were incorporated into Version G.

[1:40:03 PM](#)

CHAIR HOLLAND opened public testimony on HB 157, finding none; he closed public testimony.

[1:41:00 PM](#)

SENATOR SHOWER related that he worked with the sponsor to consider whether any reporting requirements were missing, which resulted in one suggested amendment. He offered his view that the committee had done an excellent job capturing the flow of money, which is important to all Alaskans.

[1:41:42 PM](#)

SENATOR HUGHES commented that she previously introduced a bill that related to the ballot initiative that would require the details of the actual contributors to candidates from a political action group (PAC), including their names, addresses, and amounts. This bill would take the statute regarding initiatives, bringing the recall elections and referendums, although it doesn't go into the fine detail her bill did. This would provide detailed information on candidates but not for initiatives, referendums, or recalls. She said the language adds "individual" instead of "person." Section 7 requires the report to include the name, address, principal occupation, and employer of the individual. She asked whether the goal was to bring the referendum and recall elections in line with the existing statute on initiatives.

[1:43:52 PM](#)

CRYSTAL KOENEMAN, Staff, Representative Sara Rasmussen, Alaska State Legislature, Juneau, Alaska, answered that the main point would highlight the lack of reporting contributions and expenditures for collecting signatures during the ballot initiative process. Reporting contributions and expenditures wouldn't be available until the lieutenant governor certified the signatures and the ballot initiative was placed on the ballot. The sponsor wanted to capture that period of time for

contributions and expenditures coming into Alaska without reporting.

[1:44:51 PM](#)

SENATOR HUGHES observed that HB 157 was an improvement, but it still would not provide the level of detail called for in the ballot initiative. She surmised that reporting would have shown significant funds for the [ranked choice voting] ballot initiative was coming from outside Alaska. She said she did not want to give the public the false impression that this would balance things. She offered her view that it would provide an extra level of detail for candidates but not for initiatives, referendums, or recall elections.

[1:46:00 PM](#)

CHAIR HOLLAND asked whether this proposal would extend the filing deadline for legislators.

MS. KOENEMAN answered yes, for Alaska Public Offices Commission (APOC) financial disclosures.

[1:46:33 PM](#)

At ease

[1:47:28 PM](#)

CHAIR HOLLAND reconvened the meeting.

[1:47:50 PM](#)

MR. KING noted that there was discussion about the extension for legislators because they are busy doing the work of the state, and preparing financial disclosures was burdensome and would take away from the state's business. The idea was to extend the end-of-year campaign report beyond the legislative session. He noted some discussion was held about moving the financial disclosure requirements, but it created complications, so it is not in the bill. The end-of-year campaign filing deadline was extended to 15 days after the legislature adjourns. Another provision would require candidates to disclose contributions of \$500 or more received after the election within 7 days.

[1:49:11 PM](#)

CHAIR HOLLAND disclosed that APOC fined him \$10 for missing a deadline.

[1:49:19 PM](#)

SENATOR HUGHES agreed that legislators were busy conducting the business of the state during the legislative session. Further,

it would not be appropriate for legislators or staff to use state equipment for campaign purposes. Many legislators retain that paperwork in their home districts, so it made sense to adjust the campaign reporting timeframe to allow legislators to return home to handle the reports.

CHAIR HOLLAND began the amendment process.

1:50:40 PM

SENATOR KIEHL moved to adopt Amendment 1, work order 32-LS0669\G.1.

32-LS0669\G.1
Bullard
4/5/22

AMENDMENT 1

OFFERED IN THE SENATE BY SENATOR KIEHL
TO: SCS CSHB 157(JUD), Draft Version "G"

Page 1, line 11, following "campaigns;":

Insert "**relating to the reporting of financial and business interests by municipal officers, former municipal officers, and candidates for municipal office;**"

Page 9, following line 29:

Insert a new bill section to read:

"* **Sec. 18.** AS 39.50.020(b) is amended to read:

(b) A public official, [OR] former public official, or candidate for municipal office [OTHER THAN AN ELECTED OR APPOINTED MUNICIPAL OFFICER] shall file the statement with the Alaska Public Offices Commission. Candidates for the office of governor and lieutenant governor and, if the candidate is not subject to AS 24.60, the legislature shall file the statement under AS 15.25.030. The Alaska Public Offices Commission shall provide copies of the statements filed by municipal [MUNICIPAL] officers, former municipal officers, and candidates for elective municipal office to [SHALL FILE WITH] the applicable municipal clerk or other municipal official designated to receive the statements [THEIR FILING FOR OFFICE]. All statements required to be filed under this chapter are public records."

