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Official Business

Alaska State Legislature

House

P.O. BOX V
State Capitol
Juneau, Alaska 99811

HOUSE BILL 234

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- A. DEPARTMENT OF LAW, LEGAL SERVICES

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

April 10, 1987

The Honorable Fran Ulmer
Chair, House State Affairs
Pouch V
Juneau, AK 99811

RE: HB 234 Position Paper

Dear Rep. Ulmer:

Members of the Commission have reviewed HB 234 individually and I have spoken to most of them on the telephone about it, but they have not been able to discuss it as a group. Hence, a Commission position statement is not available at this time.

Individual Commission members feel the bill has certain conceptual merits. Some questions and observations concerning the language in the bill have been raised and I will do my best to address any questions the Committee might have during its meeting.

Sincerely,

ALASKA PUBLIC OFFICES COMMISSION



THEDA PITTMAN
Executive Director

Original sponsor: Hoffman

Attachment # 7

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 234 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

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

10 Sec. 15.13.065. CONTRIBUTION TO CANDIDATES FOR THE LEGISLATURE.

11 (a) A candidate for the legislature may accept a contribution only as
12 provided under AS 15.13.070 or this section.

13 (b) During the election campaign, a candidate for the state
14 senate may accept

15 (1) not more than \$1,000 in contributions from an
16 individual, a group, a corporation, or a labor union;

17 (2) a cumulative total of not more than \$20,000 in
18 contributions from corporations, labor unions, and groups;

19 (3) a cumulative total of not more than \$20,000 in
20 contributions from political parties and their subdivisions.

21 (c) During the election campaign, a candidate for the state
22 house of representatives may accept

23 (1) not more than \$1,000 in contributions from an
24 individual, a group, a corporation, or a labor union;

25 (2) a cumulative total of not more than \$10,000 in contri-
26 butions from corporations, labor unions, and groups;

27 (3) a cumulative total of not more than \$10,000 in contri-
28 butions from political parties and their subdivisions.

29 (d) In this section, "election campaign" means the period from

1 September 1 of the year before the year in which the general election
2 will be held through the day before the date of the general election.

3 * Sec. 2. AS 15.13.070(a) is amended to read:

4 (a) An individual, [NO] person, or group, including but not
5 limited to all political committees, businesses, corporations, and
6 labor unions, may not contribute [TO OR EXPEND] more than \$1,000 a
7 year to a candidate for governor, lieutenant governor, or municipal
8 office [ON BEHALF OF OR IN OPPOSITION TO THE COMPETING CANDIDATES FOR
9 EACH ELECTIVE OFFICE]. Political parties and their subdivisions are
10 not subject to the limitation prescribed in this subsection, but they
11 are subject to the reporting requirements prescribed by AS 15.13.-
12 040(b) and 15.13.110. Nothing in this chapter prohibits

13 (1) a candidate from contributing more than \$1,000 to the
14 [OF HIS OWN MONEY TO HIS OWN] campaign of the candidate; or

15 (2) individuals, persons, or groups, including but not
16 limited to all political committees, businesses, corporations, [AND]
17 labor unions, and political parties from contributing to or expending
18 on behalf of a ballot proposition or question more than \$1,000 a year;
19 the [HOWEVER, THESE] contributions and expenditures shall be reported
20 under [IN ACCORDANCE WITH] AS 15.13.040 and 15.13.110.

21 * Sec. 3. AS 15.13.070 is amended by adding a new subsection to read:

22 (i) A candidate for public office may not take contributions as
23 personal income during an election campaign or during tenure as an
24 elected public official.

Sectional Analysis - for Proposed CS for HB 234

PROPOSED NEW TITLE-----"An Act relating to the duration and financing of election campaigns."

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

Sec 15.13.065. CONTRIBUTION TO CANDIDATES FOR THE LEGISLATURE.

A candidate for state Senate may accept

- 1) not more than \$1,000 in contributions during a "election campaign" from an individual, a group, a corporation, or a labor union;
- 2) a cumulative total of not more than \$20,000 during a "election campaign" in contributions from corporations, labor unions, and groups;
- 3) a cumulative total of not more than \$20,000 during a "election campaign" from political parties and their subdivisions.

A candidate for state house of representatives may accept

- 1) not more than \$1,000 in contributions during a "election campaign" from an individual, a corporation, labor unions, and groups;
- 2) a cumulative total of not more than \$10,000 in contributions during a "election campaign" from corporations, labor unions, and groups;
- 3) a cumulative total of not more than \$10,000 in contributions during a "election campaign" from political parties and their subdivisions.

"Election campaign" means the period from September 1 of the year before the year in which the general election will be held through the day before the date of the general election.

