

HB

160

ALASKA STATE LEGISLATURE

Vice Chair:
House Finance Committee

Chair:
House Finance Subcommittee for,
Department of Public Safety
Department of Law



Session:
Alaska State Capitol
Juneau, AK 99801-1182
Phone: (907) 465-4958
Fax: (907) 465-4928

Interim:
PO Box 464
Chugiak, AK 99567

BILL STOLTZE

State Representative

Representative_Bill_Stoltze@legis.state.ak.us

House Bill 160

Public Funds & Ballot Props/Candidates

"An Act limiting the use of money of the state and its political subdivisions to affect an election."

Under the current statutes, public money can be used to influence the outcome of an election concerning a ballot proposition or question. Residents of the state and municipalities within the state do not have a say in whether or not their government should use public funds to sway the outcome of a vote.

HB 160 will prevent the state and local governments from using public funds to influence the outcome of a ballot proposition.

The provisions of HB 160:

- Prevents the State of Alaska, the University of Alaska, municipalities, school districts, and other political subdivisions of the state from using public funds to influence the outcome of a ballot proposition.
- Limits the Division of Elections and municipal election officials to only: disseminate information about the time and place of an election and to hold an election, and provide the public with the information already in statute for election pamphlets (AS 15.58.020).

I ask for your consideration and support of HB 160 to pass this modest piece of campaign finance reform.

DISTRICT 16

BIRCHWOOD • BUTTE • CHUGIAK • EKLUTNA • FAIRVIEW LOOP
KNIK RIVER ROAD • LAZY MOUNTAIN • PALMER • PETERS CREEK

24-LS0586X
Kurtz
1/30/06

**CS FOR HOUSE BILL NO. 160(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION**

BY THE HOUSE STATE AFFAIRS COMMITTEE

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVES STOLTZE, Neuman

**A BILL
FOR AN ACT ENTITLED**

1 **"An Act limiting the use of money of the state and its political subdivisions to affect a**
2 **state election."**

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

4 *** Section 1. AS 15.13.145(a) is amended to read:**

5 (a) Except as provided in (b) and (c) of this section, each of the following may
6 not use money held by the entity to influence the outcome of the election of a
7 candidate to a state or municipal office or the outcome of an election concerning a
8 state ballot proposition:

- 9 (1) the state, its agencies, and its corporations;
- 10 (2) the University of Alaska and its Board of Regents;
- 11 (3) municipalities, school districts, and regional educational attendance
- 12 areas, or another political subdivision of the state; and
- 13 (4) an officer or employee of an entity identified in (1) - (3) of this
- 14 subsection.

1 * Sec. 2. AS 15.13.145(b) is amended to read:

2 (b) Money held by an entity identified in ~~(a)(3)~~ [(a)(1) - (3)] of this section
3 may be used to influence the outcome of a municipal [AN] election concerning a
4 ballot proposition or question, but only if the funds have been specifically
5 appropriated for that purpose by [A STATE LAW OR] a municipal ordinance.

6 * Sec. 3. AS 15.13.145(c) is amended to read:

7 (c) Money held by

8 (1) the division of elections or a municipal election official [AN
9 ENTITY IDENTIFIED IN (a)(1) - (3) OF THIS SECTION] may be used

10 (A) [(1)] to disseminate information about the time and place of
11 an election and to hold an election; or

12 (B) [(2)] to provide the public with the information described
13 in AS 15.58.020;

14 (2) a municipality, school district, regional educational attendance
15 area, or another political subdivision of the state may be used to provide the
16 public with nonpartisan information about a ballot proposition or question other than
17 a state ballot proposition or question or about all the candidates seeking election to
18 a particular [PUBLIC] office.

State School bonds for maintenance etc ?

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 160(CRA)

1 Page 1, line 1:

2 Delete "an"

3 Insert "a state"

4

5 Page 2 line 1 - 17:

6 Delete all material and insert:

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1 a particular [PUBLIC] office."

24-LS0586S

Kurtz

1/27/06

CS FOR HOUSE BILL NO. 160()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES STOLTZE, Neuman

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CS FOR HOUSE BILL NO. 160(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STCLTZE, Neuman

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16 public with nonpartisan information about a ballot proposition or question other than
17 a state ballot proposition or question or about all the candidates seeking election to
18 a particular [PUBLIC] office.

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 160

- 1 Page i, line 7, following "concerning a":
- 2 Insert "state"

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 485-3887 or 485-2450
FAX (907) 485-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-7182
Delivery to: 129 6th St., Rm. 329

MEMORANDUM

January 30, 2006

SUBJECT: Constitutionality of CSHB 160(CRA)
(Work Order No. 24-LS0586\Y)

TO: Representative Max Gruenberg
Attn: Mike Bucy

FROM: Kathryn L. Kurtz *KK*
Assistant Revisor

You asked for a review of the constitutionality of HB 160.

