

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 00/2

9451 HOUSE STATE AFFAIRS

27

HB

377

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 4, 1998

FURTHER REFERRALS:

Date of Committee Action: 2/26/98

The STATE AFFAIRS Committee considered:

HB 377

HOUSE BILL NO. 377

FILLING LEGISLATIVE VACANCIES

"An Act relating to filling a vacancy in the office of United States senator or in an office in the state legislature."

recommends it be replaced with the following committee substitute _____ the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) GOV zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Jeannette James</i>	<input checked="" type="checkbox"/>			
<i>Paul Howard</i>	<input checked="" type="checkbox"/>			
<i>Mark A. ...</i>	<input checked="" type="checkbox"/>			
<i>Mark A. ...</i>	<input checked="" type="checkbox"/>			

CHAIR'S SIGNATURE *Jeannette James*

ALASKA STATE LEGISLATURE

Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-3779 - Phone
(907) 465-2833 - Fax



Interim:
145 Main St. Loop Suite 221
Kenai, Alaska 99611
(907) 283-7223 - Phone
(907) 283-3075 - Fax

REPRESENTATIVE MARK D. HODGINS
House District 9

SPONSOR STATEMENT

HB 377

“An Act relating to filling a vacancy in the office of the United States Senator or in an office in the state legislature.”

In the past, vacancies which occurred between normal election cycles, the political party representing the predecessor made “recommendations” for appointment to that seat and the Governor usually made the appointments from that list of recommendations.

Recent history has shown that, at least in some states, this standard of partisan neutrality is being ignored. A governor from Ohio even went so far as to appoint himself to the senate seat. Although this may fall within the boundaries of law, clearly, it is inappropriate to advance your own political career by appointing yourself to higher office.

HB 377 states that the Governor shall make the appointment from a list of at least three qualified nominees submitted by the state organization that represents the political party of the predecessor.

HB 377 ensures that in the event a vacancy occurs in the United States Senate or in the state legislature, the citizens of Alaska who elected the predecessor to office, will continue to have their political philosophy represented by someone of their choosing.



Official Business

Alaska State Legislature

HOUSE OF REPRESENTATIVES

State Capitol
Juneau, AK 99801-1182

MEMORANDUM

TO: Representative Jeannette James

FROM: Representative Mark ~~Loggins~~ *Loggins*

RE: HB - 377 An act relating to filling a vacancy in the office of United States Senator or in an office in the State Legislature.

DATE: February 6, 1998

I respectfully request that HB 377 be scheduled for hearing by the House State Affairs Committee at your earliest possible convience.

Thank you for your consideration.

Author: Shari_Kochman@gov.state.ak.us at CC2MHS1
Date: 2/12/98 2:24 PM
Priority: Normal
TO: Barbara Cotting at LAA_TRANS
Subject: Re: fiscal notes

request is in
thanks

Reply Separator

Subject: fiscal notes
Author: Barbara_Cotting@legis.state.ak.us ("Barbara Cotting") at CC2MHS1
Date: 2/12/98 1:44 PM

I have scheduled the following bill for hearing in House State Affairs
on Thursday, February 19, and need fiscal notes:

HB 377, Filling Legislative Vacancies.

Thank you.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HB 377

Revision Date _____	Dept. Affected _____	Office of the Governor _____
Title <u>"An Act relating to filling a vacancy in the office of United States Senator or ... state legislature."</u>	BRU _____	<u>Executive Operations</u>
Sponsor <u>Representative Hodgins</u>	Component _____	<u>Executive Office</u>
Requester <u>House State Affairs</u>	Component Serial No. _____	<u>6</u>

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: 0.0

POSITIONS

POSITION TYPE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Full-time						
Part-time						
Temporary						

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

HB 377 does not have fiscal impact on the Executive Office.

Prepared by <u>Michael A. Nizich, Administrative Director</u> <i>Mae</i>	Phone <u>465-3876</u>
Division <u>Administrative Services</u>	Date <u>2/12/98</u>
Approved by <u>Jim Ayers, Chief of Staff</u> <i>J. Ayers</i>	Date _____
Agency <u>Office of the Governor</u>	

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HB

408

A M E N D M E N T #1

OFFERED IN STATE AFFAIRS

BY REPRESENTATIVE DAVIES

TO: HB 408a

1 Page 2, line 4:

Insert "The Office of the Governor shall provide staff support to the Commission."

~~Passed~~
Ordered Final CS

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 16, 1998

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/19/98

The STATE AFFAIRS Committee considered:

HB 408

HOUSE BILL NO. 408

SEISMIC HAZARDS SAFETY COMMISSION

"An Act establishing the Alaska Seismic Hazards Safety Commission."

recommends it be replaced with the following committee substitute CS HB 408 (STA) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

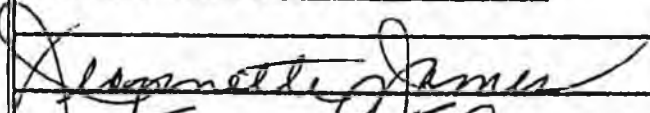


APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) DNR, GOV

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
			<input checked="" type="checkbox"/>	
	<input checked="" type="checkbox"/>			
			<input checked="" type="checkbox"/>	

CHAIR'S SIGNATURE Jeannette James

Alaska State Legislature

Member:
House Finance Committee

Legislative Budget Subcommittees:
University of Alaska
Natural Resources
Environmental Conservation



Repre John Davies
District 29

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Fairbanks, Alaska 99701
(907) 456-8172
FAX (907) 451-9293
E-mail: Representative_John_Davies@legis.state.ak.us

While in Session
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Juneau, Alaska 99801-1182
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1-800-928-4457

SPONSOR STATEMENT

House Bill 408

"An act establishing the Alaska Seismic Hazards Safety Commission"

A Seismic Hazards Safety Commission needs to be established to address the pressing need to provide a consistent policy framework and a means for ongoing coordination of programs and public safety practices related to seismic hazards. Currently this need is not being addressed by any continuing state government organization. The Seismic Hazards Safety Commission would encourage long-term progress toward mitigating the effects of earthquakes.

Alaska is on the edge of the Pacific Plate, which acts like a relentless conveyor belt, moving about six centimeters a year. It is inevitable that there will be large earthquakes, the only question is when will they occur, not if they will occur. Although the state has made great improvements in disaster preparedness there has been little corresponding improvement in measures to reduce the disaster potential of major earthquakes and, consequently, to reduce dependence on disaster relief. Creating a seismic commission patterned after those in California, Oregon, Washington and other states on major fault lines will help address these issues. If you prepare for a major earthquake ahead of time and prepare appropriately, when the earthquake does occur less damage will occur, less lives will be lost and so the cost of recovery obviously will be less.

Through ten years experience as state seismologist I have extensive knowledge in this subject area. I have first hand experience with the difficulty of coordinating earthquake information for the university and state, federal, and municipal governments. Anchorage does have an active geo-tech advisory commission, but the state needs to strengthen that work while broadening efforts throughout the state. A Seismic Safety Hazards Commission can provide that strength.



The scientific community is working hard on earthquake prediction, but it is not yet a reality, except in the most general sense. We can predict in a probabilistic way where earthquakes are likely to occur so we can focus resources in those areas, but in terms of knowing the date and time of the occurrence of earthquakes we will not have that information for some time.

