

SB

156-H

# HOUSE COMMITTEE REPORT

(11)

Date referred: 5/14/87

FURTHER REFERRALS:

DATE: 5-17-87

The Finance Committee has considered CSSB 156(SA)

"An Act relating to contributions from permanent fund dividends for political parties; and providing for an effective date."

**RECOMMENDS:**

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

~~Robert L. Baker~~  
 \_\_\_\_\_  
 Mark Sayer  
 \_\_\_\_\_  
 Jay Brown  
 \_\_\_\_\_  
 Peter J. ...  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**SIGNING OTHER RECOMMENDATIONS:**

Carl ... - Do NOT Pass  
 Fred ... no rec  
 Ronald ... no rec  
 ... No Recommendation  
 ... no rec  
 Key ... no rec  
 Mike ... No REC

*Chairman's Signature*  
 \_\_\_\_\_  
 Chairman's signature

No. 302

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSB 156 (SA)  
Publish Date: \_\_\_\_\_

REQUEST: \_\_\_\_\_  
Revision Date: \_\_\_\_\_  
Title: Contributions from PFD's to  
political parties  
Sponsor: Hensley, et al  
Requestor: Senate Finance

Agency Affected: Revenue  
BRU: Administrative Services  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: John Binkley  
Division: Senator John Binkley, Co-chairman  
Senate Finance Committee  
Phone: 465-4985  
Date: April 29, 1987

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
Agency: \_\_\_\_\_

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

Original sponsors: Hensley, Coghill,  
Duncan, et al.

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR SENATE BILL NO. 156 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to contributions from permanent fund  
7 dividends for political parties; and providing for an  
8 effective date."

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

10 \* Section 1. AS 43.23 is amended by adding a new section to read:

11 Sec. 43.23.016. CONTRIBUTIONS FROM DIVIDENDS. (a) The depart-  
12 ment shall prepare the permanent fund dividend application to allow an  
13 applicant to elect to have money subtracted from the dividend check  
14 and contributed to the treasurer or central committee of the political  
15 party designated by the applicant. In this subsection, "political  
16 party" means an organized group of voters that represents a political  
17 program and that nominated a candidate for governor who received at  
18 least three percent of the total votes cast at the preceding general  
19 election for governor.

20 (b) The amount of each contribution elected under (a) of this  
21 section is \$5. Contributions shall be deposited in a special dividend  
22 contribution account in the general fund and allocated by the depart-  
23 ment in accordance with the contribution elections made by applicants  
24 except that the department shall use money in the account to pay  
25 administrative costs incurred under this section.

26 \* Sec. 2. This Act takes effect July 1, 1987.

SENATE  
Letter of Intent  
FOR  
CSSB 156 (SA)

The Senate Committee on State Affairs has considered CSSB 156 (SA) (contributions from permanent fund dividends for political parties; efd); CSSB 173 (SA), (contributions from permanent fund dividends to the community school grant fund; efd) and CSSB 180 (SA) (contributions from permanent fund dividends for the World Eskimo-Olympics; efd).

It is the intent of the Senate Committee on State Affairs that language be inserted in all of the permanent fund dividend check-off bills which would devise a system of prioritizing the check-off programs to provide for instances where garnishments or assignments reduce the dividend, leaving insufficient funds to honor all of the programs which the individual has selected. The committee proposes that the order of prioritization be based on date of enactment. In cases where two bills have the same date of enactment, it is the intent of the committee that the bills be listed in alphabetical order.

Adopted 4/30/87

SENATE LETTER of INTENT

M E M O R A N D U M

DATE: March 23, 1987

TO: Senator Josephson

FROM: - Terry Berman  
Senator Hensley's Office

Some statistics you may be interested in relative to political party campaign finance are:

State Party Expenditures in 1986

Democrats	\$ 235,000
Republicans	\$ 497,000

Source: APOC

Registered Voters by Affiliation as of March 3, 1987

Democrats	66,027
Republicans	62,216
Libertarians	2,657
Other	6,034
Non-partisan	<u>159,866</u>

TOTAL 296,800

Source: Division of Elections

TB/mjs.

POSITION PAPER  
SB 156

SB 156 creates an option on the Permanent Fund Dividend Application so applicants can direct that \$25 of their dividend be donated to the political party they indicate. The Department of Revenue may use a portion of the funds to pay administrative costs.

The Department of Administration must hold the funds in trust for distribution to the political parties.

The bill has no direct impact on the Alaska Public Offices Commission. The political parties would not receive a list of the individuals who donated through this method but that would not be particularly troublesome. Under the Commission's regulations, an organization may hold a fund-raiser at which the names of contributors are not recorded so long as there are 25 or more paying participants and no one contributes more than \$50. Since SB 156 would limit the maximum donation per individual to \$25, the proposal could be considered consistent with the regulation which was designed to alleviate some of the recordkeeping burdens associated with low cost fund-raisers where large numbers of people attended.

The Commission's position on SB 156 is neutral.