Freedom of Speech

One possible constitutional concern would involve the right to free speech. There is a series of cases that establish the right of corporations to make contributions and expenditures to influence the outcome of ballot initiatives. However, I do not think this line of cases would extend to invalidate the restrictions proposed in HB 160 on the state and its political subdivisions.

The first amendment of the Constitution of the United States protects freedom of speech and freedom of association. The freedom of speech is not absolute, Messerli v. State, 626 P.2d 81, 86 (Alaska 1981), but any content-based restriction on speech must serve a "compelling" state interest. Mickens v. City of Kodiak, 640 P.2d 818, 821 (Alaska 1982). Political campaign contributions and expenditures fall within the protections of the first amendment. Buckley v. Valeo, 424 U.S. 1 (1976).

At least two states have enacted statutes prohibiting corporations from making contributions or expenditures to influence the outcome of ballot initiatives, but they have been defeated in the courts. In First National Bank of Boston v. Bellotti, 435 U.S. 765, 786 (1978), a Massachusetts statute prohibiting corporations from making contributions or expenditures to influence the outcome of certain ballot initiatives was held to be unconstitutional. The Supreme Court of the United States held:

[T]he legislature is constitutionally disqualified from dictating the subjects about which persons may speak and the speakers who may address a public issue. ... Such power in government to channel the expression of views is unacceptable under the First Amendment.

Representative Max Gruenberg
January 30, 2006
Page 2

Id. More recently, the Ninth Circuit court of appeals found a Montana initiative prohibiting direct corporate expenditures in ballot initiative campaigns to be unconstitutional. Montana Chamber of Commerce v. Argenbright, 226 F.3d 1049 (9th Cir. 2000).

However, municipalities are creations of the state, and the state prescribes their powers and functions. Art. X, secs. 3 and 7, Constitution of the State of Alaska. The state already imposes limitations on the power of municipalities to spend money to influence the outcome of an election of a candidate; this bill simply extends those limits to cover ballot propositions. Courts in Colorado have upheld state statutory restrictions on use of public funds to advocate or oppose state ballot measures, despite free speech arguments. See *Campbell v. City of Aurora*, 704 F.2d 501, 503 - 504 (10th Cir. 1983); *Coffman v. Colorado Common Cause*, 102 P.3d 999, 1005 (Co. 2004). But see *Alabama Libertarian Party v. City of Birmingham*, 694 F.Supp. 814 (D. Ala. S.D. 1988) (Court upheld use of city funds for promotional campaign encouraging passage of city ballot propositions: "[w]hile defendants might be forbidden to spend funds to support candidates, oppose initiative proposals, etc., they are not forbidden to publicize and seek public support for their own governmental proposals.")

KLK:lmb
06-032.lmb

24-LS0586\F
Kurtz
4/6/05

CS FOR HOUSE BILL NO. 160()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES STOLTZE, Neuman

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1 * Sec. 2. AS 15.13.145(b) is amended to read:

2 (b) Money held by an entity identified in (a)(1) - (3) of this section may be
3 used to disseminate information about the time and place of an election
4 [INFLUENCE THE OUTCOME OF AN ELECTION CONCERNING A BALLOT
5 PROPOSITION OR QUESTION, BUT ONLY IF THE FUNDS HAVE BEEN
6 SPECIFICALLY APPROPRIATED FOR THAT PURPOSE BY A STATE LAW OR
7 A MUNICIPAL ORDINANCE].

8 * Sec. 3. AS 15.13.145(c) is amended to read:

9 (c) Money held by the division of elections or a municipal election official
10 [AN ENTITY IDENTIFIED IN (a)(1) - (3) OF THIS SECTION] may be used

11 (1) to disseminate information about the time and place of an election
12 and to hold an election;

13 (2) to provide the public with the information described in
14 AS 15.58.020 [NONPARTISAN INFORMATION ABOUT A BALLOT
15 PROPOSITION OR QUESTION OR ABOUT ALL THE CANDIDATES SEEKING
16 ELECTION TO A PARTICULAR PUBLIC OFFICE].

17 * Sec. 4. AS 15.13.145(d) is repealed.



