

**HB**

**13**

## Alaska State Legislature

WHEAT IN SESSION  
CAPITOL BUILDING  
JUNEAU, ALASKA 99801-1182  
(907) 465-4031  
(907) 465-4318 FAX

INTERIM ADDRESS  
710 WEST 4TH AVENUE  
ANCHORAGE, ALASKA 99501  
(907) 258-8198  
(907) 258-8171 FAX

DISTRICT 10



CHAIR, OIL & GAS COMMITTEE  
VICE CHAIR, LABOR & COMMERCE  
COMMITTEE  
JUDICIARY COMMITTEE  
RESOURCES COMMITTEE  
INTERNATIONAL TRADE & TOURISM  
COMMITTEE

ECONOMIC TASK FORCE

**Representative Joe Green**

### Sponsor Statement

#### CSHB 13 - Campaign Disclosure Reports

HB 13 makes it easier for the public to know who is contributing money to non-party candidates for statewide office.

**Problem:** Currently, non-party candidates for legislative office who gain access to the general election ballot by going through the petition or write-in process are not required to file campaign finance disclosure reports during the primary election cycle. Alaska Public Office Commission Policy Decision 15.13-82-2 sets requirements for these candidates.

The Commission has ruled that non-party candidates, groups formed to influence the outcome of ballot issues not appearing on the primary ballot, and political party subdivisions and multi-candidate PAC's which do not make expenditures to benefit a candidate on the primary ballot "...need not file either Primary or General Election reports so long as their only activity during those reporting periods is the receipt of contributions or the expenditures of funds for administrative purposes."

When a campaign-related expenditure is made, the reporting cycle is triggered. Until that time, the public has no idea who is contributing money to non-party candidates.

**Solution:** HB 13 requires prospective non-party candidates for legislative office to disclose to the public, during the primary election reporting cycle, who is making campaign contributions to them.

9-I.S0068NG ✓

Chenoweth

2/3/95

CS FOR HOUSE BILL NO. 13( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
NINETEENTH LEGISLATURE - FIRST SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES GREEN, Bunde

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring persons filing for nomination for, or campaigning for election  
2 for, state elective office, persons authorized to make or incur political campaign  
3 expenditures before formally filing for nomination to state elective office, and  
4 groups acting on behalf of any of these, to file certain election campaign finance  
5 disclosure reports."

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

7 \* Section 1. PURPOSE. It is the purpose of this Act to require that the campaign  
8 disclosure reporting requirements for the primary and general elections apply in the year of  
9 those elections to

10 (1) a person who, under the regulations adopted by the Alaska Public Offices  
11 Commission to implement AS 15.13.100, has filed a letter of intent to become a candidate for  
12 state elective office;

13 (2) a person who has filed a nominating petition to become a candidate at the

1 general election for state elective office;

2 (3) a person who campaigns as a write-in candidate for state elective office at  
3 the general election; and

4 (4) a group that receives contributions or makes expenditures on behalf of or  
5 in opposition to a person described in (1) - (3) of this section.

6 \* Sec. 2. AS 15.13.110 is amended by adding a new subsection to read:

7 (f) During the year in which the election is scheduled, each of the following  
8 shall file the campaign disclosure reports in the manner and at the times required by  
9 this section:

10 (1) a person who, under the regulations adopted by the commission to  
11 implement AS 15.13.100, indicates an intention to become a candidate for elective  
12 state executive or legislative office;

13 (2) a person who has filed a nominating petition under AS 15.25.140  
14 - 15.25.200 to become a candidate at the general election for elective state executive  
15 or legislative office;

16 (3) a person who campaigns as a write-in candidate for elective state  
17 executive or legislative office at the general election; and

18 (4) a group that receives contributions or makes expenditures on behalf  
19 of or in opposition to a person described in (1) - (3) of this subsection.

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

21 Sec. 15.13.125. CIVIL PENALTY: LATE FILING OF REQUIRED  
22 REPORTS. A person who fails to file a properly completed and certified report within  
23 the time required by AS 15.13.040(f), [OR] 15.13.110(a)(1), (3), or (4), or 15.13.110(f)  
24 is subject to a civil penalty of not more than \$10 a day for each day the delinquency  
25 continues as determined by the commission subject to right of appeal to the superior  
26 court. A person who fails to file a properly completed and certified report within the  
27 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not  
28 more than \$50 a day for each day the delinquency continues as determined by the  
29 commission subject to right of appeal to the superior court. An affidavit stating facts  
30 in mitigation may be submitted to the commission by a person against whom a civil  
31 penalty is assessed. However, the imposition of the penalties prescribed in this section

1 or in AS 15.13.120 does not excuse that person from filing reports required by this  
2 chapter.

