

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 36
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES SCHRAGE, Galvin, Himschoot

Introduced: 1/19/23

Referred: State Affairs, Judiciary

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 political contributions; and**
4 **providing for an effective date."**

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

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

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

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

11 **(2) supporting or opposing**

12 **(A) an initiative proposal application filed under**
13 **AS 15.45.020;**

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

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

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, **a referendum application filed under**
9 **AS 15.45.260, or a recall application filed under AS 15.45.480,** each person other
10 than an individual shall register, on forms provided by the commission, with the
11 commission.

12 * **Sec. 3.** AS 15.13.065(c) is amended to read:

13 (c) Except for reports required by AS 15.13.040 and 15.13.110 and except for
14 the requirements of AS 15.13.050, 15.13.060, and 15.13.112 - 15.13.114, the
15 provisions of AS 15.13.010 - 15.13.116 do not apply to limit the authority of a person
16 to make contributions to influence the outcome of a ballot proposition. In this
17 subsection, in addition to its meaning in AS 15.80.010, "proposition" includes

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

19 (A) a constitutional convention shall be called;

20 (B) a debt shall be contracted;

21 (C) an advisory question shall be approved or rejected; or

22 (D) a municipality shall be incorporated;

23 (2) an initiative proposal application filed [WITH THE LIEUTENANT
24 GOVERNOR] under AS 15.45.020;

25 **(3) a referendum application filed under AS 15.45.260; and**

26 **(4) a recall application filed under AS 15.45.480.**

27 * **Sec. 4.** AS 15.13.070(b) is amended to read:

28 (b) **Except as provided in (h) of this section, an** [AN] individual may
29 contribute not more than

30 (1) **\$2,000 each campaign period** [\$500 PER YEAR] to a nongroup
31 entity for the purpose of influencing the nomination or election of a candidate, to a

1 candidate, or to an individual who conducts a write-in campaign as a candidate [, OR
2 TO A GROUP THAT IS NOT A POLITICAL PARTY];

3 (2) \$5,000 a [PER] year to a political party or other group.

4 * **Sec. 5.** AS 15.13.070(c) is amended to read:

5 (c) Except as provided in (h) of this section, a [A] group that is not a
6 political party may contribute not more than

7 (1) \$4,000 each campaign period [\$1,000 PER YEAR (1)] to a
8 candidate, or to an individual who conducts a write-in campaign as a candidate;

9 (2) \$5,000 each year to another group, to a nongroup entity, or to a
10 political party.

11 * **Sec. 6.** AS 15.13.070(f) is amended to read:

12 (f) Except as provided in (h) of this section, a [A] nongroup entity may
13 contribute not more than

14 (1) \$4,000 each campaign period [\$1,000 A YEAR] to another
15 nongroup entity for the purpose of influencing the nomination or election of a
16 candidate, to a candidate, or to an individual who conducts a write-in campaign as a
17 candidate;

18 (2) \$5,000 each year [,] to a group [,] or to a political party.

19 * **Sec. 7.** AS 15.13.070(g) is amended to read:

20 (g) Where contributions are made to a joint campaign for governor and
21 lieutenant governor,

22 (1) an individual may contribute not more than \$4,000 each campaign
23 period [\$1,000 PER YEAR]; and

24 (2) a group may contribute not more than \$8,000 each campaign
25 period [\$2,000 PER YEAR].

26 * **Sec. 8.** AS 15.13.070 is amended by adding new subsections to read:

27 (h) The contribution limits provided under (b)(1), (c)(2), and (f) of this section
28 do not apply to an individual, group, or nongroup entity contributing to a group or
29 nongroup entity that makes only independent expenditures.

30 (i) Beginning in the first quarter of calendar year 2031 and every 10 years
31 thereafter, the commission shall, by regulation, adjust the contribution limitations set

1 out in this section by a percentage equal to the percentage of increase over the
 2 preceding 10-year period in all items of the Consumer Price Index for all urban
 3 consumers for urban Alaska, rounded to the nearest \$50 increment.