Alaska Association of Municipal Clerks (AAMC)
Jamie Newman, CMC, Deputy City Clerk
City of Wasilla
290 E. Herning Avenue
Wasilla, AK 99654
Phone: 907-373-9090 / Fax: 907-373-9092
jnewman@ci.wasilla.ak.us

March 3, 2006

Representative Paul Seaton, Chair
House State Affairs Committee
Mailstop 3100
Alaska State Capitol
Juneau, AK 99801-1182

RE: HB 160


Dear Chairman Seaton and Committee Members:

On behalf of the Alaska Association of Municipal Clerks, I wish to express our opposition to House Bill 160, An Act limiting the use of money of the state and its political subdivisions to affect an election.

We strongly oppose restrictions on local municipalities that prohibit their involvement in statewide ballot propositions and we are particularly concerned with legislation that limits the dissemination of election information to the public.

Respectfully submitted,

ALASKA ASSOCIATION OF MUNICIPAL CLERKS


JAMIE NEWMAN, CMC
President

pc: Representative Bill Stoltze, Sponsor
Representative Mark Neuman, Co-Sponsor
Alaska Municipal League

Louie Flora

From: Milli Martin [millimom@xyz.net]
Sent: Wednesday, April 13, 2005 6:17 AM
To: Rep. Paul Seaton; Louie Flora
Subject: Re: HB 160

Good Morning Paul and Louie,

Please oppose HB160. The intent is certainly well meaning, but it would seriously hamper municipal efforts to get the proper information to the public on ballot issues, and the Kenai Peninsula may have several coming that we need desperately to be able to inform the public about. The current law as it stands prohibits us from taking a stand, pro or con, but enables us to properly inform the public. That is part of our obligation to the public, in my humble view.

Please, please oppose this legislation.

Thank you,

Milli Martin
P.O. Box 2652
Homer, AK 99603

Rep. Paul Seaton

From: Jim Colver [surveyor@pobox.alaska.net]
Sent: Wednesday, April 13, 2005 4:47 PM
To: Rep. Paul Seaton
Cc: Rep. Carl Gatto; Rep. Jim Holm; Rep. Jay Ramras; Rep. Berta Gardner; Rep. Jim Elkins; Rep. Max Gruenberg
Subject: HB 160 Bad for School Bonds

Members of State Affairs Committee:

Prohibiting a municipality from providing information on ballot initiatives is unwise. Were the Mat-Su Borough unable to provide information on the port improvement bond in 2003, we would not have passed a \$10m bond for our new port.

As the fastest growing community in Alaska, we have a great demand for new schools and roads - likely to be paid for by voter approved bonds, and information will need to be provided to the public. Coupled with a local tax cap, this bill may doom our future school bonds and school appropriations.

Please consider the impacts to our kids and community before moving this bill. I urge you to hold it in committee.

Jim Colver
Deputy Mayor
Mat-Su Borough

Louie Flora

From: Rep. Paul Seaton
Sent: Wednesday, April 13, 2005 4:28 PM
To: Louie Flora
Subject: FW: HB 160

Ian Laing
Rep. Paul Seaton
Legislative Staff
(907) 465-2689

-----Original Message-----

From: Linda Swarner [mailto:lswarner@acsalaska.net]
Sent: Wednesday, April 13, 2005 7:14 AM
To: Rep. Paul Seaton
Subject: HB 160

Thank you for considering my thoughts as I oppose HB 160 because it prevents government from providing information to the public necessary for them to make good policy decisions on public initiatives such as Proposition 4, the statewide sales tax cap, in 2000.

As you know the current law balances the need for government to provide information about the impact of initiatives to the public with a provision that any public money used for this purpose must stand the public scrutiny of a specific public appropriation process by local ordinance.

Please help us, the local government and elected officials, provide accurate and correct information to the voters. As a 17 year veteran of public service on the Council I view this as an unfunded mandate.

Linda Swarner
City of Kenai Council

Louie Flora

From: Rep. Paul Seaton
Sent: Wednesday, April 13, 2005 2:37 PM
To: Louie Flora
Subject: FW: HB 160

Ian Laing
Rep. Paul Seaton
Legislative Staff
(907) 465-2689

From: City Clerk [mailto:cityhall@mtaonline.net]
Sent: Wednesday, April 13, 2005 12:07 PM
To: Rep. Paul Seaton
Cc: Rep. Bill Stoltze; Rep. Vic Kohring; Rep. Mark Neuman; Sen. Lyda Green;
Senator.Chalie.Huggins@legis.state.ak.us
Subject: HB 160

Dear Representative Seaton,

I am requesting that the House State Affairs Committee reconsider supporting HB160. I do not feel that it is in the best interest of our citizens. To not allow municipalities and school districts to spend money so that we may provide residents with all of the facts on any given issue is wrong. These residents pay your salaries and trust that you will vote for what is in their best interest. Clearly not allowing communities, as well as school districts the freedom to pass along information to them is not in their best interest.

