

1 IN THE SENATE

BY CROFT, T. MILLER,
KERTTULA AND PALMER

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SENATE BILL NO. 388

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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 election campaigns; and providing
7 for 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 13. STATE ELECTION CAMPAIGNS.

11 Sec. 15.13.010. APPLICABILITY. This chapter applies in every
12 election for governor, lieutenant governor, a member of the state legis-
13 lature, or for a municipal office. A municipality may exempt itself
14 from the requirements of this chapter if a majority of the voters at a
15 general election vote to exempt the municipality from the requirements
16 of this chapter.

17 Sec. 15.13.020. ALASKA ELECTION CAMPAIGN COMMISSION. (a) There
18 is created in the office of the lieutenant governor the Alaska Election
19 Campaign Commission.

20 (b) The governor shall appoint two members of the commission who may
21 not be members of the same political party; the president of the senate
22 shall appoint one commission member; the speaker of the house, one member
23 and the chief justice of the supreme court, one member. No member of the
24 commission may be a member of the legislature. The original members
25 shall be appointed within 30 days after the effective date of this Act.

26 (c) The term of each member shall be four years except that one
27 of the two original appointments by the governor shall serve a term of
28 two years, and the appointment by the chief justice shall serve a term
29 of two years. No member of the commission may serve more than one

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1 term.

2 (d) No member of the commission, during tenure, may

3 (1) hold or campaign for elective office;

4 (2) be an officer of a political party or political com-
5 mittee;

6 (3) permit his name to be used, or make any contributions,
7 in support of or in opposition to a candidate;

8 (4) participate in any way in an election campaign; or

9 (5) lobby or employ or assist a lobbyist.

10 (e) Members of the commission shall receive compensation of \$100
11 a day and shall be entitled to necessary travel expenses and per diem.

12 (f) The members shall elect a chairman. Three members of the
13 commission constitutes a quorum. A vacancy does not impair the powers
14 of the remaining members to exercise all of the powers of the commis-
15 sion.

16 (g) Vacancy on the commission shall be filled by the appropriate
17 appointing officer within 30 days of the occurrence of the vacancy.
18 The appointee shall serve for the remaining term of his predecessor.

19 (h) The commission may employ an executive director and other
20 employees it considers necessary. Neither the executive director nor
21 an employee may have a vote.

22 (i) The commission shall establish in each senate district in
23 the state an office to receive reports and statements required to be
24 filed with it; however, where one municipality contains more than one
25 election district, only one commission office shall be established
26 in that municipality. The commission shall make every effort to
27 insure that all reports are forwarded to the central office promptly.

28 Sec. 15.13.030. DUTIES OF THE COMMISSION. The commission shall

29 (1) develop and provide all forms for the reports and state-

1 ments required to be made under this chapter;

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

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

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

11 (5) prepare and publish a summary of each report filed
12 under sec. 110 of this chapter;

13 (6) notify all persons who are delinquent in filing reports
14 and statements required to be made under this chapter;

15 (7) report within 60 days after the election the names of
16 all persons and groups who have failed to comply with any of the
17 provisions of the chapter to the office of the attorney general for
18 enforcement;

19 (8) investigate all reports, statements and actions required
20 by this chapter and to report to the attorney general the names of all
21 persons or groups which the commission has substantial reason to
22 believe have violated this chapter;

23 (9) prepare and publish an annual report to the legislature
24 concerning the activities of the commission, the effectiveness of this
25 chapter, its enforcement by the attorney general's office, and recom-
26 mendations and proposals for change;

27 (10) adopt regulations necessary to effectuate and clarify
28 the provisions of this chapter.

29 Sec. 15.13.040. CONTRIBUTIONS AND EXPENDITURES TO BE REPORTED.

1 (a) Each candidate shall make a full report, upon a form prescribed
2 by the commission, of all expenditures made by or on behalf of the
3 candidate, the total amount of all contributions including all funds
4 contributed by the candidate himself, and for contributions equal to
5 or more than \$100 the name, address and principal occupation of the
6 contributor and amount contributed by each contributor. The reports
7 shall be filed according to sec. 110 of this chapter and shall be
8 certified as correct by the candidate or campaign treasurer.