*Section 2. AS 15.13.070 (a) is amended to allow an individual not to contribute more than \$1,000 a year to a candidate for governor, lieutenant governor, or municipal office.

*Section 3. AS 15.13.070 is amended by adding a new subsection.

A candidate for public office may not take contributions as personal income during a campaign for elective office or during tenure as an elected public official.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

BILL SHEFFIELD, GOVERNOR

3

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

April 7, 1987

Honorable Lyman Hoffman
Representative
Alaska State Legislature
Capitol Building, Room 112
Juneau, Alaska 99811

Re: Position Paper on HB 234

Dear Representative Hoffman:

HB 234 proposes changing AS 15.13 in three areas:

1. limiting the total amount of campaign contributions a candidate for the state senate and house may receive from "corporations, labor unions, and groups";
2. similarly limiting the amounts candidates may receive from political parties; and
3. prohibiting candidates for public office from taking campaign contributions as personal income "during a campaign for elective office or during tenure as an elected public official."

The proposed limits on total contributions a candidate may receive from "corporations, labor unions, and groups" and from political parties pose interesting constitutional questions. In general, the United States Supreme Court has upheld total bans on contributions from certain groups, including corporations, unions, and public employees, and has upheld limits on the amount of contributions an individual or group may make to a single candidate. See Buckley v. Valeo, 424 U.S. 1 (1975).

However, expenditure limits, that is to say, caps on the total amount a candidate may spend on an election, have been found unconstitutional on the theory that:

A restriction on the amount of money a person or group can spend on political communication necessarily reduces the quantity of expression by restricting the number of issues discussed, the

Honorable Lyman Hoffman
Representative

April 7, 1987
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depth of their exploration, and the size of the audience reached.

Buckley, 424 U.S. at 19.

The proposals in HB 234 are not expenditure caps per se, but do appear to be aimed at the same goal: to reduce the overall cost of campaigns. This approach has not been tested before the United States Supreme Court or the Alaska Supreme Court. Our best guess is that the total contribution cap would probably be upheld, if challenged, but it is an open question. In particular, the inclusion of political parties under the cap complicates the constitutional question, bringing in freedom of association concerns as well as freedom of speech problems.

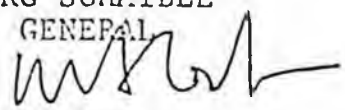
The proposed ban on use of campaign contributions as personal income does not pose any constitutional problems, but it should be pointed out that the language in HB 234 would allow a defeated candidate to take contributions as personal income.

Please let me know if we can be of any further assistance.

Sincerely yours,

GRACE BERG SCHAIBLE
ATTORNEY GENERAL

By:


Richard D. Monkman
Assistant Attorney General

RDM:nb

cc: George Sullivan
Legislative Liason
Office of the Governor

Kay Gouwens
Assistant Attorney General
Anchorage

B.J. Jordan
Legal Text Editor
Juneau AGO

Sectional Analysis - HB 234

For an Act entitled: "An Act relating to campaign finance reform."

*Section 1. AS 15.13.070 (a) is amended to allow an individual not to contribute more than \$1,000 a year to a candidate.

A candidate for state Senate may not accept more than a cumulative total of \$20,000 a year in contributions:

- (1) from corporations, labor unions, and groups.
- (2) from political parties.

A candidate for state House of Representatives may not accept more than a cumulative total of \$10,000 a year in contributions:

- (1) from corporations, labor unions, and groups.
- (2) from political parties.

An individual may not accept a contribution on and after the date of the general election through a date one year before the primary at which the individual will seek election or reelection to the legislature.

*Section 2. AS 15.13.070 is amended by adding a new subsection.

A candidate for public office may not take contributions as personal income during a campaign for elective office or during tenure as an elected public official.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

A

REQUEST: _____

Bill Version: HB 234
Publish Date: _____

Revision Date: _____
Title: "An Act relating to campaign
finance reform."
Sponsor: Representative Hoffman
Requestor: Representative Hoffman

Agency Affected: Department of Law
BRU: Legal Services
Components: Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Please see attached analysis.