Renumber the following bill sections accordingly.

[1:50:52 PM](#)

CHAIR HOLLAND objected for discussion purposes.

[1:50:56 PM](#)

SENATOR KIEHL explained that Amendment 1 would eliminate the requirement for municipal officials to double-file financial disclosures. The current statute requires municipal officials to file financial disclosures with the city clerk. Since Alaska Public Offices Commission (APOC) provides these forms, municipal officials must fill out the financial disclosure form on the APOC website, file it, print it, and submit it to the municipal clerk's office. Amendment 1 would require municipal officials to file their disclosures with APOC, who would forward the filing to the municipal clerk to ensure that the public has access to the filings.

[1:52:07 PM](#)

At ease

[1:52:18 PM](#)

CHAIR HOLLAND reconvened the meeting.

[1:52:46 PM](#)

SENATOR HUGHES wondered how this change would work for APOC.

[1:53:00 PM](#)

HEATHER HEBDON, Executive Director, Alaska Public Offices Commission, Anchorage, Alaska, agreed Senator Kiehl made a good point that municipal officers and candidates use APOC's online system to file their financial disclosure forms (POFDs). Only six municipalities and boroughs with a population of more than 15,000 are required to submit their forms electronically. She estimated an additional 15-20 municipalities statewide are allowed to file paper financial disclosure forms. APOC regularly provides these POFD forms to the clerk's office to disseminate to their filers. She did not anticipate any issues if municipal filers used APOC's online system to file their POFDs. Municipal filers or APOC staff could subsequently submit these filings to municipal clerk offices.

[1:54:32 PM](#)

SENATOR HUGHES said streamlining the process may encourage more people to run for municipal positions, so it was a good amendment.

[1:55:03 PM](#)

CHAIR HOLLAND removed his objection; he found no further objection, and Amendment 1 was adopted.

[1:55:15 PM](#)

SENATOR KIEHL moved to adopt Amendment 2, work order 32-LS0669\G.2.

32-LS0669\G.2
Bullard
4/5/22

AMENDMENT 2

OFFERED IN THE SENATE BY SENATOR KIEHL
TO: SCS CSHB 157(JUD), Draft Version "G"

Page 9, lines 17 - 20:

Delete "central office **and on the commission's Internet website** [, THE OFFICE OF THE LIEUTENANT GOVERNOR, THE LEGISLATIVE REFERENCE LIBRARY OF THE LEGISLATIVE AFFAIRS AGENCY, AND AT THE COMMISSION'S DISTRICT OFFICES PRESCRIBED IN AS 15.13.020(j)]"

Insert "**offices and on the commission's Internet website** [CENTRAL OFFICE, THE OFFICE OF THE LIEUTENANT GOVERNOR, THE LEGISLATIVE REFERENCE LIBRARY OF THE LEGISLATIVE AFFAIRS AGENCY, AND AT THE COMMISSION'S DISTRICT OFFICES PRESCRIBED IN AS 15.13.020(j)]"

Page 9, lines 27 - 29:

Delete "**the commission's central** [AN] office **and be made available on the commission's Internet website** [ESTABLISHED BY THE COMMISSION IN THE STATE CAPITAL OR IN THE OFFICE OF THE LIEUTENANT GOVERNOR]"

Insert "**the commission's offices and be made available on the commission's Internet website** [AN OFFICE ESTABLISHED BY THE COMMISSION IN THE STATE CAPITAL OR IN THE OFFICE OF THE LIEUTENANT GOVERNOR]"

CHAIR HOLLAND objected for discussion purposes.

[1:55:33 PM](#)

SENATOR KIEHL explained that Amendment 2 would allow APOC to maintain paper files in their offices and have them available on

their internet website. Version G requires the commission to transfer paper files to the central office.

[1:56:09 PM](#)

CHAIR HOLLAND removed his objection; he found no further objection, and Amendment 2 was adopted.

[1:56:16 PM](#)

SENATOR SHOWER objected for discussion purposes.

SENATOR SHOWER said he imagines this was a positive change, but he would like Ms. Hebron to comment.

[1:56:36 PM](#)

MS. HEBDON agreed this would avoid unnecessary shuttling of paper to the Anchorage office. The majority of their files are already posted to APOC's website related to lobbying activities.

[1:57:21 PM](#)

SENATOR SHOWER removed his objection.

CHAIR HOLLAND found no further objection, and Amendment 2 was adopted.