Dale Adams, Mayor
City of Houston
P.O. Box 940027
Houston, Ak.99697
907-892-6869

4/13/2005



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

April 12, 2005

Representative Paul Seaton, Chair
House State Affairs Committee
State Capitol
Juneau, AK 99811

Dear Representative Seaton and Committee,

AML opposes HB 160 because it prevents government from providing information to the public necessary for them to make good policy decisions on public initiatives.


The current law balances the need for government to provide information about the impact of initiatives to the public with a provision that any public money used for this purpose must stand the public scrutiny of a specific public appropriation process by local ordinance.

A recent example is "Prop 4 – the statewide tax cap initiative" which the public overwhelmingly defeated in 2000. Initially, public polling showed 70% support for the initiative. However, local governments and school districts across the state worked to provide information on the impact of a mandatory statewide property tax cap on schools, public safety, road maintenance, etc. With good information on impacts, this initiative was defeated in every election district in the state by a statewide average of 70% against.

If local governments and school districts had not been able to participate by developing information and distributing it, many of your communities today would essentially be wards of the state without the ability to use local property taxes to meet school needs, etc.

There have been similar initiatives proposed since Prop 4, but we feel the landslide defeat of Prop 4 has discouraged other attempts to mandate statewide policy to communities. HB 160 would essentially leave communities without a real ability to respond in the future and would likely open a floodgate for future initiatives that weaken your communities.

Thank you,
Sincerely,



Kevin Ritchie
Executive Director

Louie Flora

From: Rep. Paul Seaton
Sent: Monday, April 11, 2005 12:56 PM
To: Louie Flora
Subject: FW: CS for House Bill 160

Ian Laing
Rep. Paul Seaton
Legislative Staff
(907) 465-2689

From: Ronald W Erickson [mailto:rerickson@craigschools.com]
Sent: Monday, April 11, 2005 11:24 AM
To: Rep. Paul Seaton
Subject: CS for House Bill 160

Representative Seaton, I am writing to express my concerns with the CS for HB160. The language in this bill flies in the face of what we champion in our democracy, which is an informed citizenry who has the right to freely discuss both sides of an issue on which they are asked to vote. If an agency or subdivision of government can only give the date, place and time of an election, the citizens of the state will be voting without being informed. It also puts agencies and school districts at a distinct disadvantage not to be able to let the voters know what the issues are in the ballot measure. Only one side of the story will be heard. That of those not wishing the measure to pass. One of the best examples is the GO Bonds that were passed which helped many school districts and the University attend to major maintenance issues and facility needs that had gone unaddressed for some time. People need to know what the money is for and be able to hear both sides of any issues surrounding the measure. Had the CS for HB160 been in effect during the time the GO bonds were placed on the ballot, only those wishing to see the measure fail would have been able to provide any information. The schools and university would have been gagged by this bill and unable to answer any questions or allegations made by those not supporting the bond. This is a bad bill and needs to be defeated. It undermines the very core of our democracy.

Ronald W Erickson
Superintendent
Craig City School District
PO Box 800
Craig, AK 99921
work phone: (907) 826-3274
fax: (907) 826-3322
e-mail: rerickson@craigschools.com

City of North Pole
Office of the Mayor

Fax Memo

To: House State Affairs Fax: 488-3348
From: Mayor Jeff Jacobson Fax: 488-3002
Date: April 13, 2005
Re: HB 160 Pages sent: 2

I am expressing my opposition to House Bill 160, which I believe unnecessarily restricts the abilities of local governments and school boards to disseminate information about the impacts of statewide initiatives on local communities. I am including Resolution 05-08 which I will introduce at the North Pole City Council on Monday, April 18th. I am very assured that it will pass. I am curious why there is an interest on the behalf of the state legislature to dictate to local municipalities and boards how they can spend their own revenues and on what they may comment. Municipalities and boards have more direct accountability to the public on such matters.

I find it quite a paradox that the House is expanding the job description of the Commissioner of the Department of Fish & Game to promote fish and wildlife management policies to combat efforts by outside interests proposing statewide initiatives on wolf control and trapping, while on the other hand HB 160 will restrict local governments' voice on matters of self governance regarding statewide initiatives affecting local communities.



