

H B

137

# STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3600

## LEGISLATIVE AFFAIRS AGENCY LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H. JUD.	2-24-88	1:30 p.m.
H. JUD.	2-23-88	1:30 p.m.
H. JUD.	2-1-88	1:30 p.m.

# HOUSE COMMITTEE REPORT

(7)

Date referred: 1/18/88

FURTHER REFERRALS: Finance

DATE: Feb 24, 1988

The Judiciary Committee has considered SSHB 137

"An Act relating to the duration and financing of election campaigns."

**RECOMMENDS:**

- replace with CSHB 137 (Jud)  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:**

[Signature]

[Signature]

Jim Cost

Mike Navare

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SIGNING OTHER RECOMMENDATIONS:**

[Signature]

Robin L. Taylor (NO Rec)

from Wilson - still prefer the State

Als. Co. version of this bill

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Signature]

Chairman's signature

Adopted

A M E N D M E N T

#1

Offered in the HOUSE

5002  
By Brown

TO: C S S S H B 137(Judiciary)

Page 5, after line 29:

Insert a new bill section to read:

\*\* Sec. 6. AS 15.13.110 is amended by adding a new subsection to read:

(f) The contributions received and expenditures made by each state, regional, and local executive committee of a political party shall be reported

(1) in even numbered years, within 10 days after the end of each calendar quarter until reports are due under (a) of this section;

(2) in odd numbered years, within 10 days after the end of each calendar quarter."

Renumber remaining bill sections accordingly.

Page 7, line 23:

Delete "4 - 9 and 11"

Insert "4 - 10 and 12"

Page 7, line 25:

Delete "4 - 6 and 10 - 11"

Insert "4 - 7 and 11 - 12"

A M E N D M E N T

Offered in the HOUSE

By Brown

TO: CSSSHB 137(Judiciary)

Page 4, after line 3:

Insert a new bill section to read:

"\* Sec. 7. AS 15.13.110 is amended by adding a new subsection to read:

(f) The contributions received and expenditures made by each state, regional, and local executive committee of a political party shall be reported

(1) in even numbered years, within 10 days after the end of each calendar quarter until reports are due under (a) of this section;

(2) in odd numbered years, within 10 days after the end of each calendar quarter."

Renumber remaining bill sections accordingly.

Page 5, line 28:

Delete "5 - 11"

Insert "5 - 6 and 8 - 12"

Page 6, line 1:

Delete "5 - 11"

Insert "5 - 6 and 8 - 12"

Original sponsors: Brown, Ellis,  
Davis, et al.

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 137 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Public Offices Commission and  
7 to the duration and financing of election campaigns;  
8 and providing for an effective date."

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

10 \* Section 1. AS 15.13.020(a) is amended to read:

11 (a) There is created in the Department of Administration the  
12 Alaska Public Offices Commission consisting of five members. The  
13 governor shall appoint the members of the commission under (b) and (c)  
14 of this section. The members of the commission are subject to confir-  
15 mation by a majority of the members of the legislature meeting in  
16 joint session.

17 \* Sec. 2. AS 15.13.020(c) is repealed and reenacted to read:

18 (c) The members appointed by the governor under (b) of this  
19 subsection shall nominate to the governor, by a majority vote, the  
20 fifth member of the commission when a vacancy occurs in that position.  
21 The governor shall either appoint the nominee of the commission or  
22 request a new nomination from the commission.

23 \* Sec. 3. AS 15.13 is amended by adding a new section to read:

24 Sec. 15.13.065. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
25 candidate may accept a contribution only during an election campaign.

26 (b) During the election campaign, a candidate for the office of  
27 governor or lieutenant governor may not accept

28 (1) more than \$1,000 in contributions from a person, a  
29 corporation, a labor union, or a group other than a political party

1 and its subdivisions;

2 (2) a cumulative total of more than \$40,000 in contribu-  
3 tions from corporations, labor unions, and groups other than political  
4 parties and their subdivisions;

5 (3) a cumulative total of more than \$40,000 in contribu-  
6 tions from political parties and their subdivisions.

7 (c) During the election campaign, a candidate for the state  
8 senate may not accept

9 (1) more than \$1,000 in contributions from a person, a  
10 corporation, a labor union, or a group other than a political party  
11 and its subdivisions;

12 (2) a cumulative total of more than \$20,000 in contribu-  
13 tions from corporations, labor unions, and groups other than political  
14 parties and their subdivisions;

15 (3) a cumulative total of more than \$20,000 in contribu-  
16 tions from political parties and their subdivisions.

17 (d) During the election campaign, a candidate for the state  
18 house of representatives may not accept

19 (1) more than \$1,000 in contributions from a person, a  
20 corporation, a labor union, or a group other than a political party  
21 and its subdivisions;

22 (2) a cumulative total of more than \$10,000 in contribu-  
23 tions from corporations, labor unions, and groups other than political  
24 parties and their subdivisions;

25 (3) a cumulative total of more than \$10,000 in contribu-  
26 tions from political parties and their subdivisions.

27 (e) Except for a candidate for mayor, during an election cam-  
28 paign a candidate for municipal office and a candidate for office not  
29 described in (b) - (d) of this section may not accept

1 (1) more than \$1,000 in contributions from a person, a  
2 corporation, a labor union, or a group other than a political party  
3 and its subdivisions;

4 (2) a cumulative total of more than \$10,000 in contribu-  
5 tions from corporations, labor unions, and groups other than political  
6 parties and their subdivisions;

7 (3) a cumulative total of more than \$10,000 in contribu-  
8 tions from political parties and their subdivisions.

9 (f) Except as provided under (g) of this section, during an  
10 election campaign a candidate for mayor may not accept

11 (1) more than \$1,000 in contributions from a person, a  
12 corporation, a labor union, or a group other than a political party  
13 and its subdivisions;

14 (2) a cumulative total of more than \$10,000 in contribu-  
15 tions from corporations, labor unions, and groups other than political  
16 parties and their subdivisions;

17 (3) a cumulative total of more than \$10,000 in contribu-  
18 tions from political parties and their subdivisions.

19 (g) Notwithstanding (f) of this section, a candidate for mayor  
20 in a municipality that contains more than one house election district  
21 within its boundaries may accept contributions during an election  
22 campaign with a cumulative total under (f)(2) and (3) of this section  
23 multiplied by the number of house election districts that are located  
24 within the municipality except that a candidate for mayor may not in  
25 any case accept

26 (1) a cumulative total of more than \$40,000 in contribu-  
27 tions from corporations, labor unions, and groups other than political  
28 parties, and their subdivisions;

29 (2) a cumulative total of more than \$40,000 in

1 contributions from political parties and their subdivisions.

2 (h) A candidate is subject to the limitations established in  
3 this section only for the office for which the candidate most recently  
4 filed a declaration of candidacy or nominating petition. A candidate  
5 who withdraws as a candidate for an office and refiles for an office  
6 with a lower limitation on the acceptance of campaign contributions  
7 shall return the amount of each contribution that exceeds the limita-  
8 tions established for the current candidacy.

9 (i) In this section, "election campaign" means

10 (1) for a candidate for a nonstatewide state office who is  
11 not a member of the legislature, the period between September 1 of the  
12 year before the year in which the election will be held through the  
13 day before the date of the general election;

14 (2) for a candidate who is a member of the legislature, the  
15 period between September 1 of the year before the year in which the  
16 election will be held through the day before the date of the general  
17 election but excluding the period of any session of the legislature;

18 (3) for a candidate for a statewide office, the period  
19 between September 1 of the year that is two years before the year in  
20 which the election will be held through the day before the date of the  
21 general election;

22 (4) for a candidate for municipal office, the period 90  
23 days before the date of the municipal election through the day before  
24 the date of the municipal election;

25 (5) for a candidate for municipal office at a run-off elec-  
26 tion, the period from the day after the date of the municipal election  
27 through the day before the date of the run-off election.

28 \* Sec. 4. AS 15.13.070 is amended by adding a new subsection to read:

29 (i) An individual who accepts campaign contributions as a

1 candidate for public office may not convert surplus campaign funds to  
2 personal income at any time. A candidate who has advanced funds to  
3 the campaign may recover the amounts advanced. A candidate shall  
4 dispose of campaign funds that were not spent or obligated during the  
5 election campaign by

6 (1) leaving the funds in a campaign account for a future  
7 election campaign;

8 (2) transferring the funds to an account for the office, in  
9 the case of a successful candidate only, and using the funds only for  
10 communication with constituents and other voters in the state by  
11 telephone, newsletter, or personal contact;

12 (3) donating the funds to an organization that qualifies as  
13 a charitable organization under 26 U.S.C. 501(c);

14 (4) donating the funds to the general fund of the state or  
15 of a municipality of the state organized under AS 29;

16 (5) returning the funds to contributors on a pro rata  
17 basis; or

18 (6) making campaign contributions not in violation of  
19 AS 15.13.065 to another candidate or group or by making independent  
20 expenditures.

21 \* Sec. 5. AS 15.13.110 is amended by adding a new subsection to read:

22 (f) The contributions received and expenditures made by each  
23 state, regional, and local executive committee of a political party  
24 shall be reported

25 (1) in even numbered years, within 10 days after the end of  
26 each calendar quarter until reports are due under (a) of this section;

27 (2) in odd numbered years, within 10 days after the end of  
28 each calendar quarter.

29 \* Sec. 6. AS 15.13.125 is amended to read:

1           Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIR-  
2 ED REPORTS]. A person who fails to file a properly completed and  
3 certified report within the time required by AS 15.13.110(a)(1), (3),  
4 (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10  
5 a day for each day the delinquency continues as determined by the  
6 commission subject to right of appeal to the superior court. A person  
7 who fails to file a properly completed and certified report within the  
8 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a  
9 civil penalty of not more than \$50 a day for each day the delinquency  
10 continues as determined by the commission subject to right of appeal  
11 to the superior court. A candidate who accepts a contribution in  
12 violation of AS 15.13.065 or 15.13.070 is subject to a civil penalty  
13 of not more than five times the amount of the contribution accepted.  
14 An affidavit stating facts in mitigation may be submitted to the  
15 commission by a person against whom a civil penalty is assessed.  
16 However, the imposition of the penalties prescribed in this section or  
17 in AS 15.13.120 does not excuse that person from filing reports re-  
18 quired by this chapter.

19 \* Sec. 7. AS 15.25.040 is amended by adding a new subsection to read:

20           (e) A statewide candidate may not file a declaration before  
21 September 1 of the year that is two years before the year in which the  
22 election will be held. Except for a statewide candidate, a declara-  
23 tion may not be filed before September 1 of the year before the year  
24 in which the election will be held.

25 \* Sec. 8. AS 15.25.150 is amended by adding a new subsection to read:

26           (b) A statewide candidate may not file a petition before Septem-  
27 ber 1 of the year that is two years before the year in which the  
28 election will be held. Except for a statewide candidate, a petition  
29 may not be filed before September 1 of the year before the year in

1 which the election will be held.

2 \* Sec. 9. AS 24.60.030(f) is amended to read:

3 (f) It is a conflict of interest for a member of the legislature  
4 to accept campaign contributions [MONEY FROM AN EVENT HELD WITHIN THE  
5 CAPITAL CITY] during the session [IF A SUBSTANTIAL PURPOSE OF THE  
6 EVENT IS TO RAISE MONEY ON BEHALF OF THE MEMBER FOR STATE LEGISLATIVE  
7 CAMPAIGN PURPOSES OR FOR OTHER STATE LEGISLATIVE POLITICAL PURPOSES].

8 \* Sec. 10. AS 29.26.020 is amended by adding a new subsection to read:

9 (c) A nominating petition or declaration of candidacy may not be  
10 filed more than 90 days before the date of the election.

11 \* Sec. 11. The prohibition in AS 15.13.065, as added in sec. 3 of this  
12 Act, against the acceptance of campaign contributions by a candidate for  
13 elective office outside of an election campaign does not apply to the  
14 acceptance by a candidate for

15 (1) state elective office of campaign contributions to retire  
16 debt in existence on November 8, 1988, and the candidate may accept cam-  
17 paign contributions at any time to retire that debt;

18 (2) municipal office of campaign contributions to retire debt in  
19 existence on the day after the first municipal election occurring after  
20 July 1, 1988, and the candidate may accept campaign contributions at any  
21 time to retire that debt.

22 \* Sec. 12. APPLICABILITY. The provisions of secs. 3 - 4, 6 - 8, 9 and  
23 11 of this Act are applicable to state election campaigns started after  
24 November 8, 1988. The provisions of secs. 3 - 4, 6, and 10 - 11 of this  
25 Act are applicable to municipal election campaigns started after the day  
26 after the first municipal election occurring after July 1, 1988.

27 \* Sec. 13. AS 15.13.070(a) and AS 24.60.030(g) are repealed.

28 \* Sec. 14. This Act takes effect July 1, 1988.

5-0227T  
Bradley  
2/22/88

Original sponsors: Brown, Ellis,  
Davis, et al.

Adopted w/  
Amend # 1 2-23-88  
d Sec 2 deleted

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 137 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

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

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11 (a) There is created in the Department of Administration the  
12 Alaska Public Offices Commission consisting of five members. The  
13 governor shall appoint the members of the commission under (b) and (c)  
14 of this section. The members of the commission are subject to confir-  
15 mation by a majority of the members of the legislature meeting in  
16 joint session.

17 \* Sec. 2. AS 15.13.020(b) is repealed and reenacted to read:

18 (b) As the terms of members expire after each gubernatorial  
19 election, the political party whose candidate for governor received  
20 either the highest or the second highest number of votes for the  
21 office of governor at the election is entitled to nominate two members  
22 of the commission; a political party may not submit nominations in  
23 consecutive years for members whose terms are expiring. The governor  
24 shall make the appointment within 30 days after receiving four nomina-  
25 tions from the central committee or other governing body of the party.

26 \* Sec. 3. AS 15.13.020(c) is repealed and reenacted to read:

27 (c) The members appointed by the governor under (b) of this  
28 subsection shall nominate to the governor, by a majority vote, the  
29 fifth member of the commission when a vacancy occurs in that position.

1 The governor shall either appoint the nominee of the commission or  
2 request a new nomination from the commission.

3 \* Sec. 4. AS 15.13 is amended by adding a new section to read:

4 Sec. 15.13.065. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
5 candidate may accept a contribution only during an election campaign.

6 (b) During the election campaign, a candidate for the office of  
7 governor or lieutenant governor may not accept

8 (1) more than \$1,000 in contributions from a person, a  
9 corporation, a labor union, or a group other than a political party  
10 and its subdivisions;

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12 tions from corporations, labor unions, and groups other than political  
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7 (e) Except for a candidate for mayor, during an election cam-  
8 paign a candidate for municipal office and a candidate for office not  
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18 (f) Except as provided under (g) of this section, during an  
19 election campaign a candidate for mayor may not accept

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28 (g) Notwithstanding (f) of this section, a candidate for mayor  
29 in a municipality that contains more than one house election district

1 within its boundaries may accept contributions during an election  
2 campaign with a cumulative total under (f)(2) and (3) of this section  
3 multiplied by the number of house election districts that are located  
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11 (h) A candidate is subject to the limitations established in  
12 this section only for the office for which the candidate most recently  
13 filed a declaration of candidacy or nominating petition. A candidate  
14 who withdraws as a candidate for an office and refiles for an office  
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17 tions established for the current candidacy.

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19 (1) for a candidate for a nonstatewide state office who is  
20 not a member of the legislature, the period between September 1 of the  
21 year before the year in which the election will be held through the  
22 day before the date of the general election;

23 (2) for a candidate who is a member of the legislature, the  
24 period between September 1 of the year before the year in which the  
25 election will be held through the day before the date of the general  
26 election but excluding the period of any session of the legislature;

27 (3) for a candidate for a statewide office, the period  
28 between September 1 of the year that is two years before the year in  
29 which the election will be held through the day before the date of the

1 general election;

2 (4) for a candidate for municipal office, the period 90  
3 days before the date of the municipal election through the day before  
4 the date of the municipal election;

5 (5) for a candidate for municipal office at a run-off elec-  
6 tion, the period from the day after the date of the municipal election  
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8 \* Sec. 5. AS 15.13.070 is amended by adding a new subsection to read:

9 (i) An individual who accepts campaign contributions as a candi-  
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11 personal income at any time. A candidate who has advanced funds to  
12 the campaign may recover the amounts advanced. A candidate shall  
13 dispose of campaign funds that were not spent or obligated during the  
14 election campaign by

15 (1) leaving the funds in a campaign account for a future  
16 election campaign;

17 (2) transferring the funds to an account for the office, in  
18 the case of a successful candidate only, and using the funds only for  
19 communication with constituents and other voters in the state by  
20 telephone, newsletter, or personal contact;

21 (3) donating the funds to an organization that qualifies as  
22 a charitable organization under 26 U.S.C. 501(c);

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24 of a municipality of the state organized under AS 29;

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2       Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIR-  
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5 (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10  
6 a day for each day the delinquency continues as determined by the  
7 commission subject to right of appeal to the superior court. A person  
8 who fails to file a properly completed and certified report within the  
9 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a  
10 civil penalty of not more than \$50 a day for each day the delinquency  
11 continues as determined by the commission subject to right of appeal  
12 to the superior court. A candidate who accepts a contribution in  
13 violation of AS 15.13.065 or 15.13.070 is subject to a civil penalty  
14 of not more than five times the amount of the contribution accepted.  
15 An affidavit stating facts in mitigation may be submitted to the  
16 commission by a person against whom a civil penalty is assessed.  
17 However, the imposition of the penalties prescribed in this section or  
18 in AS 15.13.120 does not excuse that person from filing reports re-  
19 quired by this chapter.