[1:57:36 PM](#)

SENATOR SHOWER moved to adopt Amendment 3, work order 32-LS0669\G.3.

32-LS0669\G.3
Bullard
4/7/22

AMENDMENT 3

OFFERED IN THE SENATE BY SENATOR SHOWER
TO: SCS CSHB 157(JUD), Draft Version "G"

Page 1, line 9, following "opinion;":
Insert "relating to penalties assessed for
campaign finance violations;"

Page 6, following line 14:
Insert new bill sections to read:
"* Sec. 13. AS 15.13.390(a) is amended to read:

(a) Subject to (g) of this section, a [A] person who

(1) fails to register when required by AS 15.13.050(a) or who fails to file a properly completed and certified report within the time required by AS 15.13.040, 15.13.060(b) - (d), 15.13.110(a)(1), (3), or (4), (e), or (f) is subject to a civil penalty of not more than \$50 a day for each day the delinquency continues as determined by the commission subject to right of appeal to the superior court. A person who fails to file a properly completed and certified report within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not more than \$500 a day for each day the delinquency continues as determined by the commission subject to right of appeal to the superior court;

(2) whether as a contributor or intermediary, delays in reporting a contribution as required by AS 15.13.040(r) is subject to a civil penalty of not more than \$1,000 a day for each day the delinquency continues as determined by the commission subject to right of appeal to the superior court;

(3) whether as a contributor or intermediary, misreports or fails to disclose the true source of a contribution in violation of AS 15.13.040(r) or 15.13.074(b) is subject to a civil penalty of not more than the amount of the contribution that is the subject of the misreporting or failure to disclose; upon a showing that the violation was intentional, a civil penalty of not more than three times the amount of the contribution in violation may be imposed; these penalties as determined by the commission are subject to right of appeal to the superior court;

(4) violates a provision of this chapter, except as otherwise specified in this section, is subject to a civil penalty of not more than \$50 a day for each day the violation continues as determined by the commission, subject to right of appeal to the superior court; and

(5) is assessed a civil penalty may submit to the commission an affidavit stating facts in mitigation; however, the imposition of the penalties prescribed in this section or in AS 15.13.380 does not excuse that person from registering or filing reports required by this chapter.

* **Sec. 14.** AS 15.13.390(d) is amended to read:

(d) When an action has been filed in the superior court under AS 15.13.380, upon proof of the violation, the court shall enter a judgment in the amount of the civil penalty authorized to be collected under (a) and (g) [BY (a)] of this section.

* **Sec. 15.** AS 15.13.390 is amended by adding a new subsection to read:

(g) The amount of a civil penalty assessed on a daily basis under (a)(1), (2), or (4) of this section shall be determined as follows for each day the delinquency or violation continues:

(1) during the first six months, the full daily penalty provided by (a) of this section;

(2) during months seven to 11, 75 percent of the daily penalty provided by (a) of this section;

(3) during months 12 to 18, 50 percent of the daily penalty provided by (a) of this section; and

(4) after 18 months, 25 percent of the daily penalty provided by (a) of this section."

Renumber the following bill sections accordingly.

[1:57:46 PM](#)

CHAIR HOLLAND objected for discussion purposes.

[1:58:01 PM](#)

SCOTT OGAN, Staff, Senator Mike Shower, Alaska State Legislature, explained that Amendment 3 related to penalties for campaign finance violations. A candidate could pay \$91,250 in fines for a clerical error on their APOC report. Amendment 3 would establish a tiered system for penalties [as shown on page 2, lines 18-28], ranging from a full penalty for the first six months to 25 percent of the daily penalty after 18 months. He noted that on day 180 if something came to the attention of APOC, a candidate would be liable for \$9,000 in fines. He believed that Amendment 3 would establish reasonable amounts and a reasonable statute of limitations.

[2:01:07 PM](#)

SENATOR HUGHES asked if APOC fines were the same for clerical errors as for something more egregious, such as a person purposely hiding information.

MR. OGAN said he was unsure.

[2:02:37 PM](#)

SENATOR HUGHES restated her question.

MS. HEBDON answered that the maximum penalty is for any violation, and the degree of violation was not contemplated. However, under their penalty assessment procedure by regulation, the commission has some leeway to consider a filer's history, and certain aggravating factors are used for assessing maximum penalties. Penalties are regularly reduced from the initial assessment, and filers can appeal APOC decisions. APOC encourages people to appeal fines. Although Mr. Ogan based his maximum penalty figure on a five-year statute of limitations, Version G reduces it from five years to 2 years. Using the \$50 per day maximum penalty would result in \$18,250 if nothing was done during that time. She noted that the penalties would also apply to sophisticated filers engaged in independent expenditure activities, large political parties, and Political Action Committees (PACS). The fines might seem shocking to a candidate, but \$18,250 could be considered the cost of doing business by the larger groups.

