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1 IN THE SENATE

BY JOSEPHSON

2

SENATE BILL NO. 389

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

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

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

9 * Section 1. PUBLIC POLICY. The legislature declares it to be the
10 public policy of the state that primary and general election campaigns for
11 the office of governor be financed with public support under the provisions
12 of this Act. It is the intention of the legislature in enacting this Act
13 that the financing be adequate in amount so that a candidate for election
14 to the office of governor may conduct a campaign free from improper influ-
15 ence and so that an individual of limited financial means may seek election
16 to the office of governor.

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

18 CHAPTER 12. STATE FINANCE FOR GUBERNATORIAL ELECTIONS.

19 Sec. 15.12.010. APPLICATION OF CHAPTER. (a) This chapter
20 applies to the primary and general election campaign for the office of
21 governor, except that the provisions of this chapter do not apply to a
22 primary or general election campaign for which the legislature fails
23 to make an appropriation.

24 (b) This chapter does not apply to the campaign of a candidate
25 for governor who declines to accept the provisions of this chapter in
26 a statement filed with the commission by May 1 of the year in which an
27 election will be held for the office of governor.

28 (c) This chapter does apply to the campaign of a candidate for
29 lieutenant governor after the primary election if the candidate for

1 governor on the same slate of candidates has not declined to accept
2 the provisions of this chapter under (b) of this section. A candidate
3 for lieutenant governor may not expend funds collected before the
4 primary election on the general election campaign of a slate of candi-
5 dates if the candidate for governor on the slate of candidates has
6 accepted the provisions of this chapter.

7 Sec. 15.12.020. LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES.

8 (a) Except as provided in (g) of this section, a person may not make
9 contributions in excess of \$1,250 in the aggregate to a candidate, the
10 campaign treasurer or deputy campaign treasurer of a candidate, a
11 state central committee or a regional or municipal committee of a
12 political party, or to another person or political interest group on
13 behalf of a candidate for election to the office of governor in a
14 primary or general election.

15 (b) A candidate for election to the office of governor in a
16 primary or general election and the campaign treasurer or deputy
17 campaign treasurer of a candidate for governor may not knowingly
18 accept from a person, another candidate, or political interest group
19 contributions in excess of \$1,250 in the aggregate on behalf of the
20 candidate in a primary or general election.

21 (c) The provisions of (a) and (b) of this section permit con-
22 tributions not in excess of \$1,250 in the aggregate from a person or
23 political interest group on behalf of a candidate for election to the
24 office of governor in a primary election and other contributions not
25 in excess of \$1,250 in the aggregate from the same person or political
26 interest group in a general election.

27 (d) The state central committee of a political party may not
28 knowingly accept contributions in excess of \$1,250 in the aggregate
29 from a person or political committee on behalf of a slate of

1 candidates for election to the offices of governor and lieutenant
2 governor in a general election. The state central committee shall
3 establish a bank account on behalf of the slate of candidates the
4 committee intends to assist in the general election, shall deposit
5 funds received in the account and report to the commission the name of
6 the contributor of funds accepted on behalf of the candidates, and may
7 make contributions from the account in any amount on behalf of the
8 slate of candidates. A state central committee may make a contribu-
9 tion on behalf of the slate of candidates only from funds deposited in
10 the bank account under this subsection. A state central committee may
11 not during a gubernatorial election year make a contribution on behalf
12 of the slate of candidates of funds or other thing of value pledged or
13 received during a calendar year in which a gubernatorial election will
14 not be held.

15 (e) The regional or precinct committees of a political party may
16 make independent expenditures of \$100,000 in the aggregate on behalf
17 of a slate of candidates for election to the office of governor and
18 lieutenant governor in a general election except that a single region-
19 al or precinct committee may not make independent expenditures on
20 behalf of a slate of candidates in excess of \$10,000. A regional or
21 precinct committee of a political party may not transfer or contribute
22 funds to a slate of candidates or to the candidates' campaign treasur-
23 er or deputy campaign treasurer, or to a committee supporting the
24 candidates. The candidates or their campaign treasurer shall deter-
25 mine the amount that an individual regional or precinct committee may
26 contribute as an independent expenditure in aid of the candidates and
27 shall file the determination with the commission not later than the
28 seventh day before the general election.

29 (f) A communication on any subject by a corporation to its

1 stockholders and their families or by a labor organization to its
2 members and their families and nonpartisan registration and get-out-
3 the-vote campaigns by a corporation aimed at its stockholders and
4 their families or by a labor organization aimed at its members and
5 their families does not constitute an expenditure on behalf of a
6 candidate in a primary or general election.