The state needs to mitigate possible effects of earthquakes by encouraging appropriate land use and building design so it can reduce loss of life, and property, as well as the costs of recovery when earthquakes occur. It costs a lot of money to rebuild after a large earthquake and, of course, there is no way to replace lost lives; so it is clearly worth spending some time and money before earthquakes occur to prepare for them. This commission would help us as a state to get better prepared.

Members of the commission would be appointed by the governor to represent the university and governmental agencies, as well as members of the public who are knowledgeable in earthquake hazard mitigation. The commission would recommend to the public and governmental sector goals and priorities for reducing earthquake effects. The commission will accept grant contributions and appropriations from public agencies, private foundations, and individuals. The authorities and responsibilities of other state agencies, boards, councils, commissions or of local governments are not intended to transfer to the Alaska Seismic Hazards Safety Commission.

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS

March 16, 1998

Rep. John Davies
State Capitol, Room 422
Juneau, AK 99801-1182

TONY KNOWLES, GOVERNOR

791 UNIVERSITY AVENUE, SUITE 200
FAIRBANKS, ALASKA 99709-3645
PHONE (907) 451-5000
FAX (907) 451-5050

GEOLOGIC MATERIALS CENTER
P O BOX 772305
EAGLE RIVER, ALASKA 99577-2505
PHONE (907) 698-0079
FAX (907) 696-0078

Dear Rep. Davies:

I would like to express my strong support for House Bill 408, "An Act establishing the Alaska Seismic Hazards Safety Commission." Seismic activity in Alaska is among the highest in the world and it is only a matter of time before another potentially destructive earthquake will strike one of our urban areas. Because these urban areas are expanding, and because we know that measures can be taken before an event to reduce casualties and economic losses, it is important that we improve our mitigation efforts. Establishing an Alaska seismic hazards safety commission is an important first step in coordinating state and local efforts in this area.

Much progress has been made in Alaska toward improving emergency-response planning, through the state Disaster Act and local preparedness exercises. However, less progress is evident in pre-disaster efforts to prevent losses and thereby reduce emergency-response needs. Such loss reduction can occur, for example, through more rigorous design and construction standards in areas more subject to earthquake damage. Although we cannot predict when and where the next large earthquake will occur, we can identify areas that will be most severely affected, and we can plan development accordingly. A seismic safety commission will help coordinate state and local efforts toward achieving these loss-reduction goals.

The California Seismic Safety Commission evolved from state advisory groups that were established as a result of Alaska's 1964 earthquake. This commission has been highly successful in initiating programs that have proven effective in reducing losses from numerous recent earthquakes. One recent article states that if there had been no seismic design standards in place prior to the 1994 Northridge earthquake, economic losses would have been 60% greater. The analysis further states that if today's standards had been strictly followed, losses would have been further reduced by 40%. Considering that the cost of complying with these standards is less than 5% of construction cost, implementing such loss-reduction measures is clearly worthwhile. Now that 34 years have passed since our last destructive earthquake, and before development expands further, it is time for Alaska to take similar steps toward reducing future earthquake losses. We can begin by passing HB 408.

Sincerely,

Rodney A. Combellick

Rodney A. Combellick, Chief
Engineering Geology Section
Phone: 907-451-5007
Email: rod@dnr.state.ak.us

DGGS Internet site: <http://www.dggs.dnr.state.ak.us>



JOHN C LAHR

Representative John Davies
Alaska State Legislature
State Capitol, Room 422
Juneau, AK 99801-1182

Dear John,

I am writing to lend my support to your effort to establish an Alaskan Seismic Hazards Safety Commission. Given that Alaska is the most seismically active state in the US and that many areas are growing rapidly or being developed for resources that are critically needed by the entire nation, it is important that the State makes every effort to mitigate the effects of future earthquakes. The ASHSC could play an important role in focusing and coordinating private, state, and federal efforts on the most critical areas.

I certainly hope you are successful in establishing this commission.

John C. Lahr

John C. and Jan H. Lahr
john-jan@lahr.org
914 10th Street
Golden, Colorado 80401
(303) 215-9913



A Division of DOWL, Incorporated

March 18, 1998

W.O. D00001

The Honorable John Davies
House of Representatives
State Capitol Building
Room 422
Juneau, Alaska 99801-1182

Subject: House Bill 408
Alaska Seismic Hazards Safety Commission

Dear Representative: *JOHN*

As a practicing civil engineering in the State of Alaska I wholeheartedly support HB 408 pertaining to the establishment of a state Seismic Hazards Safety Commission. I have been practicing my profession in Alaska for over 22 years. My technical specialties are geotechnical engineering and earthquake engineering, so I routinely deal with the problems associated with seismic hazards and their mitigation throughout the state. Moreover, I have been a member of the Municipality of Anchorage Geotechnical Advisory Commission (GAC) for nearly 20 years (currently Chairman). In that role, I and my fellow commissioners have routinely advised the Municipality regarding identification and mitigation of seismic hazards in Anchorage.

Although major earthquakes seemingly are "rare" events, their consequences literally can be disastrous, as was demonstrated by the 1964 great Alaska earthquake. Because of the damage and loss of life that occurred in Anchorage in 1964, and due to the concerns of local engineers and earth scientists, Anchorage established the Geotechnical Advisory Commission to advise our local government officials and citizens about earthquake hazards that can affect our community. The GAC generally has been the only real resource in those matters Anchorage has been able to rely upon consistently and effectively through the years. I believe the commission has had a positive effect on how our community has developed, and how it has taken appropriate steps to mitigate the seismic hazards with which we must live. Most of these efforts have been, and continue to be, through identification and mapping of the local hazards, and recommending mitigation measures to preserve life safety and to minimize economic impacts when the next major quake impacts our city.

I believe it is imperative that the State Legislature of one of the most seismically active regions in the world establish a statewide Seismic Hazard Safety Commission to help its citizens and those responsible for their general well being understand the seismic environment in which they live, and how best to deal with the Hazards that can affect them.

John, I applaud your sponsorship of this bill and give it my full support. If there is anything else I can do for you in this matter, please feel free to call me.

Sincerely,
DOWL Engineers

A handwritten signature in cursive script that reads "David A. Cole".