[2:05:17 PM](#)

SENATOR SHOWER wondered if fines for individual candidates should be handled separately from larger groups.

[2:05:54 PM](#)

SENATOR HUGHES referred to page 6, line 9, to Section 12 of HB 157, Version G, and Section 13 of Amendment 3. She asked if that language includes political parties and PACS or solely pertains to candidates.

[2:07:16 PM](#)

At ease

[2:10:11 PM](#)

CHAIR HOLLAND reconvened the meeting.

[2:10:14 PM](#)

CHAIR HOLLAND asked Senator Hughes to pose her question.

[2:10:25 PM](#)

SENATOR HUGHES asked whether the word "person" in Section 12 of Version G and the word "person" in Section 13 in Amendment 3 relate to a candidate or a group.

MS. KOENEMAN responded that AS 15.13.400 provides definitions for person, candidate, and group. She stated that Amendment 3 would expand the scope to more than the sponsor intended.

[2:11:16 PM](#)

SENATOR HUGHES asked for the definition of "person."

MS. KOENEMAN read AS 15.13.400 [(16)], which read: "'person' has the meaning given in AS 01.10.060 and includes a labor union, nongroup entity, and a group."

[2:11:47 PM](#)

SENATOR SHOWER stated the intent of Amendment 3 was to limit onerous APOC fines for unintentional clerical errors by individual candidates but not make it easy for larger groups to be malicious since they could absorb the fines.

[2:12:36 PM](#)

SENATOR KIEHL asked if this language covers candidates making innocent mistakes and candidates with which APOC has had ongoing issues. He further asked whether there were specific APOC statutes or regulations that could help distinguish between innocent and willful acts.

MS. HEBDON responded that she was unaware that willful was contemplated in APOC statutes for campaign disclosure. She suggested that there might be a prohibition under financial disclosure laws. She reiterated that when assessing penalties, APOC considers the filer's history and whether they are uncooperative, allowing APOC to impose the maximum amount. She anticipated that staff would provide this information and their recommendations for the commission's consideration on any appeal.

[2:14:44 PM](#)

SENATOR KIEHL related his understanding that the commission has a definition of "cooperative."

[2:15:00 PM](#)

MS. KOENEMAN directed attention to AS 15.13.390, relating to civil penalty and late filing of required reports. She said nothing mentions willful, and the language is vague about APOC's ability. She noted that APOC regulations provide more leeway. The statutes establish a civil penalty of not more than \$50 a day for failure to file a properly completed and certified report timely or a civil penalty of not more than \$500 a day for each day the delinquency continues as determined by the commission subject to a right of appeal to the superior court.

[2:16:15 PM](#)

SENATOR MYERS said he almost ran afoul of APOC with the year-end filing when he inadvertently reported a \$100 check as a \$500 check. However, he did not receive notification until two months after the filing deadline. Fortunately, he could provide proof, so he was not in violation, and APOC waived the fine. However, it illustrates how easy it would be to acquire delinquent fees.

[2:17:51 PM](#)

SENATOR SHOWER asked whether APOC considers whether the violation is by a PAC versus an individual.

MS. HEBDON answered no. She stated that the commission has discretion when issuing a final determination. She said she did not think the final penalties assessed on candidates had been overly egregious. She offered her view that there has been a substantial reason for more significant penalties.

[2:20:01 PM](#)

CHAIR HOLLAND removed his objection.

[2:20:12 PM](#)

SENATOR SHOWER withdrew Amendment 3.

CHAIR HOLLAND offered his view that the concept for Amendment 3 was valid, but it would need further work to meet the sponsor's goal.

[2:20:55 PM](#)

CHAIR HOLLAND held HB 157 in committee.

SB 39-BALLOT CUSTODY/TAMPERING; VOTER REG; MAIL

[2:21:08 PM](#)

CHAIR HOLLAND announced the consideration of SENATE BILL NO. 39 "An Act relating to elections; relating to voter registration; relating to ballots and a system of tracking and accounting for ballots; establishing an election offense hotline; designating as a class A misdemeanor the collection of ballots from other voters; designating as a class C felony the intentional opening or tampering with a sealed ballot, certificate, or package of ballots without authorization from the director of the division of elections; and providing for an effective date."