7 (g) A candidate receiving public funding under this chapter may
8 not make a contribution to the campaign of the candidate from the
9 candidate's own funds in excess of \$50,000 for the primary election
10 and \$50,000 for the general election. As used in this subsection "own
11 funds" means funds that the candidate is legally and beneficially
12 entitled to, but does not include funds for which the candidate is a
13 trustee or funds given or transferred to the candidate by a person
14 other than the spouse of the candidate for use in the candidacy.

15 Sec. 15.12.030. APPROPRIATIONS TO COMMISSION FOR ELECTION CAM-
16 PAIGN EXPENSES. The legislature may appropriate to the commission
17 from the general fund an amount necessary to carry out the purposes of
18 this chapter. Funds appropriated by the legislature shall be dis-
19 tributed by the commission under this chapter.

20 Sec. 15.12.040. DEPOSITS INTO PRIMARY AND GENERAL ELECTION BANK
21 ACCOUNTS OF CANDIDATES. (a) Each candidate in the primary election
22 for the office of governor shall establish a bank account. The candi-
23 date and the campaign treasurer or deputy campaign treasurer of the
24 candidate shall promptly deposit into the account all funds contrib-
25 uted under AS 15.12.020(a).

26 (b) Each slate of candidates for the office of governor and
27 lieutenant governor in the general election shall establish a bank
28 account. The campaign treasurer or deputy campaign treasurer of the
29 slate of candidates shall promptly deposit into the account funds

1 contributed for the purpose of the election under AS 15.12.020(a).

2 Sec. 15.12.050. CONTRIBUTIONS IN CURRENCY. A contribution may
3 not be made in currency except for a contribution of \$100 or less
4 where the contributor submits with the contribution a written state-
5 ment on a form prescribed by the commission.

6 Sec. 15.12.060. EXPENDITURES OF FUNDS FROM PRIMARY AND GENERAL
7 ELECTION BANK ACCOUNTS. Immediately after deposit of the funds in the
8 bank account under AS 15.12.040, the candidate and the campaign trea-
9 surer or deputy campaign treasurer of the candidate may transfer or
10 expend the funds, except that funds deposited in a candidate's bank
11 account for the primary election may not be expended for the candi-
12 date's general election expenses and funds deposited in a candidate's
13 bank account for the general election may not be transferred or ex-
14 pended until the day following the primary election and only for
15 general election expenses.

16 Sec. 15.12.070. AMOUNT OF PAYMENT FOR PRIMARY ELECTION CAMPAIGN
17 EXPENSES. (a) On application to the commission no earlier than
18 January 2 of the year of the election by the campaign treasurer of a
19 candidate for election to the office of governor in a primary elec-
20 tion, the commission shall promptly disburse on behalf of the candi-
21 date funds in an amount equal to twice the amount of each contribution
22 of not more than \$1,250 deposited in the candidate's primary election
23 bank account under AS 15.12.040, except that a payment may not be made
24 from the fund to a candidate for the first \$50,000 deposited in the
25 candidate's bank account.

26 (b) The maximum amount that a candidate for nomination to the
27 office of governor may receive from the commission in a primary elec-
28 tion is \$.40 for each voter who voted for president in the state at
29 the preceding presidential election.

1 Sec. 15.12.080. AMOUNT OF PAYMENT FOR GENERAL ELECTION. (a) On
2 application to the commission after the primary election by the cam-
3 paign treasurer of a slate of candidates for election to the office of
4 governor and lieutenant governor in a general election, the commission
5 shall promptly disburse on behalf of the slate of candidates for
6 election campaign expenses funds in an amount equal to twice the
7 amount of each contribution of not more than \$1,250 deposited in the
8 bank account of the slate of candidates, except that a payment may not
9 be made from the fund to a slate of candidates for the first \$50,000
10 deposited in the bank account of the slate of candidates.

11 (b) The maximum amount that a slate of candidates for election
12 to the offices of governor and lieutenant governor in the general
13 election may receive from the commission is \$.60 for each voter who
14 voted for president in the state at the preceding presidential
15 election.

16 Sec. 15.12.090. SEPARATE BANK ACCOUNTS FOR OTHER FUNDS. (a) A
17 candidate for election may not deposit funds into the bank account
18 described in AS 15.12.040(a) or (b) that

19 (1) must be or is intended by the contributor or the
20 candidate to be refunded or repaid at any time; or

21 (2) constitute the candidate's own funds in excess of
22 \$1,250 in the aggregate.

23 (b) The candidate and the campaign treasurer or deputy campaign
24 treasurer of the candidate shall deposit funds described under (a) of
25 this section in a separate bank account from which expenditures for
26 the respective campaigns may be made.