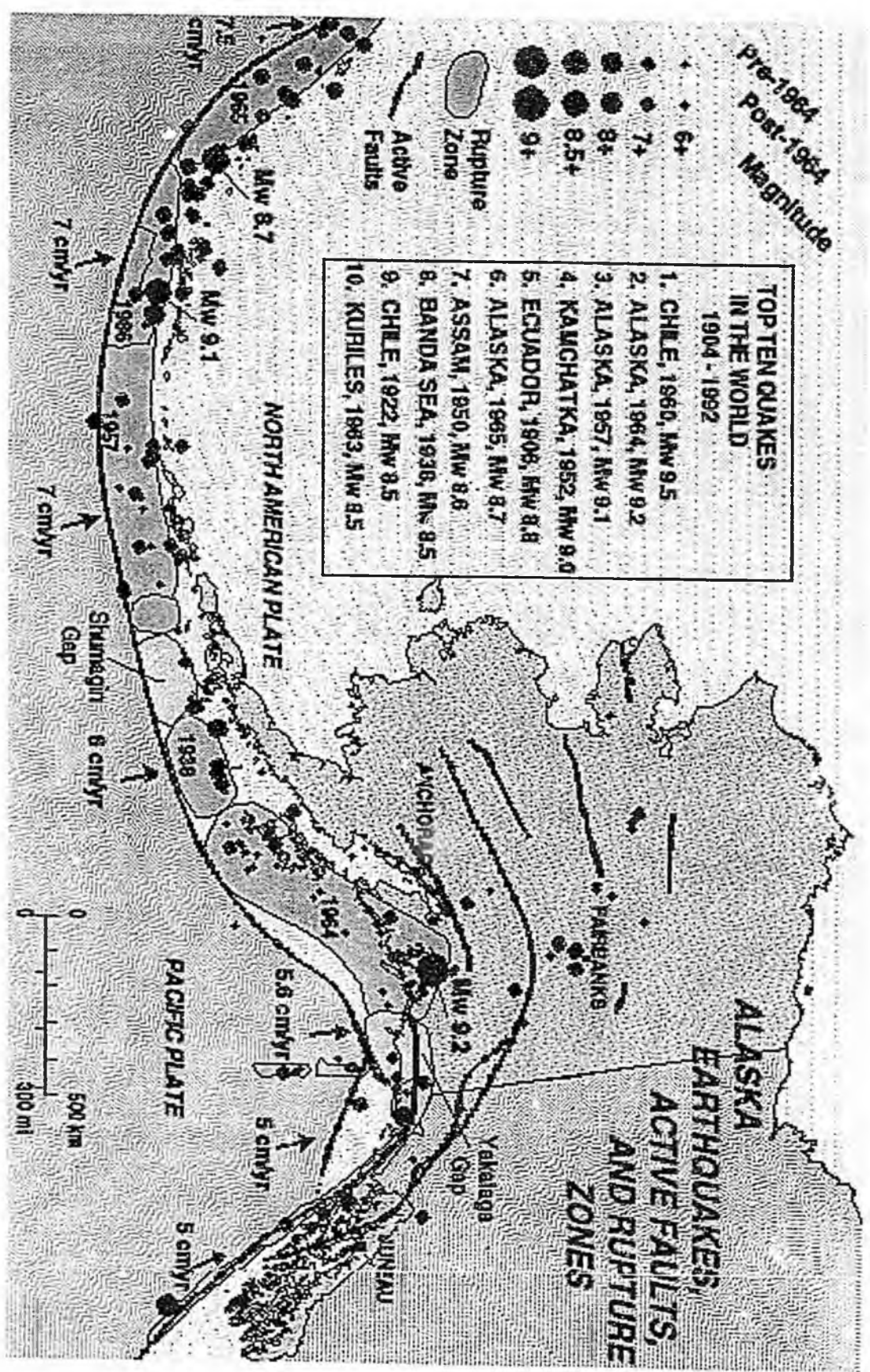
David A. Cole, P.E.
Principal

D00001.RepDavies.DAC.031898.kmp

Pre-1964
Post-1964
Magnitude



- TOP TEN QUAKES
IN THE WORLD
1904 - 1992**
1. CHILE, 1960, Mw 9.5
 2. ALASKA, 1964, Mw 9.2
 3. ALASKA, 1957, Mw 9.1
 4. KAMCHATKA, 1952, Mw 9.0
 5. ECUADOR, 1908, Mw 8.8
 6. ALASKA, 1965, Mw 8.7
 7. ASSAM, 1950, Mw 8.6
 8. BANDA SEA, 1938, Mw 8.5
 9. CHILE, 1922, Mw 8.5
 10. KURILES, 1883, Mw 8.5



**ALASKA
EARTHQUAKES,
ACTIVE FAULTS,
AND RUPTURE
ZONES**

Alaska State Legislature

Member:
House Finance Committee

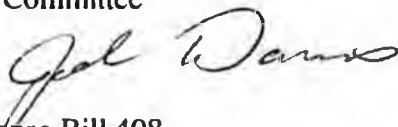
Legislative Budget Subcommittees:
University of Alaska
Natural Resources
Environmental Conservation



Rep. John Davies
District 29

119 N. Cushman Street Suite 207
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FAX (907) 451-0293
E-mail: Representative_John_Davies@legis.state.ak.us

While in Session
State Capitol
Juneau, Alaska 99801-1182
(907) 465-4457
FAX (907) 465-3519
1-800-928-4457

DATE: March 4, 1998
TO: Rep. Jeannette James, Chair
House State Affairs Committee
FROM: Rep. John Davies 
RE: Bill Scheduling - House Bill 408

I request that HB408 be heard before the House State Affairs Committee at the earliest possible date.

HB 408 would establish the Alaska Seismic Hazards Safety Commission. The state of Alaska is on the edge of the Pacific Plate which acts like a conveyor belt, moving about six centimeters a year. The legislature needs to create a seismic commission patterned after those in other states on major fault lines. An effort needs to be made to reduce disaster potential and increase disaster preparedness and this bill does both.

Thank you for your consideration.

Yes



FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HB 408

Revision Date: _____ Dept Affected: Natural Resources
 Title: An Act establishing the Alaska Seismic BRU: Resource Development
Hazards Safety Commission Component: Geological Development
 Sponsor: Rep. Davies
 Requestor: (H)STA Component Serial No. 1031

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY99	FY00	FY01	FY02	FY03	FY04
PERSONAL SERVICES						
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	2.0	2.0	2.0	2.0	2.0	2.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES (fund code)	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	2.0	2.0	2.0	2.0	2.0	2.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	2.0	2.0	2.0	2.0	2.0	2.0

Estimate of any current year (FY98) cost: \$ 0.0

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

Costs to DGGS resulting from HB408 would be for modest staff time (approximately one-half person-month per year) plus travel associated with meetings. Salary costs would be covered under an existing position in DGGS which has responsibilities in geologic hazards that are consistent with work on this commission. The travel costs indicated above (\$2,000 annually) assume four trips per year at an average cost of \$500 per trip.

Prepared by: Milt Wiltse, Director /tc Phone: (907) 451-5005
 Division: Geological & Geophysical Surveys Date: 18-Mar-98
 Approved by Commissioner: [Signature] Date: 3-18-98
 Agency: Natural Resources

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HB 408

Revision Date _____	Dept. Affected <u>Office of the Governor</u>
Title <u>"An Act establishing the Alaska Seismic Hazards Safety Commission."</u>	BRU <u>Commissions/Special Offices</u>
Sponsor <u>Representative Davies</u>	Component <u>Seismic Hazards Safety Commission</u>
Requester <u>House State Affairs</u>	Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	11.9	9.7	9.7	9.7	10.0	10.0
Travel	8.3	8.3	8.3	8.3	8.3	8.3
Contractual	7.5	7.5	7.5	7.5	7.5	7.5
Supplies	0.5	0.5	0.5	0.5	0.5	0.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	28.2	26.0	26.0	26.0	26.3	26.3

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	28.2	26.0	26.0	26.0	26.3	26.3
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	28.2	26.0	26.0	26.0	26.3	26.3

Estimate of any current year (FY98) cost: 0.0

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Fiscal note assumes 1/4 time clerical staff to support commission activity as technical support needs will be met by existing staff in the Department of Natural Resources; quarterly commission meetings -- 2 face-to-face and 2 teleconferenced. Travel costs reflect estimated meeting costs for commission members and one staff. Contractual reflects estimated postage, communication, advertising, and teleconference costs.

Fiscal note assumes existing departmental office space/equipment will be available for use by the part-time clerical staff position.