CHAIR HOLLAND noted that this was the third hearing. The committee heard the introduction and took public testimony in May 2021. He noted that there was a committee substitute (CS) for the committee to consider.

[2:21:32 PM](#)

SENATOR SHOWER moved to adopt the CS for SB 39, work order 32-LS0204\D, as the working document.

[2:22:00 PM](#)

CHAIR HOLLAND objected for discussion purposes.

[2:22:11 PM](#)

SCOTT OGAN, Staff, Senator Mike Shower, Alaska State Legislature, Juneau, Alaska, paraphrased the sectional analysis for SB 39, Version D, on behalf of the sponsor. He stated that the changes were extensive.

[Original punctuation provided.]

[2:22:42 PM](#)

Sectional Analysis
CS for Senate Bill 39 (JUD) Version 32-LS0204\D

Section 1: This section deletes the requirement that a person must be registered to vote before the election in order to cast a ballot. Deleting this requirement is necessary to allow for registration within 30 days of an election, an option that is currently only available for Presidential elections in Alaska.

Section 2: This section requires a person registering to vote to sign an acknowledgement that if they were previously registered in another jurisdiction, the director of elections will notify the jurisdiction that the person has registered to vote in Alaska and request cancellation of the person's registration in that jurisdiction. This section also allows a registrant to submit an electronic image of their signature (i.e. a photograph of their signature) for purposes of voter registration, using procedures set out by the Division of Elections. This section also defines procedures for individuals registering to vote within 30 days of an election, requiring that they sign an affidavit attesting to residency requirements for voting and provide identification establishing residency.

[2:23:28 PM](#)

MR. OGAN stated that this was a major departure from the current requirement that people must register 30 days before an election.

Section 3: This section provides that a registration applicant can designate a language preference for ballot and election materials among the written languages required for election materials under federal law. Once a person designates a language preference, the Division of Elections will continue to provide the person with materials in that language until the person's registration is inactivated or canceled, or language coverage expires under federal law.

Section 4: This section provides that anyone registering within 30 days of an election may only vote an absentee in-person, special needs, or questioned ballot, not a regular ballot.

Section 5: This section provides that the certificate used for voting an absentee in-person, special needs, or questioned ballot must provide an option for a voter to indicate a political party preference.

[2:24:17 PM](#)

Section 6: This section provides that anyone re-registering within 30 days of an election because their registration has previously been canceled may only vote an absentee in-person, special needs, or questioned ballot, not a regular ballot.

Section 7: This section provides that if a person makes a request to transfer their registration from one precinct to another within 30 days of an election, the person may only vote an absentee in-person, special needs, or questioned ballot, not a regular ballot.

Section 8: This section provides that a person who claims to be a registered voter, but for whom no evidence of registration in a precinct can be found, may only vote an absentee in-person, special needs, or questioned ballot, not a regular ballot.

Section 9: This section re-names absentee voting stations" as early voting stations."

Section 10: This section mandates that the Division of Elections adopt regulations for regular review and updates of the master voter registration file, including review for data breaches, ineligible and deceased voters, and individuals registered in other states. The regulations must specify records and databases for review, including Postal Service records, information from other states' election departments, state motor vehicle records, and tax records

Section 11: This section requires the Director of Elections to provide a process for voters to voluntarily cancel their voter registration, either in-person or electronically, and to prominently display instructions for the voluntary cancellation process at each polling place

Section 12: This section permits candidates to appoint one or more watchers per precinct and counting center in a primary election. With authorization from the Director of Elections, an organization sponsoring or opposing a ballot proposition or recall may also have one or more watchers at the polls and counting centers.

[2:26:10 PM](#)

Section 13: This section re-organizes the provisions governing watchers, with only one substantive change. The only substantive change is that if an election board exercises its discretion to request written proof of appointment from a watcher, the proof must be signed by the chair of the applicable party, district committee, or organization, or by the candidate.

Section 14: This section requires official ballots to include a watermark, seal, or other identifier, according to regulation issued by the Director of Elections.

Section 15: This section requires the Director of Elections to issue regulations regarding ballot security and chain of custody to account for the location and custody of all ballots, certificates, and envelopes from the time of printing until 22 months

after the applicable election is certified. The Director shall also develop by regulation a process for voiding unused, spoiled, and unopened ballots following an election. The Director must also establish a toll-free election offense hotline for reporting of election offenses and publicize the availability of this hotline.