20 \* Sec. 7. AS 15.25.040 is amended by adding a new subsection to read:

21       (e) A statewide candidate may not file a declaration before  
22 September 1 of the year that is two years before the year in which the  
23 election will be held. Except for a statewide candidate, a declara-  
24 tion may not be filed before September 1 of the year before the year  
25 in which the election will be held.

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28 ber 1 of the year that is two years before the year in which the  
29 election will be held. Except for a statewide candidate, a petition

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2 which the election will be held.

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9 \* Sec. 10. AS 29.26.020 is amended by adding a new subsection to read:

10 (c) A nominating petition or declaration of candidacy may not be  
11 filed more than 90 days before the date of the election.

12 \* Sec. 11. The prohibition in AS 15.13.065, as added in sec. 4 of this  
13 Act, against the acceptance of campaign contributions by a candidate for  
14 elective office outside of an election campaign does not apply to the  
15 acceptance by a candidate for

16 (1) state elective office of campaign contributions to retire  
17 debt in existence on November 8, 1988, and the candidate may accept cam-  
18 paign contributions at any time to retire that debt;

19 (2) municipal office of campaign contributions to retire debt in  
20 existence on the day after the first municipal election occurring after  
21 July 1, 1988, and the candidate may accept campaign contributions at any  
22 time to retire that debt.

23 \* Sec. 12. APPLICABILITY. The provisions of secs. 4 - 9 and 11 of this  
24 Act are applicable to state election campaigns started after November 8,  
25 1988. The provisions of secs. 4 - 6 and 10 - 11 of this Act are applicable  
26 to municipal election campaigns started after the day after the first  
27 municipal election occurring after July 1, 1988.

28 \* Sec. 13. AS 15.13.020(h), 15.13.070(a), and AS 24.60.030(g) are  
29 repealed.

1 \* Sec. 14. This Act takes effect July 1, 1988.  
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5-0227T ✓  
Bradley  
2/22/88

Original sponsors: Brown, Ellis,  
Davis, et al.

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE  
2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 137 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Public Offices Commission and  
7 to the duration and financing of election campaigns;  
8 and providing for an effective date."

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

10 \* Section 1. AS 15.13.020(a) is amended to read:

11 (a) There is created in the Department of Administration the  
12 Alaska Public Offices Commission consisting of five members. The  
13 governor shall appoint the members of the commission under (b) and (c)  
14 of this section. The members of the commission are subject to confir-  
15 mation by a majority of the members of the legislature meeting in  
16 joint session.

17 \* Sec. 2. AS 15.13.020(b) is repealed and reenacted to read:

18 (b) As the terms of members expire after each gubernatorial  
19 election, the political party whose candidate for governor received  
20 either the highest or the second highest number of votes for the  
21 office of governor at the election is entitled to nominate two members  
22 of the commission; a political party may not submit nominations in  
23 consecutive years for members whose terms are expiring. The governor  
24 shall make the appointment within 30 days after receiving four nomina-  
25 tions from the central committee or other governing body of the party.

26 \* Sec. 3. AS 15.13.020(c) is repealed and reenacted to read:

27 (c) The members appointed by the governor under (b) of this  
28 subsection shall nominate to the governor, by a majority vote, the  
29 fifth member of the commission when a vacancy occurs in that position.

1 The governor shall either appoint the nominee of the commission or  
2 request a new nomination from the commission.

3 \* Sec. 4. AS 15.13 is amended by adding a new section to read:

4 Sec. 15.13.065. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
5 candidate may accept a contribution only during an election campaign.

6 (b) During the election campaign, a candidate for the office of  
7 governor or lieutenant governor may not accept

8 (1) more than \$1,000 in contributions from a person, a  
9 corporation, a labor union, or a group other than a political party  
10 and its subdivisions;

11 (2) a cumulative total of more than \$40,000 in contribu-  
12 tions from corporations, labor unions, and groups other than political  
13 parties and their subdivisions;

14 (3) a cumulative total of more than \$40,000 in contribu-  
15 tions from political parties and their subdivisions.

16 (c) During the election campaign, a candidate for the state  
17 senate may not accept

18 (1) more than \$1,000 in contributions from a person, a  
19 corporation, a labor union, or a group other than a political party  
20 and its subdivisions;

21 (2) a cumulative total of more than \$20,000 in contribu-  
22 tions from corporations, labor unions, and groups other than political  
23 parties and their subdivisions;

24 (3) a cumulative total of more than \$20,000 in contribu-  
25 tions from political parties and their subdivisions.

26 (d) During the election campaign, a candidate for the state  
27 house of representatives may not accept

28 (1) more than \$1,000 in contributions from a person, a  
29 corporation, a labor union, or a group other than a political party

1 and its subdivisions;

2 (2) a cumulative total of more than \$10,000 in contribu-  
3 tions from corporations, labor unions, and groups other than political  
4 parties and their subdivisions;

5 (3) a cumulative total of more than \$10,000 in contribu-  
6 tions from political parties and their subdivisions.

7 (e) Except for a candidate for mayor, during an election cam-  
8 paign a candidate for municipal office and a candidate for office not  
9 described in (b) - (d) of this section may not accept

10 (1) more than \$1,000 in contributions from a person, a  
11 corporation, a labor union, or a group other than a political party  
12 and its subdivisions;

13 (2) a cumulative total of more than \$10,000 in contribu-  
14 tions from corporations, labor unions, and groups other than political  
15 parties and their subdivisions;

16 (3) a cumulative total of more than \$10,000 in contribu-  
17 tions from political parties and their subdivisions.

18 (f) Except as provided under (g) of this section, during an  
19 election campaign a candidate for mayor may not accept

20 (1) more than \$1,000 in contributions from a person, a  
21 corporation, a labor union, or a group other than a political party  
22 and its subdivisions;

23 (2) a cumulative total of more than \$10,000 in contribu-  
24 tions from corporations, labor unions, and groups other than political  
25 parties and their subdivisions;

26 (3) a cumulative total of more than \$10,000 in contribu-  
27 tions from political parties and their subdivisions.

28 (g) Notwithstanding (f) of this section, a candidate for mayor  
29 in a municipality that contains more than one house election district

1 within its boundaries may accept contributions during an election  
2 campaign with a cumulative total under (f)(2) and (3) of this section  
3 multiplied by the number of house election districts that are located  
4 within the municipality except that a candidate for mayor may not in  
5 any case accept

6 (1) a cumulative total of more than \$40,000 in contribu-  
7 tions from corporations, labor unions, and groups other than political  
8 parties, and their subdivisions;

9 (2) a cumulative total of more than \$40,000 in contribu-  
10 tions from political parties and their subdivisions.

11 (h) A candidate is subject to the limitations established in  
12 this section only for the office for which the candidate most recently  
13 filed a declaration of candidacy or nominating petition. A candidate  
14 who withdraws as a candidate for an office and refiles for an office  
15 with a lower limitation on the acceptance of campaign contributions  
16 shall return the amount of each contribution that exceeds the limita-  
17 tions established for the current candidacy.

18 (i) In this section, "election campaign" means

19 (1) for a candidate for a nonstatewide state office who is  
20 not a member of the legislature, the period between September 1 of the  
21 year before the year in which the election will be held through the  
22 day before the date of the general election;

23 (2) for a candidate who is a member of the legislature, the  
24 period between September 1 of the year before the year in which the  
25 election will be held through the day before the date of the general  
26 election but excluding the period of any session of the legislature;

27 (3) for a candidate for a statewide office, the period  
28 between September 1 of the year that is two years before the year in  
29 which the election will be held through the day before the date of the

1 general election;

2 (4) for a candidate for municipal office, the period 90  
3 days before the date of the municipal election through the day before  
4 the date of the municipal election;

5 (5) for a candidate for municipal office at a run-off elec-  
6 tion, the period from the day after the date of the municipal election  
7 through the day before the date of the run-off election.

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

9 (i) An individual who accepts campaign contributions as a candi-  
10 date for public office may not convert surplus campaign funds to  
11 personal income at any time. A candidate who has advanced funds to  
12 the campaign may recover the amounts advanced. A candidate shall  
13 dispose of campaign funds that were not spent or obligated during the  
14 election campaign by

15 (1) leaving the funds in a campaign account for a future  
16 election campaign;

17 (2) transferring the funds to an account for the office, in  
18 the case of a successful candidate only, and using the funds only for  
19 communication with constituents and other voters in the state by  
20 telephone, newsletter, or personal contact;

21 (3) donating the funds to an organization that qualifies as  
22 a charitable organization under 26 U.S.C. 501(c);

23 (4) donating the funds to the general fund of the state or  
24 of a municipality of the state organized under AS 29;

25 (5) returning the funds to contributors on a pro rata  
26 basis; or

27 (6) making campaign contributions not in violation of  
28 AS 15.13.065 to another candidate or group or by making independent  
29 expenditures.

1 \* Sec. 6. AS 15.13.125 is amended to read:

2       Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIR-  
3 ED REPORTS]. A person who fails to file a properly completed and  
4 certified report within the time required by AS 15.13.110(a)(1), (3),  
5 (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10  
6 a day for each day the delinquency continues as determined by the  
7 commission subject to right of appeal to the superior court. A person  
8 who fails to file a properly completed and certified report within the  
9 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a  
10 civil penalty of not more than \$50 a day for each day the delinquency  
11 continues as determined by the commission subject to right of appeal  
12 to the superior court. A candidate who accepts a contribution in  
13 violation of AS 15.13.065 or 15.13.070 is subject to a civil penalty  
14 of not more than five times the amount of the contribution accepted.  
15 An affidavit stating facts in mitigation may be submitted to the  
16 commission by a person against whom a civil penalty is assessed.  
17 However, the imposition of the penalties prescribed in this section or  
18 in AS 15.13.120 does not excuse that person from filing reports re-  
19 quired by this chapter.

20 \* Sec. 7. AS 15.25.040 is amended by adding a new subsection to read:

21       (e) A statewide candidate may not file a declaration before  
22 September 1 of the year that is two years before the year in which the  
23 election will be held. Except for a statewide candidate, a declara-  
24 tion may not be filed before September 1 of the year before the year  
25 in which the election will be held.

26 \* Sec. 8. AS 15.25.150 is amended by adding a new subsection to read:

27       (b) A statewide candidate may not file a petition before Septem-  
28 ber 1 of the year that is two years before the year in which the  
29 election will be held. Except for a statewide candidate, a petition

1 may not be filed before September 1 of the year before the year in  
2 which the election will be held.

3 \* Sec. 9. AS 24.60.030(f) is amended to read:

4 (f) It is a conflict of interest for a member of the legislature  
5 to accept campaign contributions [MONEY FROM AN EVENT HELD WITHIN THE  
6 CAPITAL CITY] during the session [IF A SUBSTANTIAL PURPOSE OF THE  
7 EVENT IS TO RAISE MONEY ON BEHALF OF THE MEMBER FOR STATE LEGISLATIVE  
8 CAMPAIGN PURPOSES OR FOR OTHER STATE LEGISLATIVE-POLITICAL PURPOSES].

9 \* Sec. 10. AS 29.26.020 is amended by adding a new subsection to read:

10 (c) A nominating petition or declaration of candidacy may not be  
11 filed more than 90 days before the date of the election.

12 *Amf* \* Sec. 11. The prohibition in AS 15.13.065, as added in sec. 4 of this  
13 Act, against the acceptance of campaign contributions by a candidate for  
14 elective office outside of an election campaign does not apply to the  
15 acceptance by a candidate for

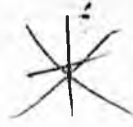
16 (1) state elective office of campaign contributions to retire  
17 debt in existence on November 8, 1988, and the candidate may accept cam-  
18 paign contributions at any time to retire that debt;

19 (2) municipal office of campaign contributions to retire debt in  
20 existence on the day after the first municipal election occurring after  
21 July 1, 1988, and the candidate may accept campaign contributions at any  
22 time to retire that debt.

23 \* Sec. 12. APPLICABILITY. The provisions of secs. 4 - 9 and 11 of this  
24 Act are applicable to state election campaigns started after November 8,  
25 1988. The provisions of secs. 4 - 6 and 10 - 11 of this Act are applicable  
26 to municipal election campaigns started after the day after the first  
27 municipal election occurring after July 1, 1988.

28 \* Sec. 13. AS 15.13.020(h), 15.13.070(a), and AS 24.60.030(g) are  
29 repealed.

1 \* Sec. 14. This Act takes effect July 1, 1988.  
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5-02271  
Bradley  
2/19/88

Original sponsors: Brown, Ellis,  
Davis, et al.

P1, L24  
P3, L2-8  
P, L13

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 137 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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7 to the duration and financing of election campaigns;  
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12 Alaska Public Offices Commission consisting of five members. The  
13 governor shall appoint the members of the commission under (b) and (c)  
14 of this section. The members of the commission are subject to confir-  
15 mation by a majority of the members of the legislature meeting in  
16 joint session.

17 \* Sec. 2. AS 15.13.020(b) is repealed and reenacted to read:

18 (b) Except as provided in (c) of this section, each year the  
19 political party whose candidate for governor received either the  
20 highest or the second highest number of votes for the office of gover-  
21 nor at the most recent preceding gubernatorial election shall submit  
22 nominations to the governor for two of the five members of the commis-  
23 sion. [A political party may not submit nominations for a member of  
24 the commission in any two consecutive years.] The governor shall make  
25 the appointment within 30 days after receiving four nominations from  
26 the central committee or other governing body of the party.

27 \* Sec. 3. AS 15.13.020(c) is repealed and reenacted to read:

28 (c) The members appointed by the governor under (b) of this  
29 subsection shall nominate to the governor, by a majority vote, the

1 fifth member of the commission when a vacancy occurs in that position.  
2 The governor shall either appoint the nominee of the commission or  
3 request a new nomination from the commission.

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5 Sec. 15.13.065. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
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9 (1) more than \$1,000 in contributions from a person, a  
10 corporation, a labor union, or a group other than a political party  
11 and its subdivisions;

12 (2) a cumulative total of more than \$40,000 in contribu-  
13 tions from corporations, labor unions, and groups other than political  
14 parties and their subdivisions;

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16 tions from political parties and their subdivisions.

17 (c) During the election campaign, a candidate for the state  
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19 (1) more than \$1,000 in contributions from a person, a  
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24 parties and their subdivisions;

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28 house of representatives may not accept

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5 parties and their subdivisions;

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7 tions from political parties and their subdivisions.

8 (e) Except for a candidate for mayor, during an election cam-  
9 paign a candidate for municipal office and a candidate for office not  
10 described in (b) - (d) of this section may not accept

11 (1) more than \$1,000 in contributions from a person, a  
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13 and its subdivisions;

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15 tions from corporations, labor unions, and groups other than political  
16 parties and their subdivisions;

17 (3) a cumulative total of more than \$10,000 in contribu-  
18 tions from political parties and their subdivisions.

19 (f) Except as provided under (g) of this section, during an  
20 election campaign a candidate for mayor may not accept

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26 parties and their subdivisions;

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29 (g) Notwithstanding (f) of this section, a candidate for mayor

1 in a municipality that contains more than one house election district  
2 within its boundaries may accept contributions during an election  
3 campaign with a cumulative total under (f)(2) and (3) of this section  
4 multiplied by the number of house election districts that are located  
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12 (h) A candidate is subject to the limitations established in  
13 this section only for the office for which the candidate most recently  
14 filed a declaration of candidacy or nominating petition. A candidate  
15 who withdraws as a candidate for an office and refiles for an office  
16 with a lower limitation on the acceptance of campaign contributions  
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18 tions established for the current candidacy.

19 (i) In this section, "election campaign" means

20 (1) for a candidate for a nonstatewide state office who is  
21 not a member of the legislature, the period between September 1 of the  
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23 day before the date of the general election;

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25 period between September 1 of the year before the year in which the  
26 election will be held through the day before the date of the general  
27 election but excluding the period of any session of the legislature;

28 (3) for a candidate for a statewide office, the period  
29 between September 1 of the year that is two years before the year in

which the election will be held through the day before the date of the general election;

(4) for a candidate for municipal office,

(A) the period one year before the date of the municipal election through the day before the date of the municipal

election; and

(B) the period from the day after the date of the municipal election through the day before the date of the run-off election, if one is held.

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

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(1) leaving the funds in a campaign account for a future election campaign;

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(3) donating the funds to an organization that qualifies as a charitable organization under 26 U.S.C. 501(c);

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(6) making campaign contributions not in violation of

① 1 year - 790 days  
② 1-day hole  
③ Limit - run-off to those who make it in.

1 AS 15.13.065 to another candidate or group or by making independent  
2 expenditures.

3 \* Sec. 6. AS 15.13.125 is amended to read:

4 Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIR-  
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7 (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10  
8 a day for each day the delinquency continues as determined by the  
9 commission subject to right of appeal to the superior court. A person  
10 who fails to file a properly completed and certified report within the  
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16 of not more than five times the amount of the contribution accepted.