Jeff Jacobson, Mayor

125 Snowman Lane
North Pole, Alaska 99705
488-2281 office
488-5755 home
mayor@northpolealaska.com

Sponsored by: Mayor Jacobson
Introduced and Adopted: April, 18, 2005

CITY OF NORTH POLE

RESOLUTION 05-06

A RESOLUTION OPPOSING STATE OF ALASKA HOUSE BILL 160

**"An Act Limiting the Use of Money of the State of Alaska
and its Political Subdivisions to Effect an Election"**

WHEREAS, current state law regulates how the state and its political subdivisions may effect an election, requiring such entities to pass a law or ordinance appropriating and designating funds to influence the outcome of an election concerning a ballot proposition or question; and

WHEREAS, currently the public may testify before the state and its political subdivisions considering legislation to spend funds to influence the outcome of an election, which public process balances the need for government to provide information to the public with a provision that any public money used for this purpose must stand the public scrutiny of a specific local appropriation ordinance; and

WHEREAS, over the years there have been proposed initiatives mandating statewide policies to communities such as "Prop 4- the statewide property tax cap initiative", reducing and restricting local control; and

WHEREAS, the City of North Pole vigorously defends its right to provide information to the public necessary for them to make good policy decisions on public initiatives such as a statewide sales tax, which if enacted would dismantle the City's ability to generate local revenues to pay for local services; and

WHEREAS, passage of HB 160, would prevent the City of North Pole and other communities across Alaska from providing information about the impact of such initiatives on our communities.

NOW THEREFORE BE IT RESOLVED, that the North Pole City Council joins the Alaska Municipal League in its opposition to House Bill 160.

Passed and approved by a duly constituted quorum of the North Pole City Council on April 18, 2005.

ATTEST:

JEFFREY JAMES JACOBSON, Mayor

KATHRYN WEBER, CMC, City Clerk

Sarah Hook

Opposed HB 160

From: kashby@alaska.net
Sent: Wednesday, April 13, 2005 4:33 PM
To: Rep. Jim Holm; Rep. Jim Elkins; Rep. Max Gruenberg
Subject: Right to Know and HB 160

Public money should not be used for improper purposes but this bill may be ridiculous. The public has to know what is being addressed. Municipalities and school districts must have the same right as any other affected entity to present facts and figures relating to ballot propositions or community issues.

Thank you for supporting the public's right to know and defeating House Bill 160.

Kathy Ashby
City of Nuiqsut City Administrator
Nuiqsut, Alaska



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

April 12, 2005

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State Capitol
Juneau, AK 99811

Dear Representative Seaton and Committee,

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The current law balances the need for government to provide information about the impact of initiatives to the public with a provision that any public money used for this purpose must stand the public scrutiny of a specific public appropriation process by local ordinance.

A recent example is "Prop 4 – the statewide tax cap initiative" which the public overwhelmingly defeated in 2000. Initially, public polling showed 70% support for the initiative. However, local governments and school districts across the state worked to provide information on the impact of a mandatory statewide property tax cap on schools, public safety, road maintenance, etc. With good information on impacts, this initiative was defeated in every election district in the state by a statewide average of 70% against.

If local governments and school districts had not been able to participate by developing information and distributing it, many of your communities today would essentially be wards of the state without the ability to use local property taxes to meet school needs, etc.

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Louie Flora

From: Milli Martin [millimom@xyz.net]
Sent: Wednesday, April 13, 2005 6:17 AM
To: Rep. Paul Seaton; Louie Flora
Subject: Re: HB 160

Good Morning Paul and Louie,

Please oppose HB160. The intent is certainly well meaning, but it would seriously hamper municipal efforts to get the proper information to the public on ballot issues, and the Kenai Peninsula may have several coming that we need desperately to be able to inform the public about. The current law as it stands prohibits us from taking a stand, pro or con, but enables us to properly inform the public. That is part of our obligation to the public, in my humble view.

Please, please oppose this legislation.

Thank you,

Milli Martin
P.O. Box 2652
Homer, AK 99603

Rep. Paul Seaton

From: Jim Colver [surveyor@pobox.alaska.net]
Sent: Wednesday, April 13, 2005 4:47 PM
To: Rep. Paul Seaton
Cc: Rep. Carl Gatto; Rep. Jim Holm; Rep. Jay Ramras; Rep. Berta Gardner; Rep. Jim Elkins;
Rep. Max Gruenberg
Subject: HB 160 Bad for School Bonds

Members of State Affairs Committee:

Prohibiting a municipality from providing information on ballot initiatives is unwise. Were the Mat-Su Borough unable to provide information on the port improvement bond in 2003, we would not have passed a \$10m bond for our new port.

As the fastest growing community in Alaska, we have a great demand for new schools and roads - likely to be paid for by voter approved bonds, and information will need to be provided to the public. Coupled with a local tax cap, this bill may doom our future school bonds and school appropriations.

Please consider the impacts to our kids and community before moving this bill. I urge you to hold it in committee.