Prepared by <u>Michael A. Nizich, Administrative Director</u> <i>[Signature]</i>	Phone <u>465-3876</u>
Division <u>Administrative Services</u>	Date <u>3/18/98</u>
Approved by <u>Jim Ayers, Chief of Staff</u> <i>[Signature]</i>	Date <u>3/18/98</u>
Agency <u>Office of the Governor</u>	

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Alaska State Legislature

CHAIR:
REPRESENTATIVE
JEANNETTE JAMES

State Capitol
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99801-1182
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FAX (907) 465-2381



House of Representatives
HOUSE STATE AFFAIRS

MEMBERS:
REPRESENTATIVES
IVAN IVAN
AL VEZEY
FRED DYSON
MARK HODGINS
KIM ELTON
ETHAN BERKOWITZ

The attached fiscal notes were delivered at 4:30 p.m. 3/18/98

Alaska State Legislature

CHAIR:
REPRESENTATIVE
JEANNETTE JAMES

State Capitol
Room 102
Juneau, Alaska
99801-1182
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House of Representatives
HOUSE STATE AFFAIRS

MEMBERS:
REPRESENTATIVES
IVAN IVAN
AL VEZEY
FRED DYSON
MARK HODGINS
KIM ELTON
ETHAN BERKOWITZ

Fiscal notes for the following bills were requested via email on 3/12/98.

None had been received as of noon on 3/18/98.

Subject: fiscal notes
Author: Barbara_Cotting@legis.state.ak.us ("Barbara Cotting") at CC2MHS1
Date: 3/12/98 12:55 PM

I need fiscal notes for the following bills which are scheduled in
House State Affairs for Thursday, March 19, 1998:

HB 463	Establish Alaska Public Building Fund
HB 466	Campaign Misconduct: False Information
HB 468	Damage Awards Human Rights Commission
HB 408	Seismic hazards Safety Commission
SB 307	U.S. Senate Vacancies

HB

413

WORK DRAFT

WORK DRAFT

WORK DRAFT

*Ordered
Final
3/5/98*

0-LS1298VB
Glover
3/4/98

CS FOR HOUSE BILL NO. 413()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE ELTON

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure of compensation paid to sponsors of initiative
2 petitions; relating to disclosure of contributions to and expenditures by groups
3 concerning initiative, referendum, and recall petitions; relating to the definition of
4 'group' in laws relating to state election campaigns; placing limitations on the
5 compensation that may be paid to sponsors of initiative petitions; and prohibiting
6 payments to persons who sign or refrain from signing initiative petitions."

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

8 * Section 1. LEGISLATIVE INTENT; FINDINGS. It is the intent of the legislature to
9 promote interest in public participation on a broad basis in the initiative petition process.
10 Citizens with a personal interest in a specific issue should be encouraged to become involved
11 in the petition process. Toward that end and to ensure the initiative petition process is
12 promoted on behalf of persons with an active, personal interest in the issues for which they
13 solicit support, the legislature finds it is in the public interest to limit payment made to

WORK DRAFT

WORK DRAFT

0-LS1298B

1 persons gathering signatures and to require full public disclosure of such payment.

2 * Sec. 2. AS 15.13.110(e) is amended to read:

3 (e) ~~A~~ group formed to sponsor an initiative, a referendum, or a recall shall
 4 report within 30 days after its first filing with the lieutenant governor. A group
 5 formed to support or oppose the placement of an initiative or referendum
 6 proposition or a recall question on the ballot that is not otherwise covered by this
 7 subsection shall report within 30 days after a solicitation or acceptance of a
 8 contribution or the making of an expenditure. Thereafter, ~~a~~ [EACH] group shall
 9 report within 10 days after the end of each calendar quarter the information required
 10 under AS 15.13.040 on the contributions received and expenditures made during the
 11 preceding calendar quarter until reports are due under (a) of this section.

12 * Sec. 3. AS 15.13.400(5) is amended to read:

13 (5) "group" means

14 (A) every state and regional executive committee of a political
15 party: [AND]

16 (B) any combination of two or more individuals acting jointly
 17 who organize for the principal purpose of influencing the outcome of one or
 18 more elections, including an election on an initiative or referendum
 19 proposition or a recall question, and who take action the major purpose of
 20 which is to influence the outcome of an election; a group that makes
 21 expenditures or receives contributions with the authorization or consent, express
 22 or implied, or under the control, direct or indirect, of a candidate shall be
 23 considered to be controlled by that candidate; a group whose major purpose is
 24 to further the nomination, election, or candidacy of only one individual, or
 25 intends to expend more than 50 percent of its money on a single candidate,
 26 shall be considered to be controlled by that candidate and its actions done with
 27 the candidate's knowledge and consent unless, within 10 days from the date the
 28 candidate learns of the existence of the group, the candidate files with the
 29 commission, on a form provided by the commission, an affidavit that the group
 30 is operating without the candidate's control; a group organized for more than
 31 one year preceding an election and endorsing candidates for more than one

WORK DRAFT

WORK DRAFT

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1 office or more than one political party is presumed not to be controlled by a
 2 candidate; however, a group that contributes more than 50 percent of its money
 3 to or on behalf of one candidate shall be considered to support only one
 4 candidate for purposes of AS 15.13.070 [,] whether or not control of the group
 5 has been disclaimed by the candidate; and

6 (C) any combination of two or more individuals acting
 7 jointly to sponsor an initiative, referendum, or recall or to support or
 8 oppose the placement of an initiative or referendum proposition or a
 9 recall question on an election ballot;

10 * Sec. 4. AS 15.45.090 is amended to read:

11 **Sec. 15.45.090. Preparation of petition.** If the application is certified, the
 12 lieutenant governor shall prescribe the form of and prepare petitions containing (1) a
 13 copy of the proposed bill [,] if the number of words included in both the formal and
 14 substantive provisions of the bill is 500 or less, (2) an impartial summary of the
 15 subject matter of the bill, (3) the warning and disclosure prescribed in AS 15.45.100,
 16 (4) sufficient space for signature and address, and (5) other specifications prescribed
 17 by the lieutenant governor to assure proper handling and control. Petitions, for
 18 purposes of circulation, shall be prepared by the lieutenant governor in a number
 19 reasonably calculated to allow full circulation throughout the state. The lieutenant
 20 governor shall number each petition and shall keep a record of the petition delivered
 21 to each sponsor. On [UPON] request of the committee, the lieutenant governor shall
 22 report the number of persons who voted in the preceding general election.

23 * Sec. 5. AS 15.45.100 is amended to read:

24 **Sec. 15.45.100. Statement of warning and right to disclosure.** Each petition
 25 shall include a statement of warning that a person who signs a name other than the
 26 person's own on the petition, or who knowingly signs more than once for the same
 27 proposition at one election, or who signs the petition when knowingly not a qualified
 28 voter, is guilty of a class B misdemeanor. Each petition shall contain, in 12 point
 29 capitalized bold type at or near the top of each page, the following language:

30 THIS PETITION MAY BE CIRCULATED BY A
 31 PAID SIGNATURE GATHERER OR A VOLUNTEER.

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YOU HAVE THE RIGHT TO ASK, AND THE GATHERER MUST DISCLOSE TO YOU, HOW MUCH AND BY WHOM THE GATHERER IS PAID.

* Sec. 6. AS 15.45.110 is amended by adding new subsections to read:

(b) On request, a sponsor shall disclose the amount the sponsor is paid by another for gathering signatures and by whom the sponsor is paid.

