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1 IN THE HOUSE

BY J. MILLER

2 HOUSE BILL NO. 739

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 the public financing of, and the
7 placing of other limitations on, general election
8 campaigns; and providing for an effective date."

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

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

11 CHAPTER 17. STATE GENERAL ELECTION CAMPAIGNS.

12 Sec. 15.17.010. PURPOSE. The legislature finds and declares that
13 the increasing cost of conducting campaigns for election to public
14 office has imposed a financial burden on all potential and actual candi-
15 dates, thus frequently precluding individuals of modest means but who
16 are worthy of the electorate's consideration from offering themselves
17 as candidates. Moreover, the necessity of raising substantial sums
18 of money to finance a campaign may impel some candidates to seek
19 financial support from individuals or groups, the motives of many of which
20 may or may not be entirely altruistic. The receipt of contributions
21 from others who, although they may not directly or indirectly seek to
22 influence the direction of public policy, or to impose a political
23 obligation, may, nevertheless, inflict on the candidate or public office-
24 holder subtle inhibitions of conscience to the detriment of representa-
25 tive democratic institutions of government. Accordingly, the appropri-
26 ation of public funds for the financing of political campaigns and the
27 limiting of the length of the general election campaign to preclude the
28 necessity for soliciting and spending great sums of money for overly
29 long campaigns serves a public purpose: the preservation of the inte-

1 grity of the electoral process.

2 Sec. 15.17.020. APPLICATION OF CHAPTER. This chapter applies
3 solely to general election campaigns for the offices of governor,
4 lieutenant governor, and for membership in both houses of the state
5 legislature.

6 Sec. 15.17.030. LIMITATION ON LENGTH OF GENERAL ELECTION CAMPAIGN.

7 (a) The general election campaign for the offices of governor, lieuten-
8 ant governor, and for membership in the senate and house of representa-
9 tives of the state legislature is strictly limited to the 30-day
10 period immediately preceding the general election in this state on the
11 Tuesday after the first Monday in November in every even-numbered year.

12 (b) No candidate, or individual or group on behalf of a candidate,
13 may conduct a campaign for the offices specified in (a) of this section
14 after the primary election and before the 30-day campaign period begins.
15 For the purpose of this section "campaign" includes but is not limited
16 to the placing of advertisements in the communications media (including
17 but not limited to newspapers and other periodicals, radio and tele-
18 vison), billboard advertising, use or distribution of "bumper strips",
19 posters, placards, leaflets, brochures or other similar printed
20 material, the making of public speeches or other public statements,
21 or appearing on public affairs programs in the communications media,
22 or holding, speaking, attending, or appearing at public meetings, dis-
23 cussions, forums or other public events in a manner that may be con-
24 strued as part of an individual or organized effort to persuade an
25 individual voter or the electorate generally that the candidate should
26 be elected to the office for which he has been nominated.

27 Sec. 15.17.040. PROHIBITION AGAINST CAMPAIGN CONTRIBUTIONS AND
28 CAMPAIGN EXPENDITURES. (a) No candidate or individual or group on his
29 behalf may solicit or receive any contribution to finance his general

1 election campaign for election to the office for which he has been
2 nominated. No person may make a contribution to a candidate, or to
3 an individual or group on behalf of that candidate, for his general
4 election campaign for election to the office for which the candidate
5 has been nominated.

6 (b) No candidate, or individual or group on his behalf, may make
7 any expenditure of personal or solicited contributions, or funds remain-
8 ing from a primary election campaign, during a general election campaign
9 for election to the office for which he was nominated.

10 (c) Expenditures by a candidate for his general election campaign
11 shall be made exclusively from public funds appropriated by the legis-
12 lature to the Legislative Budget and Audit Committee for that purpose,
13 according to the terms and conditions prescribed by this chapter and
14 regulations promulgated under it.

15 Sec. 15.17.050. BIENNIAL APPROPRIATION TO LEGISLATIVE BUDGET AND
16 AUDIT COMMITTEE. (a) The legislature shall, for each general election,
17 appropriate an amount to the Legislative Budget and Audit Committee
18 sufficient to fund general election campaigns for the offices specified
19 in sec. 20 of this chapter. This sum shall be allocated to candidates
20 for the offices indicated as follows:

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| 21 | (1) each nominee for governor: | \$50,000 |
| 22 | (2) each nominee for lieutenant governor: | 50,000 |
| 23 | (3) each nominee for state senator: | 17,500 |
| 24 | (4) each nominee for state representative: | 12,500 |

25 (b) If the appropriation made under (a) of this section is insuf-
26 ficient to meet the number of candidates for the specified offices
27 because of the presence on the general election ballot of candidates
28 nominated by political parties other than the two political parties
29 that have the greatest number of qualified voters or candidates nominated

1 by petition under AS 15.25, then the committee shall request the
2 legislature to make a supplemental appropriation.