Jim Colver
Deputy Mayor
Mat-Su Borough

Louie Flora

From: Rep. Paul Seaton
Sent: Wednesday, April 13, 2005 4:28 PM
To: Louie Flora
Subject: FW: HB 160

Ian Laing
Rep. Paul Seaton
Legislative Staff
(907) 465-2689

-----Original Message-----

From: Linda Swarner [mailto:lswarner@acsalaska.net]
Sent: Wednesday, April 13, 2005 7:14 AM
To: Rep. Paul Seaton
Subject: HB 160

Thank you for considering my thoughts as I oppose HB 160 because it prevents government from providing information to the public necessary for them to make good policy decisions on public initiatives such as Proposition 4, the statewide sales tax cap, in 2000.

As you know the current law balances the need for government to provide information about the impact of initiatives to the public with a provision that any public money used for this purpose must stand the public scrutiny of a specific public appropriation process by local ordinance.

Please help us, the local government and elected officials, provide accurate and correct information to the voters. As a 17 year veteran of public service on the Council I view this as an unfunded mandate.

Linda Swarner
City of Kenai Council

Louie Flora

From: Rep. Paul Seaton
Sent: Wednesday, April 13, 2005 2:37 PM
To: Louie Flora
Subject: FW: HB 160

Ian Laing
Rep. Paul Seaton
Legislative Staff
(907) 465-2689

From: City Clerk [mailto:cityhall@mtaonline.net]
Sent: Wednesday, April 13, 2005 12:07 PM
To: Rep. Paul Seaton
Cc: Rep. Bill Stoltze; Rep. Vic Kohring; Rep. Mark Neuman; Sen. Lyda Green;
Senator.Chalie.Huggins@legis.state.ak.us
Subject: HB 160

Dear Representative Seaton,

I am requesting that the House State Affairs Committee reconsider supporting HB160. I do not feel that it is in the best interest of our citizens. To not allow municipalities and school districts to spend money so that we may provide residents with all of the facts on any given issue is wrong. These residents pay your salaries and trust that you will vote for what is in their best interest. Clearly not allowing communities, as well as school districts the freedom to pass along information to them is not in their best interest.

Dale Adams, Mayor
City of Houston
P.O. Box 940027
Houston, Ak.99697
907-892-6869



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

April 12, 2005

Representative Paul Seaton, Chair
House State Affairs Committee
State Capitol
Juneau, AK 99811

Dear Representative Seaton and Committee,

AML opposes HB 160 because it prevents government from providing information to the public necessary for them to make good policy decisions on public initiatives.

The current law balances the need for government to provide information about the impact of initiatives to the public with a provision that any public money used for this purpose must stand the public scrutiny of a specific public appropriation process by local ordinance.

A recent example is "Prop 4 - the statewide tax cap initiative" which the public overwhelmingly defeated in 2000. Initially, public polling showed 70% support for the initiative. However, local governments and school districts across the state worked to provide information on the impact of a mandatory statewide property tax cap on schools, public safety, road maintenance, etc. With good information on impacts, this initiative was defeated in every election district in the state by a statewide average of 70% against.

If local governments and school districts had not been able to participate by developing information and distributing it, many of your communities today would essentially be wards of the state without the ability to use local property taxes to meet school needs, etc.

There have been similar initiatives proposed since Prop 4, but we feel the landslide defeat of Prop 4 has discouraged other attempts to mandate statewide policy to communities. HB 160 would essentially leave communities without a real ability to respond in the future and would likely open a floodgate for future initiatives that weaken your communities.

Thank you,
Sincerely,



Kevin Ritchie
Executive Director

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... or nomination of a
...dified voter; or
... thing in exchange for
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...; (§ 205 ch 100 SLA

... — The 1998 amendment,
... added paragraph (a)(4)
... change

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... refuses to allow an
...ime off, the employer
...d in (b) of this section.
...e, either between the
...king shift, or between
...s considered to have

...05 ch 100 SLA 1980)

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Revisor's notes. — Enacted as AS 15.56.111(c).
Renumbered in 1980. Renumbered again in 1982.

Sec. 15.56.120. Election defined. [Repealed, § 4 ch 87 SLA 1996.]

Sec. 15.56.130. Time limitation. A prosecution for an offense described in AS 15.05 — AS 15.60 (Alaska Election Code) may not be maintained unless it is begun within one year after the date of the election in connection with which the offense is alleged to have been committed. (§ 205 ch 100 SLA 1980)

Revisor's notes. — Enacted as AS 15.56.131. Re-
numbered in 1980.

Sec. 15.56.199. Definitions. In this chapter,

(1) "election" includes a local election as defined in AS 15.60.010 in addition to a state election;

(2) "knowingly" has the meaning given in AS 11.01.900(a). (§ 3 ch 87 SLA 1996)

Effective dates. — Section 3, ch 87, SLA 1996,
which enacted this section, took effect on September
18, 1996.