(c) A sponsor may not receive payment or agree to receive payment, and a person or an organization may not pay or agree to pay, for the collection of signatures on a petition if any part of the payment is based on the number of signatures collected and the total payment exceeds \$.10 for each signature. This subsection does not prohibit a sponsor from being paid an amount that is

(1) not based on the number of signatures collected; or

(2) based on the number of signatures collected by that sponsor and that results in a total payment to that sponsor of less than or equal to \$.10 for each signature collected.

(d) A person or organization may not knowingly pay, offer to pay, or cause to be paid money or other valuable thing to another person to influence the other person to sign or refrain from signing a petition.

(e) A person or organization that violates (b) - (d) of this section is guilty of a class B misdemeanor.

(f) In this section,

(1) "organization" has the meaning given in AS 11.81.900;

(2) "other valuable thing" has the meaning given in AS 15.56.030(d);

(3) "person" has the meaning given in AS 11.81.900.

* Sec. 7. AS 15.45.130 is amended to read:

Sec. 15.45.130. Certification of sponsor. Before being filed, each petition shall be certified by an affidavit by the sponsor who personally circulated the petition. The affidavit shall state in substance that (1) the person signing the affidavit is a sponsor, (2) the person is the only circulator of that petition, (3) the signatures were made in the sponsor's actual presence, [AND] (4) to the best of the sponsor's knowledge, the signatures are those of the persons whose names they purport to be,

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1 (5) the person has not entered into an agreement with another person or
 2 organization in violation of AS 15.45.110(c), and (6) the person has not violated
 3 AS 15.45.110(d) with respect to that petition. In determining the sufficiency of the
 4 petition, the lieutenant governor may not count subscriptions on petitions not properly
 5 certified.

6 * Sec. 8. AS 15.56.090(a) is amended to read:

7 (a) A person commits the crime of improper subscription to petition if the
8 person

9 (1) signs a name other than the person's own to a petition proposing an
10 initiative, referendum, recall, or nomination of a candidate for state or local office;

11 (2) knowingly signs more than once for the same proposition, question,
12 or candidate at one election; [OR]

13 (3) signs a petition proposing an initiative, referendum, recall, or
14 nomination of a candidate for state or local office, while knowingly not being a
15 qualified voter; or

16 (4) solicits, accents, or agrees to accept money or other valuable
17 thing with the intent that the person's decision to sign or refrain from signing a
18 petition proposing an initiative will be influenced by the money or other valuable
19 thing; in this paragraph, "other valuable thing" has the meaning given in
20 AS 15.56.030(d).

21 * Sec. 9. APPLICABILITY. (a) AS 15.13.110(e), as amended by sec. 2 of this Act, and
22 AS 15.13.400, as amended by sec. 3 of this Act, apply only to activities on or after the
23 effective date of this Act.

24 (b) AS 15.45.090, as amended by sec. 4 of this Act, and 15.45.100, as amended by
25 sec. 5 of this Act, apply only to petitions that arise from an initiative application that is
26 certified under AS 15.45.070 on or after the effective date of this Act.

27 (c) AS 15.45.110(b), as enacted by sec. 6 of this Act, applies only to sponsors of
28 petitions that arise from an initiative application that is certified under AS 15.45.070 on or
29 after the effective date of this Act.

30 (d) AS 15.45.110(c) - (f), as enacted by sec. 6 of this Act, apply only to agreements
31 entered into, payments under agreements entered into, and offers made on or after the effective

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1 date of this Act.

2 (c) AS 15.45.130, as amended by sec. 7 of this Act, applies only to affidavits required
3 for filing of a petition that is certified under AS 15.45.070 on or after the effective date of this
4 Act.

5 (f) AS 15.56.090(a), as amended by sec. 8 of this Act, applies only to solicitations,
6 payments, or agreements made on or after the effective date of this Act.

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 16, 1998

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 3/5/98

The STATE AFFAIRS Committee considered:

HB 413

HOUSE BILL NO. 413

INITIATIVE PETITION COMPENSATION

"An Act relating to disclosure of compensation paid to sponsors of initiative petitions; placing limitations on the compensation that may be paid to sponsors of initiative petitions; and prohibiting payments to persons who sign or refrain from signing initiative petitions."

recommends it be replaced with the following committee substitute CS HB 413 (STA) the same title a new title

additional referral to _____ Committee

attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) GOV

zero fiscal note(s) _____

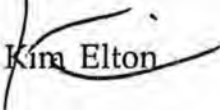
SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Jeannette James</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>				✓
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>		✓		
<i>[Signature]</i>	✓			

CHAIR'S SIGNATURE *Jeannette James*

REPRESENTATIVE KIM ELTON

MEMORANDUM

March 4, 1998

TO: HB 413 Subcommittee Members
FROM: Rep.  Elton
RE: CS for HB 413, Initiative petitions

Attached is the draft CS for HB 413 incorporating the amendment requested by the House State Affairs Committee. This committee substitute makes several amendments to existing statute to accomplish the goal of requiring a group sponsoring an initiative to report their contributions and expenditures to the Alaska Public Offices Commission during the signature collection phase of the initiative process.

Specifically, the committee substitute does the following:

- a new section 2 requires "a group sponsoring a petition" to report information regarding contributions and expenditures to the Alaska Public Offices Commission within 30 days of first filing an application for a petition with the lieutenant governor, and quarterly thereafter;
- a new section 3 amends the definition of "group" (AS 15.13.400) to mean two or more individuals organized to promote or approve an issue for inclusion on the ballot and, specifically, to circulate petitions, in addition to the other definitions in statute.

To my surprise, while working on these amendments, I discovered a provision in current statute (AS 15.13.110 e) which requires groups sponsoring petitions to make such reports to the Public Offices Commission within 30 days of first filing an application with the lieutenant governor. This requirement was established in 1977 but apparently never enforced. The reasons why the reporting requirements were not enforced were never clearly documented (see attached 1992 memo on this subject). Since 1985, APOC has officially advised initiative groups that funds raised "solely to collect signatures to qualify a petition are not reportable under the Campaign Disclosure Law" (see attached). They based this advice, in part, on the statutory definition of the word "group".

For this reason, the draft CS for HB 413 includes an amended definition of the word "group". Because the word "group" is used throughout the statutes relating to campaign expenditures, legal counsel exercised great care in amending the definition of that word. They researched existing statutes thoroughly to ensure the amended definition does not contradict, obscure, or otherwise negatively effect related statutes in which the word "group" is used.

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CS Adopted

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Glover
3/4/98

*Vasey objected to
Moving
From
Committee*

CS FOR HOUSE BILL NO. 413()

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - SECOND SESSION**

BY

**Offered:
Referred:**

Passed 6-1

Sponsor(s): REPRESENTATIVE ELTON

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure of compensation paid to sponsors of initiative
2 petitions; relating to disclosure of contributions to and expenditures by groups
3 concerning initiative, referendum, and recall petitions; relating to the definition of
4 'group' in laws relating to state election campaigns; placing limitations on the
5 compensation that may be paid to sponsors of initiative petitions; and prohibiting
6 payments to persons who sign or refrain from signing initiative petitions."