Section 16: This section requires the Division of Elections to provide language assistance at polling places for languages required by federal law. The availability of language assistance shall be publicized at appropriate polling places.

[2:27:15 PM](#)

Section 17: This section moves the declaration for questioned ballots to a new subsection contained in

Section 18: This section revises the declaration for questioned ballots to allow for such ballots to be used for registration within 30 days of an election.

Section 19: This section clarifies that a voter casting a questioned ballot must complete the declaration required by Section 18

Section 20: This section requires the Director of Elections to conduct a risk-limiting audit of results for each state election prior to certification. The Director shall adopt regulations for implementing and administering risk-limiting audits, in consultation with experts.

Section 21: This section requires the Director of Elections to make instructions regarding the online system for tracking absentee ballots available to absentee voters.

Section 22: This section requires the return envelope for an absentee ballot to be postage-paid. This section also removes the witness requirement for absentee ballots, as this bill separately requires signature verification for mail ballots.

Section 23: This section re-names "absentee voting stations" as "early voting stations" and requires designated early voting stations to remain in effect

until the location is no longer available for use as an early voting station or the Director of Elections makes a public written determination that the location is no longer appropriate for use as an early voting station.

Section 24: This section re-names "absentee voting stations" as "early voting stations."

Section 25: This section requires the Director of Elections to appoint at least one registration official to serve in each early voting station during early voting hours and allows appointed election officials to also serve as registration officials.

Section 26: This section re-names "absentee voting stations" as "early voting stations." **Section 27:** This section re-names "absentee voting stations" as "early voting stations."

[2:30:05 PM](#)

MR. OGAN continued to paraphrase the sectional analysis for SB 39.

[Original punctuation provided.]

Section 28: This section requires that election officials verify that when a voter appears for early voting, the voter's residence address, as it appears on the registration list for the election where the voter appears, is current.

Section 29: This section provides that if a voter's eligibility cannot be immediately verified by an election official, the voter shall cast an absentee in-person. The voter's eligibility to vote can be determined when the absentee ballot is evaluated for counting.

Section 30: This section provides that an absentee ballot application may be provided by mail only when an eligible voter requests an application. Such applications must be sent to a voter only by U.S. mail and only by the Division of Elections, an officially registered candidate, a recognized political party, or a group sponsoring a ballot measure, and may not be pre-filled for the voter. An application must

prominently identify its sender and display "Application only/Not a ballot" on the exterior of the envelope.

Section 31: This section re-names "absentee voting stations" as early voting stations."

Section 32: This section provides that an absentee ballot application must permit a person to declare a political party affiliation. In addition, an absentee ballot application submitted electronically shall also allow a person to register to vote

Section 33: This section removes the requirement that absentee ballots be witnessed or attested to before an official, as this bill separately requires signature verification for mail ballots.

[2:32:06 PM](#)

MR. OGAN continued to paraphrase the sectional analysis for SB 39.

[Original punctuation provided.]

Section 34: This section permits a ballot received after election day to be accepted if a U.S. Postal Service tracking barcode information verifies that the ballot was mailed on or before election day, notwithstanding the absence of a postmark or a postmark after election day.

Section 35: This section provides that an absentee ballot application must include an option for a voter to receive absentee ballots for all regularly scheduled elections. The voter will not be required to reapply for an absentee ballot unless the voter has not voted an absentee ballot for four years or an absentee ballot is returned as undeliverable. This section also provides that if a voter requests to receive a mail ballot in a language other than English required by federal law, the Director of Elections shall provide the ballot and election materials in the language requested.

[2:32:55 PM](#)

MR. OGAN continued to paraphrase the sectional analysis for SB 39.

[Original punctuation provided.]

Section 36: This section allows absentee ballot certificates and envelopes to be reviewed beginning 10 days before election day, as opposed to 7 days before election day under current law. This section also clarifies that an absentee ballot may not be counted until the accompanying voter certificate has been reviewed.

Section 37: This section permits absentee ballots that have been reviewed to be counted beginning 7 days prior to election day, as opposed to on election day. The first count of absentee ballots must be reported to the district counting board not later than 8:00 pm on election day.

Section 38: This section requires that absentee ballot envelopes be examined to ensure the signature on the certificate is consistent with the signature in the voter's registration record.

Section 39: This section provides that, in addition to reasons provided under existing law, an absentee ballot may be rejected if the voter (a) has failed to properly sign, (b) has failed to sign on or before the date of the election, (c) the ballot is delivered by mail after election day and is not postmarked on or before election day or does not have a U.S. Postal Service tracking barcode that verifies mailing on or before election day, or (d) the signature on the certificate is not consistent with the signature in the voter's registration record. This section also removes the basis for rejecting an absentee ballot due to lack of a witness or attesting official signature.