9 (b) Each group shall make a full report, upon a form prescribed
10 by the commission, of all contributions made to or by it and all
11 expenditures made, incurred, or authorized by it. The report shall
12 contain the name and address of each officer, director, and member of
13 the group, the name and address of and amount contributed by each
14 contributor of \$100 or more, and an itemized list of the expenditures.
15 The report shall be filed with the commission no later than noon on
16 the dates designated in sec. 110 of this chapter.

17 Sec. 15.13.050. GROUPS. Each group, before making an expenditure
18 on behalf of a candidate or a contribution to a candidate, shall regis-
19 ter, on forms provided by the commission, with the commission. If the
20 group intends to support only one candidate, the name of the candidate
21 shall be a part of the name of the group. Promptly upon receiving the
22 registration, the commission shall notify the candidate of the group's
23 organization and intent.

24 Sec. 15.13.060. CAMPAIGN TREASURERS. (a) Each candidate and
25 group shall appoint a campaign treasurer who is responsible for receiving,
26 holding, and disbursing all contributions and expenditures, and for
27 filing all reports and statements required by law.

28 (b) Each group shall file the name and address of the campaign
29 treasurer with the commission at the time the first contribution or

1 expenditure report is required to be filed by the group under this
2 chapter.

3 (c) Each candidate shall file the name and address of the campaign
4 treasurer with the commission no later than the date of filing his
5 declaration of candidacy or his nominating petition. The name of the
6 candidate may be placed on the ballot only if the candidate has complied
7 with this subsection.

8 (d) In the case of the death, resignation or removal of a campaign
9 treasurer, the candidate shall appoint a successor as soon as practi-
10 cable and file his name and address with the commission within 48 hours
11 of the appointment. The candidate is disqualified if he fails to comply
12 with this subsection.

13 (e) A campaign treasurer may appoint as many deputy campaign
14 treasurers as he considers necessary. The candidate shall file the
15 names and addresses of the deputy campaign treasurers with the commis-
16 sion.

17 Sec. 15.13.070. CONTRIBUTIONS AND EXPENDITURES; AMOUNT AND FORM
18 OF PAYMENT. (a) No person may contribute more than \$500 to any one
19 candidate in an election year. The combined total of campaign contri-
20 butions made by a person to all candidates in one calendar year may
21 not exceed \$5,000.

22 (b) No contribution over \$100 may be made in cash or by cash
23 payment and it may not be accepted by or on behalf of a candidate.

24 (c) No expenditures over \$100 may be made in cash or by cash
25 payment.

26 (d) No contribution may be made, and no expenditure may be made
27 or incurred, directly or indirectly, anonymously, in a fictitious name,
28 or by one person or group in the name of another, to effect the election
29 of a candidate in an election. A contribution made by a person wishing

1 to remain anonymous, and received by a candidate, campaign treasurer
2 or deputy campaign treasurer, may not be used or expended, but shall
3 be returned to the donor, if his identity is known, and if no donor is
4 found, the contribution escheats to the state if not donated by the
5 candidate to the charity of his choice.

6 (c) Contributions may be received by and expenditures made by
7 only the candidate, campaign treasurer, or deputy campaign treasurer.

8 (f) The total amount of expenditures made by a candidate and by
9 all groups operating under his control may not exceed (1) 40 cents
10 times the total population of the state according to the latest United
11 States census figures if the candidacy is for governor or lieutenant
12 governor, of which amount no more than 40 per cent may be spent in a
13 primary election campaign; (2) \$1 times the total population of
14 the geographical area of the constituency according to the latest
15 United States census figures divided by the number of seats in the
16 senate district if the candidacy is for the state senate; (3) \$1
17 times the total population of the geographical area of the constituency
18 according to the latest United States census figures divided by the
19 number of seats in the house district if the candidacy is for the
20 state house of representatives. The expenditure limitations in this
21 section include expenditures for both a primary and a general election
22 campaign, or for a special election.

23 (g) Each general election year the commission shall adjust the
24 campaign expenditure limitations for each category of (f) of this
25 section to reflect cost-of-living changes as determined and published
26 by the Bureau of Statistics of the Department of Labor.