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

8 * Section 1. LEGISLATIVE INTENT; FINDINGS. It is the intent of the legislature to
9 promote interest in public participation on a broad basis in the initiative petition process.
10 Citizens with a personal interest in a specific issue should be encouraged to become involved
11 in the petition process. Toward that end and to ensure the initiative petition process is
12 promoted on behalf of persons with an active, personal interest in the issues for which they
13 solicit support, the legislature finds it is in the public interest to limit payment made to

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1 persons gathering signatures and to require full public disclosure of such payment.

2 * Sec. 2. AS 15.13.110(e) is amended to read:

3 (e) A group formed to sponsor an initiative, a referendum, or a recall shall
 4 report within 30 days after its first filing with the lieutenant governor. A group
 5 formed to support or oppose the placement of an initiative or referendum
 6 proposition or a recall question on the ballot that is not otherwise covered by this
 7 subsection shall report within 30 days after a solicitation or acceptance of a
 8 contribution or the making of an expenditure. Thereafter, a [EACH] group shall
 9 report within 10 days after the end of each calendar quarter the information required
 10 under AS 15.13.040 on the contributions received and expenditures made during the
 11 preceding calendar quarter until reports are due under (a) of this section.

12 * Sec. 3. AS 15.13.400(5) is amended to read:

13 (5) "group" means

14 (A) every state and regional executive committee of a political
15 party: [AND]

16 (B) any combination of two or more individuals acting jointly
 17 who organize for the principal purpose of influencing the outcome of one or
 18 more elections, including an election on an initiative or referendum
 19 proposition or a recall question, and who take action the major purpose of
 20 which is to influence the outcome of an election; a group that makes
 21 expenditures or receives contributions with the authorization or consent, express
 22 or implied, or under the control, direct or indirect, of a candidate shall be
 23 considered to be controlled by that candidate; a group whose major purpose is
 24 to further the nomination, election, or candidacy of only one individual, or
 25 intends to expend more than 50 percent of its money on a single candidate,
 26 shall be considered to be controlled by that candidate and its actions done with
 27 the candidate's knowledge and consent unless, within 10 days from the date the
 28 candidate learns of the existence of the group, the candidate files with the
 29 commission, on a form provided by the commission, an affidavit that the group
 30 is operating without the candidate's control; a group organized for more than
 31 one year preceding an election and endorsing candidates for more than one

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office or more than one political party is presumed not to be controlled by a candidate; however, a group that contributes more than 50 percent of its money to or on behalf of one candidate shall be considered to support only one candidate for purposes of AS 15.13.070 [,] whether or not control of the group has been disclaimed by the candidate; **and**

(C) any combination of two or more individuals acting jointly to sponsor an initiative, referendum, or recall or to support or oppose the placement of an initiative or referendum proposition or a recall question on an election ballot;

* Sec. 4. AS 15.45.090 is amended to read:

Sec. 15.45.090. Preparation of petition. If the application is certified, the lieutenant governor shall prescribe the form of and prepare petitions containing (1) a copy of the proposed bill [,] if the number of words included in both the formal and substantive provisions of the bill is 500 or less, (2) an impartial summary of the subject matter of the bill, (3) the warning **and disclosure** prescribed in AS 15.45.100, (4) sufficient space for signature and address, and (5) other specifications prescribed by the lieutenant governor to assure proper handling and control. Petitions, for purposes of circulation, shall be prepared by the lieutenant governor in a number reasonably calculated to allow full circulation throughout the state. The lieutenant governor shall number each petition and shall keep a record of the petition delivered to each sponsor. **On [UPON]** request of the committee, the lieutenant governor shall report the number of persons who voted in the preceding general election.

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Sec. 15.45.100. Statement of warning and right to disclosure. Each petition shall include a statement of warning that a person who signs a name other than the person's own on the petition, or who knowingly signs more than once for the same proposition at one election, or who signs the petition when knowingly not a qualified voter, is guilty of a class B misdemeanor. **Each petition shall contain, in 12 point capitalized bold type at or near the top of each page, the following language:**

THIS PETITION MAY BE CIRCULATED BY A PAID SIGNATURE GATHERER OR A VOLUNTEER.

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YOU HAVE THE RIGHT TO ASK, AND THE GATHERER MUST DISCLOSE TO YOU, HOW MUCH AND BY WHOM THE GATHERER IS PAID.

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(b) On request, a sponsor shall disclose the amount the sponsor is paid by another for gathering signatures and by whom the sponsor is paid.

(c) A sponsor may not receive payment or agree to receive payment, and a person or an organization may not pay or agree to pay, for the collection of signatures on a petition if any part of the payment is based on the number of signatures collected and the total payment exceeds \$.10 for each signature. This subsection does not prohibit a sponsor from being paid an amount that is

(1) not based on the number of signatures collected; or

(2) based on the number of signatures collected by that sponsor and that results in a total payment to that sponsor of less than or equal to \$.10 for each signature collected.

(d) A person or organization may not knowingly pay, offer to pay, or cause to be paid money or other valuable thing to another person to influence the other person to sign or refrain from signing a petition.

(e) A person or organization that violates (b) - (d) of this section is guilty of a class B misdemeanor.

(f) In this section,

(1) "organization" has the meaning given in AS 11.81.900;

(2) "other valuable thing" has the meaning given in AS 15.56.030(d);

(3) "person" has the meaning given in AS 11.81.900.

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Sec. 15.45.130. Certification of sponsor. Before being filed, each petition shall be certified by an affidavit by the sponsor who personally circulated the petition. The affidavit shall state in substance that (1) the person signing the affidavit is a sponsor, (2) the person is the only circulator of that petition, (3) the signatures were made in the sponsor's actual presence, [AND] (4) to the best of the sponsor's knowledge, the signatures are those of the persons whose names they purport to be,

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1 (5) the person has not entered into an agreement with another person or
 2 organization in violation of AS 15.45.110(c), and (6) the person has not violated
 3 AS 15.45.110(d) with respect to that petition. In determining the sufficiency of the
 4 petition, the lieutenant governor may not count subscriptions on petitions not properly
 5 certified.

6 * Sec. 8. AS 15.56.090(a) is amended to read:

7 (a) A person commits the crime of improper subscription to petition if the
 8 person

9 (1) signs a name other than the person's own to a petition proposing an
 10 initiative, referendum, recall, or nomination of a candidate for state or local office;

11 (2) knowingly signs more than once for the same proposition, question,
 12 or candidate at one election; [OR]

13 (3) signs a petition proposing an initiative, referendum, recall, or
 14 nomination of a candidate for state or local office, while knowingly not being a
 15 qualified voter; or

16 (4) solicits, accepts, or agrees to accept money or other valuable
 17 thing with the intent that the person's decision to sign or refrain from signing a
 18 petition proposing an initiative will be influenced by the money or other valuable
 19 thing; in this paragraph, "other valuable thing" has the meaning given in
 20 AS 15.56.030(d).

21 * Sec. 9. APPLICABILITY. (a) AS 15.13.110(e), as amended by sec. 2 of this Act, and
 22 AS 15.13.400, as amended by sec. 3 of this Act, apply only to activities on or after the
 23 effective date of this Act.

24 (b) AS 15.45.090, as amended by sec. 4 of this Act, and 15.45.100, as amended by
 25 sec. 5 of this Act, apply only to petitions that arise from an initiative application that is
 26 certified under AS 15.45.070 on or after the effective date of this Act.

27 (c) AS 15.45.110(b), as enacted by sec. 6 of this Act, applies only to sponsors of
 28 petitions that arise from an initiative application that is certified under AS 15.45.070 on or
 29 after the effective date of this Act.