17 An affidavit stating facts in mitigation may be submitted to the  
18 commission by a person against whom a civil penalty is assessed.  
19 However, the imposition of the penalties prescribed in this section or  
20 in AS 15.13.120 does not excuse that person from filing reports re-  
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23 (e) A statewide candidate may not file a declaration before  
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12 *90 days* (c) A nominating petition or declaration of candidacy may not be  
13 filed more than one year before the date of the election.

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15 Act, against the acceptance of campaign contributions by a candidate for  
16 elective office outside of an election campaign does not apply to the  
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19 debt in existence on November 8, 1988, and the candidate may accept cam-  
20 paign contributions at any time to retire that debt;

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22 existence on the day after the first municipal election occurring after  
23 July 1, 1988, and the candidate may accept campaign contributions at any  
24 time to retire that debt.

25 \* Sec. 12. APPLICABILITY. The provisions of secs. 4 - 9 and 11 of this  
26 Act are applicable to state election campaigns started after November 8,  
27 1988. The provisions of secs. 4 - 6 and 10 - 11 of this Act are applicable  
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*Adopted*

- CS
- ① 1st 4 secs new, from Gov's bill re Appointment of APOL 5-0227T Bradley 2/1/88 ✓
- ② Pa 3, Line 18 - Conforming to APOL Reg. Language
- ③ Drafting error p 5, L 23 make more clear

Original sponsors: Brown, Ellis, Davis, et al.

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15 mation by a majority of the members of the legislature meeting in

16 joint session.

17 \* Sec. 2. AS 15.13.020(b) is repealed and reenacted to read:

18 (b) Each of the two political parties whose candidates for

19 governor received the highest and the second highest number of votes

20 for the office of governor at the most recent preceding gubernatorial

21 election is, as vacancies occur, entitled to submit nominations to the

22 governor for two of the five members of the commission. The governor

23 shall make the appointment within 30 days after receiving four nomina-

24 tions from the central committee or other governing body of the party.

25 \* Sec. 3. AS 15.13.020(c) is repealed and reenacted to read:

26 (c) The members appointed by the governor under (b) of this

27 subsection shall nominate to the governor, by a majority vote, the

28 fifth member of the commission when a vacancy occurs in that position.

29 The governor shall either appoint the nominee of the commission or

1 request a new nomination from the commission.

2 \* Sec. 4. AS 15.13.020(d) is amended to read:

3 (d) [UPON SELECTION OF THE COMMISSION'S FIFTH MEMBER, THE COM-  
4 MISSION'S FOUR MEMBERS SELECTED UNDER (b) OF THIS SECTION SHALL DRAW  
5 LOTS TO DETERMINE THE LENGTH OF THEIR TERMS OF OFFICE SO THAT ONE  
6 COMMISSION MEMBER SERVES ONE YEAR, ONE SERVES TWO YEARS, ONE SERVES  
7 THREE YEARS AND ONE SERVES FOUR YEARS. HOWEVER, THE TERMS OF NO TWO  
8 COMMISSION MEMBERS WHO ARE MEMBERS OF THE SAME POLITICAL PARTY MAY  
9 EXPIRE IN CONSECUTIVE YEARS. THE TERM OF OFFICE OF THE FIFTH MEMBER,  
10 APPOINTED UNDER (c) OF THIS SECTION, EXPIRES IN THE FIFTH YEAR.]  
11 Terms of office of the [INITIAL] appointees to the commission [,  
12 INCLUDING THE FIFTH MEMBER, SHALL] date from February 1 before their  
13 appointment. The [AFTER THE TERMS OF OFFICE OF THE INITIAL APPOINTEES  
14 TO THE COMMISSION EXPIRE, THE] term of office of a member of the  
15 commission is five years and [, OR] until a [HIS] successor is ap-  
16 pointed and qualifies. A [NO] commission member may not serve more  
17 than one term. An individual [HOWEVER, INITIAL APPOINTEES TO THE  
18 COMMISSION WHO DO NOT SERVE A FULL FIVE-YEAR TERM AND A PERSON] ap-  
19 pointed to fill an [THE] unexpired term [OF HIS PREDECESSOR] may be  
20 appointed to a successive full five-year term.

21 \* Sec. 5. AS 15.13 is amended by adding a new section to read:

22 Sec. 15.13.065. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
23 candidate may accept a campaign contribution only during an election  
24 campaign after filing a declaration of candidacy or a nominating  
25 petition.

26 (b) In this section, "election campaign" means:

27 (1) for a candidate for a nonstatewide state office, the  
28 period between the day after the adjournment sine die of the second  
29 regular session of the legislature through the day before the date of

1 the general election;

2 (2) for a candidate for a statewide office, the period  
3 between January 2 of the year of the election through the day before  
4 the date of the general election;

5 (3) for a candidate for municipal office, the period

6 (A) 90 days before the date of the municipal election  
7 through the day before the date of the municipal election; and

8 (B) from the day after the date of the municipal  
9 election through the day before the date of the run-off election,  
10 if one is held.

11 \* Sec. 6. AS 15.13.070 is amended by adding a new subsection to read:

12 (i) An individual who accepts campaign contributions as a candi-  
13 date for public office may not convert surplus campaign funds to  
14 personal income at any time. A candidate who has advanced funds to  
15 the campaign may recover the amounts advanced. A candidate shall  
16 dispose of campaign funds that were not spent or obligated during the  
17 election campaign by

18 (1) leaving the funds in a campaign account for a future  
19 election campaign;

20 (2) transferring the funds to an account for the office, in  
21 the case of a successful candidate only, and using the funds only for  
22 communication with constituents and other voters in the state by  
23 telephone, newsletter, or personal contact;

24 (3) donating the funds to an organization that qualifies as  
25 a charitable organization under 26 U.S.C. 501(c);

26 (4) donating the funds to the general fund of the state or  
27 of a municipality of the state organized under AS 29;

28 (5) returning the funds to contributors on a pro rata  
29 basis; or

1 (6) making campaign contributions not in violation of  
2 AS 15.13.070(a) to another candidate or group or by making independent  
3 expenditures.

4 \* Sec. 7. AS 15.13.125 is amended to read:

5 Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIR-  
6 ED REPORTS]. A person who fails to file a properly completed and  
7 certified report within the time required by AS 15.13.110(a)(1), (3),  
8 (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10  
9 a day for each day the delinquency continues as determined by the  
10 commission subject to right of appeal to the superior court. A person  
11 who fails to file a properly completed and certified report within the  
12 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a  
13 civil penalty of not more than \$50 a day for each day the delinquency  
14 continues as determined by the commission subject to right of appeal  
15 to the superior court. A candidate who accepts a contribution in  
16 violation of AS 15.13.065 or 15.13.070 is subject to a civil penalty  
17 of not more than five times the amount of the contribution accepted.

18 An affidavit stating facts in mitigation may be submitted to the  
19 commission by a person against whom a civil penalty is assessed.  
20 However, the imposition of the penalties prescribed in this section or  
21 in AS 15.13.120 does not excuse that person from filing reports re-  
22 quired by this chapter.

23 \* Sec. 8. AS 15.25.040 is amended by adding a new subsection to read:

24 (e) A statewide candidate may not file a declaration before  
25 January 2 of the year in which the election will be held. Except for  
26 a statewide candidate, a declaration may not be filed before the day  
27 after the adjournment sine die of the second regular session of the  
28 legislature.

29 \* Sec. 9. AS 15.25.150 is amended by adding a new subsection to read:

1 (b) A statewide candidate may not file a petition before  
2 January 2 of the year in which the election will be held. Except for  
3 a statewide candidate, a petition may not be filed before the day  
4 after the adjournment sine die of the second regular session of the  
5 legislature.

6 \* Sec. 10. AS 24.60.030(f) is amended to read:

7 (f) It is a conflict of interest for a member of the legislature  
8 to accept campaign contributions except during an election campaign  
9 described in AS 15.13.065 [MONEY FROM AN EVENT HELD WITHIN THE CAPITAL  
10 CITY DURING THE SESSION IF A SUBSTANTIAL PURPOSE OF THE EVENT IS TO  
11 RAISE MONEY ON BEHALF OF THE MEMBER FOR STATE LEGISLATIVE CAMPAIGN  
12 PURPOSES OR FOR OTHER STATE LEGISLATIVE POLITICAL PURPOSES].

13 \* Sec. 11. AS 29.26.020 is amended by adding a new subsection to read:

14 (c) A nominating petition or declaration of candidacy may not be  
15 filed more than 90 days before the date of the election.

16 \* Sec. 12. The prohibition in AS 15.13.065, as added in sec. 5 of this  
17 Act, against the acceptance of campaign contributions by a candidate for  
18 elective office outside of an election campaign does not apply to the  
19 acceptance by a candidate for

20 (1) state elective office of campaign contributions to retire  
21 debt in existence on November 8, 1988, and the candidate may accept cam-  
22 paign contributions at any time to retire that debt;

23 (2) municipal office of campaign contributions to retire debt in  
24 existence on the day after the first municipal election occurring after  
25 July 1, 1988, and the candidate may accept campaign contributions at any  
26 time to retire that debt.

27 \* Sec. 13. AS 24.60.030(g) is repealed.

28 \* Sec. 14. APPLICABILITY. The provisions of secs. 5 - 11 of this Act  
29 are applicable to state election campaigns started after November 8, 1988.

1 are applicable to state election campaigns started after November 8, 1988.  
2 The provisions of secs. 5 - 11 of this Act are applicable to municipal  
3 election campaigns started after the day after the first municipal election  
4 occurring after July 1, 1988.

5 \* Sec. 15. This Act takes effect July 1, 1988.  
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*Key*

Original sponsors: Brown, Ellis,  
Davis, et al.

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IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 137 (State Affairs)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the duration and financing of  
election campaigns."

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

\* Section 1. AS 15.13 is amended by adding a new section to read:

Sec. 15.13.065. LIMITATIONS ON ACCEPTING CONTRIBUTIONS. (a) A  
candidate may accept a contribution only during an election campaign.

(b) During the election campaign, a candidate for the office of  
governor or lieutenant governor may not accept

(1) more than \$1,000 in contributions from a person, a  
corporation, a labor union, or a group other than a political party  
and its subdivisions;

*State more generally*  
(2) a cumulative total of more than \$40,000 in contribu-  
tions from corporations, labor unions, and groups other than political  
parties and their subdivisions;

(3) a cumulative total of more than \$40,000 in contribu-  
tions from political parties and their subdivisions.

(c) During the election campaign, a candidate for the state  
senate may not accept

(1) more than \$1,000 in contributions from a person, a  
corporation, a labor union, or a group other than a political party  
and its subdivisions;

(2) a cumulative total of more than \$20,000 in contribu-  
tions from corporations, labor unions, and groups other than political  
parties and their subdivisions;

1  
2 (3) a cumulative total of more than \$20,000 in contribu-  
3 tions from political parties and their subdivisions.

4 (d) During the election campaign, a candidate for the state  
5 house of representatives may not accept

6 (1) more than \$1,000 in contributions from a person, a  
7 corporation, a labor union, or a group other than a political party  
8 and its subdivisions;

9 (2) a cumulative total of more than \$10,000 in contribu-  
10 tions from corporations, labor unions, and groups other than political  
11 parties and their subdivisions;

12 (3) a cumulative total of more than \$10,000 in contribu-  
13 tions from political parties and their subdivisions.

14 *Municipal*  
*except mayor* (e) Except for a candidate for mayor, during an election cam-  
15 paign a candidate for municipal office and a candidate for office not  
16 described in (b) - (d) of this section may not accept

17 (1) more than \$1,000 in contributions from a person, a  
18 corporation, a labor union, or a group other than a political party  
19 and its subdivisions;

20 (2) a cumulative total of more than \$10,000 in contribu-  
21 tions from corporations, labor unions, and groups other than political  
22 parties and their subdivisions;

23 (3) a cumulative total of more than \$10,000 in contribu-  
24 tions from political parties and their subdivisions.

25 (f) Except as provided under (g) of this section, during an  
26 election campaign a candidate for mayor may not accept

27 (1) more than \$1,000 in contributions from a person, a  
28 corporation, a labor union, or a group other than a political party  
29 and its subdivisions;

(2) a cumulative total of more than \$10,000 in

1 contributions from corporations, labor unions, and groups other than  
2 political parties and their subdivisions;

3 (3) a cumulative total of more than \$10,000 in contribu-  
4 tions from political parties and their subdivisions.

5 (g) Notwithstanding (f) of this section, a candidate for mayor  
6 in a municipality that contains more than one house election district  
7 within its boundaries may accept contributions during an election  
8 campaign with a cumulative total under (f)(2) and (3) of this section  
9 multiplied by the number of house election districts that are located  
10 within the municipality.

11 (h) A candidate is subject to the limitations established in  
12 this section only for the office for which the candidate most recently  
13 filed a declaration of candidacy or nominating petition. A candidate  
14 who withdraws as a candidate for an office and refiles for an office  
15 with a lower limitation on the acceptance of campaign contributions  
16 shall return the amount of each contribution that exceeds the limita-  
17 tions established for the current candidacy. [Notwithstanding the  
18 provisions of this subsection, a candidate is not required to return a  
19 contribution spent in a good faith effort to seek election to the  
20 office with the higher limitation.]

21 *OT?*  
*Enforcement*  
22 (i) In this section, "election campaign" means:

23 *14 months*  
24 (1) for a candidate for a nonstatewide state office, the  
25 period between September 1 of the year before the year in which the  
26 election will be held through the day before the date of the general  
27 election;

28 *24 months*  
29 (2) for a candidate for a statewide office, the period  
between September 1 of the year that is two years before the year in  
which the election will be held through the day before the date of the  
general election;

(3) for a candidate for municipal office, {either of the following periods, considered separately:}

(A) the period one year before the date of the municipal election through the day before the date of the ~~general~~ election; *See Jud CS*

(B) the period from the day after the date of the municipal election through the day before the date of the run-off election, if one is held.

\* Sec. 2. AS 15.13.070 is amended by adding a new subsection to read:

(i) An individual who accepts campaign contributions as a candidate for public office may not convert surplus campaign funds to personal income at any time. A candidate shall dispose of campaign funds that were not spent during the election campaign by

(1) transferring the funds to an account for a future state election campaign;

(2) transferring the funds to *repay himself, candidate if he made contributions to his own campaign* *before the election* ce, in ly for ate by

(3) donating the funds a charitable organization under 26 ies as

(4) donating the funds of a municipality of the state org ate or

(5) returning the funds to contributors on a pro rata basis; or

(6) making campaign contributions to another candidate, *group or ballot proposition not to exceed 1,000.*

\* Sec. 3. AS 15.13.125 is amended to read:

Sec. 15.13.125. CIVIL PENALTIES [PENALTY: LATE FILING OF REQUIRED REPORTS]. A person who fails to file a properly completed and

*Review 1/27/06*

*Same CS 1/27/06*

1 certified report within the time required by AS 15.13.110(a)(1), (3),  
2 (4) or 15.13.110(d) is subject to a civil penalty of not more than \$10  
3 a day for each day the delinquency continues as determined by the  
4 commission subject to right of appeal to the superior court. A person  
5 who fails to file a properly completed and certified report within the  
6 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a  
7 civil penalty of not more than \$50 a day for each day the delinquency  
8 continues as determined by the commission subject to right of appeal  
9 to the superior court. A candidate who accepts a contribution in  
10 violation of AS 15.13.065 or 15.13.070 is subject to a civil penalty  
11 of not more than five times the amount of the contribution accepted.  
12 An affidavit stating facts in mitigation may be submitted to the  
13 commission by a person against whom a civil penalty is assessed.  
14 However, the imposition of the penalties prescribed in this section or  
15 in AS 15.13.120 does not excuse that person from filing reports re-  
16 quired by this chapter.

17  
18 \* Sec. 4. AS 15.25.040 is amended by adding a new subsection to read:

19 (e) A statewide candidate may not file a declaration before  
20 September 1 of the year that is two years before the year in which the  
21 election will be held. Except for a statewide candidate, a declara-  
22 tion may not be filed before September 1 of the year before the year  
23 in which the election will be held.

24 \* Sec. 5. AS 15.25.150 is amended by adding a new subsection to read:

25 (b) A statewide candidate may not file a petition before  
26 September 1 of the year that is two years before the year in which the  
27 election will be held. Except for a statewide candidate, a petition  
28 may not be filed before September 1 of the year before the year in  
29 which the election will be held.

\* Sec. 6. AS 24.60.030(f) is amended to read:

1 (f) It is a conflict of interest for a member of the legislature  
2 to accept campaign contributions [MONEY FROM AN EVENT HELD WITHIN THE  
3 CAPITAL CITY] during the session [IF A SUBSTANTIAL PURPOSE OF THE  
4 EVENT IS TO RAISE MONEY ON BEHALF OF THE MEMBER FOR STATE LEGISLATIVE  
5 CAMPAIGN PURPOSES OR FOR OTHER STATE LEGISLATIVE POLITICAL PURPOSES].

6 \* Sec. 7. AS 29.26.020 is amended by adding a new subsection to read:

7 (c) A nominating petition or declaration of candidacy may not be  
8 filed more than one year before the date of the election.

