

Introduced: 2/4/74  
Referred: State Affairs and  
Judiciary

1 IN THE HOUSE

BY THE RULES COMMITTEE  
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to elections; and providing for  
7 an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 15 is amended by adding a new chapter to read:

10 CHAPTER 56. CAMPAIGN EXPENDITURES,  
11 CONTRIBUTIONS AND REPORTS.

12 Sec. 15.56.010. FINDINGS AND PURPOSE. (a) It is found and declared  
13 by the legislature

14 (1) that private wealth should not be decisive in a  
15 democracy, either in electing an official or in influencing public  
16 policy;

17 (2) that the people have a right to be informed of the  
18 sources of significant election campaign contributions and the manner  
19 in which they are spent;

20 (3) that serious abuses have resulted in the past from an  
21 election system that is privately financed without limitation;

22 (4) that the public's right to know of the information  
23 required to be disclosed by this chapter is a compelling interest which  
24 outweighs existing individual rights of privacy and all other  
25 interests in keeping the information secret;

26 (5) that the requirements of this chapter do not signifi-  
27 cantly infringe upon a person's freedom of speech and association.

28 (b) The purposes of this chapter are to

29 (1) provide for elections that take place with the voters

1 fully informed of relevant facts regarding the candidates;

2 (2) encourage the financing of election campaigns through  
3 small individual contributions and prevent abuses which may occur  
4 because of large secret donations;

5 (3) develop public confidence in persons seeking or holding  
6 elected office and enhance the dignity of the offices without  
7 significantly affecting individual rights;

8 (4) prevent the outcome of elections from being unduly  
9 influenced by the financial resources available to a candidate or to  
10 the advocates of a particular position on a ballot proposition, the  
11 source or origin of which is unknown to the electorate.

12 Sec. 15.56.020. CAMPAIGN EXPENDITURE LIMITATIONS. (a) The  
13 total amount of expenditures, exclusive of the candidate's own living  
14 and transportation expenses, made by a candidate and by all political  
15 committees on behalf of the candidate may not exceed

16 (1) 40 cents times the total population of the state  
17 according to the latest United States census figures if the  
18 candidacy is for governor or lieutenant governor, of which amount  
19 no more than 40 per cent may be spent in a primary election campaign;

20 (2) 55 cents times the total population of the geographical  
21 area of the constituency according to the latest United States  
22 census figures if the candidacy is for the State Senate;

23 (3) 80 cents times the total population of the geographical  
24 area of the constituency according to the latest United States census  
25 figures divided by the number of seats in the house district if the  
26 candidacy is for the state House of Representatives.

27 (b) The expenditure limitations in (a) of this section include  
28 expenditures for both a primary and a general election campaign, or  
29 for a special election.

1 (c) Expenditures for advertising which does not identify a  
2 candidate by name is not attributable to a candidate's expenditure  
3 limitations established by this section.

4 Sec. 15.56.030. STATEMENT OF ORGANIZATION BY CANDIDATES AND  
5 POLITICAL COMMITTEES. (a) Each candidate and each political  
6 committee shall file a statement of organization with the lieutenant  
7 governor at the time of organization, or within 10 days of receiving  
8 the first contribution or making the first expenditure.

9 (b) The statement of organization shall include:

10 (1) the name and address of candidate or committee;

11 (2) the names, addresses, and titles of each officer of  
12 the committee;

13 (3) the name and address of a treasurer for the candidate  
14 or political committee, and the signature of the treasurer accepting  
15 an appointment as treasurer;

16 (4) the date of organization, if a political committee, and  
17 the date of accepting the first contribution or of making the first  
18 expenditure;

19 (5) the nature and amount of the first contribution or  
20 expenditure;

21 (6) the name of each candidate whom the political committee  
22 is supporting or opposing, and if the committee is supporting the  
23 entire ticket of a party, the name of the party;

24 (7) the ballot proposition concerned, if any, and whether  
25 the committee is in favor or opposed to the ballot proposition;

26 (8) assets and liabilities at the time of filing the  
27 statement;

28 (9) the names and addresses of all related or affiliated  
29 committees or other persons, and the nature of the relationship or

1 affiliation;

2 (10) the planned distribution of surplus funds in the  
3 event of dissolution; and

4 (11) other information as may be prescribed by regulation  
5 which is relevant to the purposes of this chapter.

6 Sec. 15.56.040. TREASURERS. (a) At the time of filing a  
7 statement of organization, each candidate and each political committee  
8 shall appoint a treasurer and certify the full name and complete  
9 address of the treasurer together with the signature of the person  
10 accepting the appointment to the lieutenant governor. A candidate  
11 may be appointed treasurer.