30 (d) AS 15.45.110(c) - (f), as enacted by sec. 6 of this Act, apply only to agreements
 31 entered into, payments under agreements entered into, and offers made on or after the effective

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1 date of this Act.

2 (c) AS 15.45.130, as amended by sec. 7 of this Act, applies only to affidavits required
3 for filing of a petition that is certified under AS 15.45.070 on or after the effective date of this
4 Act.

5 (f) AS 15.56.090(a), as amended by sec. 8 of this Act, applies only to solicitations,
6 payments, or agreements made on or after the effective date of this Act.

MEMORANDUM**State of Alaska**

ALASKA PUBLIC OFFICES COMMISSION
DEPARTMENT OF ADMINISTRATION
(907) 276-4176 FAX (907) 276-7018

DATE: JANUARY 28, 1992
TO: THE ALASKA PUBLIC OFFICES COMMISSION
FROM: GREG GRANQUIST
SUBJECT: INITIATIVES, REFERENDA, AND RECALLS

GENERAL BACKGROUND

Statewide initiatives, referenda and recalls are three electoral procedures by which registered voters can resolve an issue or question.

- * An initiative is used to enact a law.
- * A referendum is used to repeal an act of the legislature.
- * A recall is used to remove an elected official.

Initiatives, referenda and recalls are similar in several respects. For each of them, a group of citizens must apply to the Division of Election for petition forms. The group then has a limited period in which to persuade registered voters to sign the petitions. If enough voters sign the petition by the deadline, the subject of the petition becomes a question on a statewide ballot.

However, the rules for qualifying petitions differ significantly for initiatives, referenda and recalls. (See Table 1) Initiative petitions are easier to qualify than recall petitions because they require fewer signatures. Initiative petitions are easier to qualify than referenda because petition carriers have more time in which to gather signatures.

In the last two decades in Alaska, twenty initiative questions - but no referenda or recalls - have qualified for the state ballot. (See Attachment "Initiative, Referendum, and Recall Efforts 1974 - 1992").

Table 1

	TO APPLY TO CARRY PETITIONS	TO QUALIFY FOR BALLOT CERTIFICATION	TIME LIMIT FOR PETITION
INITIATIVE (enacts a law)	Need 100 sponsors. Must pass legal review.	Signatures = 10% of the voters at recent General election (19,754)	1 Year
REFERENDUM (repeals a legislative act)	Need 100 sponsors. Must apply within 90 days of close of session in which law was enacted.	Signatures = 10% of the voters at recent General election (19,754)	90 days (from close of legislative session)
RECALL (removes an elected official)	Need 100 Sponsors. Specify grounds for recall. Submit signatures = 10% of the voters at recent General election (19,754).	Signatures = 25% of the voters at recent General election (59,262)	1 Year

CAMPAIGN DISCLOSURE REPORTING

Certification is a disclosure watershed. Individuals and groups which support or oppose a ballot question are subject to reporting requirements under the campaign disclosure law after certification. Before the Division of Elections certifies an initiative¹ as a ballot question, only the group which is sponsoring the measure is required to file campaign disclosure reports.

Before 1977, a group sponsoring an initiative had no reporting requirements under the campaign disclosure law. In 1977, the legislature amended AS 15.13.110 to add:

(e) A group formed to sponsor an initiative, a referendum, or a recall shall report 30 days after its first filing² with the lieutenant governor. Thereafter each group shall report within 10 days after the end of each calendar quarter on the contributions received and expenditures made during the preceding quarter until reports are due under (a)³ of this section.

¹ Hereafter, for brevity, "initiative" is used to refer to "initiative, referendum, and recall".

² First filing means when a group has completed its application to carry petitions (see Table 1).

³ "(a)" refers to that section of the statute which sets out the requirement that groups file a 30 Day Pre-election, 7 Day Pre-election, 10 Day Post election, and Yearend report.

Staff has attempted to research the legislative intent behind the amendment but to no avail. A simple reading of the amendment suggests it was intended to push back the reporting requirement for a group promoting an initiative ballot measure to cover that period immediately before the measure was certified as a ballot question. Thus a group would start filing campaign reports after the group applied to carry petitions rather than, as formerly, after the ballot measure was certified.

The amendment was drafted without Commission input and has several limitations as a tool to achieve campaign disclosure regarding initiative petition drives:

- * The amendment addresses only state initiatives. Municipal initiatives often generate equally costly and competitive campaigns.
- * The amendment is silent regarding whether the "paid for by" requirement in AS 15.13.090 applies to advertising by initiative sponsors.
- * The amendment does not require groups opposing a petition drive to report their activity.
- * The amendment does not require individuals independently supporting or opposing a petition drive to report their activity.
- * The amendment does not require contributors to a petition drive to report their activity.

Any chance that the amendment might bring about disclosure of initiative petition drive finances was severely diminished when the Commission approved a 1985 advice letter by staff which concluded that a group sponsoring an initiative did not need to report its costs in connection with its efforts to gather signatures to qualify the petition.

The advice evolved from arguments in a 1982 court case, *Vogler vs. Miller*. Vogler, an independent candidate, was contesting the nominating petition requirements for independent candidates. One of the constitutional issues which was raised was whether the \$ 1000 limit applied to donations for a nominating petition drive. Another issue was whether the prohibition on expenditures before filing applied to petition costs. Miller accurately told the Court that the Commission did not consider nominating petition costs reportable or subject to the contribution limit (This matter had been raised before the Commission in 1981 by Dick Randolph, another independent candidate.)

Staff, for reasons that are not clear, developed this argument regarding nominating petition drives by candidates into a general policy regarding petition drives, that included initiative groups. However, there are significant differences between candidates and initiative groups. Initiative sponsors, unlike candidates, face no contribution limits and no limitations on pre-filing expenditures. Initiative sponsors face only disclosure requirements. The US Supreme court, in *Buckley vs. Valeo* and other cases, has found that requiring disclosure is less burdensome than limiting contributions or expenditures.

Staff's current advice policy letter to initiative groups (see attached "Policy Letter") is

based on this 1985 letter. As a result, initiative groups usually file zero reports. Only two sponsors in recent years have reported activity in connection with a petition drive. The voluntary disclosure was made because the sponsors - two communications companies - disclosed their "corporate image advertising" rather than appear to be avoiding disclosure.

Staff has been advised by counsel that if the Commission wishes to reverse this policy, it should do so by regulation. There are several arguments in favor of changing current policy and several which support keeping current policy.

REASONS FOR REQUIRING DISCLOSURE FROM SPONSORS OF PETITION COSTS.

- * The intent behind the statute appears to be to extend the reporting requirements for groups supporting a ballot measure to groups attempting to qualify a ballot measure for certification.
- * Full disclosure would provide information on a source of influential election activity. Several important measures have become law through the Initiative process and many other issues have been addressed in this forum.
- * Some initiatives involving substantial expenditures have been promoted entirely by commercial corporate interests. The requirement that initiative petitions must be signed by registered voters is intended in part to see that initiatives represent the will of the electorate and not commercial corporate interests.
- * A great deal of organizational activity can be categorized as "gathering signatures" and go undisclosed: compiling lists of supporters, educating the public on the issue, and building an office infrastructure.

REASONS FOR CONTINUING WITH CURRENT POLICY.