9 \* Sec. 8. The prohibition in AS 15.13.065, as added by sec. 1 of this  
10 Act, against a candidate accepting a contribution after the date of the  
11 general election through the dates specified in AS 15.13.065 does not apply  
12 to contributions accepted by a candidate or elected public official after  
13 the effective date of this Act that are used to retire campaign debt in  
14 existence on January 1, 1988.

15 \* Sec. 9. AS 15.13.070(a) and AS 24.60.030(g) are repealed.

16 *Exception for campaign contributors*

17 *see 2 AAC 50.401 - Post Election Fundraising*

18 *Dec 3*

19  
20  
21 *Now - how much debt do they have? Can they hold a fundraiser  
22 to recoup it? File letter saying they want to recoup  
23 X debt, who's found (which report) allow*

24 *them a year or two to recoup. Average 5-10,000.*

25  
26 *could distinguish statutory cases - or longer  
27 depend on how much debt*

FISCAL NOTE

REQUEST:

Revision Date: 2/24/88  
Title: "An act relating to the duration & financing of election campaigns"  
Sponsor: Brown, et. al.  
Requestor: House Judiciary

Agency Affected: AK Public Offices Commissio  
BRU: \_\_\_\_\_  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		98.7	80.5	80.5	80.5	80.5
TRAVEL			.4	.4	.4	.4
CONTRACTUAL		9.2	.8	.8	.8	.8
SUPPLIES		1.2	.8	.8	.8	.8
EQUIPMENT		4.6	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		113.7	82.5	82.5	82.5	82.5

CAPITAL		0	0	0	0	0
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REVENUE		0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND		113.7	82.5	82.5	82.5	82.5
FEDERAL FUNDS						
OTHER						
TOTAL		113.7	82.5	82.5	82.5	82.5

POSITIONS:

FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY		1	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Please see attached pages.

Prepared by: Karla L. Forsythe, Executive Director Phone: (907) 276-4176  
Division: Alaska Public Offices Commission Date: 2/24/88

Approved by Commissioner: Daniel Patrick O'Tierney \* Date: 2/24/88  
Agency: Alaska Public Offices Commission

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

\*Although the Commission chair is not available to sign this fiscal note, his signature appears on an identical fiscal note on SS HB 137, dated 1/12/88.

CS SS HB 137 (Judiciary)  
Fiscal Detail

1. Personal Services

Permanent Full-time:

Range 12A, Administrative Assistant I, to  
monitor and render specific disclosure advice  
to those who file reports 35.5

Range 16A, Paralegal II, to assist in investigations  
of violations; to present affidavits appealing fines  
for failure to comply; to pursue collection of fines 45.0

First year, Temporary, 6 months:

Range 16A, Research Analyst II, to prepare initial  
forms, manuals, revise regulations, develop public  
information 18.2

2. Travel

1 trip, annually, for paralegal to pursue investigations  
or fine collections in either Fairbanks or Juneau .4

3. Contractual Services

Ongoing costs:  
telephone, postage, xeroxing @ .4/position .8

First year costs:  
initial, additional costs to redesign manuals 3.0  
modification of computer program to prepare  
required summaries 5.0  
telephone, postage, xeroxing support for Res. Anal. .4

4. Supplies

.4/position annually .8  
.4/temporary, first year only .4

5. Equipment

One time costs:  
2 double floppy computers, with monochrome monitors, 3.2  
dot matrix printers  
2 desks and office chairs 1.6

CS SS HB 137 (Judiciary)  
Fiscal Note Analysis

Enactment of this measure would require substantial revision and expansion of the Alaska Public Office Commission's recordkeeping and tracking systems, as well as greater demand for compliance assistance from staff.

Under current law, candidates in all races are subject to the same contribution limits, with unlimited contributions allowed from political parties. Forms, manuals, monitoring systems, and staff assignments to help candidates with compliance questions are based on a division of campaign disclosure work into two functional areas: candidates and groups.

Although the \$1000 contribution limit for individuals, nonparty groups, corporations and unions would be retained under this bill, the measure would establish new provisions for cumulative limits on contributions, with amounts depending on the race and the source of the contribution. This means that new forms, manuals, recordkeeping procedures, policy guidelines and regulations would have to be developed, broken down by the type of candidate, type of group and type of contributor. Staff would still be required to administer provisions of the law relating to \$1000 contribution limits.

Staff administers the present law by processing campaign disclosure paperwork and by answering questions to assist candidates and groups in complying with the law. Under this bill, requests for advice will also come from contributors, inquiring about the status of candidates' cumulative contribution limits. Additional functional categories based on the type of race and contribution level would require even further specialization among staff, and the addition of another staff member to assist with this work.

Existing manuals and forms would need comprehensive revisions. Assuming this measure became effective in midsummer of 1988, implementation activity would be added to the ongoing workload of the office at the beginning of its busiest time of year. Existing staff could not absorb the work needed to implement the law while continuing to perform ongoing functions. To ensure timely implementation, the office would contract for six months with a position funded at the Range 16 level to redraft forms and manuals, to develop new internal processing procedures, and to review existing regulations for proposed revisions and additions to comport with the new law. Additionally, the new categories which the office would monitor would result in an overall increase in the volume of manuals and forms which the office must print and distribute. The campaign disclosure law also requires summaries of candidate activity. Existing computer programs would be revised to permit data entry and compilation in accordance with these categories, for a contractual services cost of \$5000.

It is anticipated that many more complaints alleging violations of the law would be filed with the commission. An additional staff member with paralegal skills will be needed to carry out the additional investigations, and also to help answer complicated compliance questions (such as those dealing with good faith expenditures by candidates refiling in a race with a lower contribution ceiling).

**FISCAL NOTE**

**REQUEST:**

Revision Date: 1/19/88  
 Title: "An Act relating to the duration & financing of election campaigns"  
 Sponsor: Rep. Brown et al  
 Requestor: House State Affairs

Agency Affected: AK Public Offices Commission  
 BRU: \_\_\_\_\_  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		20.7	20.7	20.7	20.7	20.7
TRAVEL		0	0	0	0	0
CONTRACTUAL SUPPLIES		12.0	12.0	12.0	12.0	12.0
EQUIPMENT		0	0	0	0	0
LAND & STRUCTURES		0	0	0	0	0
GRANTS, CLAIMS		0	0	0	0	0
MISCELLANEOUS		0	0	0	0	0
TOTAL OPERATING	0	32.7	32.7	32.7	32.7	32.7
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

**FUNDING: (Thousands of Dollars)**

GENERAL FUND		32.7	32.7	32.7	32.7	32.7
FEDERAL FUNDS		0	0	0	0	0
OTHER		0	0	0	0	0
TOTAL	0	32.7	32.7	32.7	32.7	32.7

**POSITIONS:**

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	1	1	1	1	1
TEMPORARY	0	0	0	0	0	0

**ANALYSIS : (Attach a separate page if necessary)**

see attached page

Prepared by: *Karla Forsythe* Executive Director Phone: 276 4176  
 Division: AK Public Offices Commission Date: 1/29/88  
 Approved by Commissioner: *Daniel Patrick* Date: 1/29/88  
 Agency: AK Public Offices Commission

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

CS SS HB 137

Fiscal Detail:

1. Personal Services

Permanent, part-time, Paralegal Assistant I, Range 13A,  
to assist filers during election season and pursue  
investigations of contribution violations during the  
remainder of the year.

20.7

2. Contractual Services

4 hearings/year on contribution violations; hearing officer  
and transcription costs

12.0

## CSSH 137

## Fiscal Analysis

This bill replaces the limitations on sources of contributions outlined in SSB 137 with a limitation on the period during which campaign contributions can be accepted. A candidate who accepts contributions outside the prescribed period could be subject to a penalty of up to five times the amount of the contribution.

The previous APOC fiscal note for the sponsor substitute assumed that the primary impact on the agency would be reflected in the need for both new and substantially revised forms, manuals, regulations and procedures. Staff would spend considerable time monitoring campaigns, processing reports, and advising candidates. This implementation activity would focus on disclosure of contributions. Complaints alleging violations would be prioritized and pursued in accordance with resources currently available to the commission.

The committee substitute will primarily impact enforcement. In addition to complaints about violations of current provisions of the campaign disclosure law, complaints also will be filed against candidates who allegedly accept contributions outside the prescribed time, and those who allegedly use surplus funds for purposes other than those specifically allowed by law. As in the sponsor substitute, fines for these violations will be sizeable -- up to five times the amount of the contribution.

It is anticipated that three relatively simple and one complex complaint alleging violations will be filed with APOC for investigation. The position within the agency to whom investigatory duties currently are assigned will not be able to undertake these investigations given ongoing caseload, so a new half-time position with paralegal skills will be required. With a shortened time for candidates to raise funds and file reports, the agency will receive a higher volume of requests for staff assistance within a compressed time period. The new position would also be needed during the election cycle to provide advice to candidates. When the cycle is completed, the position would still be required to complete summaries of activity, update data entry, and audit filed reports, which are given a lower priority during times of high demand for compliance assistance.

Fine assessments will be sufficiently large to generate appeals. To comport with due process requirements in light of the substantial penalty, these matters will be assigned to hearing officers for formal administrative hearings, with final decisions rendered by the commission based on a review of the hearing officers' recommendations. The costs of these additional hearings are based upon the costs of retaining attorneys to serve as hearing officers and transcription expenses.

FISCAL NOTE

REQUEST:

Revision Date: 1/12/88

Title: "An Act relating to the duration & financing of election campaigns"

Sponsor: Rep. Brown, et. al.

Requestor: House State Affairs committee

Agency Affected: Alaska Public Offices Commission  
BRU: \_\_\_\_\_

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		98.7	80.5	80.5	80.5	80.5
TRAVEL			.4	.4	.4	.4
CONTRACTUAL		9.2	.8	.8	.8	.8
SUPPLIES		1.2	.8	.8	.8	.8
EQUIPMENT		4.6	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		113.7	82.5	82.5	82.5	82.5

CAPITAL		0	0	0	0	0
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REVENUE		0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND		113.7	82.5	82.5	82.5	82.5
FEDERAL FUNDS						
OTHER						
TOTAL		113.7	82.5	82.5	82.5	82.5

POSITIONS:

FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY		1	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Please see attached page.

Prepared by: Karla L. Forsythe, Executive Director  
Division: Alaska Public Offices Commission

Phone: 276-4176  
Date: 1/12/88

Approved by Commissioner: Daniel Patrick O'Tierney  
Agency: Alaska Public Offices Commission

Date: 1/12/88

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SS HB 137  
Fiscal Detail

Fiscal Note:

1. Personal Services

Permanent, Fulltime:

Range 12A, Administrative Assistant I, to  
monitor and render specific disclosure advice  
to those who file reports 35.5

Range 16A, Paralegal II, to assist in investigations  
of violations; to present affidavits appealing fines  
for failure to comply; to pursue collection of fines 45.0

First Year, Temporary, 6 months:

Range 16A, Research Analyst II, to prepare initial  
forms, manuals, revise regulations, develop public  
information 18.2

2. Travel

1 trip, annually, for paralegal to pursue investigations  
or fine collections in either Fairbanks or Juneau .4

3. Contractual Services

Ongoing costs:  
telephone, postage, xeroxing @ .4/position .8

First year costs:  
initial, additional costs to redesign manuals 3.0  
modification of computer program to prepare  
required summaries 5.0  
telephone, postage, xeroxing support for Res. Anal. .4

4. Supplies

.4/position annually .8  
.4/temporary, first year only .4

5. Equipment

One time costs:  
2 double floppy computers, with monochrome monitors,  
dot matrix printers 3.2  
2 desks and office chairs 1.6

Fiscal Note Analysis

Enactment of this measure would require substantial revision and expansion of the Alaska Public Office Commission's recordkeeping and tracking systems, as well as greater demand for compliance assistance from staff.

Under current law, candidates in all races are subject to the same contribution limits, with unlimited contributions allowed from political parties. Forms, manuals, monitoring systems, and staff assignments to help candidates with compliance questions are based on a division of campaign disclosure work into two functional areas: candidates and groups.

Although the \$1000 contribution limit for individuals, non-party groups, corporations and unions would be retained under SS HB 137, the measure would establish new provisions for cumulative limits on contributions, with amounts depending on the race and the source of the contribution. This means that new forms, manuals, recordkeeping procedures, policy guidelines and regulations would have to be developed, broken down by type of candidate, type of group and type of contributor. Staff would still be required to administer provisions of the law relating to \$1000 contribution limits.

Staff administers the present law by processing campaign disclosure paperwork and by answering questions to assist candidates and groups in complying with the law. Under SS HB 137, requests for advice will also come from contributors, inquiring about the status of candidates' cumulative contribution limits. Additional functional categories based on type of race and contribution level would require even further specialization among staff, and the addition of another staff member to assist with this work.

Existing manuals and forms would need comprehensive revisions. Assuming this measure became effective in mid-summer of 1988, implementation activity would be added to the ongoing workload of the office at the beginning of its busiest time of year. Existing staff could not absorb the work needed to implement the law while continuing to perform ongoing functions. To ensure timely implementation, the office would contract for six months with a position funded at the Range 16 level to redraft forms and manuals, to develop new internal processing procedures, and to review existing regulations for proposed revisions and additions to comport with the new law. Additionally, the new categories which the office would monitor would result in an overall increase in the volume of manuals and forms which the office must print and distribute. The campaign disclosure law also requires summaries of candidate activity. Existing computer programs would be revised to permit data entry and compilation in accordance with these categories, for a contractual services cost of \$5000.

It is anticipated that many more complaints alleging violations of the law would be filed with the commission. An additional staff member with paralegal skills will be needed to carry out the additional investigations, and also to help answer complicated compliance questions (such as those dealing with good faith expenditures by candidates refiling in a race with a lower contribution ceiling).

Since penalties for violations will probably increase, there will be more of an incentive for candidates to appeal fine assessments recommended by staff. However, the cost of these appeals is not included in the fiscal note, since there is no basis for estimating the number of additional appeals.

# Kay Brown


Alaska State Legislature  
House of Representatives


*Please file*

MAR 22 1988

## MEMORANDUM

TO: All Members of the House

FROM: Representative Kay Brown 

DATE: March 22, 1988 

RE: Campaign Finance Reform

Attached for your review is background material and a copy of CS SS HB 137 (Finance), relating to the Public Offices Commission and the duration and financing of election campaigns. The bill was introduced early last session and has had extensive hearings in three standing committees.

The intent of this measure is to lower the cost of election campaigns so that common citizens, women, and minorities have a fair opportunity to compete for elective office. The bill also seeks to increase the influence of individual citizens relative to special interest groups, and to help restore public confidence in the political process.

The bill would achieve these reforms by establishing a limited period during which contributions may be accepted, and by limiting the amount of contributions a candidate may receive from corporations, labor unions, political action committees, and political parties. An unlimited amount of contributions could be received from individuals, but each individual (as well as corporations, labor unions, and Political Action Committees) would be limited to a contribution of \$1,000 per candidate per campaign, rather than \$1,000 per year as provided in current law.

The bill also would limit post-election fundraising, and would prohibit acceptance of contributions during a legislative session.

P. O. Box 20-2661  
Anchorage, AK 99520-2661  
(907) 272-0207

During Session:  
P. O. Box V  
Juneau, AK 99811  
(907) 465-4998

The reforms proposed in the bill would help free candidates and elected officials to vote and speak their consciences. The bill would allow elected officials to devote more of their energy and attention to public service without the distraction of needing to perpetually raise campaign funds. The bill would help shift the emphasis of our system toward issues and ideas and away from image-making, campaign consulting, poll-taking, and media advertising as the basis for gaining elective office.

We are all aware that politicians generally are not held in high esteem by the public. Without question, the perception of special-interest influence through campaign donations contributes to this public cynicism. This bill is an opportunity to help restore public confidence in our political system.

I would appreciate your careful review and favorable consideration of CS SS HB 137 (Finance), and would welcome the opportunity to answer questions or discuss any concerns you may have. Thank you for your consideration.

**Attachments**

Rep. Kay Brown  
March 18, 1988

### **Campaign Finance Reform: CS SS HB 137 (Finance)**

The Committee Substitute is **comprehensive in scope**, and it covers:

- Governor/Lieutenant Governor (statewide),
- House/Senate, and
- Municipal campaigns.