Sheda Pittman 3/20/87  
Exec. Director, Alaska Public Offices Commission Date

Jan Rogers / bnm 3-23-87  
Chairman, Alaska Public Offices Commission Date

# The Republican Party of Alaska



Jim Crawford  
Chairman

Marilyn Palne  
National Committeewoman

Eldon Ulmer  
National Committeeman

Jack Wilbur  
Vice Chairman

Gail Phillips  
Secretary

Tim McKeever  
Treasurer

Charlot Thickstun  
Asst. Secretary

Lloyd Hames  
Asst. Treasurer

Dave Harbour  
Finance Chairman

Cliff Groh  
Legal Counsel

750 E. Fireweed Lane, Suite 102  
Anchorage, Alaska 99503  
(907) 276-4467

March 25, 1987

Senator Willie Hensley  
P.O. Box V  
Juneau, AK 99811

Dear Senator Hensley:

Thank you for your request for comments from the Republican Party of Alaska in regard to SB 156. This bill would provide a check off on Permanent Fund applications that would allow Alaskans to direct a portion of their dividend to support political parties.

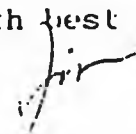
We appreciate your recognition that political parties deserve financial support from the citizenry because of their role in charting the future of our state. We want to thank you and your fellow sponsors for their intentions.

The most important part of the bill as we read it is that it protects the Permanent Fund from administrative charges that would be incurred by the establishment of this new program. Our party has spoken strongly about defending the Permanent Fund. We believe that, even if our party benefits from a program, the program should not impair the ability of the Fund to provide for future needs of our state's citizens.

Current Alaska law forbids the contribution of money to a political party in the name of another. We strongly urge you to continue to honor that principle by slightly revising the current bill. Political parties should be given the names of those who direct a portion of their dividend to the party of their choice. That way we could thank each donor and report their contribution according to the APOC regulations.

Thank you for your efforts, and thank you for offering us the opportunity to comment on your bill.

With best regards,

  
Jim Crawford  
Chairman, Republican Party of Alaska

Committee Backlog  
SB 156



# Democratic Party of Alaska

MAR 23 1987

Jack Roderick  
State Chair

March 20, 1987

Virgie King  
1st Vice Chair

State Affairs Committee  
Pouch V  
Juneau, AK 99811

Hilda Woods  
Treasurer

Dear Committee Members;

Carolyn Covington  
Secretary

This letter is in support of SB #156, which would allow individuals to donate to political parties by a "check off" system from one's Permanent Fund Dividend application.

Pegge Begich  
Finance Director

Bob Goldberg  
Legal Counsel

There seems to be public concern with the way political campaigns are financed. The common thread that runs through legislation pending before the 15th Session of the Alaska Legislature is that too much "special interest" money is bankrolling campaigns in Alaska. I see much of the campaign related legislation as intending to strengthen the political parties as a way of negating the affects of the "special interest" contributions. Senate Bill #156 works toward the goal of strengthening political parties in Alaska. This is a step in the right direction towards lessening the influence of "special interest" contributions, thereby helping to reform campaign practices in Alaska.

Doris Volske  
National Committeewoman

Vander Pearson  
National Committeeman

Chancy Croft  
Policy Commission

Peg Tileston  
Alaska Democrat

The Alaska Democratic Party is solidly behind this legislation. Thank you.

Sincerely,

*Jack Roderick*

Jack Roderick,  
Party Chair

WDB

Bill Bobrick  
Exec. Director

Susie Barnett  
Office Manager

(907) 562-3050

P.O. Box 10-4199 • Anchorage, AK 99510

Original sponsors: Hensley, Coghill,  
Duncan, et al.

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15 party designated by the applicant. In this subsection, "political  
16 party" means an organized group of voters that represents a political  
17 program and that nominated a candidate for governor who received at  
18 least three percent of the total votes cast at the preceding general  
19 election for governor.

20 (b) The amount of each contribution elected under (a) of this  
21 section is \$5. Contributions shall be deposited in a special dividend  
22 contribution account in the general fund and allocated by the depart-  
23 ment in accordance with the contribution elections made by applicants  
24 except that the department shall use money in the account to pay  
25 administrative costs incurred under this section.

26 \* Sec. 2. This Act takes effect July 1, 1987.

Introduced: 3/3/87  
Referred: State Affairs, Judiciary  
and Finance

5-0747A

BY HENSLEY, COGHILL, DUNCAN, ELIASON,  
FAHRENKAMP, FISCHER, JONES, JOSEPHSON,  
KERTTULA, RODEY, STURGULEWSKI, UEHLING  
AND ZHAROFF

1 IN THE SENATE

2

SENATE BILL NO. 156

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

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11 Sec. 43.23.016. CONTRIBUTIONS TO POLITICAL PARTIES. (a) There  
12 is created in the general fund a political party account. The Depart-  
13 ment of Revenue shall prepare the permanent fund dividend application  
14 to allow an applicant to direct that \$25 of the dividend be subtracted  
15 from the check and contributed to the political party designated by  
16 the applicant. Permanent fund dividend contributions shall be depos-  
17 ited in the account by the Department of Revenue and allocated to  
18 appropriate political parties. The Department of Revenue may use  
19 money in the account to pay administrative costs incurred under this  
20 section. Money to pay administrative costs shall be taken from allo-  
21 cations to each political party on a pro rata basis.

22 (b) The political party account shall be held in trust by the  
23 Department of Administration for distribution as allocated to the  
24 treasurer or central committee of each political party for which  
25 contributions have been made under this section.

26 (c) In this section, "political party" means an organized group  
27 of voters that represents a political program and that nominated a  
28 candidate for governor who received at least three percent of the  
29 total votes cast at the preceding general election for governor.

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