12 (b) A candidate or political committee may remove his or its  
13 treasurer. In case of the death, resignation or removal of a  
14 treasurer before compliance with all the obligations of a treasurer  
15 under this chapter, the candidate or political committee shall appoint  
16 a successor and certify the name and address of the successor in the  
17 manner provided in the case of an original appointment.

18 (c) No contribution may be received or expenditure made by  
19 or on behalf of a candidate or political committee unless it is made  
20 with the concurrence of the treasurer of the candidate or political  
21 committee.

22 (d) Each treasurer shall maintain a record of each contribution  
23 and expenditure, including the name and address of each person from  
24 whom contribution is received.

25 Sec. 15.56.050. MANNER OF MAKING CONTRIBUTIONS. (a) No con-  
26 tribution may be made or accepted without identification of the  
27 contributor. No person may make a payment to or on behalf of a  
28 candidate in any name except his own. No person may make a contribu-  
29 tion or expenditure in support of or in opposition to a ballot

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proposition in any name except his own.

(b) No person may transfer funds to another person to enable the recipient to transfer or to contribute funds to a political committee or candidate or attempt to influence the results of an election by transferring funds in a manner that conceals the true source of the funds.

Sec. 15.56.060. REPORTS. (a) The treasurer of each candidate and each political committee shall file reports of contributions and expenditures with the lieutenant governor on forms prescribed by him. The reports shall be filed

(1) not less than 25 days before the date of the election covering all contributions and expenditures through the 31st day before the election;

(2) not less than five days before the date of election covering all contributions and expenditures beginning with the 30th day before the election through the seventh day before the election;

(3) not more than 16 days after the election covering all contributions and expenditures beginning with the sixth day before the election through the 10th day after the election. The last report shall include a statement of any further contributions which the treasurer expects to receive.

(b) The reports made under this section shall be certified by the treasurer as true and accurate under penalty of perjury under AS 09.65.012.

Sec. 15.56.070. CONTENTS OF REPORTS. (a) The reports required by sec. 60 of this chapter must include for the reporting period

(1) the total amount of all contributions for the reporting period;

1 (2) the amount contributed by and the full name and address  
2 of each person who has contributed an aggregate amount of \$50 or more;

3 (3) the total amount of contributions of less than \$50 each,  
4 and the treasurer must maintain and have available for inspection a  
5 list of names of all contributors in this group and the amounts  
6 contributed;

7 (4) the total amount of contributions received from each  
8 fund raising event, the date and place of the event, and the costs  
9 of the event;

10 (5) the total amount of anonymous contributions;

11 (6) the amount of each loan, promissory note or security  
12 instrument to be used by or for the benefit of the candidate or  
13 political committee and the full name and address of the lender and  
14 each person liable directly, indirectly or contingently on the loan  
15 instrument;

16 (7) the amount of each contribution of an aggregate value  
17 of more than \$50 not otherwise listed, and the full name and address  
18 of the person who made the contribution;

19 (8) the total amount of expenditures made or liabilities  
20 incurred for the reporting period;

21 (9) the amount and full name and address of each person to  
22 whom an expenditure was made or a liability incurred in the aggregate  
23 amount of more than \$50, and the purpose of the expenditure; and

24 (10) the surplus or deficit of contributions over  
25 expenditures.

26 (b) The lieutenant governor may require by regulation that  
27 additional information be included in the reports required by sec.  
28 60 of this chapter.

29 Sec. 15.56.080. SUPPLEMENTAL STATEMENTS. (a) If a report filed

1 under sec. 60(a)(3) of this chapter shows an unexpended balance  
2 of contributions or an expenditure deficit, the treasurer of the  
3 candidate or political committee shall file supplemental state-  
4 ments with the lieutenant governor on a form prescribed by him.  
5 The first supplemental statement shall be filed not more than 30  
6 days after the deadline for filing the report under sec. 60(a)(3)  
7 of this chapter. Thereafter an additional supplemental statement  
8 of contributions and expenditures shall be submitted every 60 days  
9 until no unexpended balance of contributions or expenditures deficit  
10 remains.

11 (b) The supplemental statements shall be certified as true and  
12 accurate under penalty of perjury under AS 09.65.012.

13 (c) Supplemental statements under this section need not be filed  
14 with respect to the primary campaign of a successful candidate by  
15 a political committee supporting the candidate if the committee  
16 continues to function in support of the candidate in the succeeding  
17 general election campaign.

18 Sec. 15.56.090. ANONYMOUS CONTRIBUTIONS. Reasonable efforts  
19 shall be made to ascertain the identity of persons making anonymous  
20 contributions. If despite reasonable effort the donor is not  
21 identified, the contribution escheats to the state or municipality  
22 and is payable at the same time reports are due under sec. 60 of  
23 this chapter.