The bill would:

- **shorten the duration of campaigns** for statewide, legislative, and local races:
  - **Governor/Lt. Governor:** Could begin September 1 two years before the election;
  - **House/Senate:** Could begin September 1 of the year before the election;
  - **Municipal:** Could begin 90 days before the election.
- **set cumulative limits** for contributions from:
  - labor unions, corporations, PACs, and political parties.
- **limit contributions by individuals, labor unions, corporations, and PACs to \$1,000 per campaign (instead of per year).**
- **prohibit members of the legislature from accepting contributions during the session.**
- **prohibit use of contributions as personal income.**
- **limit post-election fundraising** to the year of the election for statewide and legislative candidates, and to the 60 days following the election for local office candidates.
- **establish civil penalties** for accepting an illegal contribution.
- **establish quarterly contribution and expenditure reporting requirements for political parties.**
- **not apply to existing campaign debt.**

Rep. Kay Brown  
 March 22, 1988

**CONTRIBUTION LIMITS PER CANDIDATE PER CAMPAIGN  
 CS SS HB 137 (Finance)**

	<u>HOUSE</u>	<u>SENATE</u>	<u>GOVERNOR AND LT. GOVERNOR</u>	<u>MAYORAL AND MUNICIPAL</u>	<u>MAYORAL with more than one House District</u>
<b>CONTRIBUTOR:</b>					
<b><u>INDIVIDUAL:</u></b>	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b><u>CORPORATION, UNION OR GROUP:</u></b>	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b><u>PARTY:</u></b>	\$20,000	\$40,000	\$80,000	\$20,000	\$20,000 x number of House Districts, not to exceed \$80,000
<b><u>CUMULATIVE TOTAL A CANDIDATE COULD ACCEPT FROM CORPORATIONS, UNIONS, GROUPS AND PARTIES:</u></b>	\$20,000	\$40,000	\$80,000	\$20,000	\$20,000 x number of House Districts, not to exceed \$80,000
<b><u>TOTAL A CANDIDATE COULD ACCEPT FROM INDIVIDUALS:</u></b>	UNLIMITED	UNLIMITED	UNLIMITED	UNLIMITED	UNLIMITED

Rep. Kay Brown  
February 23, 1988

**PROPOSED CS SS HB 137 (Judiciary)**

The proposed Committee Substitute is comprehensive in scope.

The bill covers:

- \* Governor/Lieutenant Governor (statewide),
- \* House/Senate, and
- \* Municipal campaigns.

The bill would:

- shorten the duration of campaigns for statewide, legislative, and local races:
  - \* Governor/Lt. Governor: Could begin September 1 two years before the election;
  - \* House/Senate: Could begin September 1 of the year before the election;
  - \* Municipal: Could begin 90 days before the election.
- set cumulative limits for contributions from:
  - \* labor unions, corporations and PACs, and
  - \* political parties.
- base mayoral contribution limits on number of house districts in a municipality, but not exceeding the limits for statewide races;
- prohibit members of the legislature from accepting contributions during the session;
- prohibit post-election fundraising;
- prohibit use of contributions as personal income;
- establish civil penalties for accepting an illegal contribution;
- not apply to existing campaign debt.

Prepared by:  
Rep. Kay Brown  
Feb. 23, 1988

**SECTIONAL ANALYSIS OF PROPOSED CS SS HB 137 (JUDICIARY)**  
Work Draft Dated February 22, 1988

"An Act relating to the Public Offices Commission and to the duration and financing of election campaigns; and providing for an effective date."

**Section 1** amends AS 15.13.020(a) to provide that the governor shall appoint all members of the Alaska Public Offices Commission in the manner prescribed in (b) and (c) of this section, subject to confirmation by a majority of the legislature meeting in joint session.

**Section 2** repeals and reenacts AS 15.13.020(b) to provide that the governor shall appoint four of the five members of the commission within thirty days after receiving nominations from the major political parties.

**Section 3** repeals and reenacts AS 15.13.020(c) to provide that the four commission members selected under (b) of this section shall nominate to the governor by majority vote the fifth member of the commission when a vacancy occurs in that position. The governor shall either appoint the nominee of the commission or request a new nominee from the commission.

**Section 4** amends AS 15.13 to provide that a candidate can only accept contributions during an election campaign, and limits contributions as follows:

(b) a candidate for governor or lieutenant governor may not accept more than

\$1,000 per campaign from a person, a corporation, a labor union, or group other than a political party;

\$40,000 cumulative total per campaign from corporations, unions, and groups other than political parties; and

\$40,000 cumulative total per campaign from political parties and their subdivisions.

(c) a candidate for the Senate may not accept more than

\$1,000 per campaign from a person, corporation, labor union or group other than a political party or its subdivision;

\$20,000 cumulative total per campaign from corporations, labor unions, or groups other than political parties;

\$20,000 cumulative total per campaign from political parties and their subdivisions.

(d) a candidate for the House may not accept more than:

\$1,000 per campaign from a person, labor union, corporation, or group other than a political party;

\$10,000 cumulative total per campaign from corporations, labor unions, or groups other than political parties;

\$10,000 cumulative total per campaign from political parties and their subdivisions.

(e) a candidate for a municipal office other than mayor may not accept more than:

\$1,000 per campaign from a person, labor union, corporation, or group other than a political party;

\$10,000 cumulative total per campaign from corporations, labor unions, or groups other than political parties;

\$ 10,000 cumulative total per campaign from political parties and their subdivisions.

(f) a candidate for mayor, except as provided under (g) in this section, may not accept more than:

\$1,000 per campaign from a person, labor union, corporation, or group other than a political party;

\$10,000 cumulative total per campaign from corporations, labor unions, or groups other than political parties;

\$10,000 cumulative total per campaign from political parties and their subdivisions.

- (g) notwithstanding (f) above, a candidate for mayor in a municipality with more than one house district may accept contributions with a \$10,000 cumulative total under (f)(2) and a \$10,000 cumulative total under (f)(3) multiplied by the number of house election districts, except that the candidate may not accept

a cumulative total of more than \$40,000 from corporations, labor unions, and groups other than political parties;

a cumulative total of more than \$40,000 from political parties and their subdivisions.

- (h) states that a candidate who withdraws candidacy from one office and refiles for a different office is subject to the limitations only for the office for which the candidate most recently filed. A candidate who withdraws and refiles for an office with a lower limitation on campaign contributions shall return the amount of each contribution that exceeds the limitations of the current candidacy.

- (i) defines election campaign as:

(1) September 1 of the year before the election for state House and Senate non-incumbent challengers;

(2) September 1 of the year before the election, but excluding the legislative session, for incumbent state Senators and Representatives;

(3) September 1 of the year two years before the election for Governor and Lieutenant Governor;

(4)(a) Ninety days before the municipal election for municipal candidates;

- (b) for municipal candidates involved in a run-off election, the period from the day after the election through the day before the date of the run-off.

**Section 5** adds a new subsection (i) covering the use and disposal of surplus campaign funds. Converting campaign funds to personal income is prohibited. A candidate who has advanced funds to the campaign may recover the amounts advanced. A candidate shall dispose of campaign funds that were not spent or obligated during the campaign by:

- (1) leaving the money in a campaign account for a future campaign;
- (2) transferring the funds to an account for the office, in the case of a successful candidate only, and using the funds only for communication with constituents and other voters in the state by telephone, newsletter, or personal contact;
- (3) donating the funds to a charitable organization;
- (4) donating the funds to the general fund of the state or of a municipality of the state;
- (5) returning the funds to contributors on a pro rata basis; or
- (6) making campaign contributions not in violation of AS 15.13.065 to another candidate or group or by making independent expenditures.

**Section 6** establishes a civil penalty for accepting an illegal contribution. The commission could levy a fine of up to five times the amount of the illegal contribution accepted.

**Section 7** conforms the periods for filing of a declaration of candidacy for statewide and House and Senate elections to the changes in Section 4 of the bill.

**Section 8** conforms the periods for filing of a nominating petition for

statewide and House and Senate elections to the changes in Section 4 of the bill.

**Section 9** amends AS 24.60.030(f) to make it a conflict of interest for a legislator to accept a campaign contribution during the session.

**Section 10** conforms the period for filing a nominating petition or a declaration of candidacy for municipal office to the changes in Section 4 of the bill.

**Section 11** provides that the prohibition on accepting contributions outside the defined campaign period does not apply to accepting contributions to retire existing campaign debt.

**Section 12** makes the bill's changes effective after the next general election for statewide, House and Senate campaigns, and after the first municipal election after July 1, 1988.

**Section 13** repeals AS 15.13.020(h), which states that a vacancy on the commission shall be filled within 30 days of the vacancy; AS 15. 3.070(a), which limits campaign contributions to \$1000 per year; and AS 24.60.030(g), Conflicts of Interest, which exempts Juneau legislators from the prohibition on accepting money from campaign fundraisers during a legislative session.

**Section 14** specifies an effective date of July 1, 1988.

Rep. Kay Brown  
February 23, 1988

### CONTRIBUTION LIMITS PER CAMPAIGN

PROPOSED CS SS HB 137 (Judiciary)  
Work Draft Dated February 22

	<u>HOUSE</u>	<u>SENATE</u>	<u>GOVERNOR AND LT. GOVERNOR</u>	<u>MAYORAL AND MUNICIPAL</u>	<u>MAYORAL with more than one House District</u>
BY:					
<u>INDIVIDUAL</u>	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<u>GROUPS</u>	\$1,000	\$1,000	\$1,000	\$1,000	
<b>cumulative:</b>	\$10,000	\$20,000	\$40,000	\$10,000	\$10,000 x number of House Districts, not to exceed \$40,000
<u>PARTIES</u>					
<b>cumulative:</b>	\$10,000	\$20,000	\$40,000	\$10,000	\$10,000 x number of House Districts, not to exceed \$40,000

Rep. Kay Brown  
 Feb. 23, 1988  
 Proposed CS SS HB 137(Judiciary)  
 Work Draft Feb. 22, 1988  
 Section 4(g)

**IMPACT OF CAP ON MAYORAL RACE CONTRIBUTIONS  
 IN MUNICIPALITIES WITH ONE OR MORE HOUSE DISTRICTS**

<u>MUNICIPALITY</u>	<u>NUMBER OF HOUSE DISTRICTS</u>	<u>POTENTIAL FROM CORPS. UNIONS. PACS</u>	<u>POTENTIAL FROM POLITICAL PARTIES</u>	<u>POTENTIAL FROM INDIVIDUALS</u>	<u>TOTAL POTENTIAL</u>
Anchorage	9 (17 seats)	\$ 40,000	\$ 40,000	Unlimited	\$ 80,000 +
Fairbanks	4 (5 seats)	\$ 40,000	\$ 40,000	Unlimited	\$ 80,000 +
Juneau	1 (2 seats)	\$ 10,000	\$ 10,000	Unlimited	\$ 20,000 +
Kenai Borough	1 (2 seats)	\$ 10,000	\$ 10,000	Unlimited	\$ 20,000 +
North Slope Borough	1 (1 seat)	\$ 10,000	\$ 10,000	Unlimited	\$ 20,000 +
Ketchikan	1 (2 seats)	\$ 10,000	\$ 10,000	Unlimited	\$ 20,000 +
Mat-Su Borough	1 (2 seats)	\$ 10,000	\$ 10,000	Unlimited	\$ 20,000 +

Notes on campaign finance reform, Feb. 1, 1988  
by Rep. Kay Brown

### **Why reform campaign finance laws?**

- Skyrocketing costs for media advertising and other modern campaign techniques have raised the costs of running for public office to unacceptably high levels, and have caused candidates for public office to seek and accept campaign funds from special interests.
- Candidates' reliance on special interest funds contributes to public cynicism about our political process.
- The current system of financing campaigns has a deleterious effect on women and minorities seeking public office because these groups have been excluded from the "old boys" networks that have traditionally raised campaign funds.
- The vast majority of PAC money goes to incumbents, thereby further discriminating against women and minorities.
- Reform is needed to restore public confidence and to reduce the influence of money and special interests on the political process, thereby improving the quality of decision making.

### **Possible partial solutions:**

- Limit the length of campaigns.
- Limit (or prohibit) contributions by corporations, PACs, unions, and parties.

### **Benefits of a shorter campaign:**

- Elimination of post-election fundraising would remove opportunities for conflicts of interest and discourage accumulation of personal debt.
- Elimination of fundraising during session would remove the conflicts and apparent conflicts of interest.
- Less money would be raised and spent during a shorter campaign.
- The amount that could be contributed by an individual, corporation, union, or PAC would be reduced by at least half by allowing contributions only during the year of the campaign, rather than in multiple years.

- More emphasis would be placed on issues and ideas and less on a candidate's ability to raise money.
- The public would get a breather from constant campaigning and solicitations for contributions.
- Public officials would have more time and energy to spend on public business without the distraction of constant fundraising.
- Regarding concerns that shorter campaigns would give an even greater advantage to incumbents, nothing in the proposed bill precludes challengers from planning the campaign, attending community council meetings, participating in community organizations and events, organizing volunteers, even going door-to-door. Money could be spent for polling and travel at any time, and personal funds loaned for this purpose could be recouped from campaign funds.

Rep. Kay Brown  
Jan. 15, 1988

CHANGES IN PROPOSED CS SS HB 137 (STATE AFFAIRS)  
Work Draft 1-15-88

Several sections have been modified in the new proposed CS, including:

- Sections 1 (b); 4, 5.** • Campaigns could begin the day after adjournment of the legislative session, in the election year, for House and Senate races; Jan. 2 of the election year for statewide races; and 90 days before the election for municipal races.
- Sec. 2 (i)** • A candidate may recover loans he made to his own campaign.
- Sec. 10** • Applicability: state election campaigns started after November 8, 1988 and municipal elections started after the day after the first municipal election occurring after July 1, 1988.
- Sec. 11** • Effective Date of July 1, 1988.

Rep. Kay Brown  
Jan. 15, 1988

**PROPOSED CS SS HB 137 (State Affairs)**  
(Work Draft 1-15-88)

The new proposed Committee Substitute would:

- shorten the length of campaigns for statewide (Governor/  
Lieutenant Governor), Senate, House, and Municipal elections
- prohibit post-election fundraising
- prohibit use of contributions as personal income
- establish civil penalties for accepting an illegal  
contribution
- not apply to existing campaign debt; and
- add effective dates for statewide, House and Senate, and  
municipal candidates.

The new proposed Committee Substitute **deletes** sections that would:

- set cumulative limits for contributions from
  - political parties
  - labor unions, corporations and PAC's

Prepared by:  
Rep. Kay Brown  
Feb. 1, 1988

## SECTIONAL ANALYSIS OF PROPOSED CS SS HB 137 (JUDICIARY)

"An Act relating to the Public Offices Commission and to the duration and financing of election campaigns; and providing for an effective date."

**Section 1** amends AS 15.13.020(a) to provide that the governor shall appoint all members of the Alaska Public Offices Commission in the manner prescribed in (b) and (c) of this section, subject to confirmation by a majority of the legislature meeting in joint session.

**Section 2** repeals and reenacts AS 15.13.020(b) to provide that the governor shall appoint members of the commission within 30 days after receiving nominations from the political parties, and to make minor clarifying amendments.

**Section 3** repeals and reenacts AS 15.13.020(c) to provide that the four commission members selected under (b) of this section, shall nominate to the governor by majority vote the fifth member of the commission when a vacancy occurs in that position. The governor shall either appoint the nominee of the commission or request a new nominee from the commission.

**Section 4** amends AS 15.13.020(d) to make clarifying changes.

**Section 5** provides that a candidate may accept political contributions only during an election campaign. An election campaign is defined as:

- for state House and Senate races, the period between the day after adjournment of the second regular session of the legislature through the day before the general election;

- for statewide races, the period between January 2 of the election year through the day before the general election; and
- for municipal races, the period 90 days before the election, and the period between the election and a run-off election, if held.

**Section 6** adds a new subsection (i) covering the use and disposal of surplus campaign funds. Converting campaign funds to personal income is prohibited. A candidate who has advanced funds to the campaign may recover the amounts advanced. A candidate shall dispose of campaign funds that were not spent or obligated during the campaign by:

- (1) leaving the money in a campaign account for a future campaign;
- (2) transferring the funds to an account for the office, in the case of a successful candidate only, and using the funds only for communication with constituents and other voters in the state by telephone, newsletter, or personal contact;
- (3) donating the funds to a charitable organization;
- (4) donating the funds to the general fund of the state or of a municipality of the state;
- (5) returning the funds to contributors on a pro rata basis; or
- (6) making campaign contributions not in violation of AS 15.13.070(a) to another candidate or group or by making independent expenditures.

**Section 7** establishes a civil penalty for accepting an illegal contribution. The commission could levy a fine of up to five times the amount of the illegal contribution accepted.

**Section 8** conforms the periods for filing of a declaration of candidacy for statewide and House and Senate elections to the changes in Section 5 of the bill.

**Section 9** conforms the periods for filing of a nominating petition for

statewide and House and Senate elections to the changes in Section 5 of the bill.

**Section 10** amends AS 24.60.030(f) to make it a conflict of interest for a legislator to accept a campaign contribution except during the election campaign.

**Section 11** conforms the period for filing a nominating petition or a declaration of candidacy for municipal office to the changes in Section 5 of the bill.

**Section 12** provides that the prohibition on accepting contributions outside the defined campaign period does not apply to accepting contributions to retire existing campaign debt.

**Section 13** repeals AS 24.60.030(g), Conflicts of Interest, which exempts Juneau legislators from the prohibition on accepting money from campaign fundraisers during a legislative session.

**Section 14** makes the bill's changes effective after the next general and municipal elections.

**Section 15** specifies an effective date of July 1, 1988.

revert to certain provisions in the former draft CS presented to State Affairs, Work Draft dated 1-13-88, for the new proposed Judiciary working draft

- 1. September 1 start date (limit to one contribution per election campaign)
- 2. \$10,000 caps - cumulative limits
- 3. municipal race caps: add language at end of sentence, line 11, "up to but not exceeding the statewide limit." or something similar.
- 4. no post-election fundraising: cut off day after election
- 5. retain July 1, 1988 effective date
- 6. hold off on amending section re disposal of surplus funds
- 7. add a couple provisions from SB 356 that the Senate would be inclined to support

(clean up Bradley's language in Section 2); retain his Sections 1-4?