27 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. A person or group
28 contributing to a candidate over \$100 or furnishing goods or services
29 to a candidate with a value of more than \$100 to effect the election

1 of a candidate shall furnish the commission a signed statement, on a
2 form made available by the commission. The statement shall itemize
3 the contributions and goods and state that the contributor is not a
4 person or group prohibited by law from contributing and that the con-
5 tribution consists of funds or property belonging to the contributor
6 and has not been given or furnished by another person or group. The
7 contributor's statement shall be filed with the commission by the con-
8 tributor no later than three days after the contribution is made. A
9 copy of the statement shall be furnished the candidate, campaign
10 treasurer, or deputy campaign treasurer at the time the contribution
11 is made.

12 Sec. 15.13.090. IDENTIFICATION OF COMMUNICATION. All advertise-
13 ments, billboards, handbills, paid-for television and radio announce-
14 ments and other communications intended to effect the election of a
15 candidate shall be signed or identified by the words "paid for by"
16 followed by the name and address of the candidate or campaign treasurer
17 of the candidate or group on whose behalf the communication appears.

18 Sec. 15.13.100. EXPENDITURES BEFORE FILING. No political campaign
19 expenditure may be made or incurred by a person in an election or by
20 a person or group with his knowledge and on his behalf before the
21 date upon which he or she files for nomination for the office which
22 the person seeks, except for personal travel expenses or for opinion
23 surveys or polls.

24 Sec. 15.13.110. REPORTS. (a) Each candidate and group shall
25 make a full report, upon a form prescribed and prepared by the commis-
26 sion, of all contributions made to or by the candidate, group, or
27 treasurer and all expenditures made by or for the candidate, or group,
28 during the period ending three days before the date of the report and
29 beginning on the last day covered by the most recent previous report,

1 or, if a first report, all contributions received and expenditures
2 made before three days before the date of the report. The report shall
3 contain the name and address of each person or group contributing, the
4 date and amount contributed by each person or group, and the date and
5 amount of the expenses incurred. The campaign treasurer or the candi-
6 date shall certify the correctness of the report. The report shall be
7 filed at the following times:

- 8 (1) three months before the election;
- 9 (2) one month before the election;
- 10 (3) one week before the election; and
- 11 (4) ten days after the election.

12 (b) Each contribution or expenditure which exceeds \$250 and which
13 is made within one week of the election shall be reported to the commis-
14 sion by date, amount, and contributor or recipient within 24 hours of
15 receipt or expenditure by the candidate or campaign treasurer.

16 (c) All reports required by this chapter shall be kept open to
17 public inspection. Within one month after each election, the commission
18 shall prepare a summary of each report and shall mail copies of the
19 summary to all newspapers of general circulation in the candidate's
20 constituency.

21 (d) During each year in which an election occurs, all persons,
22 businesses, or groups which furnish any of the following services,
23 facilities, or supplies to a candidate, party, committee, or group
24 furthering a political candidate shall maintain a record of each fur-
25 nished transaction: newspaper, radio, television, advertising, bill-
26 boards, printing, secretarial, public opinion polls, or research
27 consulting, media production or preparation, or computer services,
28 facilities, or supplies. The record shall be maintained on the forms
29 provided and in the manner required by the commission. The supplier

1 shall report (1) those candidates or groups to whom he is providing
2 services, facilities, or supplies to the commission within 30 days of
3 the date on which the service, facility, or supply is to be furnished;
4 and (2) the complete record of each transaction with all candidates
5 and groups within 30 days after the election. All records shall be
6 available for public inspection. Within 60 days after each election,
7 the commission shall prepare a summary by candidate of the transactions
8 and make the summaries public.

9 Sec. 15.13.120. PENALTY; LIMITATIONS ON ACTIONS. (a) A person
10 who violates a provision of this chapter is guilty of a misdemeanor
11 and upon conviction is punishable by imprisonment for not more than one
12 year or by a fine of not more than \$10,000. A violation includes but
13 is not limited to any of the following acts or omissions:

14 (1) failing to make a statement or report required to be
15 made under this chapter, or failing to make a statement or report at
16 the time the statement or report is required to be made under this
17 chapter;

18 (2) making a campaign contribution or expenditure which
19 exceeds the limitations of sec. 70(f) of this chapter;

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

21 (4) giving or furnishing money to another person or group
22 for the purpose of making a contribution or expenditure anonymously,
23 in a fictitious name, or in the name of another, or contributing in
24 violation of sec. 70(d) of this chapter;

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

28 (6) knowingly accepting a contribution in violation of sec.
29 70 of this chapter.