4 * **Sec. 9.** AS 15.13 is amended by adding a new section to read:

5 **Sec. 15.13.092. Identification of nonresident contributors to a candidate.**

6 (a) In addition to the information required by AS 15.13.090, all communications paid
 7 for by a candidate who has received more than 25 percent of the candidate's aggregate
 8 contributions from true sources, or their equivalents, who, at the time of the
 9 contribution, reside or have their principal place of business outside the state, must
 10 identify that the majority of the candidate's contributions originated from outside the
 11 state.

12 (b) A communication subject to this section that includes a print or video
 13 component must have the following statement placed in the communication so as to be
 14 easily discernible: "More than 25 percent of the aggregate contributions to (candidate's
 15 name) came from outside the State of Alaska." In a broadcast, cable, satellite, Internet,
 16 or other digital communication, the statement must remain onscreen throughout the
 17 entirety of the communication.

18 (c) A communication subject to this section that is transmitted through radio
 19 or other audio media or that includes an audio component must include the following
 20 statement, read in a manner that is easily heard: "More than 25 percent of the
 21 aggregate contributions to (candidate's name) came from outside the State of Alaska."

22 * **Sec. 10.** AS 15.13.110(e) is amended to read:

23 (e) A **referendum committee, person, group, or nongroup entity receiving**
 24 **contributions exceeding \$500 or making expenditures exceeding \$500 in a**
 25 **calendar year in support of or in opposition to a referendum on the ballot in a**
 26 **statewide election or a referendum application filed with the lieutenant governor**
 27 **under AS 15.45.260 shall file a** [GROUP FORMED TO SPONSOR A
 28 REFERENDUM OR A RECALL SHALL REPORT 30 DAYS AFTER ITS FIRST
 29 FILING WITH THE LIEUTENANT GOVERNOR. THEREAFTER, EACH GROUP
 30 SHALL] report within 10 days after the end of each calendar quarter on the
 31 contributions received and expenditures made during the preceding calendar quarter

1 until reports are due under (a) **and (b)** of this section. **If the report is a first report, it**
 2 **must cover the period beginning the day a referendum application is filed under**
 3 **AS 15.45.260 and ending three days before the due date of the report.**

4 * **Sec. 11.** AS 15.13.110(i) is amended to read:

5 (i) During a campaign period, the commission may not change the manner or
 6 format in which reports required of a candidate under this chapter must be filed. [IN
 7 THIS SUBSECTION, "CAMPAIGN PERIOD" MEANS THE PERIOD BEGINNING
 8 ON THE DATE THAT A CANDIDATE BECOMES ELIGIBLE TO RECEIVE
 9 CAMPAIGN CONTRIBUTIONS UNDER THIS CHAPTER AND ENDING ON
 10 THE DATE THAT A FINAL REPORT FOR THAT SAME CAMPAIGN MUST BE
 11 FILED.]

12 * **Sec. 12.** AS 15.13.110 is amended by adding a new subsection to read:

13 (l) A recall committee, person, group, or nongroup entity receiving
 14 contributions exceeding \$500 or making expenditures exceeding \$500 in a calendar
 15 year in support of or in opposition to the recall of a public official in a statewide
 16 election or a recall application filed with the lieutenant governor under AS 15.45.480
 17 shall file a report within 10 days after the end of each calendar quarter on the
 18 contributions received and expenditures made during the preceding calendar quarter
 19 until reports are due under (a) and (b) of this section. If the report is a first report, it
 20 must cover the period beginning the day a recall application is filed under
 21 AS 15.45.480 and ending three days before the due date of the report.