3 Sec. 15.17.060. CAMPAIGN EXPENDITURES EXCLUSIVELY FROM ALLOCATED
4 FUNDS. (a) The public funds appropriated and allocated under sec. 50
5 of this chapter may be spent by the candidate for any purpose.

6 (b) The expenditures for any candidate by the candidate, or an
7 individual or group on his behalf, may not exceed the allocation speci-
8 fied in sec. 50 of this chapter. No disbursement may be made from that
9 allocation except in the manner prescribed by this chapter or by imple-
10 menting regulation.

11 (c) Each candidate, or an individual or group on his behalf, shall
12 appoint a campaign treasurer and deputy treasurer who are responsible
13 for certifying and verifying all claims for payment from the allocation
14 specified in sec. 50 of this chapter, and for filing all reports and
15 statements required by law. Each candidate, or individual or group on
16 his behalf, shall file the name, address and telephone number of the
17 campaign treasurer and deputy treasurer with the committee before the
18 campaign period begins. In the case of the death, resignation or
19 removal of a campaign treasurer or deputy treasurer, the candidate,
20 individual or group shall appoint a successor as soon as practicable
21 and file his name, address and telephone number with the committee
22 within 48 hours of the appointment. The candidate is disqualified if
23 he fails to comply with this subsection.

24 Sec. 15.17.070. DISBURSEMENTS FROM ALLOCATION. (a) Each candi-
25 date, or individual or group on his behalf, shall be reimbursed, or
26 creditors or vendors of them paid, on warrants drawn on vouchers
27 accompanied by proper documentation submitted to the committee to
28 substantiate the claim for reimbursement or payment. These claims
29 shall be approved by the director of the committee and shall be paid

1 in accordance with the applicable provisions of AS 37.10.

2 (b) A candidate, or individual or group on his behalf, or creditors
3 or vendors of them, have 30 days following the general election in which
4 to submit claims for reimbursement or payment.

5 (c) Each claim for reimbursement or payment shall be certified
6 or verified by the campaign treasurer or his deputy on forms prescribed
7 by the committee by regulation.

8 (d) The unexpended and unobligated portion of a candidate's alloca-
9 tion lapses into the general fund at the end of each election year.

10 Sec. 15.17.080. REPORTS TO CANDIDATE, PUBLIC. (a) The committee
11 shall advise each candidate's campaign treasurer by mail of the balance
12 remaining in his allocation every 10 days before the election, and at
13 10-day intervals thereafter until the committee makes a final report
14 of its activities under this chapter.

15 (b) The committee shall issue a public report at 10-day intervals
16 before the election indicating the balance remaining in each candidate's
17 allocation and listing the nature, amount and payee of the disbursements
18 made on the candidate's behalf. A preliminary final report shall be
19 issued not later than 30 days after the general election, and a final
20 report not later than 60 days after the general election.

21 Sec. 15.17.090. IDENTIFICATION OF COMMUNICATION. All advertise-
22 ments, billboards, handbills, other printed material distributed to the
23 public, paid-for television and radio announcements and other communica-
24 tions intended to effect the election of a candidate shall be signed or
25 identified by the words "paid for by" followed by the name and address
26 of the candidate or campaign treasurer of the candidate or group on
27 whose behalf the communication appears.

28 Sec. 15.17.100. REPORTS OF CAMPAIGN EXPENDITURE TRANSACTIONS.
29 During each year in which a general election occurs, all persons,

1 businesses, or groups which furnish any of the following services,
2 facilities, or supplies to a candidate, party, committee, or group
3 furthering a political candidate at a general election shall maintain
4 a record of each furnished transaction: newspaper, radio, television,
5 advertising, billboards, printing, secretarial, public opinion polls,
6 or research consulting, media production or preparation, or computer
7 services, facilities, or supplies. The record shall be maintained on
8 the forms provided and in the manner required by the committee. The
9 supplier shall report (1) those candidates or groups to whom he is
10 providing services, facilities, or supplies to the committee within
11 10 days of the date on which the service, facility, or supply is to
12 be furnished; and (2) the complete record of each transaction with all
13 candidates and groups within 30 days after the election. All records
14 shall be available for public inspection. Within 60 days after each
15 election, the committee shall prepare a summary by candidate of the
16 transactions and make the summaries public.

17 Sec. 15.17.110. PENALTY; LIMITATIONS ON ACTIONS. (a) A person
18 who violates a provision of this chapter is guilty of a misdemeanor
19 and upon conviction is punishable by imprisonment for not more than one
20 year or by a fine of not more than \$10,000. A violation includes but
21 is not limited to any of the following acts or omissions:

22 (1) failing to make a statement or report required to be
23 made under this chapter, or failing to make a statement or report at
24 the time the statement or report is required to be made under this
25 chapter;

26 (2) making a campaign contribution or expenditure which is
27 prohibited by sec. 40 of this chapter;

28 (3) making a false statement or report under this chapter;

29 (4) giving or furnishing money to another person or group

1 for the purpose of making a contribution or expenditure anonymously,
2 in a fictitious name, or in the name of another, or contributing in
3 violation of sec. 40 of this chapter;

4 (5) making a communication to support or defeat a candidate
5 without identification of sponsorship, in violation of sec. 90 of this
6 chapter;

7 (6) knowingly accepting a contribution or making an expendi-
8 ture in violation of sec. 40 of this chapter.