1 (b) The nomination for, or election to, an office of a candidate
2 who violates a provision of this chapter, or whose campaign treasurer
3 or deputy campaign treasurer violates a provision of this chapter, is
4 void, and, if he is elected, the successful candidate may not hold
5 office and the office shall be filled as required by law in the case
6 of a vacancy. When a violation of this chapter is alleged, the candi-
7 date's right to the nomination or the office may be tested in an action
8 brought in the supreme court as a matter of original jurisdiction. All
9 cases of this nature shall be in a preferred position for purposes of
10 argument and decision, so as to assure a speedy disposition of the
11 matter.

12 (c) Promptly after the final date for filing statements and
13 reports, the commission shall notify all persons who have become delin-
14 quent in filing them, including contributors who failed to file a
15 statement in accordance with sec. 40 of this chapter, and shall make
16 available a list of these delinquents for public inspection. The
17 commission shall also report to the attorney general the names of all
18 candidates in an election whose campaign treasurers have failed to
19 file the reports required by this chapter.

20 (d) A person who believes a violation of this chapter has occurred
21 may file a complaint with the commission. If the commission determines
22 there is substantial reason to believe that a violation has occurred,
23 it shall expeditiously make an investigation, which shall also include
24 an investigation of reports and statements filed by the complainant if
25 he is a candidate of the matter complained of. When, in the judgment
26 of the commission, after affording due notice and an opportunity for
27 a hearing, a person has engaged or is about to engage in any acts or
28 practices which constitute or will constitute a violation of a provision
29 of this chapter, or a regulation or order issued under it, it shall

1 promptly report the information to the attorney general for appropriate
2 action. The commission shall report its determination and recommenda-
3 tion to the person who filed the complaint with the commission within
4 60 days of receiving the complaint unless circumstances require addi-
5 tional time to make an adequate investigation. The finding of the
6 commission may be appealed to the supreme court by the person who filed
7 the complaint with the commission.

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

11 Sec. 15.13.130. DEFINITIONS. In this chapter,

12 (1) "candidate" means a person who files for election to
13 the state legislature, for governor, for lieutenant governor, or for
14 municipal office;

15 (2) "contribution" means purchase, payment, promise or
16 obligation to pay, loan, deposit or gift of money, goods or services
17 for which charge is ordinarily made and which is made for the purpose
18 of influencing the nomination or election of a candidate, including the
19 payment, by a person other than a candidate or political party, or
20 compensation of the personal services of another person which are
21 rendered to the candidate or political party;

22 (3) "group" means every state and regional executive com-
23 mittee of a political party and, in addition, means any combination of
24 two or more persons acting jointly whose major purpose is the nomina-
25 tion or election of a candidate and whose expenditures or contributions
26 are made with the authorization or consent, express or implied, or
27 under the control, direct or indirect, of a candidate or his agent;
28 a group whose sole purpose is to further the nomination, election, or
29 candidacy of only one person shall be considered to be controlled by

1 that person and its actions done with his knowledge and consent unless,
2 within 10 days from the date the person learns of the existence of
3 the group, he files with the commission, on a form provided by the
4 commission, an affidavit that the group is operating without
5 his control; a group organized for more than one year preceding an
6 election and endorsing candidates for more than one office or more than
7 one political party is presumed not to be controlled by a candidate;

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

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

14 (B) use by a political party; or

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

19 * Sec. 2. AS 15 is amended by adding a new chapter to read:

20 CHAPTER 57. ELECTION PAMPHLET.

21 Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor
22 shall mail to all voters of the state before each state general elec-
23 tion a candidate pamphlet containing photographs and campaign statements
24 of eligible nominees who desire to participate in the pamphlet.