27 Sec. 15.12.100. DISPOSITION OF CONTRIBUTIONS OF POLITICAL COM-
28 MITTEES. (a) A candidate may not deposit a contribution by a munici-
29 pal committee of a political party into the bank account of the

1 candidate described under AS 15.12.040(a).

2 (b) A slate of candidates of a political party may deposit into
3 its general election bank account established under AS 15.12.040(b)
4 funds collected by the state central committee of the political party
5 under AS 15.12.020(a).

6 Sec. 15.12.110. EXPENDITURES FROM FUND FOR ELECTION CAMPAIGN
7 EXPENSES. (a) The funds disbursed by the commission under AS 15.-
8 12.060 or 15.12.070 and received by a campaign treasurer must be used
9 for election campaign expenses under regulations of the commission and
10 may be used only to

11 (1) purchase time on a radio or television station;

12 (2) purchase advertising space in newspapers and regularly
13 published magazines or periodicals;

14 (3) pay the cost of producing the material aired or dis-
15 played on radio, television, and in newspapers, regularly published
16 magazines and periodicals;

17 (4) pay the cost of printing and mailing campaign litera-
18 ture and brochures distributed under the name of the candidate;

19 (5) pay the cost of legal and accounting expenses incurred
20 in complying with this chapter and with regulations adopted by the
21 commission to implement this chapter;

22 (6) pay the cost of telephone deposits, installation
23 charges, and monthly billings in excess of deposits, except that
24 within six months after the primary and, if applicable, the general
25 election, a candidate shall return to the commission the amount of
26 funds used to pay a telephone deposit that is later returned.

27 (b) The limitations in (a) of this section on expenditures for
28 election campaign expenses do not apply to the expenditure of contri-
29 butions received by the candidate under AS 15.12.020(a), whether or

1 not the contributions were deposited in a candidate's bank account
2 under AS 15.12.040 or 15.12.090.

3 Sec. 15.12.120. RETURN OF UNEXPENDED FUNDS. Funds received by a
4 candidate from the commission for election campaign expenses may be
5 retained for a period not exceeding six months after the election for
6 which the funds were received in order to pay expenses permitted by
7 AS 15.12.110 that were incurred during the election campaign. After
8 each expense has been paid, funds not committed to the payment of
9 expenses and that remain available to a candidate shall be returned to
10 the commission, except that a candidate is not required to pay the
11 commission funds in excess of those received from the commission.

12 Sec. 15.12.130. BORROWING BY CANDIDATE. (a) Notwithstanding
13 the provisions of this chapter, a candidate or the campaign treasurer
14 of a candidate may borrow money from a bank. A person or political
15 committee, other than the candidate or the state central committee of
16 a political party in a general election, may not endorse or guarantee
17 the loan in an amount in excess of \$1,250 in the aggregate. The
18 endorsement of a loan under this section constitutes a contribution
19 for as long as the loan is outstanding. The amount borrowed by the
20 candidate or the campaign treasurer of the candidate on behalf of the
21 candidate may not exceed a total of \$50,000 in the aggregate and must
22 be repaid in full by the candidate from funds accepted or allocated
23 under AS 15.12.020(d) 20 days before election for which the loan was
24 made. Certification of the repayment shall be made by the candidate
25 to the commission under regulations of the commission.

26 (b) If the candidate fails to repay the full amount borrowed on
27 or before the 20th day before the primary or general election or to
28 certify the repayment to the commission as required in this section,
29 the commission may not make an additional payment to the candidate or

1 to the slate of candidates and the commission may obtain an injunction
2 in the superior court prohibiting the expenditure by the candidate of
3 any funds already received by the candidate or by the slate of candi-
4 dates at any time from the commission for election campaign expenses
5 under this chapter.

6 Sec. 15.12.140. REGULATIONS. The commission may adopt regula-
7 tions to implement this chapter.

8 Sec. 15.12.150. PUBLIC BROADCASTING COMMISSION. The Alaska
9 Public Broadcasting Commission established under AS 44.21.256 shall
10 promote full discussions of public issues by the candidates for
11 election to the office of governor on the ballot in a primary or
12 general election in accordance with federal law and free of charge to
13 the candidate. The Alaska Public Broadcasting Commission may adopt
14 regulations necessary to achieve the purposes of this section.

15 Sec. 15.12.160. PENALTIES. (a) A person who wilfully and
16 knowingly violates AS 15.12.020, 15.12.040, or 15.12.090 - 15.12.110
17 is guilty of a class A misdemeanor.