Chapter 57. Election Pamphlet.

[Repealed, § 232 ch 100 SLA 1980. For current law, see AS 15.58.]

Chapter 58. Election Pamphlet.

Section

- 10. Election pamphlet
- 20. Contents of pamphlet
- 30. Material to be filed by candidate
- 40. Material to be filed by political parties
- 50. Information and recommendations on judicial officers

Section

- 60. Charges for space in pamphlet
- 80. Distribution
- 90. Delegation by lieutenant governor

Collateral references. — 26 Am. Jur. 2d, Elec-
tions, § 1 et seq. 29 C.J.S., Elections, §§ 117, 118(1).

Sec. 15.58.010. Election pamphlet. Before each state general election, the lieutenant governor shall prepare, publish, and mail at least one election pamphlet to each household identified from the official registration list. The pamphlet shall be prepared on a regional basis as determined by the lieutenant governor. (§ 206 ch 100 SLA 1980; am § 38 ch 85 SLA 1986)

Sec. 15.58.020. Contents of pamphlet. Each election pamphlet must contain

- (1) photographs and campaign statements submitted by eligible candidates for elective office in the region;
- (2) information and recommendations filed under AS 15.58.050 on judicial officers subject to a retention election in the region;
- (3) a map of the house district or districts of the region;
- (4) sample ballots for house districts of the region;
- (5) an absentee ballot application;
- (6) for each ballot proposition submitted to the voters by initiative or referendum petition or by the legislature,

METRO

ANCHORAGE DAILY NEWS • www.adn.com

SECTION B



Tax cap was one big flop

Voters across state rejected proposition

By RICHARD MAUER
Daily News reporter

The landslide defeat of the property tax initiative was so thorough that it was approved in only seven small, rural settlements among the state's 451 precincts. And of the seven, only one was in an area where property taxes are actually levied.

Precinct-by-precinct results from Tuesday's election

show the measure failed in each of the state's 40 House districts, getting no more than 38 percent of the vote in Ketchikan and Kodiak and losing by as much as 87 percent in the North Slope Borough.

Among Anchorage precincts, the closest it came was 34.7 percent in an Eagle River precinct, while its biggest loss was by 85 percent in a downtown precinct adjacent to the Park Strip. In only one of Anchorage's 16 House districts did the no vote drop below 70 percent, and that was 69.7 percent in House District 25, Eagle River-Chugiak.

Statewide, voters rejected the cap 161,803 to 64,507, or 71.5 percent to 28.5 percent.

Only last May, Uwe Kalenka, the original sponsor of the initiative, was predicting a huge victory, with only a "remote possibility" it wouldn't be approved.

"It's just a question of how close it will come to the Permanent Fund vote," he said then, referring to the 1999 advisory vote in which 83 percent of voters supported leaving the dividend program alone vs. spending some earn-

■ **HOW THEY VOTED:** To see a chart showing how each State House district voted on the property tax initiative, open this story at www.adn.com.

Property tax voted for cap

NO EXCUSES

"I'm not going to sit here and make excuses," he said. "In politics, they stick you in your coffin and nail it shut and send you home. Well, I'm home."

Still the campaign raised issues of taxation fairness and government efficiencies that will remain on the table, Burke and Hall said.

The initiative failed in even the traditionally anti-tax, anti-government areas of the Matanuska-Susitna and Kenai Peninsula boroughs. The closest margins were in Houson, where it lost 53.8 percent to 46.2 percent, and Ninilchik, where it lost 51.1 percent to 48.9 percent.

It was approved only in the tiny communities of Chatanika, Livengood, Stony River, Manley Hot Springs, Central, Eagle and Clear, which are also mostly strongholds of the Alaskan Independence Party, which endorsed the cap. Of those, only unincorporated Chatanika, which voted 15-13 for the cap, has property taxes from the Fairbanks-North Star Borough. Eagle, where it was approved 51-39, last levied a 1-mill tax in 1997.

Results were most lopsided in Valdez and the North Slope Borough, which depend heavily on taxes

levied on oil-producing property and which year after year tax at or close to the current limits. One Valdez precinct voted 85.8 percent against the cap. Two Barrow precincts lined up at 92.1 and 91.5 percent in opposition. But the biggest margin in the state was in Atmautluak, a tax-free, unincorporated Kuskokwim Delta village that divided 2-81 — 2.4 percent to 97.6 percent — against the cap.

Rural leaders had warned that if the cap was approved, big-city politicians would go looking for money at the Legislature and that would spell doom for the Bush with its limited political clout.