24 Sec. 15.56.100. OUT-OF-STATE CONTRIBUTIONS. A person who is  
25 not a resident of Alaska who contributes an aggregate amount of over  
26 \$100 to an election campaign is subject to the personal jurisdiction  
27 of the courts of this state for all matters relating to the  
28 enforcement of this chapter.

29 Sec. 15.56.110. DISCLOSURE BY INDIVIDUAL CONTRIBUTORS. (a) A

1 person who makes a contribution or expenditure in an aggregate amount  
2 of \$100 shall file a disclosure statement with the lieutenant governor  
3 within seven days following the contribution or expenditure. If the  
4 contribution or expenditure is made within seven days preceding an  
5 election, the statement shall be filed contemporaneously with the  
6 contribution or expenditure. This requirement operates successively.

7 (b) The statement required by (a) of this section shall include

8 (1) the name and address of the person making the con-  
9 tribution or expenditure;

10 (2) the name of each candidate in whose behalf the con-  
11 tribution or expenditure was made, or the ballot proposition involved;

12 (3) the amount contributed or expended;

13 (4) the name and address of each person to whom a con-  
14 tribution or expenditure was made; and

15 (5) other information relevant to the purposes of this  
16 chapter required by regulation.

17 Sec. 15.56.120. REPORTS BY COMMERCIAL ADVERTISERS. (a) A  
18 commercial advertiser who accepts or provides political advertising  
19 for an election campaign shall file with the lieutenant governor not  
20 less than five days before an election a report detailing the  
21 advertising provided through the seventh day preceding the election.  
22 A second report shall be filed not more than 10 days after an election  
23 covering the political advertising provided from the sixth day  
24 preceding the election through the election day.

25 (b) Each report required by this section must include

26 (1) the name and address of each person for whom political  
27 advertising was provided, and the name of the political committee if  
28 provided for a political committee;

29 (2) the exact nature and extent of the advertising

1 services rendered;

2 (3) the consideration and the manner of payment for the  
3 advertising;

4 (4) other relevant information as required by regulation.

5 (c) No report need be filed under this section if the total  
6 value of the services rendered does not exceed \$25.

7 (d) A commercial advertiser who violates this section by failing  
8 to file a report is strictly liable in a civil action to the state or  
9 municipality for liquidated damages in the amount of \$300 for each  
10 violation. Each unreported item of advertising for each candidate  
11 or political committee is a separate violation.

12 Sec. 15.56.130. CHARGES BY COMMERCIAL ADVERTISERS. No commercial  
13 advertiser may charge a candidate or political committee either a  
14 higher or lower charge than that which it requires other customers  
15 to pay for comparable materials and services. A commercial advertiser  
16 who violates this section is strictly liable to the state or  
17 municipality for liquidated damages in the amount of \$500 for each  
18 violation.

19 Sec. 15.56.140. REPORTS PUBLIC RECORDS. All reports filed under  
20 this chapter are public records.

21 Sec. 15.56.150. CITIZENS COMMITTEE. The governor shall appoint  
22 a citizens committee to observe and inspect the statements required  
23 to be filed by this chapter. The citizens committee consists of  
24 three members from each political party as defined by AS 15.60.010(b)  
25 appointed from a list of six names submitted to the governor by each  
26 party, and three voters who are registered as not affiliated with  
27 any political party. Members serve without compensation. The  
28 lieutenant governor shall provide full cooperation and access by the  
29 members of the committee to all statements required to be filed by

1 this chapter. Upon request, the lieutenant governor shall provide  
2 copies of any statement filed under this chapter to the members of  
3 the citizens committee.

4 Sec. 15.56.160. POWERS AND DUTIES OF LIEUTENANT GOVERNOR. (a)

5 The lieutenant governor shall

6 (1) publicize the requirements of this chapter so that  
7 persons having duties under this chapter may be informed of the  
8 duties;

9 (2) prescribe and distribute uniform forms for all reports  
10 required to be filed under this chapter; including an adequate  
11 number of forms for contributors to campaign treasurers;

12 (3) prepare and distribute standard instructions for  
13 keeping accounts for use by persons required to file reports under  
14 this chapter;

15 (4) prepare summaries of the reports received and make the  
16 summaries available to the news media and the public; the summaries of  
17 the reports required by sec. 60(a)(2) of this chapter shall be  
18 available not later than the fourth day preceding an election;

19 (5) make all reports available for public inspection and  
20 furnish copies of the reports upon request;

21 (6) promptly notify a candidate of political committees  
22 who file organizational statements declaring their support for him;  
23 and

24 (7) analyze and compare the reports received for possible  
25 violations, investigate possible violations, and report evidence of  
26 probable violations to the attorney general.