18 (b) A person who wilfully and knowingly violates a provision
19 described in (a) of this section shall, in addition to any other
20 penalty provided by law, be liable for a civil penalty of not more
21 than \$1,000 for the first offense and not more than \$2,000 for the
22 second and each subsequent offense.

23 (c) The election to office of a candidate who is guilty of the
24 violation of a provision described in (a) of this section is void and
25 the office shall be filled as required by law in the case of a
26 vacancy.

27 (d) In assessing a penalty under (b) of this section, the com-
28 mission may remit all or a part of the penalty conditioned upon the
29 prompt correction of a failure, neglect, error or omission

1 constituting the violation.

2 Sec. 15.12.170. GUBERNATORIAL INAUGURAL FUND-RAISING EVENTS.

3 (a) A person, candidate, or political interest group may not make a
4 contribution for a gubernatorial inaugural fund-raising event in
5 excess of \$500 in the aggregate.

6 (b) As used in (a) of this section, a "gubernatorial inaugural
7 fund-raising event"

8 (1) means an event held between the date of the general
9 election and a date 15 days after the date of the inaugural of the
10 governor, whether the event is sponsored by an inaugural committee,
11 the state central committee of the party of the governor-elect, or any
12 other person at which the governor-elect is a prominent participant or
13 for which solicitations of contributions include the name of the
14 governor-elect in prominent display;

15 (2) does not include an event sponsored by a religious,
16 charitable, benevolent, scientific, artistic, or educational nonprofit
17 institution as long as the proceeds from the event will not be con-
18 trolled by the governor-elect or a political party committee and the
19 proceeds will not be contributed to the governor-elect, the candidacy
20 of the governor-elect, or a committee of a political party.

21 Sec. 15.12.200. DEFINITIONS. In this chapter,

22 (1) "commission" means the Alaska Public Offices Commission
23 established under AS 15.13.020;

24 (2) "contribution" has the meaning given in AS 15.13.130;

25 (3) "expenditure"

26 (A) has the meaning given in AS 15.13.130;

27 (B) does not include the cost of food and beverage for
28 fund-raising events, travel costs of the candidate, or election
29 night costs;

1 (4) "political interest group" has the meaning given to
2 "group" in AS 15.13.130.

3 * Sec. 3. AS 15.13.030 is amended to read:

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

5 (1) develop and provide all forms for the reports and
6 statements required to be made under AS 15.12, this chapter, AS 24.45
7 and AS 39.50;

8 (2) prepare and publish a manual setting out uniform meth-
9 ods of bookkeeping and reporting for use by persons required to make
10 reports and statements under AS 15.12 and this chapter and otherwise
11 assist candidates, groups, and individuals in complying with the
12 requirements of this chapter;

13 (3) receive and hold open for public inspection reports and
14 statements required to be made under AS 15.12 and this chapter and,
15 upon request, furnish copies at cost to interested persons;

16 (4) compile and maintain a current list of all filed re-
17 ports and statements;

18 (5) prepare a summary of each report filed under AS 15.-
19 13.110 and make copies of this summary available to interested persons
20 at their actual cost;

21 (6) notify, by registered or certified mail, all persons
22 who are delinquent in filing reports and statements required to be
23 made under AS 15.12 and this chapter;

24 (7) report within 60 days after the election the names of
25 all persons and groups who have failed to comply with [ANY OF] the
26 provisions of AS 15.12 and this chapter to the office of the attorney
27 general;

28 (8) examine, investigate and compare all reports, state-
29 ments and actions required by AS 15.12, this chapter, AS 24.45 and

1 AS 39.50 and to report to the attorney general the names of all per-
2 sons or groups which the commission has substantial reason to believe
3 have violated AS 15.12, this chapter, AS 24.45 or AS 39.50;

4 (9) prepare and publish an annual report to the legislature
5 concerning the activities of the commission, the effectiveness of this
6 chapter, its enforcement by the attorney general's office, and rec-
7 ommendations and proposals for change;

8 (10) adopt regulations necessary to implement and clarify
9 the provisions of AS 15.12, AS 24.45, AS 39.50 and this chapter,
10 subject to the provisions of the Administrative Procedure Act (AS 44.
11 62).

12 * Sec. 4. AS 15.13.040 is amended by adding a new subsection to read:

13 (g) This section does not apply to reports of contributions,
14 expenditures, and services required to be reported under AS 15.12.

15 * Sec. 5. AS 15.13.070 is amended by adding a new subsection to read:

16 (i) This section does not apply to contribution limitations
17 otherwise established in AS 15.12.