Dick Monkman  
Dept. of Law  
2-16-88

It is his opinion that setting cumulative caps on contributions may be a constitutional problem because it limits the total amount a candidate can spend.

He cites the Supreme Court case Buckley v. Valeo 424 US 1, in which it struck down the limits. The Court said it is okay to limit contributions from a single source, but not to set caps.

He allows that Kay's approach is different, but suspects that the courts would come up with the same decision because her approach would limit the amounts certain people can spend. The cumulative caps set an expenditure limit whereby early contributors can contribute more than later ones, or the last ones.

He personally thinks the Supreme Court is wrong.

# Kay Brown

Alaska State Legislature  
House of Representatives

FEB 06 1988



## MEMORANDUM

TO: House Judiciary Committee

DATE: February 4, 1988

FROM: Rep. Kay Brown

RE: AKPIRG Position Paper on  
CS HB 137 (State Affairs)



Attached for your information is a position paper from the Alaska Public Interest Research Group regarding the State Affairs version of HB 137. It arrived too late for inclusion in your bill folders last Monday.

P. O. Box 20-2661  
Anchorage, AK 99520-2661  
(907) 272-0207

During Session:  
P. O. Box V  
Juneau, AK 99811  
(907) 465-4998



# AKPIRG

## ALASKA PUBLIC INTEREST RESEARCH GROUP

Post Office Box 10-1093 / Anchorage, Alaska 99510 / (907) 278-3661

*Kay - FYI J*

Letters to the Editor  
Anchorage Daily News  
Box 14-9001  
Anchorage, AK 99514-9001

30 January 1988

Editor,

The Daily News is to be commended for being alert to implications of the current version of HB 137 which provides for major improvements to our current campaign financing laws. However, it may be that you have overreacted in your recent editorial to one key feature of the bill--the feature that would shorten all campaigns to begin June 1 and end the day before the election.

You have suggested that this approach will favor incumbents by virtue of giving challengers less time to develop name-recognition and to do fundraising. As one of the principal organizations involved in trying to improve these laws, AKPIRG would like to suggest taking a more open-minded position on what this will actually do. We soon hope to develop some information on just exactly how soon challengers actually start significant fundraising. And until it can be confirmed that much of that activity has occurred prior to June 1, it is premature to make the categorical statements found in that editorial.

Further, there is nothing to suggest that even if much fundraising and campaigning has occurred earlier, that its absence will cause things to change. The British and other democracies operate with abbreviated campaigns to no apparent detriment to the voters.

We do not disagree that the version of HB 137 that went into the committee, which contained specific limits on different categories of non-individual contributors (corporations, PACs, etc.) and a single "campaign period" beginning Sept. 1 of the year preceeding the election had very attractive features which are worth pursuing. However, the improvements contained in the current version are extremely important and we believe they're worth achieving even with the "half a loaf" represented by the June 1 campaign start date--especially until it's demonstrated otherwise--that such a date truly would impair challengers candidacies. After all, the incumbents won't have nearly as much time to build up their incredible "war chests". And they'll have completed their work in Juneau, so we won't have to worry about whose contribution is buying what.

*Jeff Bohman*  
Jeff Bohman  
Executive Director

# How PAC's Operate

Political  
Action  
Committees

**T**HE "FEDERAL ELECTION CAMPAIGN ACT" (FECA), which is the basic law covering campaign finance, provides specific definitions of political committees. The FEC defines Political Action Committees according to the following categories:

## Political Committee

Any committee, club, or other group of persons which receives (or anticipates receiving) contributions, or makes expenditures exceeding \$1,000 during a calendar year.

## Multicandidate Committee

A political committee with more than 50 contributors which has been registered for at least six months, and, with the exception of State party committees, has made contributions to five or more Federal candidates.

## Separate Segregated Fund

A "separate segregated fund" political committee is one established by a national bank, corporation, labor organization, trade association, cooperative, or membership organization to accept voluntary contributions which are used to make donations to or expenditures on behalf of Federal candidates and political committees.

## Affiliated Committee

All authorized committees of the same candidate, and all committees established, financed, maintained, or controlled by the same corporation, labor organization, person, or group.

## Nonparty Committees

The FEC makes a fundamental distinction between political party committees and nonparty committees. There are six nonparty political committee categories:

### Corporate

Political committees which have identified themselves as being connected with a corporate entity.

### Labor

Those identifying themselves as connected with a labor organization.

### Non-Connected

Those not reporting a connected organization.

## Trade/Member/Health

Those connected with a trade association, a membership organization, or political committees in the health-oriented field.

## Cooperative

Those connected with a cooperative.

## Corporations Without Stock

Committees reporting a connection with a corporation without stock.

## Organization

The Federal Election Commission requires a PAC to file a "statement of organization" within 10 days of its establishment. This form shows the name, address, type of committee, relationship and type of connected organization, committee position or custodian of records (such as treasurer) and a listing of depositories. These are virtually the only requirements.

Some PAC's may decide to incorporate. If a PAC does decide to incorporate, by-laws setting forth the goals, organizational structure, and guidelines for the PAC's operations are also filed with the FEC.

## Income Taxes

PAC's are not entirely exempt from income tax. They are required to file tax returns. Many PAC's qualify for a limited tax-exempt status, however, if they are organized and operated primarily for the sole purpose of receiving contributions and making expenditures within the confines of the FECA.

## Reports

According to law, the treasurer is required to maintain records of the PAC's various financial transactions. These must include:

- (1) an accounting of all contributions received;
- (2) names and addresses of individuals contributing more than \$50;
- (3) the employment status of individuals contributing more than \$200 in a year; and

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 24, 1988

SUBJECT: Public Offices Commission and the duration  
and financing of election campaigns [CSSSHB  
137(Judiciary)]

TO: Representative John Sund  
Chair, House Judiciary Committee

FROM: Richard A. Bradley *RB*  
Legislative Counsel

John Hartle has asked that I comment on two questions that have arisen during hearings on the draft CSSSHB 137 (Judiciary).

First, does the limitation of contributions that may be accepted by a candidate from corporations, labor unions, and groups constitute a limitation on free speech or on equal protection rights? Second, do the limits that the bill establishes on the lengths of an election campaign constitute a limitation on free speech?

*V* In my view, the bill violates none of the suggested constitutional rights.

Some examination of the contents of the bill should be made to put the two questions into focus. While the bill suggests in its title that there is a "duration" to the election campaign, this must be understood in context. The bill does establish times within which the director of elections may accept a declaration of candidacy or a nominating petition. The bill also provides that it is only after filing the declaration or petition through the day before the date of the election that the candidate may accept political contributions. While these are limitations of significance, I believe that it is clear that the rights of the candidate or of others to engage in free speech are not limited by the sections.

To that extent, it would be more accurate to describe the bill as limiting the time within which political contributions may be accepted. While the terminology used in the bill is accurate and proper, the bill does not actually address the separate subject of the limitation of the length of election campaigns; within the constraints established by the bill, the campaign may be as long as the candidates wish it to be.

The limitations established in the bill do not (and could not) limit free speech, have any effect on independent expenditures, or limit contributions from a candidate to the candidate's own campaign.

I. The limitation on contributions that may be accepted by a candidate from corporations, labor unions, and groups as a limitation on free speech or on equal protection rights.

The limitation on the acceptance of contributions from labor unions and corporations is valid because the legislature could, if it wished, prohibit all contributions from labor unions and corporations. The Congress has prohibited all contributions to a candidate for federal office from national banks, corporations, and labor unions and limited the breadth of those from whom "political action committees" established by the banks, unions, or corporations could seek contributions. 2 U.S.C., sec. 441b. [A "political action committee" under federal law is largely identical to a "group" under state law. See AS 15.13.130(4).] The laws have been upheld. Federal Election Committee v. National Right to Work Committee, 459 U.S. 197 (1982); International Ass'n. of Machinists and Aerospace Workers v. Federal Election Committee, 459 U.S. 983 (1982).

I believe that the legislature could enact similar legislation.

While there are limitations on contributions from labor unions, corporations, and groups, the law establishes no limitations on the amounts that a candidate may accept from individuals (beyond the existing \$1,000 that is carried into this bill). The candidate may accept an unlimited number of contributions from individuals.

Since the legislature could enact a total prohibition on the contributions directly and regulate the method by which the union or corporation seeks contributions to the controlled

groups, I believe it could logically enact reasonable nondiscriminatory regulations and limitations on those contributions.

While I am familiar at this time with no legislation from other states that regulate the total amounts that a candidate may accept from unions or corporations, the Supreme Court in Buckley v. Valeo, 424 U.S. 1 (1976) indicated a willingness to accept regulations on outer limits. It accepted a annual limit on contributions from an individual of \$25,000. Sec. 608(b)(3), Federal Election Campaign Act. The Court characterized the limitation in this way:

The overall \$25,000 ceiling does impose an ultimate restriction upon the number of candidates and committees with which an individual may associate himself by means of financial support. But this quite modest restraint upon protected political activity serves to prevent evasion of the \$1,000 contribution limitation by a person who might otherwise contribute massive amounts of money to a particular candidate through the use of unearmarked contributions to political committees likely to contribute to that candidate, or huge contributions to the candidate's political party. The limited, additional restriction on associational freedom imposed by the overall ceiling is thus no more than a corollary of the basic individual contribution limitation that we have found to be constitutionally valid. Buckley v. Valeo, 424 U.S. 1, at \_\_\_; 44 USLW 4127, at 4138 (1976).

In my view, since individuals are the ultimate source of all the contributions, the outer limits on the threshold by which corporations, unions, and groups may make their contributions is nothing more than "a corollary of the basic individual contribution limitation" that the Court upheld. Like the \$25,000 total limitation on contributions in the Federal Election Campaign Act, the limitation on contributions from unions, corporations, and groups serves to limit the ways in which wealthier contributor may evade the policy established by the \$1,000 individual contribution limitation.

Representative John Sund  
Page 4  
February 24, 1988

II. The limits that the bill establishes on the lengths of an election campaign as a limitation on free speech?

In my comments on the bill earlier in this memorandum, I noted that the bill did not in fact address the question of the duration of the election campaign (but only of the time within which the contributions may be accepted). I also noted that the bill does not limit free speech (or independent expenditures) but only contributions. I do not believe that the bill establishes any limitations on constitutionally protected free speech.

If I may be of further assistance, please advise.

RAB:lmb  
L6/046

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 16, 1988

SUBJECT: APOC: Amendment of AS 15.13.020(b)  
(CSSSHB 137(Jud))

TO: Representative Kay Brown

FROM: Richard A. Bradley  
Legislative Counsel

Roxanne Turner has asked that I comment on the provisions of AS 15.13.020(b) as it was included in the draft provided to the Judiciary Committee on February 1, 1988.

The subsection provided:

(b) Each of the two political parties whose candidates for governor received the highest and the second highest number of votes for the office of governor at the most recent preceding gubernatorial election is, as vacancies occur, entitled to submit nominations to the governor for two of the five members of the commission. The governor shall make the appointment within 30 days after receiving four nominations from the central committee or other governing body of the party.

The commission's letter of February 10 suggested that the section could be "construed to mean that any time a vacancy occurs on the commission, both parties are entitled to submit four names."

I believe that that interpretation is incorrect because each party may only make "nominations to the governor for two of the five members of the commission" and then, only "as vacancies occur". When this limitation is read into the right to make nominations, I believe that the section accurately states existing understandings.

While the section does not internally identify which party is entitled to make which nomination, that defect exists in

Representative Kay Brown  
Page 2  
February 16, 1988

present law and appears not to have created problems. And its solutions would make the section somewhat more complex.

Nonetheless, I have a new version for your consideration.

(b) The political party whose candidate for governor received the highest or the second highest number of votes for the office of governor at the most recent preceding gubernatorial election is, as vacancies occur, entitled to submit nominations to the governor for two of the five members of the commission. The governor shall make the appointment within 30 days after receiving four nominations from the central committee or other governing body of the party.

As I noted in my last memorandum, if this provision is adopted, AS 15.13.020(h) should be repealed.

If I may be of further assistance, please advise.

RAB:bb  
wkb2/101

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 15, 1988

SUBJECT: APOC/Duration & financing of election  
campaigns (CSSSHB 137(Jud))

TO: Representative Kay Brown

FROM: Richard A. Bradley  
Legislative Counsel *RB*

Roxanne Turner has asked that I explain the style and purpose of the amendments contained within the above bill as they addressed the provisions of AS 15.13.020(b) and (d).

The provisions of SSSB 241, the governor's bill, do not address (b) or (d). I thought before and think now that the provisions should be revised. The provisions of AS 15.-13.020(b) now provide:

(b) The governor shall appoint two members of each of the two political parties whose candidate for governor received the highest number of votes in the most recent preceding general election at which a governor was elected. The two appointees from each of these two parties shall be chosen from a list of four names to be submitted by the central committee of each party.

With regard to the revision of (b), I agree that the introductory phrase (from my draft): "Each of" should be deleted.

And while it has always been "understood" what was intended by Sec. 15.13.020(b), I assume that it is clear that it is not accurate to state that two parties can qualify as having "received the highest number of votes in the most recent (gubernatorial) election."

While the bill addresses technical matters that might be dealt with in different ways (e.g., the period of time that should be allowed for the governor to act after having received a nomination), the ideas simply evolved from several

bills that preceded HB 137. And I note that existing law also provides for the 30 day period; the problem is that the existing section seldom works because it only allows 30 days from the occurrence of the vacancy until it is filled. See AS 15.13.020(h). The language I suggested gives the governor 30 days after the nominations reach his office.

If the amendment that I suggested is adopted, AS 15.-13.020(h) should be repealed.

With regard to Sec. 15.13.020(d), existing law not proposed for change in the governor's bill now provides:

(d) Upon selection of the commission's fifth member, the commission's four members selected under (b) of this section shall draw lots to determine the length of their terms of office so that one commission member serves one year, one serves two years, one serves three years, and one serves four years. However, the terms of no two commission members who are members of the same political party may expire in consecutive years. The term of office of the fifth member, appointed under (c) of this section, expires in the fifth year. Terms of office of the initial appointees to the commission, including the fifth member, shall date from February 1 before their appointment. After the terms of office of the initial appointees to the commission expire, the term of office of a member of the commission is five years, or until his successor is appointed and qualifies. No commission member may serve more than one term. However, initial appointees to the commission who do not serve a full five-year term and a person appointed to fill the unexpired term of his predecessor may be appointed to a successive full five-year term.

The only reason that I can think of for amending (d) is that those other sections establishing the organic structure of the commission are being revised--and this is one of them. Since it is an overwritten and obsolete provision and probably half of it is executed temporary law, this is the time to amend it also; when will a better time occur?

Beyond having said that, in my view I did nothing to the substance of (d) and thus I do not understand the reference to the five year terms; terms were and are five years, whether or not members resign early. And note AS 39.05.055.

Representative Kay Brown  
Page 3  
February 15, 1988

If the terms are now scheduled so that two members of the same party do not have terms expiring in consecutive year, then the second sentence is executed and serves no purpose. That is, I believe, the case.

If I may be of further assistance, please advise.

RAB:bb  
wkb2/097

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 15, 1988

SUBJECT: Duration and financing of election campaigns  
[CSSSHB 137 (State Affairs)]

TO: Representative Fran Ulmer  
Chair, House State Affairs Committee

FROM: Richard A. Bradley  
Legislative Counsel

I understand that the committee has passed CSSSHB 137 (State Affairs) out of committee.

I note that there is a technical problem with one section.

In my view, the provisions of Sec. 8 are incomplete in that they do not address municipal candidate's efforts to retire debts existing before this Act.

The problem should be addressed in the next committee of referral.

RAB:bb  
WKB1/066

# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

February 17, 1988

STEVE COWPER, GOVERNOR

REPLY TO:

1031 W 4th AVENUE  
SUITE 200  
ANCHORAGE, ALASKA 99501-1994  
PHONE: (907) 276-3550

1st NATIONAL CENTER  
100 CUSHMAN ST.  
SUITE 400  
FAIRBANKS, ALASKA 99701-4679

P.O. BOX K—STATE CAPITOL  
JUNEAU, ALASKA 99811-0300  
PHONE: (907) 465-3600

The Honorable Kay Brown  
House of Representatives  
P.O. Box V  
Juneau, AK 99811

Re: SSHB 137

Dear Representative Brown:

Karla Forsythe, Executive Director of the Alaska Public Offices Commission, asked this office to review SSHB 137 before its next hearing in the House Judiciary Committee. I note that it has been scheduled for hearing on February 17, 1988, and wanted to apprise you of our analysis before that date.

Section 1. This section would resolve a constitutional problem in the appointment process for APOC commissioners. The language proposed is adequate to achieve this purpose. SSSB 241 contains slightly different language towards the same end.

Section 2. This is a re-write of existing AS 15.13.020(b). The only substantive change is in the second sentence, which proposes that the governor appoint new members of APOC within 30 days of receiving nominations from the political parties. This office is unaware that there has ever been a problem with delay in appointing an APOC commissioner. If the proposed 30 day deadline is to be included, we advise keeping the present language of AS 15.13.020(b) in lieu of the first sentence of section 2.