[2:34:32 PM](#)

Section 40: This section provides guidelines for signature verification on absentee ballot envelope certificates. Such signature matching shall include signature comparison software, according to regulations adopted by the Director of Elections, as well as training of election officials on signature matching

Section 41: This section provides that absentee ballots that have been properly cured should be counted.

Section 42: This section requires the Director of Elections to establish an online ballot tracking system, through which a voter may track the sending, delivery, and receipt of the voter's ballot, determine if the ballot has been reviewed and counted, and receive instructions for curing the ballot. This section also establishes cure procedures where a voter whose ballot is rejected due to a defect with the certificate envelope must be notified of the defect and provided an opportunity to cure the ballot defect by providing identification and a signature within 14 days of the election.

Section 43: This section permits the Director of Elections to conduct all-mail elections for elections other than a general, statewide, or federal election in certain smaller communities, or in areas affected by a disaster during a disaster declaration. Section 44: This section requires the Division of Elections to conduct a forensic examination of each precinct tabulator before and after each election, and to develop and apply strict chain-of-custody protocols for precinct tabulators and storage devices. Precinct tabulators may not be connected to the Internet or a cellular network from 24 hours prior to polls opening until 14 days after the polls close.

[2:36:54 PM](#)

MR. OGAN continued to paraphrase the sectional analysis for SB 39.

[Original punctuation provided.]

Section 45: This section provides that the Director of Elections may only approve a voting machine or vote tally system with open-source software technology.

Section 46: This section provides that an absentee ballot return envelope with postage paid is not considered a thing of value under the prohibition for providing compensation for voting.

Section 47: This section provides that a person commits voter misconduct in the first degree if the person votes or attempts to vote in the name of another person who is cognitively unable to express that person's vote.

Section 48: This section provides that a person commits the crime of unlawful interference with an election if the person (1) intentionally and opens or tampers with an sealed or signed absentee ballot or package of ballots without express authorization from the Director of Elections, or (2) intentionally breaches, hacks, or tampers with election machinery.

Section 49: This section provides that a person commits the crime of election fraud if the person violates AS 15.56.060 and the violation changes the outcome of the election.

Section 50: This section provides that an election official commits the crime of election official misconduct in the first degree if they knowingly disclose election results or any confidential election data before closing of polls to a person who is not an election official. Section 51: This section specifies that the definition of "election" includes any election conducted by the Division of Elections, not just state elections.

Section 51: This section specifies that the definition of "election" includes any election conducted by the Division of Elections, not just state elections.

[2:39:15 PM](#)

MR. OGAN continued to paraphrase the sectional analysis for SB 39.

[Original punctuation provided.]

Section 52: This section requires the Director of Elections to create a cybersecurity program to defend voter registration records against cyber-attacks and data breaches, detect and recover from cyberattacks, and provide for cybersecurity training for election officials.

Section 53: This section sets minimum compensation for election officials.

Section 54: This section re-names "absentee voting stations" as "early voting stations."

Section 55: This section provides that a person who has lived within a municipality for at least 30 days but has not registered 30 days before a municipal election, may only vote an absentee, special needs, or questioned ballot in the municipal election, not a regular ballot. However, a municipality may set different rules for elections held only in specific local election districts or service areas.

[2:40:14 PM](#)

MR. OGAN continued to paraphrase the sectional analysis for SB 39.

[Original punctuation provided.]

Section 56: This section repeals provisions requiring notice of rejected absentee ballots to be provided to voters within 10 days of certification of a primary election and 30 days of certification of a general election. This section also repeals a provision requiring that registration for municipal elections be made 30 days prior to an election.

Section 57: This section provides that the provisions of the bill on election crimes, specifically Sections 46-50, apply to offenses committed on or after the effective date of the bill.

Section 58: This section permits the Department of Revenue and the Division of Elections to adopt regulations necessary to implement the changes in the bill. The regulations take effect under the Administrative Procedures Act, but not before the effective date of the law implemented by the regulation.

[2:41:09 PM](#)

Section 59: This section specifies that Section 45 takes effect January 1, 2028.

Section 60: This section specifies that Section 58 takes effect immediately.

Section 61: This section specifies that the remaining provisions of the bill take effect January 1, 2023.