Jim Ayers, chief of staff for Gov. Tony Knowles and a longtime observer of Alaska politics, said the vote disproved the notion "that all that Alaskans want is their government cut — to get out of their lives — and to get their Permanent Fund dividend check. I think this shows that Alaskans are thinking people and that they care about their community and what happens to other people."

Reporter Richard Mauer can be reached at rmauer@adn.com.

TAX CAP: Only one community with a pro

Continued from Page B-1

said his main job was to sway the early support for the measure. "The first number I ever saw on this campaign, it was more than 70 percent in support," Hall said.

The opponents organized their effort over the summer and began engaging the other side in debates that continued through the week before Tuesday's election.

A 'NO-WIN SITUATION'

"As soon as people had time to sit down and see the impact it would have across the state, it was just a no-win situation for everybody," Hall said.

The initiative would have capped property taxes at 10 mills — an 8-mill reduction for most of Anchorage — and prevented assessments from rising more than 2 percent a year. It didn't provide any alternative revenues to make up for the estimated \$160 million that would have been lost statewide.

At first, Kalenka said it wasn't his job to solve the problems his initiative created. But Tax Cap Yes spokesman Eddie Burke said proponents concluded that such a course was politically unfeasible, so they

'I'm not going to sit here and make excuses. In politics, they stick you in your coffin and nail it shut and send you home. Well, I'm home.'

— Eddie Burke, Tax Cap Yes spokesman

made suggestions like merging government agencies or adopting new taxes.

Most of their ideas were dismissed by the opposition as too little or too speculative to work.

"You can't take all this money out without there being an effect," Hall said.

FUND-RAISING DISPARITY

Another Tax Cap Yes spokesman, former Anchorage Assemblyman Bob Bell, attributed the lopsided defeat to the lopsided fund-raising contest between the sides.

"They had \$300,000, and we had \$15,000," Bell said. Commercials produced by Hall's Alaskans United Against the Cap went unanswered, Bell said, and that led to the defeat.

But public opinion surveys by Anchorage pollster David Dittman show the initiative was in trouble

long before the commercials began airing in mid-October. While support for the initiative held steady around 55 percent during the first six months of the year, it began falling in mid-summer. By September, it was losing statewide, 46 percent against to 42 percent for, and falling fast, Dittman said.

On Friday, Bell was distancing himself from the initiative, though he had been one of its leading advocates in public debates.

"I wasn't in on drafting this thing. I came in after the fact," he said. "The 'doing surgery with a chain saw' was my quote," he said of an oft-repeated criticism of the cap. The cap should have been higher than 10 mills and its implementation more gradual, Bell said. Still, he voted for it as the 'lesser of two evils,' he said.

Burke was willing to accept defeat.

"I'm make e they st it shut home."

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FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 160
 () Publish Date: 2/18/2005

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title An Act limiting the use of money of RDU AK Public Offices Commission
the state and its political... Component AK Public Offices Commission
 Sponsor Stolze
 Requester House Community & Regional Affair Component No. 70

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This measure will prohibit the state and its political subdivisions from expending funds in support of or opposition to ballot questions. Current law prohibits the expenditure of public money to support or oppose a candidate, but permits the state and its political subdivisions to expend money in support of or opposition to a ballot question, if the funds are specifically appropriated for that purpose. Municipalities and school districts will be most affected by this change. This bill will have no fiscal impact.

Prepared by: Brooke Miles, Director Phone 907-276-4176
 Division Alaska Public Offices Commission Date/Time 3/14/05 1:45 PM
 Approved by: Mike Tibbles, Deputy Commissioner Date 3/14/2005

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB160
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
 Title: "An Act limiting the use of money of the state and its political subdivisions..." RDU: Elections
 Component: Elections
 Sponsor: Representative Stoltze
 Requester: H(C&RA) Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 00
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This legislation has no fiscal impact on the division.

Prepared by: Laura Glaiser, Director Phone 465-4611
 Division: Division of Elections Date/Time 3/7/05 11:55 AM
 Approved by: Laura A. Glaiser, Director Date 3/7/2005
 Agency: Office of the Lt. Governor, Division of Elections

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB 160(STA)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: OOG
 Title "An Act limiting the use of money of the state and its political subdivisions to affect..." RDU Elections
 Component Elections
 Sponsor Representative Stoltze
 Requester House State Affairs Component No. 21

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This legislation has no fiscal impact on the division.

Prepared by: Whitney Brewster, Director Phone 465-2644
 Division: Division of Elections Date/Time 1/27/2006, 8:51am
 Approved by: Whitney Brewster, Director Date 1/27/2006
 Agency: Office of the Lt. Governor, Division of Elections