Section 3. This section would resolve a constitutional problem in the appointment process for the "fifth member," the commissioner nominated by the other commissioners rather than by a political party. SSSB 241 contains slightly different, cleaner language towards the same end. Our suggestion is to consider using the language of SSSB 241 instead of the proposed language.

Section 4. This section would remove archaic language in AS 15.13.020(d), relating to the appointment of the first APOC commissioners. The revisor of statutes has proposed to amend AS 15.13.020(d) to remove the archaic language in this year's revisor's bill. The proposed language is somewhat confusing, and, given that the revisor is already working on this section,

our suggestion is to consider dropping this section from the bill.

Section 5. This section prohibits candidates from accepting campaign contributions prior to the "adjournment sine die of the second session of the legislature," for legislative candidates; prior to January 2 of the "year of the election" for statewide candidates; and prior to 90 days before the election for municipal candidates. The language appears adequate to achieve these ends, although use of the term of art "sine die" could be confusing to the uninitiated. We express no opinion as to the policy proposal to limit fund raising to these time periods.

Section 6. This section would allow candidates to continue the present practice of maintaining multiple campaign accounts, to use the funds in those accounts for a variety of purposes, and to keep the accounts open for years after the campaign is over.

The language of this section is unusual, and the policy goals sought are directly opposed to those which have been articulated by the APOC in this area: a date certain after which campaign accounts must be closed, and a prohibition on the use of campaign funds for purposes other than campaigning. Compare, SSSB 241, sections 3 and 10. This section does not change present law, except for the prohibition on "conversion," i.e., theft, of campaign funds. Our suggestion is to consider substituting sections 3 and 10 from SSSB 241 for this section.

Section 7. This section imposes fines for accepting contributions prior to the dates found in section 5. The language appears to achieve the goals sought.

Sections 8, 9 and 11. These sections prohibit the filing of declarations of candidacy or party petitions earlier than the dates found in section 5. The language of these sections appears to achieve the goals sought.

Section 10. This section would make it a conflict of interest for a member of the legislature to accept a campaign contribution earlier than the dates found in section 5. The language appears to achieve the goals sought.

Sections 12 and 14. These sections contain fairly convoluted effective date provisions. A better approach would be to make the entire act effective on one date.

The Honorable Kay Brown  
SSHB 137

February 17, 1988  
Page 3

I hope these comments are of some assistance to you as work continues on SSHB 137. Please do not hesitate to call if you have any questions or comments.

Sincerely,

GRACE BERG SCHAIBLE  
ATTORNEY GENERAL



By: Richard D. Monkman  
Assistant Attorney General

RDM:nb

cc: Bob Evans, Legislative Liaison, Governor's Office  
Karla Forsythe, Executive Director, APOC

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## ALASKA PUBLIC OFFICES COMMISSION

REPLY TO:

- 2221 E. Northern Lights, Room 128  
Anchorage, AK 99508  
(907) 276-4176
- Juneau Branch Office  
Box CO  
Juneau, AK 99811-0222  
(907) 465-4864

February 10, 1988

FEB 15 1988

Rep. Kay Brown  
P.O. Box V  
Juneau, AK 99811

Dear Rep. Brown:

Thank you for the opportunity to review and comment on the 2/1/88 work draft of the proposed committee substitute for SS HB 137 (Judiciary).

The Alaska Public Offices Commission greatly appreciates your willingness to include provisions clarifying the procedure for appointment of commission members. However, after reviewing the language proposed in sections 2-4 it appears that the wording set out in the draft deviates substantially from language in SS SB 241 drafted by the Department of Law to address this issue, as well as from existing law. The commission requests that you consider asking the Judiciary Committee to revise the language in the work draft along the lines of the Governor's bill.

Specifically, the wording of section 2 could be construed to mean that any time a vacancy occurs on the commission, both parties are entitled to submit four names. Under existing law only the party whose seat is being vacated submits nominees. Since this has been the procedure for many years, and to my knowledge has not been an issue, the preference of the commission is to retain the existing statutory language (AS 15.13.020(b)). Additionally, there may be a concern with language in the draft which limits the time for the governor to act on commission appointments.

With regard to proposed section 3, section 2 of the Senate bill sets out the procedure to be followed for the fifth member appointment in a clear, step-by-step manner which is more precise and easier to read than the wording in the work draft. With regard to proposed section 4, the wording of this section under existing law has not created

Rep. Kay Brown  
February 10, 1988  
Page 2

a problem. It is the preference of the commission not to amend the statute at this time since there is no apparent reason to single out this section from other provisions in the campaign finance disclosure law which have not created problems but which could be drafted more clearly. Also, although the work draft assumes five year terms for all commission members, it is not uncommon for a member to resign before a term is over.

In summary, the commission requests that you consider asking the committee to incorporate sections 1 and 2 of the governor's bill, and to take no action at this time to amend AS 15.13.020(b) and (d).

Wording in other sections of the bill may raise some questions. In section 6, the use of the phrases "convert surplus funds" and "amounts advanced" could create interpretation issues. Also, permitting candidates to dispose of only unobligated funds, permitting campaign accounts to remain open, and allowing contributions to the accounts of others dilute the concept of a firm campaign close-out date.

A clearly established campaign closing date is in the best interests of both the public and candidates. It promotes public confidence in elected officials, since an unlimited period for post-election contributions is perceived by the public as an opportunity for successful candidates to obtain contributions from those who will be seeking political support for their causes. Also, some elected officials have several accounts for different campaigns and for different offices open at any given time. Public confidence in campaign laws is eroded when a campaign can receive maximum contributions for several campaigns from a single source. A firm deadline emphasizes the importance of straightening up campaign accounts and provides an incentive to do so.

A definite closing date permits commission staff to plan its work more efficiently. Reports are required on all accounts several times during the year, although some of the accounts may be dormant. The additional paperwork causes unnecessary administrative expense for commission staff, and the reporting requirements are confusing to all concerned.

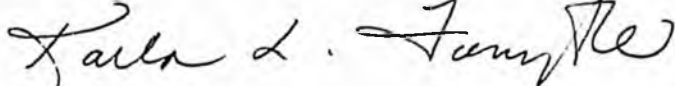
Finally, considering the grandfather and applicability provisions, another approach might be to extend the effective date of the measures to January 1, 1989, assuming this does not alter the intent of those provisions.

Rep. Kay Brown  
February 10, 1988  
Page 3

I hope these comments are helpful. I will be glad to provide further information or answer any questions about the commission's concerns.

Sincerely,

AK PUBLIC OFFICES COMMISSION



Karla L. Forsythe  
Executive Director

cc: APOC Members  
Representative Sund, House Judiciary Committee  
Bob Evans, Office of the Governor  
Dick Monkman, Department of Law  
Push Dillon, Department of Administration

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## ALASKA PUBLIC OFFICES COMMISSION

REPLY TO:

- 2221 E. Northern Lights, Room 128  
Anchorage, AK 99508  
(907) 276-4176
- Juneau Branch Office  
Box CO  
Juneau, AK 99811-0222  
(907) 465-4864

February 3, 1988

FEB 06 1988

Rep. Sam Cotten  
PO Box V  
Juneau, AK 99811

Dear Rep. Cotten:

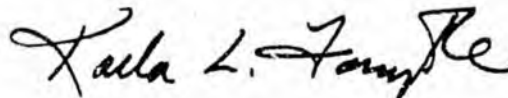
After my testimony to the House Judiciary Committee on HB 137 last Monday, you asked me to provide any written documentation of support from the Alaska Public Offices Commission for SS SB 241, a campaign finance reform measure introduced by the Governor.

I have attached a copy of a letter from the Commission to the Governor dated November 19, 1987, stating that "passage of SB 241 is a Commission priority." Each of the five members signed the letter as a way of emphasizing to the Governor the level of support for language addressing specific Commission concerns.

I believe the attached letter should clarify the Commission's position. If you have further questions, or problems with the way in which the Commission is communicating its views on pending legislation, please let me know.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



Karla L. Forsythe  
Executive Director

cc: APOC members  
  \ Rep. Sund, Chair, House Judiciary Committee  
  / Rep. Brown

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## ALASKA PUBLIC OFFICES COMMISSION

REPLY TO:

- 2221 E. Northern Lights, Room 128  
Anchorage, AK 99508  
(907) 276-4176
- Juneau Branch Office  
Box CO  
Juneau, AK 99811-0222  
(907) 465-4864

November 19, 1987

Governor Steve Cowper  
P.O. Box A  
Juneau, AK 99811-0101

Dear Governor Cowper:

At its November 18 meeting the Alaska Public Offices Commission reviewed amendments to SB 241 drafted by the Department of Law at the Commission's request. The Commission strongly supports amendments clarifying the appointment process for the fifth commissioner, requiring confidentiality of investigations, and prohibiting the use of contributions as personal income. Further, all commissioners also agree that language establishing a campaign account closing date is an essential part of this legislation.

Draft language prepared by Mr. Monkman included both campaign start-up and stop dates. The Commission continues to support the concept of a start-up date, but suggests deleting this provision from the present legislation, and focusing instead on the closing date.

Although the Commission is not wedded to any particular date, we believe the concept of a uniform closing date is in the best interests of both the public and candidates. It promotes public confidence in elected officials, since an unlimited period for post-election contributions is perceived by the public as an opportunity for successful candidates to exact contributions from those who will be seeking political support for their causes. A deadline emphasizes the importance of straightening up campaign accounts and provides an incentive to do so without undue delay. Additionally, it will permit Commission staff to plan its work around a uniform closeout date.

The Commission agrees that December 31 of the year in which the election is held may be overly restrictive, and proposes that the date be extended to July 1 of the year following the election. This should allow sufficient time for candidates to close their accounts. It also recognizes the legitimate need of candidates with limited financial resources to accept post-election contributions to defray campaign expenses.

We urge your support for language establishing a fair and reasonable campaign closing date. The Commission will be glad to discuss this issue with you and to help explain to the legislature the ways in which this proposal benefits candidates and the public.

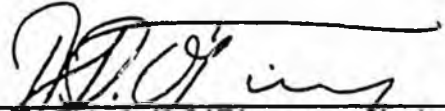
Governor Cowper  
November 19, 1987  
Page 2

Passage of SB 241 is a Commission priority. We are prepared as individual commissioners and as a group to communicate with legislators and to testify before the committees to which this measure has been referred. Our Executive Director, Karla Forsythe, will be contacting Bob Evans to discuss specific ways in which the Commission can provide assistance.


Thank you for considering our views.

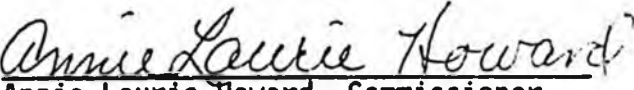
Sincerely,

ALASKA PUBLIC OFFICES COMMISSION

  
Daniel Patrick O'Tierney, Chairman

  
Arlayne Knox, Vice Chairman

  
Charles Dunnagan, Commissioner

  
Annie Laurie Howard, Commissioner

  
Burke Riley, Commissioner

cc: Bob Evans  
Dick Monkman  
Karla Forsythe

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

H73137

## ALASKA PUBLIC OFFICES COMMISSION

REPLY TO:

- 2221 E. Northern Lights, Room 127  
Anchorage, AK 99508  
(907) 276-4176
- Juneau Branch Office  
Box CO  
Juneau, AK 99811-0222  
(907) 465-4864

February 3, 1988

Carol Horos  
Office of Sen. Mitchell Abood  
PO Box V  
Juneau, AK 99811

Dear Ms. Horos:

As we discussed, I have attached an annotated copy of SS SB 241. The annotations were drafted in consultation with the Department of Law, and were reviewed and approved by the commission at its meeting last week. I am forwarding a copy to Bob Evans in the event that he may wish to comment from the Governor's perspective.

The proposed language is intended to clarify some of the issues we discussed previously. To summarize, the changes would:

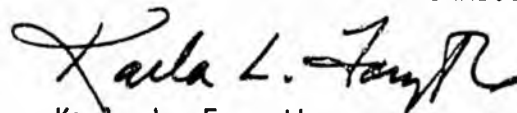
- clarify the extent of the prohibition on use of contributions as personal income (section 3).
- clarify that a complaint to the commission as well as the response (if authorized by the respondent) would be available for public inspection. After that point, investigation by the commission into a complaint would be confidential until the commission files an accusation or closes the investigation. Other new language would cross-reference the penalty under existing law for violation of this section.
- separate section 5 into two sections, and renumber the remainder of the bill accordingly.
- change the word "person" in section 9 to "individual".
- make the procedural portions of the bill effective immediately, and the policy portions effective January 1, 1990, in order to give the commission adequate time to develop new regulations, forms, manuals and procedures needed to implement the bill.

Carol Horos  
February 3, 1988  
Page 2

It is my understanding that you will be meeting with Sen. Abood to discuss these suggestions, as well as to schedule the bill for hearing. Please let me know if I can provide any additional information which might be of help at this time.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



Karla L. Forsythe  
Executive Director

cc: APOC members  
Bob Evans, Office of the Governor  
Rep. Kay Brown  
X House Judiciary Committee  
Dick Monkman, Department of Law  
Push Dillon, Department of Administration

2/3/88

An investigation by the commission is confidential. A complaint filed with the commission is a public record. A written response to a complaint is available for public inspection if authorized by the respondent.

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 241

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to election campaign financing and  
7 the Alaska Public Offices Commission; and providing  
8 for an effective date."

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

10 \* Section 1. AS 15.13.020(a) is amended to read:

11 (a) There is created in the Department of Administration the  
12 Alaska Public Offices Commission consisting of five members. The  
13 governor shall appoint all members of the commission in the manner  
14 prescribed in (b) and (c) of this section, subject to confirmation by  
15 a majority of the legislature meeting in joint session.

16 \* Sec. 2. AS 15.13.020(c) is amended to read:

17 (c) The four members selected under (b) of this section shall,  
18 by a majority vote, nominate to the governor an individual to serve as  
19 [APPOINT] the [REMAINING] fifth member of the commission. The  
20 governor shall either appoint the nominee to the commission, or shall  
21 reject the nominee and request the commission to nominate another  
22 individual to serve as the fifth member of the commission.

23 \* Sec. 3. AS 15.13 is amended by adding a new section to read:

24 Sec. 15.13.041. USE OF CONTRIBUTIONS. <sup>An individual who accepts campaign</sup> contributions ~~as a candidate~~  
25 ~~may not~~ use, take, or spend as personal income ~~for public office~~ <sup>at any time.</sup>

26 \* Sec. 4. AS 15.13.045 is amended by adding a new subsection to read:

27 (e) <sup>NO</sup> ~~any~~ documentary material, <sup>written or verbal</sup> information, <sup>or</sup> testimony of  
28 witnesses which is produced, obtained, recorded, or compiled during an  
29 investigation by the commission may ~~not~~ be disclosed to anyone other

1 than a commission member, an ~~employee~~ employee of the commission for  
2 use in the investigation, the attorney general, or the person or group  
3 who produced the material or gave the testimony until such times as

4 (1) an accusation is filed under AS 44.62;

5 (2) the commission, by majority vote, closes an inves-  
6 tigation without filing an accusation under AS 44.62; or

7 (3) the superior court, for good cause shown, orders the  
8 information disclosed.

9 \* Sec. 5. AS 15.13.050 is amended to read:  
*Violation of this section constitutes  
an abuse of public office under A.S. 11.56*

10 Sec. 15.13.050. GROUPS. Each group, before making an expendi-  
11 ture on behalf of[, ] or in opposition to[, ] a candidate, and a politi-  
12 cal party, before making [OR] a contribution to a candidate, shall  
13 register [, ON FORMS PROVIDED BY THE COMMISSION,] with the commission  
14 on forms provided by the commission. // *Sec. 6* If the group intends to support  
15 or oppose only one candidate, or to contribute to or expend [ON BEHALF  
16 OF, OR IN OPPOSITION TO, ONE CANDIDATE] 50 percent or more of its  
17 funds on behalf of or in opposition to one candidate, the name of the  
18 candidate must [SHALL] be a part of the name of the group. Promptly  
19 upon receiving the registration, the commission shall notify the  
20 candidate of the group's organization and intent.

21 \* Sec. 7. AS 15.13.070(a) is amended to read:

22 (a) An individual [NO PERSON OR GROUP, INCLUDING BUT NOT LIMITED  
23 TO ALL POLITICAL COMMITTEES, BUSINESSES, CORPORATIONS, AND LABOR  
24 UNIONS,] may not contribute [TO OR EXPEND] more than \$1,000 a year [ON  
25 BEHALF OF OR IN OPPOSITION] to a candidate [THE COMPETING CANDIDATES  
26 FOR EACH ELECTIVE OFFICE]. No group other than a political party, and  
27 no person other than an individual, may contribute to a candidate.  
28 Political parties and their subdivisions are not subject to the limi-  
29 tation prescribed in this subsection, but they are subject to the

1 reporting requirements prescribed by AS 15.13.040(b) and 15.13.110.  
2 Nothing in this chapter prohibits

3 (1) a candidate from contributing more than \$1,000 of the  
4 candidate's [HIS] own money to the candidate's [HIS] own campaign; or

5 (2) individuals or groups, including but not limited to all  
6 political committees, businesses, corporations, and labor unions, from  
7 contributing to or expending on behalf of a ballot proposition or  
8 question more than \$1,000 a year; however, these contributions and  
9 expenditures shall be reported in accordance with AS 15.13.040 and  
10 15.13.110.