9 (b) The election to an office of a candidate who violates a
10 provision of this chapter, or whose campaign treasurer or deputy
11 campaign treasurer violates a provision of this chapter, is void, and,
12 if he is elected, the successful candidate may not hold office and
13 the office shall be filled as required by law in the case of a vacancy.
14 When a violation of this chapter is alleged, the candidate's right
15 to the office may be tested in an action brought in the supreme court
16 as a matter of original jurisdiction. All cases of this nature shall
17 be in a preferred position for purposes of argument and decision,
18 so as to assure a speedy disposition of the matter.

19 (c) Promptly after the final date for filing statements and
20 reports, the committee shall notify all persons who have become delin-
21 quent in filing them, and shall make available a list of these delin-
22 quents for public inspection. The committee also shall report to
23 the attorney general the names of all candidates in an election whose
24 campaign treasurers have failed to file the reports, or certify or
25 verify the claims in the manner, required by this chapter.

26 (d) A person who believes a violation of this chapter has
27 occurred may file a complaint with the committee. If the committee
28 determines there is substantial reason to believe that a violation has
29 occurred, it shall expeditiously make an investigation, which shall

1 also include an investigation of reports, claims and statements filed
2 by the complainant if he is a candidate of the matter complained of.
3 When, in the judgment of the committee, after affording due notice
4 and an opportunity for a hearing, a person has engaged or is about
5 to engage in any acts or practices which constitute or will constitute
6 a violation of a provision of this chapter, or a regulation or order
7 issued under it, it shall promptly report the information to the
8 attorney general for appropriate action. The committee shall report
9 its determination and recommendation to the person who filed the
10 complaint with the committee within 30 days of receiving the complaint
11 unless circumstances require additional time to make an adequate
12 investigation. The finding of the committee may be appealed to the
13 supreme court by the person who filed the complaint with the committee.

14 (e) Prosecution for violation of a provision of this chapter may
15 not be commenced after four years have elapsed from the date of the
16 alleged violation.

17 Sec. 15.17.120. REGULATIONS. The committee shall promulgate
18 regulations under the Administrative Procedure Act (AS 44.62) to
19 carry out the purpose and provisions of this chapter. However, the
20 adjudicatory provisions of that Act do not apply to the proceedings
21 of the committee.

22 Sec. 15.17.130. DEFINITIONS. In this chapter

23 (1) "candidate" means a nominee of a political party or
24 by petition, under AS 15.25, for the office of governor, lieutenant
25 governor, or member of the senate or house of representatives in the
26 state legislature;

27 (2) "committee" means the Legislative Budget and Audit
28 Committee;

29 (3) "contribution" means purchase, payment, promise or

1 obligation to pay, loan, deposit or gift of money, goods or services
2 for which charge is ordinarily made and which is made for the purpose
3 of influencing the election of a candidate, including the payment
4 by a person other than a candidate or political party, or compensation
5 of the personal services of another person which are rendered to the
6 candidate or political party;

7 (4) "expenditure" means a purchase or transfer of money or
8 anything of value, or promise or agreement to purchase or transfer
9 money or anything of value, incurred or made for the purpose of

10 (A) influencing the election of a candidate or of any
11 individual who files for nomination at a later date and becomes
12 a candidate; or

13 (B) use by a political party; or

14 (C) the payment by a person other than a candidate or
15 political party of compensation for the personal services of
16 another person which are rendered to such a candidate or political
17 party;

18 (5) "group" means every state and regional executive com-
19 mittee of a political party and, in addition, means any combination of
20 two or more persons acting jointly whose major purpose is the nomina-
21 tion or election of a candidate and whose expenditures or contributions
22 are made with the authorization or consent, express or implied, or
23 under the control, direct or indirect, of a candidate or his agent;
24 a group whose sole purpose is to further the election or candidacy
25 of only one person shall be considered to be controlled by that person
26 and its actions done with his knowledge and consent unless, within 10
27 days from the date the person learns of the existence of the group,
28 he files with the committee, on a form provided by the committee, an
29 affidavit that the group is operating without his control; a group

1 organized for more than one year preceding a general election and
2 endorsing candidates for more than one office or more than one political
3 party is presumed not to be controlled by a candidate.

4 Sec. 15.17.140. SHORT TITLE. This chapter may be cited as the
5 "Alaska General Election Campaign Finance Act."

6 * Sec. 2. AS 15.25.020 is amended to read:

7 Sec. 15.25.020. DATE OF PRIMARY. The primary election is held
8 on the third Tuesday in September [AUGUST] of every even numbered year.

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

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