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Offered: 3/4/74
Referred: Rules

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 388

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. Nothing in this chapter prohibits a municipality
17 from regulating by ordinance campaign contributions and expenditures.

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

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

27 (c) The term of each member shall be four years except that one
28 of the two original appointments by the governor shall serve a term of
29 two years, and the appointment by the chief justice shall serve a term

1 of two years. No member of the commission may serve more than one
2 term.

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

4 (1) hold or campaign for elective office;

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

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

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

10 (5) lobby, employ or assist a lobbyist.

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

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

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

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

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

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

2 (1) develop and provide all forms for the reports and state-
3 ments required to be made under this chapter;

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

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

11 (4) compile and maintain a current list of all filed reports
12 and statements;

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

15 (6) notify, by registered or certified mail, all persons
16 who are delinquent in filing reports and statements required to be
17 made under this chapter;

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

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

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

29 (10) adopt regulations necessary to effectuate and clarify

1 the provisions of this chapter.

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

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

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

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

27 Sec. 15.13.060. CAMPAIGN TREASURERS. (a) Each candidate and
28 group shall appoint a campaign treasurer who is responsible for receiving,
29 holding, and disbursing all contributions and expenditures, and for

1 filing all reports and statements required by law. A candidate may be
2 a campaign treasurer.

3 (b) Each group shall file the name and address of the campaign
4 treasurer with the commission at the time the first contribution or
5 expenditure report is required to be filed by the group under this
6 chapter.

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

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

17 (e) A campaign treasurer may appoint as many deputy campaign
18 treasurers as he considers necessary. The candidate shall file the
19 names and addresses of the deputy campaign treasurers with the commis-
20 sion.

21 Sec. 15.13.070. CONTRIBUTIONS AND EXPENDITURES; AMOUNT AND FORM
22 OF PAYMENT. (a) No person may contribute, other than to his own
23 campaign, in excess of \$1,000 in the aggregate per annum to any one
24 candidate.

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

27 (c) No expenditures over \$100 may be made in cash or by cash
28 payment unless a written receipt is obtained and filed with the com-
29 mission.

1 (d) No contribution may be made, and no expenditure may be made
2 or incurred, directly or indirectly, anonymously, in a fictitious name,
3 or by one person or group in the name of another, to effect the election
4 of a candidate in an election. A contribution made by a person wishing
5 to remain anonymous, and received by a candidate, campaign treasurer
6 or deputy campaign treasurer, may not be used or expended, but shall
7 be returned to the donor, if his identity is known, and if no donor is
8 found, the contribution escheats to the state if not donated by the
9 candidate to the charity of his choice.

10 (e) Contributions may be received by and expenditures made by
11 only the candidate, campaign treasurer, or deputy campaign treasurer.

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

27 (g) Each general election year the commission shall adjust the
28 campaign expenditure limitations for each category of (f) of this
29 section to reflect cost-of-living changes as determined and published

1 by the Bureau of Labor Statistics of the United States Department of
2 Labor.

3 (h) No campaign expenditure of any type whatsoever shall be made
4 by any candidate, treasurer, or group unless the source is disclosed as
5 required by the provisions of this chapter whether or not such funds
6 were received prior to the effective date of this Act.

7 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. A person or group
8 contributing to a candidate over \$100 or furnishing goods or services
9 to a candidate with a value of more than \$100 to effect the election
10 of a candidate shall furnish the commission a signed statement, on a
11 form made available by the commission. The statement shall itemize
12 the contributions and goods and state that the contributor is not a
13 person or group prohibited by law from contributing and that the con-
14 tribution consists of funds or property belonging to the contributor
15 and has not been given or furnished by another person or group. The
16 contributor's statement shall be filed with the commission by the con-
17 tributor no later than 10 days after the contribution is made. A copy
18 of the statement shall be furnished the candidate, campaign treasurer,
19 or deputy campaign treasurer at the time the contribution is made.

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

26 Sec. 15.13.100. EXPENDITURES BEFORE FILING. No political campaign
27 expenditure may be made or incurred by a person in an election or by a
28 person or group with his knowledge and on his behalf before the date
29 upon which he or she files for nomination for the office which the

1 person seeks, except for personal travel expenses or for opinion
2 surveys or polls.

3 Sec. 15.13.110. REPORTS. (a) Each candidate and group shall
4 make a full report, upon a form prescribed and prepared by the commis-
5 sion, of all contributions made to or by the candidate, group, or
6 treasurer and all expenditures made by or for the candidate, or group,
7 during the period ending three days before the date of the report and
8 beginning on the last day covered by the most recent previous report,
9 or, if a first report, all contributions received and expenditures
10 made before three days before the date of the report. The report
11 shall contain the name and address of each person or group contri-
12 buting, the date and amount contributed by each person or group, and
13 the date and amount of the expenses incurred. The campaign treasurer
14 or the candidate shall certify the correctness of the report. The
15 report shall be filed at the following times:

- 16 (1) one month before the election;
- 17 (2) one week before the election;
- 18 (3) ten days after the election; and
- 19 (4) December 31 of each year for expenditures made and
20 contributions received which were not reported that year.

21 (b) Each contribution or expenditure which exceeds \$250 and
22 which is made within one week of the election shall be reported to the
23 commission by date, amount, and contributor or recipient within 24
24 hours of receipt or expenditure by the candidate or campaign treasurer.