27 (b) The lieutenant governor may

28 (1) promulgate regulations to implement, interpret or make  
29 more specific the provisions of this chapter; and

1 (2) exercise the same investigative powers available to the  
2 Department of Revenue under AS 43.05.040 to ascertain the correctness  
3 of reports and to enforce the provisions of this chapter.

4 Sec. 15.56.170. LOCAL ELECTIONS. Except for secs. 20 and 150,  
5 this chapter applies to all local elections. Reports for local  
6 elections shall be filed with the local government official  
7 responsible for administering the election. Except for the power of  
8 promulgating regulations and the duty of preparing uniform forms,  
9 the powers and duties of the official receiving the reports are the  
10 same as for the lieutenant governor set out in sec. 160 of this  
11 chapter. Nothing in this chapter shall be construed as limiting  
12 the powers of municipalities to enact ordinances which are not  
13 inconsistent with the provisions of this chapter.

14 Sec. 15.56.180. VIOLATION AFFECTING AN ELECTION. (a) If a  
15 court finds that the wilful violation of a provision of this chapter  
16 by a candidate or political committee with the knowledge and  
17 consent by the candidate more likely than not resulted in the election  
18 of the candidate to state office, the court shall nullify the  
19 election of the candidate. A resulting vacancy in state office  
20 shall be filled in the manner provided by law for filling vacancies  
21 for that office. If the general or special election for that office  
22 has not occurred, the violator may not have his name placed on  
23 the general election ballot, but the party of which he is a member  
24 may replace him under the procedures established in AS 15.25.110 -  
25 130.

26 Sec. 15.56.190. PENALTIES AND ENFORCEMENT. (a) A person may  
27 bring an action to enforce the civil remedy provisions of this chapter.

28 (b) Unless provided otherwise, a person who fails to file a  
29 report required by this chapter is strictly liable in a civil action

1 to the state or municipality for liquidated damages not to exceed  
2 \$10,000.

3 (c) A person who files a report required under this chapter  
4 without including required information known to the person or who  
5 knowingly files false or misleading information is guilty of a  
6 misdemeanor and upon conviction may be imprisoned for up to one year  
7 or fined not less than \$1,000 but not more than \$5,000 or both.

8 (d) A candidate who violates sec. 20 of this chapter by  
9 exceeding the limits for expenditures is guilty of a misdemeanor if  
10 the excess is less than 15 per cent of the maximum expenditure amount  
11 allowed. A candidate is guilty of a felony if the excess is 15 per  
12 cent or more of the maximum expenditure amount allowed. In addition,  
13 a candidate convicted under this section is strictly liable to the  
14 state or municipality for liquidated damages of twice the amount  
15 above the maximum.

16 (e) A violation of the provisions of this chapter which is not  
17 otherwise provided for is a misdemeanor, punishable by imprisonment  
18 for up to one year or by a fine of up to \$10,000 or both.

19 Sec. 15.56.200. DEFINITIONS. In this chapter

20 (1) "candidate" means an individual who seeks election to  
21 public office by receiving a contribution or making an expenditure  
22 or publicly announcing his candidacy, or filing for office;

23 (2) "contribution" means a loan, gift, advance, deposit,  
24 transfer of funds or anything of value and includes a promise, or  
25 contract whether or not legally enforceable to make a contribution  
26 or expenditure in support of or in opposition to a candidate,  
27 political committee or ballot proposition, but does not include  
28 volunteered personal services for which no compensation is given;

29 (3) "commercial advertiser" means a person who sells the

1 service of communicating messages or producing printed material for  
2 broadcast or distribution to the general public or segments of the  
3 general public, whether through use of newspapers, magazines,  
4 television and radio stations, billboard companies, printing  
5 companies, or otherwise;

6 (4) "expenditure" means a payment, loan, deposit or gift  
7 of money or anything of value in exchange for goods, services,  
8 facilities or anything of value in support of or in opposition to a  
9 candidate, political committee or ballot proposition and the word  
10 includes a promise or contract whether or not legally enforceable,  
11 to make an expenditure;

12 (5) "political committee" means a combination of two or  
13 more persons, the primary or incidental purpose of which is to  
14 support or oppose any candidate or ballot proposition.

15 \* Sec. 2. The provisions of this Act apply to the general election to  
16 be held November, 1974 but do not apply to the primary election to be  
17 held in August, 1974.

18 \* Sec. 3. This Act takes effect on the day after its passage and  
19 approval or on the day it becomes law without approval.  
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