25 Sec. 15.57.020. STATEMENT AND PHOTOGRAPH TO BE FILED BY NOMINEE.
26 No later than 60 days before the applicable state election, each
27 nominee for the office of United States senator, United States represen-
28 tative, governor, lieutenant governor, judicial officer, state senator
29 and state representative may file with the lieutenant governor a

1 typewritten statement advocating his candidacy. The statement may not
2 exceed 150 words of biographical information and 200 words of informa-
3 tion regarding issues and may be accompanied by a photograph not more
4 than five years old and suitable for reproduction.

5 Sec. 15.57.030. PUBLICATION. The statements and photographs of
6 nominees, as set out in secs. 10 and 20 of this chapter, shall be
7 published by the lieutenant governor as a candidate pamphlet. The
8 material shall be printed and bound in a single pamphlet according to
9 the following specifications: (1) the pages of the pamphlet shall be
10 not larger than eight and one-half by eleven inches in size; (2) the
11 outside measurement of the printed matter of each page shall be not
12 less than six by nine inches, including running head; (3) it shall be
13 printed in clear readable type; (4) the pamphlet shall be printed on
14 a quality and weight of paper which in the judgment of the lieutenant
15 governor best serves the voters. The lieutenant governor shall publish
16 in the pamphlet a table of contents, listing all candidates participating
17 in the pamphlet.

18 Sec. 15.57.040. CHARGES TO NOMINEES FOR SPACE. (a) The cost of
19 one page of space in the candidate pamphlet is as follows:

20 (1) United States senator, United States representative, and
21 all nominees for state offices voted upon throughout the state, \$100
22 each;

23 (2) judicial officer other than supreme court justice, \$50
24 each;

25 (3) state senator, \$50 each;

26 (4) state representative, \$25 each.

27 (b) All payments shall be made to the lieutenant governor when
28 the statement is offered to him for filing and shall be deposited in
29 the general fund.

1 (c) Nominees for president and vice-president are each entitled
2 to one page without charge and each political party nominating a
3 presidential candidate is entitled to one page without charge.

4 (d) Political parties may each purchase one additional page for
5 \$500.

6 Sec. 15.57.050. DISTRIBUTION. (a) Not less than 30 days before
7 the election the lieutenant governor shall transmit by mail, to every
8 voter in the state whose address he can with reasonable diligence
9 ascertain, one copy of the pamphlet. When practical, the lieutenant
10 governor shall have the pamphlets printed so that no candidate's
11 picture or statement is included in the copy of the pamphlet going to
12 a district where the candidate's election is not to be voted upon.

13 (b) Additional copies of the pamphlet may be obtained from the
14 office of the lieutenant governor at cost.

15 Sec. 15.57.060. ORDER OF APPEARANCE. The candidates' photographs
16 and statements shall appear in the pamphlet in alphabetical order within
17 each category of office, in the sequence the offices sought appear on
18 the state general election ballot.

19 * Sec. 3. AS 43.20.010(c)(2)(C)(ii) is amended to read:

20 (ii) if the contributions or gifts were made within
21 the tax year to the state or to a political subdivision of
22 the state for use exclusively for public purposes in the state
23 or to a nonprofit corporation or association formed or located
24 in the state or to a person or organization for use exclusively
25 for political campaigns or dues to a nonprofit organization
26 organized primarily for the purpose of influencing elections.

27 * Sec. 4. AS 43.20.010(c) is amended by adding a new paragraph to read:

28 (10) In computing his taxable income under this section, a
29 natural person is entitled to a tax credit not to exceed \$50 for the

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amount of political campaign contributions made within the tax year.

* Sec. 5. AS 43.05 is amended by adding a new section to read:

Sec. 43.05.085. LIST OF CONTRIBUTORS. The commissioner of revenue shall prepare and furnish to the commission by July 1 of each year a list of all persons claiming a credit under AS 43.20.010(c), including the dates and candidates or groups to which the contribution was made. These lists or parts of them shall not be made public except on order of the supreme court of the state.

* Sec. 6. AS 44.62.330(a) is amended by adding a new paragraph to read:

(37) Alaska Election Campaign Commission.

* Sec. 7. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.