11 \* Sec. ~~8~~ AS 15.13 is amended by adding a new section to read:

12 Sec. 15.13.075. CAMPAIGN ACTIVITIES BY LOBBYISTS. An individu-  
13 al who is registered as a lobbyist under AS 24.45 may contribute the  
14 lobbyist's own money, goods, and services to a candidate, subject to  
15 the limits of AS 15.13.070. However, no person registered as a  
16 lobbyist under AS 24.45 may

17 (1) serve as a campaign treasurer or deputy campaign trea-  
18 surer for a candidate for governor, lieutenant governor, or the legis-  
19 lature; or

20 (2) directly or indirectly solicit, receive, collect,  
21 handle, disburse, or account for campaign contributions for a candi-  
22 date for governor, lieutenant governor, or the legislature.

23 \* Sec. ~~9~~ AS 15.13.080 is amended to read:

24 Sec. 15.13.080. STATEMENT BY CONTRIBUTOR. A <sup>an individual</sup> ~~person~~ or politi-  
25 cal party [GROUP] contributing [TO A CANDIDATE] over \$250 in money,  
26 [OR CONTRIBUTING] goods, or services to a candidate [WITH A VALUE OF  
27 MORE THAN \$250 TO INFLUENCE THE ELECTION OF A CANDIDATE] shall furnish  
28 the commission a signed statement, on a form made available by the  
29 commission. The statement shall itemize the contribution [AND GOODS]

1 and state that the contributor is not a ~~person~~<sup>n individual</sup> or group prohibited by  
2 law from contributing and that the contribution consists of funds or  
3 property belonging to the contributor and has not been given or fur-  
4 nished by another person or group. The contributor's statement shall  
5 be filed with the commission by the contributor no later than 10 days  
6 after the contribution is made. A copy of the statement shall be  
7 furnished the candidate, campaign treasurer, or deputy campaign trea-  
8 surer at the time the contribution is made.

9 \* Sec. ~~10~~<sup>10</sup> AS 15.13 is amended by adding a new section to read:

10 AS 15.13.115. CLOSING OF CAMPAIGNS AND FINAL REPORTS. (a) . A  
11 candidate shall close all campaign accounts, and file a final report  
12 with the commission, no later than July 1 of the year following the  
13 year in which the election was held. The final report must be in  
14 accordance with AS 15.13.040 and must be on a form prescribed by the  
15 commission.

16 (b) After the date a final report is due, a contribution may not  
17 be accepted by or on behalf of the candidate, and an expenditure may  
18 not be made by or on behalf of the candidate.

19 (c) Contributions not spent before the date a final report is  
20 due must be

21 (1) donated to an organization that qualifies as a charita-  
22 ble organization under 26 U.S.C. 501(c); or

23 (2) returned to contributors on a pro rata basis.

24 \* Sec. ~~11~~<sup>11</sup> AS 15.13.110(a) is amended to read:

25 (a) Each candidate and group shall make a full report in  
26 accordance with AS 15.13.040 during the period ending three days  
27 before the due date of the report and beginning on the last day  
28 covered by the most recent previous report, or, if a first report, all  
29 contributions received and expenditures made before three days before

1 the due date of the report. The report shall be filed at the  
2 following times:

3 (1) 30 days before the election; however, this report is  
4 not required if the deadline for filing a nominating petition or  
5 declaration of candidacy is within 30 days of the election;

6 (2) one week before the election;

7 (3) 10 days after the election; and

8 (4) December 31 of each year in which a final report is not  
9 filed with the commission in accordance with AS 15.13.115 [FOR EXPEN-  
10 DITURES AND CONTRIBUTIONS WHICH WERE NOT REPORTED THAT YEAR].

11 \* Sec. ~~12~~ AS 15.13.125 is amended to read:

12 Sec. 15.13.125. CIVIL PENALTY; LATE FILING OF REQUIRED REPORTS.  
13 A person who fails to file a properly completed and certified report  
14 within the time required by AS 15.13.110(a)(1), (3), or (4), [OR]  
15 15.13.110(d), or 15.13.115 is subject to a civil penalty of not more  
16 than \$10 a day for each day the delinquency continues as determined by  
17 the commission subject to right of appeal to the superior court. A  
18 person who fails to file a properly completed and certified report  
19 within the time required by AS 15.13.110(a)(2) or 15.13.110(b) is  
20 subject to a civil penalty of not more than \$50 a day for each day the  
21 delinquency continues as determined by the commission subject to right  
22 of appeal to the superior court. An affidavit stating facts in  
23 mitigation may be submitted to the commission by a person against whom  
24 a civil penalty is assessed. However, the imposition of the penalties  
25 prescribed in this section or in AS 15.13.120 does not excuse that  
26 person from filing reports required by this chapter.

27 \* Sec. ~~12~~ <sup>13</sup> Sections 1, 2 and 4 of This Act take effect immediately under AS 01.10.070(c).

28 Sections 3, 5, 6, 7, 8, 9, 10, 11 and 12  
take effect January 1, 1990.



House Judiciary Committee  
Alaska Legislature  
February 1, 1988  
CS HB137

Mister Chair, Members of the Committee:

My name is Eve Reckley. I represent the League of Women Voters of Alaska. You have before you the Committee Substitute for House Bill 137 relating to financing of political campaigns. Reform of campaign financing legislation is a high priority on the League's agenda for enactment in this session.

The League applauds the sponsors of the bill for their efforts in putting this issue before you. We believe that actual reform of the way in which campaigns are financed and conducted is vital to ensure the public's trust in the electoral process. We realize it is not an easy task to address the problems that candidates might encounter in widely disparate election districts. But then, that is the challenge that often faces Alaskans in trying to find an equitable way of legislating in the broad public interest.

This bill provides the vehicle for fair and imaginative action. It will require careful balancing, judicious handling and a real commitment to meaningful reform. It will require statesman-like, or statesperson-like action from each legislator. We believe you are equal to the task. The stakes are high--building the public confidence in the political process.

The League feels that shortening the duration of campaigns would help to bring the costs down and encourage more people to run for office. We are concerned, however, that as the bill is currently drafted, setting the period for legislative campaigns to begin the day following adjournment of the Legislature, would handicap challengers. We question whether it would provide sufficient time for them to raise money to mount a viable campaign.

We are concerned too, that the time period would be inadequate for candidates in large rural districts to reach voters. The timing would be such that fishermen and other seasonal workers would be away from their home base during much of the campaign period.

The League's position on campaign finance reflects our continuing concern for open and honest elections and for maximum citizen participation in the political process. We believe the goals of a campaign finance system should be:

- to ensure the public's right to know;
- to combat corruption and undue influence;
- to enable candidates to compete more equitably for public office.

To accomplish these goals, the League supports legislation to shorten the duration of campaigns to the calendar year in which the election is held and to establish the day before the election as the cut-off date for candidates to recoup expenses of that campaign.

We believe that placing reasonable limitations on campaign contributions and continued disclosure of the source of all contributions in excess of \$100 are essential elements of the bill. The League supports provisions of the bill to prohibit the use of campaign contributions as personal income by candidates.

The League feels that limits on contributions and expenditures should be realistic and reasonable; high enough to be enforceable and allow both for discussion of the issues and for visibility of the candidates. The League also supports strong penalties for violations and for adequate funding of the Alaska Public Offices Commission (APOC) to oversee and enforce provisions of elections laws.

We endorse The Judiciary Committee's inclusion in this bill, the provision on the appointment of the fifth member of the commission by the governor. Since there is a question of the legality of the composition of the APOC which does have quasi-judiciary powers, we understand that this language would clear up the problem. This provision alone makes enactment of reform legislation in this session necessary.

Mister Chairman, members of the committee, this legislation will require work and compromise. There will be many arguments for and against each provision. When an issue is as difficult as campaign finance reform is, the tendency may be to do nothing. The results may be intangible. But it is on issues such as this, that the integrity of our governmental processes are measured. The League of Women Voters of Alaska urges your careful consideration and action on this legislation. We believe it is one of the most important bills you will enact this year.

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## ALASKA PUBLIC OFFICES COMMISSION

REPLY TO:

- 2221 E. Northern Lights, Room 128  
Anchorage, AK 99508  
(907) 276-4176
- Juneau Branch Office  
Box CO  
Juneau, AK 99811-0222  
(907) 465-4864

January 14, 1988

Rep. Kay Brown  
PO Box V  
Juneau, AK 99811

Dear Rep. Brown:

The Alaska Public Offices Commission appreciates your responsiveness to the commission's concerns which I expressed during testimony yesterday on the proposed committee substitute for SS HB 137.

As I mentioned, it would be helpful if the committee substitute could include language to remedy a procedural problem with the manner in which commission members are appointed. Under Article III, Section 26 of the Alaska Constitution, commissions which head regulatory or quasi-judicial agencies such as APOC must be appointed by the governor and confirmed by the legislature. Although four commissioners are appointed by the governor from lists of political party nominees, with the governor's choices confirmed by the legislature, AS 15.13.020 currently provides that the fifth member is appointed by APOC members. Several respondents to complaints filed with APOC have challenged the ability of APOC to act, on the grounds that appointment procedures for the fifth member do not comport with the constitution.

The following amendments to AS 15.13.020(a) and (c) would solve this problem:

(a) There is created in the Department of Administration the Alaska Public Offices Commission consisting of five members. The governor shall appoint all members of the commission in the manner prescribed in (b) and (c) of this section, subject to confirmation by a majority of the legislature meeting in joint session.

(b) The four members selected under (b) of this section shall, by a majority vote, [APPOINT] nominate to the governor an individual to serve as the [REMAINING] fifth member of the commission. The governor shall either appoint the nominee to the commission, or shall reject the nominee and request the commission to nominate another individual to serve as the fifth member of the commission.

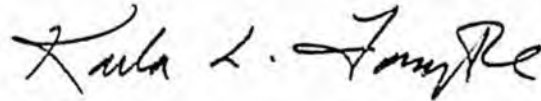
Rep. Brown  
January 14, 1988  
Page Two

Both the commission and the governor's office support this language. I am not aware of any controversy surrounding this proposed amendment.

Thank you for considering this additional language. If you or your staff have any questions about this proposed amendment or APOC's position on any other aspect of the bill, please let me know.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



Karla L. Forsythe  
Executive Director

cc: APOC members  
Jane Barcott, Assistant Director  
Bob Evans, Office of the Governor  
Marsha Hubbard, Deputy Commissioner  
Department of Administration

13. Jane Barcott  
APOC  
2221 East Northern Lights  
Anchorage, AK 99504
1. Rep. Kay Brown  
P.O. Box V  
Juneau, AK 99811  
(907) 465-3784  
Testified on HB 137
11. Prent Gazaway  
1521 West 14th Avenue  
Anchorage, AK 99501  
(907) 277-2073
14. Katie Hurley  
Box 870157  
Wasilla, AK 99687  
(907) 376-5736  
POM supporting HB 137
7. Greg O'Claray  
MEBA PAC  
124 Front Street  
Juneau, AK 99801  
(907) 586-6040
2. Eve Reckley  
League of Women Voters  
Box 210242  
Auke Bay, AK 99821  
(907) 789-9392  
All campaign & election form
5. Margo Waring  
1215 Fifth Street  
Douglas, AK 99824  
(907) 364-3155
10. Jeff Bowman  
Executive Director  
AKPIRG  
Box 101093  
Anchorage, AK 99510  
(907) 278-3661  
Supports HB 137
9. Karla Forsythe  
Executive Director  
Alaska Public Offices Comm.  
2221 East Northern Lights  
Anchorage, AK 99504  
(907) 276-4176  
Presented APOC Position on HB 137
12. Annie Laurie Howard  
Chair  
Alaska Public Offices Comm.  
3220 Amber Bay Circle  
Anchorage, AK 99515  
(907) 344-0289
3. Brooke Miles  
APOC  
P.O. Box CO  
Juneau, AK 99811  
(907) 465-4864  
Testified on HB 137 and HB 234
4. Rep. Pat Pourchot  
P.O. Box V  
Juneau, AK 99811  
(907) 465-3879  
Testified on HB 137 and HB 234
6. E.M. Tucker  
1050 Salmon Creek Lane, #D201  
Juneau, AK 99801
8. John Yarbor  
EPIC PAC  
Box 671073  
Chugiak, AK  
(907) 688-0861

JOHN SUND, REPRESENTATIVE

2504 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552

---

While in Juneau  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919

March 4, 1988

Richard Whittaker  
Whittaker & Zelensky  
Attorneys at Law  
Box 3313  
Ketchikan, Alaska 99901

Dear Mr. Whittaker *Dick*

Thank you for your thoughtful letter regarding campaign financing. The House Judiciary Committee recently passed out Committee Substitute for House Bill 137 (Judiciary), by Representative Brown, which addresses this issue. I have enclosed a copy, which, as you can see, does not go quite as far as your proposals would. The bill does, in my opinion, improve the present law significantly. HB 137 would set cumulative caps on contributions by PAC's, set time limits on accepting contributions, prohibit candidates from taking campaign funds as personal income, and prohibit legislators from raising money during the legislative session.

As you point out, there are constitutional considerations of free speech and equal protection to be taken into account any time the legislature works to limit campaigns. Some doubts were expressed regarding the proposal we came up with, but we do have an opinion by our Legal Services Division indicating no problems. I think it is a step in the right direction.

Thanks again for writing.

Sincerely,

*JS*  
John Sund  
Representative

FEB 18 1988

WHITTAKER & ZELENSKY  
Attorneys at Law  
Box 3313  
Ketchikan, Alaska 99901  
907 225-4777  
\* \* \* \* \*  
Richard Whittaker  
Michael J. Zelensky

17 Feb 88

Howard Wayne  
Office of John Sund  
State Legislature  
Box V  
Juneau, Alaska 99811

Dear Howard:

I've been very disturbed about the campaign financing problem for some time. Common Cause is pushing SB 2 which if passed would still give Ted Stevens \$190,000 PAC money.

I'd like to see introduction of a model bill in our legislature and after some reflection would suggest at least the following provisions:

1. Campaign contributions be limited to persons only. Naught from companies or corporations etc.
2. Campaign contributions be limited to those persons living in the particular election district.
3. It be made a crime to pass through funds, i.e., companies giving employes or others money to contribute to a campaign.
4. That advertising by outside the district persons or interests be prohibited and those interests limited to manomano contact with residents of the district.
5. That campaign contributions for statewide contests be limited to residents of the state.

It's been a long time since I've given any thought to the constitutional restrictions on campaign contributions, so I really dont have a handle on that, just a feeling that such a scheme could pass scrutiny.

I'd appreciate your thoughts.

How about a committee to draft Howard Wayne, and a statement from you that you cannot committ as an employe of the legislature, until the legislature is over?

Regards,

  
Richard Whittaker

# Anchorage Daily News



ADN 1-26-88

Winner, 1976 Pulitzer Prize Gold Medal for Public Service

Gerald E. Grilly  
Publisher

Howard Weaver  
Managing Editor

Michael Carey  
Editorial Page Editor

Katherine Fanning, Editor and Publisher 1971 to 1983  
Lawrence Fanning, Editor and Publisher 1967 to 1971

Founded in 1946 by Norman C. Brown.

## No wonder this reform is popular

After much searching, state house Reps. Kay Brown and Fran Ulmer have found a campaign financing reform they think is politically feasible. And it's not hard to see why their proposal might be popular with their colleagues. Rep. Brown's reform bill (HB 137), as passed from Rep. Ulmer's House State Affairs committee, might be labelled "The Incumbent Protection Act of 1988."

No one can doubt the two lawmakers' sincerity. They both want to cut the influence of money in state politics. But if this is the best that can be done in the cause of reform, the resistance from their colleagues must be a formidable obstacle, indeed.

The measure bars any legislative candidate — incumbent or challenger — from raising money or starting a formal campaign during an election year until the legislature adjourns.

On the plus side, such a change prevents powerful lawmakers from piling up big war chests that scare off potential challengers. Incumbents won't be able to head home for fundraisers and milk lobbyists who want their votes on pending legislation.

But the bill reinforces built-in advantages that every incumbent enjoys. Cutting fund-raising time hurts challengers, since office holders can almost always raise more money faster.

Lawmakers already get state-paid office allowances to communicate with voters during the session. This bill lets them use surplus funds from previous campaigns for the same purpose. With the limits on campaigning during the session, it will get harder and harder to tell legitimate voter communication from disguised campaigning.

Non-incumbents also would lose one small advantage they now enjoy. While lawmakers are tied to their duties in Juneau, challengers back home won't be able to get a jump on the campaign.

Rep. Brown's bill raises constitutional questions, as well. Any measure that restricts the time or place of political speech, which is what campaigns are, must have a compelling justification. Sponsors haven't even begun to build a case for such restrictions.

The measure does do some good things. It bans post-election fund-raising. It also bars candidates from pocketing leftover campaign funds for personal use.

Taken alone, these would be reforms worthy of the name. But when they're linked with such strong protections for incumbents, they become part of a