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1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR 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 each of the two
22 political parties whose candidate for governor received the highest
23 number of votes in the most recent preceding general election at which
24 a governor was elected. The two appointees from each of these two
25 parties shall be chosen from a list of four names to be submitted by
26 the central committee of each party.

27 (c) The four members selected under (b) of this section shall,
28 by a majority vote, appoint the remaining member of the commission.

29 (d) The term of each member shall be four years. No member

1 of the commission may serve more than one term.

2 (e) 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, employ or assist a lobbyist.

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

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

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

21 (i) 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 (j) 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 in excess
7 of \$100 in the aggregate per annum the name, address and principal
8 occupation of the contributor and amount contributed by each contributor.
9 The reports shall be filed according to sec. 110 of this chapter and
10 shall be certified as correct by the candidate or campaign treasurer.

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

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

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

1 a campaign treasurer.

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

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

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

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

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

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

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

29 (d) No contribution may be made, and no expenditure may be made

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

9 (e) Contributions to a candidate or a political committee may be
10 received by, and expenditures of a candidate or political committee may
11 be made by, only the candidate, campaign treasurer, or deputy campaign
12 treasurer.

13 (f) The total amount of expenditures made by a candidate and by all
14 groups operating under his control may not exceed (1) 40 cents times the
15 total population of the state according to the latest United States
16 census figures if the candidacy is for governor or lieutenant governor,
17 of which amount no more than 40 per cent may be spent in a primary elec-
18 tion campaign and no more than 60 per cent in the general election
19 campaign if the candidacy is for governor and no more than 50 per cent
20 in the primary election campaign and no more than 50 per cent in the
21 general election if the candidacy is for lieutenant governor; (2) \$1
22 times the total population of the geographical area of the constituency
23 according to the latest United States census figures divided by the
24 number of seats in the senate district if the candidacy is for the state
25 senate; (3) \$1 times the total population of the geographical area of
26 the constituency according to the latest United States census figures
27 divided by the number of seats in the house district if the candidacy is
28 for the state house of representatives. The expenditure limitations in
29 this section include expenditures for both a primary and a general

1 election campaign, or for a special election.

2 (g) Each general election year the commission shall adjust the
3 campaign expenditure limitations for each category of (f) of this
4 section to reflect cost-of-living changes as determined and published by
5 the Bureau of Labor Statistics of the United States Department of Labor.

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

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

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

29 Sec. 15.13.100. EXPENDITURES BEFORE FILING. No political campaign

1 expenditure may be made or incurred by a person in an election or by a
2 person or group with his knowledge and on his behalf before the date upon
3 which he or she files for nomination for the office which the person seeks,
4 except for personal travel expenses or for opinion surveys or polls.

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

- 18 (1) one month before the election;
- 19 (2) one week before the election;
- 20 (3) ten days after the election; and
- 21 (4) December 31 of each year for expenditures made and

22 contributions received which were not reported that year.

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

27 (c) The reports of statewide candidates shall be filed with the
28 commission at the state capital and all other reports shall be filed
29 in the appropriate senate district office. All reports required by

1 this chapter shall be kept open to public inspection. Within one
2 month after each election, the commission shall prepare a summary of
3 each report which shall be made available to the public at cost upon
4 request. Each summary shall utilize uniform categories of reporting.

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

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

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

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

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

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

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

11 (6) knowingly accepting a contribution in violation of sec.
12 70 of this chapter.

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

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

1 candidates in an election whose campaign treasurers have failed to
2 file the reports required by this chapter.

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

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

23 Sec. 15.13.125. BALLOT PROPOSITIONS. (a) Sections 40(b), 60,
24 70(e), 80, 90 and 110 of this chapter apply to contributions,
25 expenditures and communications made by a group for the purpose of
26 influencing the outcome of a ballot proposition as well as those made
27 to influence the nomination or election of a candidate. Expenditures
28 made by the State of Alaska are not considered to be contributions or
29 expenditures for the purpose of influencing a ballot proposition.

1 (b) In this section "group" means a combination of two or more
2 persons acting jointly whose major purpose is to influence the outcome
3 of a ballot proposition.

4 Sec. 15.13.130. DEFINITIONS. In this chapter,

5 (1) "candidate" means a person who files for election to the
6 state legislature, for governor, for lieutenant governor, or for
7 municipal office;

8 (2) "contribution" means purchase, payment, promise or
9 obligation to pay, loan or loan guarantee, deposit or gift of money,
10 goods or services for which charge is ordinarily made and which is
11 made for the purpose of influencing the nomination or election of a
12 candidate, and in sec. 125 of this chapter for the purpose of influenc-
13 ing a ballot proposition, including the payment, by a person other than
14 a candidate or political party, or compensation of the personal
15 services of another person which are rendered to the candidate or
16 political party;

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

1 an election and endorsing candidates for more than one office or more
2 than one political party is presumed not to be controlled by a
3 candidate;

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

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

10 (B) use by a political party; or

11 (C) the payment by a person other than a candidate or
12 political party of compensation for the personal services of
13 another person which are rendered to such a candidate or political
14 party.

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

16 CHAPTER 57. ELECTION PAMPHLET.

17 Sec. 15.57.010. CONTENTS OF PAMPHLET. The lieutenant governor
18 shall mail to all voters of the state before each state general elec-
19 tion a candidate pamphlet containing photographs and campaign statements
20 of eligible nominees who desire to participate in the pamphlet. The
21 pamphlet shall also contain, for each ballot proposition, (1) a neutral
22 summary of the proposition prepared by the Legislative Affairs Agency,
23 and (2) a statement by persons or organizations supporting the proposi-
24 tion, and (3) a statement by persons or organizations opposing the
25 proposition.

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

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

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

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

11 (1) United States senator, United States representative, and
12 all nominees for state offices voted upon throughout the state, \$100
13 each;

14 (2) Judicial officer other than supreme court justice, \$50
15 each;

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

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

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

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

24 (d) Political parties may each purchase one additional page for
25 \$500.

26 Sec. 15.57.050. DISTRIBUTION. (a) Not less than 30 days before
27 the election the lieutenant governor shall transmit by mail, to every
28 voter in the state whose address he can with reasonable diligence
29 ascertain, one copy of the pamphlet. When practical, the lieutenant

1 governor shall have the pamphlets printed so that no candidate's
2 picture or statement is included in the copy of the pamphlet going to
3 a district where the candidate's election is not to be voted upon.

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

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

10 * Sec. 3. AS 43.20.010(c) is amended by adding a new paragraph to read:

11 (10) A natural person is entitled to a tax credit not to
12 exceed \$50 for the amount of political campaign contributions, including
13 but not limited to a contribution or gift to a person or organization
14 for use exclusively for political campaigns or dues to a nonprofit
15 organization organized primarily for the purpose of influencing elections
16 made within the tax year.

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

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

24 * Sec. 5. AS 44.62.330(a) is amended by adding a new paragraph to read:

25 (37) Alaska Election Campaign Commission.

26 * Sec. 6. This Act takes effect on the day after its passage and approval
27 or on the day it becomes law without approval.
28
29