Prepared by: Richard I. Pegues, Director Phone: 465-3672
 Division: Administrative Services Division Date: April 7, 1987
 Approved by Commissioner: Grace Berg Schaible, Atty. Gen. Date: April 7, 1987
 Agency: Department of Law

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 234

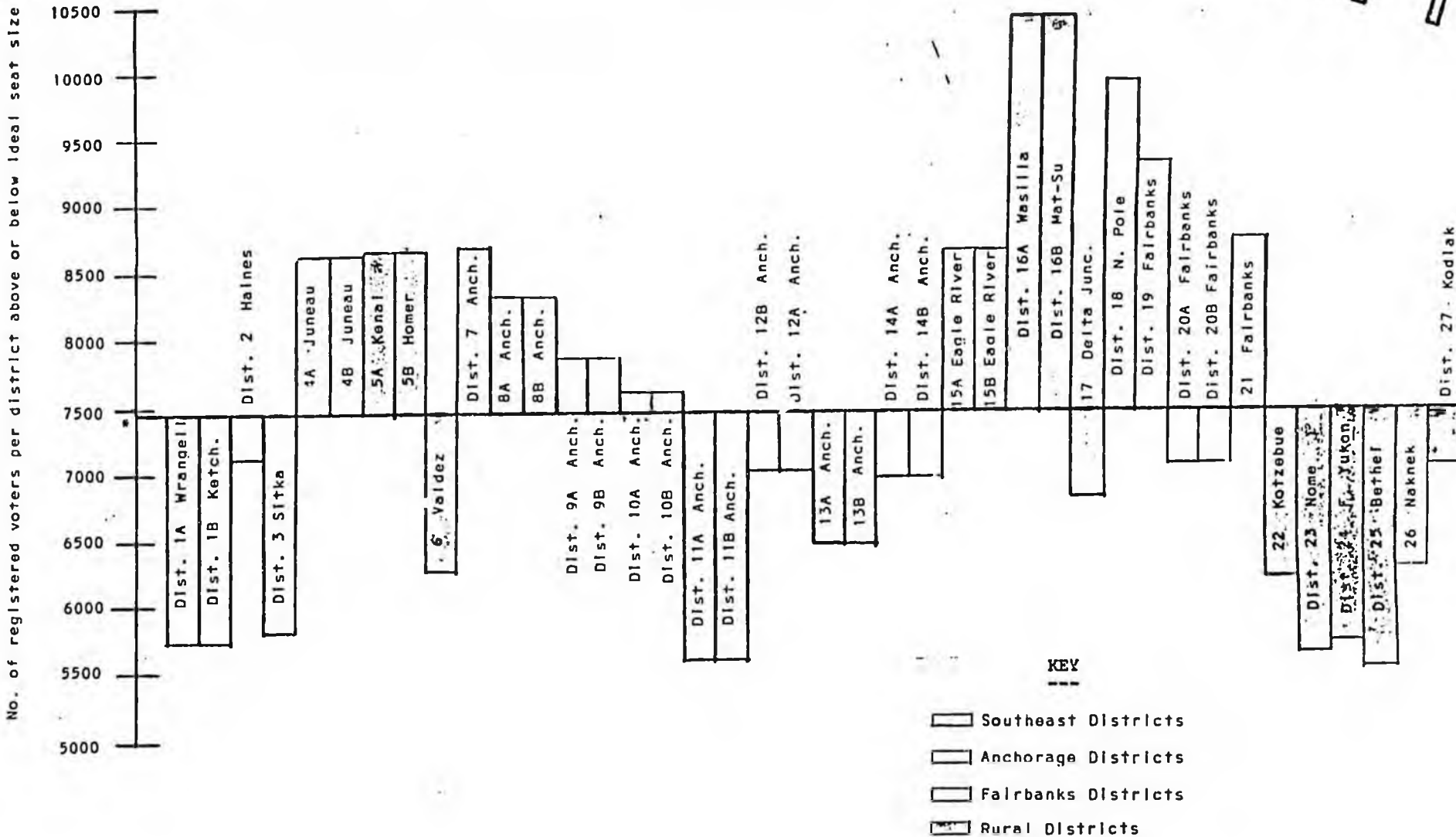
This bill amends AS 15.13.070 by placing a ceiling on the amount of campaign contributions a candidate for state legislative office can receive from corporations, labor unions, and groups, and by placing a similar ceiling on the amount a candidate can receive from political parties. The bill also places a limit on the amount that political parties may contribute on behalf of a ballot proposition or question.

Because the bill places an absolute ceiling on the cumulative amount that a state legislative candidate may receive from these groups, and because the bill limits the amount that political parties can contribute to a candidate, one-time litigation testing these provisions must be anticipated.

We do not anticipate, however, that the litigation that will arise from this bill will be long-term or ongoing. The courts will either uphold these caps, or overturn them. For this reason, fiscal note funds are not being requested.

Disparities in Number of Registered Voters Per House Seat
 Division of Elections Count April 1987

COPY



* Ideal House Seat Size is 7426

Mr Terrence Martin
 3960 Reka Dr B-6
 Anchorage AK 99504