22 * **Sec. 13.** AS 15.13.400(4) is amended to read:

23 (4) "contribution"

24 (A) means a purchase, payment, promise or obligation to pay,
 25 loan or loan guarantee, deposit or gift of money, goods, or services for which
 26 charge is ordinarily made, and includes the payment by a person other than a
 27 candidate or political party **or other group**, or compensation for the personal
 28 services of another person, that is rendered to the candidate or political party
 29 **or other group** [.] and that is made for the purpose of

30 (i) influencing the nomination or election of a
 31 candidate;

1 (ii) influencing a ballot proposition or question; or
 2 (iii) supporting or opposing an initiative proposal
 3 application filed [WITH THE LIEUTENANT GOVERNOR] under
 4 AS 15.45.020, a referendum application filed under AS 15.45.260,
 5 or a recall application filed under AS 15.45.480;

6 (B) does not include

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

10 (ii) ordinary hospitality in a home;

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

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

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

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

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

28 * **Sec. 14.** AS 15.13.400(7) is amended to read:

29 (7) "expenditure"

30 (A) means a purchase or a transfer of money or anything of
 31 value, or promise or agreement to purchase or transfer money or anything of

1 value, incurred or made for the purpose of

2 (i) influencing the nomination or election of a candidate
3 or of any individual who files for nomination at a later date and
4 becomes a candidate;

5 (ii) use by a political party;

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

9 (iv) influencing the outcome of a ballot proposition or
10 question; or

11 (v) supporting or opposing an initiative proposal
12 application filed [WITH THE LIEUTENANT GOVERNOR] under
13 AS 15.45.020, a referendum application filed under AS 15.45.260,
14 or a recall application filed under AS 15.45.480;

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

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

19 * **Sec. 15.** AS 15.13.400(9) is amended to read:

20 (9) "group" means

21 (A) every state and regional executive committee of a political
22 party;

23 (B) any combination of two or more individuals acting jointly
24 who organize for the principal purpose of influencing the outcome of one or
25 more elections and who take action the major purpose of which is to influence
26 the outcome of an election; a group that makes expenditures or receives
27 contributions with the authorization or consent, express or implied, or under
28 the control, direct or indirect, of a candidate shall be considered to be
29 controlled by that candidate; a group whose major purpose is to further the
30 nomination, election, or candidacy of only one individual, or intends to expend
31 more than 50 percent of its money on a single candidate, shall be considered to

1 be controlled by that candidate and its actions done with the candidate's
 2 knowledge and consent unless, within 10 days from the date the candidate
 3 learns of the existence of the group the candidate files with the commission, on
 4 a form provided by the commission, an affidavit that the group is operating
 5 without the candidate's control; a group organized for more than one year
 6 preceding an election and endorsing candidates for more than one office or
 7 more than one political party is presumed not to be controlled by a candidate;
 8 however, a group that contributes more than 50 percent of its money to or on
 9 behalf of one candidate shall be considered to support only one candidate for
 10 purposes of AS 15.13.070, whether or not control of the group has been
 11 disclaimed by the candidate; and

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

14 (i) an initiative proposal application under
 15 AS 15.45.020 or who file an initiative proposal application under
 16 AS 15.45.020;

17 (ii) a referendum application under AS 15.45.260 or
 18 who file a referendum application under AS 15.45.260; or

19 (iii) a recall application under AS 15.45.480 or who
 20 file a recall application under AS 15.45.480;

21 * **Sec. 16.** AS 15.13.400 is amended by adding a new paragraph to read:

22 (20) "campaign period" means the period beginning on the date that a
 23 candidate becomes eligible to receive campaign contributions under this chapter and
 24 ending on the date that a final report for that same campaign must be filed.

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

27 APPLICABILITY. Sections 1 - 3, 10, and 12 - 15 of this Act apply only to a
 28 referendum or recall for which the application is filed with the lieutenant governor under
 29 AS 15.45.260 or 15.45.480, respectively, on or after the effective date of secs. 1 - 3, 10, and
 30 12 - 15 of this Act.

31 * **Sec. 18.** Sections 4 - 9, 11, and 16 of this Act take effect immediately under

1 AS 01.10.070(c).

2 * **Sec. 19.** Except as provided in sec. 18 of this Act, this Act takes effect January 1, 2024.