3 \* Sec. 4. APPLICATION. The provisions of AS 15.13.110(f)(1), added by sec. 2 of this  
4 Act, are intended to apply to a person who indicates an intention to become a candidate for  
5 elective state executive or legislative office under a letter of intent authorized by 2 AAC  
6 50.380 and who makes or incurs campaign expenditures by initiating early campaigning for  
7 the office.

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. HB 13

Revision Date: \_\_\_\_\_ Dept. Affected: Administration  
 Title: "An Act requiring persons authorized to make BRU: Alaska Public Offices Commission  
or incur political campaign expenditures . . ." Component: Alaska Public Offices Commission  
 Sponsor: Representative Green  
 Requestor: Representative Green COMPONENT SERIAL NO. 70

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES		9.0		9.0		9.0
TRAVEL						
CONTRACTUAL		0.3		0.3		0.3
SUPPLIES		0.1		0.1		0.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	9.4	0.0	9.4	0.0	9.4
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF		9.4		9.4		9.4
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>Total</b>	0.0	9.4	0.0	9.4	0.0	9.4

Estimate of current year (FY95) cost: \$0.0

POSITIONS:

POSITIONS:	FY96	FY97	FY98	FY99	FY00	FY01
FULL-TIME						
PART-TIME		1		1		1
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill would require the filing of campaign disclosure reports by prospective municipal and state candidates (those who file letters of intent). It would result in the filing of an estimated 270 additional reports by 70 prospective candidates.

Costs involved in administering this change include: a six month part-time seasonal administrative clerk during election cycles to deal with the additional paper processing, mailings, and copy requests; postage, envelopes, and paper.

Prepared by: Karen Boorman, Executive Director *K. Boorman* Phone: 907/276-4176  
 Division: Alaska Public Offices Commission Date: \_\_\_\_\_  
 Approved by Commissioner: *MB* Date: 1/26/95  
 Agency: Department of Administration

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE  
 For further distribution information call the Governor's Legislative Office

ALASKA PUBLIC OFFICES COMMISSION

POLICY DECISION

AS 15.13.040(b) and (c), 15.13.110,  
15.13.130(4) and 2 AAC 50.332 in  
relation to:

Exemption from Primary Election  
Reporting Requirements  
No. 15.13 - 82 - 2  
November 18, 1982

Question: Shall non-party candidates, groups formed to influence the outcome of ballot issues not appearing on the primary ballot, and political party subdivisions and multi-candidate PAC's which do not make expenditures to benefit a candidate on the primary ballot, but which may receive contributions and/or make administrative expenditures during the primary reporting period, be required to file Primary Election Campaign Disclosure Reports (30 and 7 Day Pre and 10 Day Post)?

Decision: The Commission determined that such groups and candidates need not file either Primary or General Election reports so long as their only activity during those reporting periods is the receipt of contributions or the expenditure of funds for administrative purposes. If a group makes campaign-related expenditures (i.e., those intended to influence the election of a candidate or the outcome of a ballot issue), then the campaign disclosure reporting cycle is triggered, beginning with the report covering the period during which such an expenditure was made and covering all financial activity not previously reported. Failure to file timely reports once the reporting cycle is triggered will subject the candidate or group to the penalty provisions of AS 15.13 and 2 AAC 50. However, if no campaign-related expenditures are made during a calendar year, but contributions are received and/or administrative expenditures are made, then a comprehensive Year-end Report shall be filed.

Rationale: Historically, it has been the informal policy of the Commission to exempt non-party candidates and General Election ballot issue groups from the requirement to submit Primary Election reports. In light of AS 15.13.110(a), it seems reasonable to extend the exemption to multi-candidate PAC's and political party subdivisions with no campaign-related primary expenditures: AS 15.13.110(a)(1), (2), and (3) state that the "report shall be filed at the following times: 30 days before the election; one week before the election; ten days after the election..." (emphasis added). Presumably, the election to which .110 refers is the specific one that the candidate or group is attempting to influence. No public harm results and timely disclosure is not compromised if primary reports are not submitted since the election in question is the general.

Such an exemption would make the reporting requirements less burdensome, eliminate the submittal of extraneous reports, and expedite the auditing and review process.

References: Patrice Stendahl Memorandum of August 11, 1982, and attachment.