[2:41:46 PM](#)

SENATOR SHOWER noted that SB 39 had been a long process that included working with other legislators to craft a bipartisan bill. He characterized it as a complicated bill. He acknowledged that the bill was a work in progress, so some technical changes or minor changes may be necessary. He stated the intent was to create a bill that would take some initial steps.

[2:44:27 PM](#)

SENATOR HUGHES asked whether similar legislation was in the House.

SENATOR SHOWER answered yes. Although there were differences in the bills, he was continuing to hold discussions on ballot custody and elections to craft legislation that may pass the legislature this year.

[2:46:39 PM](#)

CHAIR HOLLAND removed his objection; he found no further objection, and Version D was adopted.

[2:46:59 PM](#)

SENATOR HUGHES referred to Section 28, which requires the official to verify whether the voter's address is still current. She asked whether the person could still vote if their address was not current. She further asked for the process to update the address in the system.

[2:47:34 PM](#)

MR. OGAN responded that Section 28 is existing law. The only change was to add "for that election" to provide specificity.

[2:48:21 PM](#)

SENATOR MYERS referred to Section 5. He said that it appeared as though the voter's political party would be listed on the absentee envelope.

SENATOR SHOWER answered yes.

SENATOR MYERS related that the country had held discussions about voter access and election integrity, but voter anonymity

is vital. He acknowledged some secrecy is given up when voting absentee but was concerned about the loss of anonymity by putting someone's party affiliation on the absentee ballot envelope. It might give someone a clue about the vote cast.

MR. OGAN answered that a lot of information is on the absentee ballot envelope. However, he was unsure of the details. The division has poll watchers, and the ballot does not stay with the envelope, although the envelope is preserved for 22 months by federal law.

[2:51:31 PM](#)

CHAIR HOLLAND asked whether the party affiliation was necessary to verify the voter's identity to confirm voter eligibility.

[2:51:49 PM](#)

SENATOR MYERS stated that he was not concerned about someone voting an in-person absentee ballot. He understood separating the ballot in its secrecy envelope from the outside envelope. He said that when someone fills out their ballot at their home and mails it, it will be handled by mail carriers and contractors before arriving at the Division of Elections office. He indicated that the voter is tipping their hand because their party affiliation is listed on the envelope.

[2:52:57 PM](#)

SENATOR SHOWER offered his view that this is a "may" not "shall." He was unsure whether the voter had to fill it out. He offered to follow up and report to the committee.

CHAIR HOLLAND referred to Section 5 relating to absentee in-person voting. He noted that Senator Myers spoke about a regular ballot that voters fill out at their residences. The division would use this information for questioned or absentee ballots to determine if the ballot is valid before it is comingled.

[2:54:21 PM](#)

SENATOR KIEHL referred to Section 30 on page 13. The division, registered candidate, recognized political party or a group sponsoring a ballot measure may provide an absentee ballot application by mail when an eligible voter expressly requests an application. He wondered about the rationale, risk, or problem for restricting people from sending out forms to encourage people to vote.

[2:55:29 PM](#)

MR. OGAN explained that Section 30 was in the original version of the bill. He noted one issue was that the language says "application," not "ballot," on the envelope's exterior. The sponsor heard that people were receiving ballot applications and thought it was the actual ballot. Lots of groups send out absentee ballot applications. People called the division to state they had not requested a ballot application. This provision would require the person to request a ballot, and only the division, officially registered candidate, or recognized party can send a ballot application. The ballot application materials must clearly identify it as an absentee ballot request. Although it is not addressed in this section, all official ballots must have a watermark. He stated that the goal is to make it hard to cheat but easy to vote.

[2:57:48 PM](#)

SENATOR KIEHL agreed that reducing confusion for voters was an excellent service. He noted that he sent a newsletter to all constituents when the pandemic began and put a form in each one. He recalled placing a starburst on the envelope indicating a vote by mail form or an absentee ballot request form was enclosed. He offered his view that getting people the form to request a ballot makes it easier for them to vote. He was unsure about the restrictions that make it less easy to exercise options.

MR. OGAN responded that voters would have plenty of opportunities because an officially registered candidate, recognized party, or group sponsoring a ballot measure would send the voter a ballot application.

SENATOR SHOWER remarked that the Republican Party recommended the provision to allow political parties to send out ballot applications. He said he did not view this as limiting people.

[3:00:28 PM](#)

CHAIR HOLLAND held SB 39 in committee.

[3:00:37 PM](#)

There being no further business to come before the committee, Chair Holland adjourned the Senate Judiciary Standing Committee meeting at 3:00 p.m.