25 (c) The reports of statewide candidates shall be filed with the
26 commission at the state capital and all other reports shall be filed
27 in the appropriate senate district office. All reports required by
28 this chapter shall be kept open to public inspection. Within one
29 month after each election, the commission shall prepare a summary of

1 each report which shall be made available to the public at cost upon
2 request.

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

20 Sec. 15.13.120. PENALTY; LIMITATIONS ON ACTIONS. (a) A person
21 who violates a provision of this chapter is guilty of a misdemeanor
22 and upon conviction is punishable by imprisonment for not more than
23 one year or by a fine of not more than \$5,000. A violation includes
24 but is not limited to any of the following acts or omissions:

25 (1) failing to make a statement or report required to be
26 made under this chapter, or failing to make a statement or report at
27 the time the statement or report is required to be made under this
28 chapter;

29 (2) making a campaign contribution or expenditure which

1 exceeds the limitations of sec. 70(f) of this chapter;

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

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

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

10 (6) knowingly accepting a contribution in violation of sec.
11 70 of this chapter.

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

23 (c) Promptly after the final date for filing statements and
24 reports, the commission shall notify all persons who have become
25 delinquent in filing them, including contributors who failed to file a
26 statement in accordance with sec. 40 of this chapter, and shall make
27 available a list of these delinquents for public inspection. The
28 commission shall also report to the attorney general the names of all
29 candidates in an election whose campaign treasurers have failed to

1 file the reports required by this chapter.

2 (d) A person who believes a violation of this chapter has occurred
3 may file a complaint with the commission. If the commission determines
4 there is substantial reason to believe that a violation has occurred,
5 it shall expeditiously make an investigation, which shall also include
6 an investigation of reports and statements filed by the complainant if
7 he is a candidate of the matter complained of. When, in the judgment
8 of the commission, after affording due notice and an opportunity for a
9 hearing, a person has engaged or is about to engage in any acts or
10 practices which constitute or will constitute a violation of a pro-
11 vision of this chapter, or a regulation or order issued under it, it
12 shall promptly report the information to the attorney general for
13 appropriate action. The commission shall report its determination and
14 recommendation to the person who filed the complaint with the commis-
15 sion within 60 days of receiving the complaint unless circumstances
16 require additional time to make an adequate investigation. The finding
17 of the commission may be appealed to the supreme court by the person
18 who filed the complaint with the commission.

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

22 Sec. 15.13.130. DEFINITIONS. In this chapter,

23 (1) "candidate" means a person who files for election to
24 the state legislature, for governor, for lieutenant governor, or for
25 municipal office;

26 (2) "contribution" means purchase, payment, promise or
27 obligation to pay, loan or loan guarantee, deposit or gift of money,
28 goods or services for which charge is ordinarily made and which is
29 made for the purpose of influencing the nomination or election of a

1 candidate, including the payment, by a person other than a candidate
2 or political party, or compensation of the personal services of another
3 person which are rendered to the candidate or political party;

4 (3) "group" means every state and regional executive com-
5 mittee of a political party and, in addition, means any combination of
6 two or more persons acting jointly whose major purpose is the nomina-
7 tion or election of a candidate and whose expenditures or contributions
8 are made with the authorization or consent, express or implied, or
9 under the control, direct or indirect, of a candidate or his agent; a
10 group whose sole purpose is to further the nomination, election, or
11 candidacy of only one person shall be considered to be controlled by
12 that person and its actions done with his knowledge and consent unless,
13 within 10 days from the date the person learns of the existence of the
14 group, he files with the commission, on a form provided by the
15 commission, an affidavit that the group is operating without his
16 control; a group organized for more than one year preceding an election
17 and endorsing candidates for more than one office or more than one
18 political party is presumed not to be controlled by a candidate;

19 (4) "expenditure" means a purchase or transfer of money or
20 anything of value, or promise or agreement to purchase or transfer
21 money or anything of value, incurred or made for the purpose of

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

25 (B) use by a political party; or

26 (C) the payment by a person other than a candidate or
27 political party of compensation for the personal services of
28 another person which are rendered to such a candidate or political
29 party.

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

2 CHAPTER 57. ELECTION PAMPHLET.

3 Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor
4 shall mail to all voters of the state before each state general elec-
5 tion a candidate pamphlet containing photographs and campaign state-
6 ments of eligible nominees who desire to participate in the pamphlet.

7 Sec. 15.57.020. STATEMENT AND PHOTOGRAPH TO BE FILED BY NOMINEE.
8 No later than 60 days before the applicable state election, each
9 nominee for the office of United States senator, United States represen-
10 tative, governor, lieutenant governor, judicial officer, state senator
11 and state representative may file with the lieutenant governor a
12 typewritten statement advocating his candidacy. The statement may not
13 exceed 150 words of biographical information and 200 words of informa-
14 tion regarding issues and may be accompanied by a photograph not more
15 than five years old and suitable for reproduction.

16 Sec. 15.57.030. PUBLICATION. The statements and photographs of
17 nominees, as set out in secs. 10 and 20 of this chapter, shall be
18 published by the lieutenant governor as a candidate pamphlet.

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

21 (1) United States senator, United States representative,
22 and all nominees for state offices voted upon throughout the state,
23 \$100 each;

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

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

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

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

1 the general fund.

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

5 (d) Political parties may each purchase one additional page for
6 \$500.

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

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

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

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

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

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

1 (10) In computing his taxable income under this section, a
2 natural person is entitled to a tax credit not to exceed \$50 for the
3 amount of political campaign contributions made within the tax year.

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

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

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

12 (37) Alaska Election Campaign Commission.

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