18 * Sec. 6. AS 15.13.080 is amended by adding a new subsection to read:

19 (b) An individual or person making a contribution to a candidate
20 for governor or lieutenant governor shall comply with the provisions
21 of AS 15.12.

22 * Sec. 7. AS 15.13.100 is amended by adding a new subsection to read:

23 (b) A candidate for governor or lieutenant governor may make
24 expenditures as permitted under AS 15.12.

25 * Sec. 8. AS 15.13.110 is amended by adding a new subsection to read:

26 (f) A candidate for governor or lieutenant governor shall comply
27 with the provisions of this section in addition to complying with the
28 reporting requirements of AS 15.12.

29 * Sec. 9. AS 15.25.040(a) is amended to read:

1 (a) Except as provided in AS 15.25.041(a), the [THE] declaration
2 is filed by either

3 (1) the actual physical delivery of the declaration in
4 person or by mail at or before 5:00 p.m., prevailing time, June 1 of
5 the year in which a general election is held for the office, or

6 (2) the actual physical delivery by telegram of a copy in
7 substance of the statements made in paragraphs (1) - (5) of the
8 declaration as required by AS 15.25.030 at or before 5:00 p.m., pre-
9 vailing time, June 1 of the year in which a general election is held
10 for the office and also the actual physical delivery of the declara-
11 tion containing paragraphs (1) - (16) as required by AS 15.25.030 by
12 registered mail which is received not more than 15 days after that
13 time.

14 * Sec. 10. AS 15.25.040(d) is amended to read:

15 (d) If the declaration filed under (a) of this section or
16 AS 15.25.041 is not received within seven calendar days, the candidate
17 shall be notified of nonreceipt. The candidate shall have the oppor-
18 tunity to refile the [HIS] declaration with proof that the [HIS]
19 previous declaration has been filed in a timely manner and in accor-
20 dance with law.

21 * Sec. 11. AS 15.25 is amended by adding a new section to read:

22 Sec. 15.25.041. MANNER AND DATE OF FILING DECLARATION OF CANDI-
23 DACY FOR GOVERNOR. (a) The declaration of a candidate for governor
24 is filed by either

25 (1) the actual physical delivery of the declaration in
26 person or by mail at or before 5:00 p.m., prevailing time, April 1 of
27 the year in which a general election is held for the office, or

28 (2) the actual physical delivery by telegram of a copy in
29 substance of the statements made in paragraphs (1) - (5) of the

1 declaration as required by AS 15.25.030 at or before 5:00 p.m.,
2 prevailing time, April 1 of the year in which a general election is
3 held for the office and also the actual physical delivery of the
4 declaration containing paragraphs (1) - (16) as required by AS
5 15.25.030 by registered mail which is received not more than 15 days
6 after that time.

7 (b) If April 1 is a Sunday or holiday, the deadlines for post-
8 marking and receipt of the declaration shall be extended 24 hours in
9 each instance.

10 * Sec. 12. AS 15.25.150 is amended to read:

11 Sec. 15.25.150. DATE OF FILING PETITION. Except as provided in
12 AS 15.25.151(a), the [THE] petition is filed with the director by
13 actual physical delivery in person at or before 5:00 p.m., prevailing
14 time, June 1 in the year in which a general election is held for the
15 office, or by actual physical delivery to the director by registered
16 or certified mail return receipt requested which is postmarked at or
17 before 5:00 p.m., prevailing time, June 1 in the year in which a
18 general election is held for the office, and received not more than 15
19 days after that time. If the postmark is illegible, a dated receipt
20 from the post office where dispatched shall be acceptable as evidence
21 of mailing. If June 1 is a Sunday or holiday, the deadlines for
22 postmarking and receipt of the petition shall be extended 24 hours in
23 each instance.

24 * Sec. 13. AS 15.25 is amended by adding a new section to read:

25 Sec. 15.25.151. DATE OF FILING PETITION OF CANDIDATE FOR GOVER-
26 NOR. The petition of a candidate for governor is filed with the
27 director by actual physical delivery in person at or before 5:00 p.m.,
28 prevailing time, April 1 in the year in which a general election is
29 held for the office, or by actual physical delivery to the director by

1 registered or certified mail return receipt requested which is post-
2 marked at or before 5:00 p.m., prevailing time, April 1 in the year in
3 which a general election is held for the office, and received not more
4 than 15 days after that time. If the postmark is illegible, a dated
5 receipt from the post office where dispatched shall be acceptable as
6 evidence of mailing. If April 1 is a Sunday or holiday, the deadlines
7 for postmarking and receipt of the petition shall be extended 24 hours
8 in each instance.

9 * Sec. 14. This Act takes effect January 1, 1987.