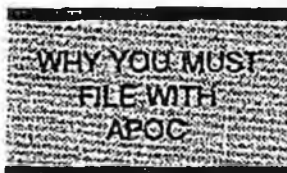
- * The group officers for some initiative drives that have enjoyed the privacy afforded by current policy have voiced concerns that disclosure might lead to retribution against contributors. These officers have themselves expressed fears of retribution for their roles as officers.
- * Most campaign expenditures occur after a ballot issue has been certified.
- * A change in policy would likely require a change in regulation.

DATE:

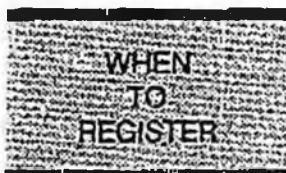
TO:

FROM: Greg Granquist, Alaska Public Offices Commission

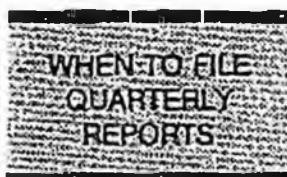
SUBJECT: Initiative Sponsor Reporting Requirements



A group which sponsors a state Initiative has reporting requirements under the Alaska Campaign Disclosure Law, AS 15.13. The Alaska Public Offices Commission administers the provisions of AS 15.13.



AS 15.13.110(e) provides that "a group formed to sponsor an initiative, a referendum, or a recall shall report [to the Commission] **30 days after its first filing with the Lieutenant Governor...**". Here "first filing" means the date the group first files, with the Lieutenant Governor or Division of Elections, the proposed language for an initiative along with the signatures of 100 supporters of the proposed initiative. This initial "report" is simply a Group Registration Statement [APOC Form 15-2].



AS 15.13.110(e) goes on to state "...Thereafter, each group shall report **within 10 days after the end of each calendar quarter** on the contributions received and expenditures made during the preceding calendar quarter until reports are due under (a) of this section." The group is required to file quarterly Campaign Disclosure Statements [APOC Form 15-3(A-G)] until: (1) the group ceases its petition drive, or (2) the 30 Day Pre-election report is due (if the group is successful in getting the initiative certified as a ballot issue).



If the initiative is certified as a ballot issue, and if the group continues as an active organization to campaign for the passage of the issue, the group continues to **file quarterly reports until the election draws near**. The group then **files periodic pre- and post election campaign disclosure statements**. AS 15.13.110(a) sets out the **30 Day Pre-election, 7 Day Pre-election, 10 Day Post election, and Year-end reporting deadlines** for groups attempting to influence the outcome of an election.

WHAT'S REPORTABLE & WHAT'S NOT

Since 1981 the Commission has taken the position that funds raised and money spent **solely** to collect signatures to qualify a petition are not reportable under the Campaign Disclosure Law. This view is based, in part, on the constitutional right of citizens to petition their government and, in part, on the emphasis in AS 15.13 on **the disclosure of finances that specifically influence the outcome of an election**. Clearly, there is no election to influence unless the group successfully concludes the petition drive. Conceivably, a group sponsoring an initiative may have no contributions or expenditures "intended to influence the outcome of a ballot issue " prior to the date the proposed ballot issue is certified.

WHEN TO FILE A ZERO REPORT

An initiative group which **accepts donations and makes expenditures solely to gather signatures** may file a "zero" report to satisfy the quarterly reporting due under AS 15.13.110(e). A group filing "zero" reports should be careful to confine its financial activity solely to gathering signatures. The accuracy of the group's "zero" report could be challenged if the group simultaneously campaigns for the future ballot measure. "Zero" reports are appropriate until the group disbands, or, until the group's petition is certified as a ballot measure. Once the petition is certified as a ballot issue, the group's activities are considered to be campaign efforts intended to influence the outcome of an election. The group must then must make full reports of its contributions and expenditures in accordance with AS 15.13.040(b) and (c),and AS 15.13.110.

SURPLUSES CAN MEAN ACCOUNTING PROBLEMS

There can be a **two** problems if a group files only "zero" reports **and** accumulates a surplus during its petition drive. **First**, if the initiative is certified for the ballot, and the surplus is expended to campaign for the passage of the measure, **the names of previous contributors must be reported**. **Second**, if a group has raised future campaign funds during a signature drive, **the accuracy of any "zero" reports may be called into question**. Staff advises groups to monitor funds so that no surplus is compiled or disclose all funds voluntarily on the quarterly report.

WHAT IF YOU ALSO LOBBY?

Organizations that employ a lobbyist are **encouraged to set up a separate fund** apart from their lobbying dues and monies if they intend to influence the outcome of an election. If lobbying and campaign funds are commingled, all the funds must be reported. A start up appropriation could be made from the lobbying organization's general fund to seed the initiative PAC, but any funds raised specifically for the initiative should then be deposited into the new PAC, not into the lobbying organization's fund.

QUESTIONS CALL 276-4176

We have enclosed the most recent State Group manual and a supply of reporting materials, including a special quarterly Schedule A. If you have any questions, please call Greg Granquist or Chris Ellingson at 276-4176. You may write for more forms to The Alaska Public Offices Commission, 2221 East Northern Lights Blvd, Suite 128, Anchorage, Alaska 99508.

* not included with FAX *



TELECOPY COVER SHEET
Anchorage Legislative Information Office
Office - (907) 561-7007 Fax - (907) 562-4376

TO: House State Affairs Comte

ATTN: Rep. James FAX: _____ PHONE: _____

FROM: _____ PHONE: _____

INSTRUCTIONS: Written (T) for distribution to committee.

SENT: Date 3/3 Time _____

DISPOSAL OF ORIGINAL: Discard _____ Hold for Pickup _____

NUMBER OF PAGES: 5 (counting cover sheet)

TRANSMITTED BY: Jean

LAW OFFICES OF
KENNETH P. JACOBUS, P.C.

425 G STREET SUITE 820
ANCHORAGE ALASKA 99501-2140
TELEPHONE (907) 277-3333
FAX (907) 279-4548

March 3, 1998

To: Representative Kim Elton
House State Affairs Committee

From : Ken Jacobus, Alaskans for a Common Language

Re: Testimony on 10 cent limitation on payment for initiative signatures

I am one of the sponsors and circulators for the Official English petition which has now been certified for the November, 1998, Alaska general election. I am opposed to placing a limitation on the payment for initiative signatures for the reasons discussed.

In Meyer v. Grant, 486 U.S. 414, 100 L.Ed.2d 425, 108 S.Ct. 1886 (1988), the United States Supreme Court held that it is a violation of the First Amendment right to free political speech to prohibit payment for the circulation of an initiative petition. A 10 cent limit per signature is no less a prohibition, because an initiative cannot be circulated for 10 cents per signature. In fact, any limitation at all on the amount that can be paid to circulators is probably a violation of Meyer v. Grant.

I have discussed this situation with National Voter Outreach, the organization that assisted us in signature-gathering. National Voter Outreach has been in the business of assisting in signature-gathering for many years.

An average circulator carrying one petition in a good location can average 20 signatures per hour. At 10 cents per signature, the circulator will earn \$2.00. It is not possible to hire circulators for \$2.00 per hour, especially in Alaska.

National Voter Outreach has never done a petition at 10 cents per signature. Where there is a lot of time to collect signatures, and no problems, a rate of 40 to 50 cents per signature is a normal compensation. Where there are problems, a rate of \$1 per signature is more the norm. Problems which raise the compensation involve such things as adverse weather conditions, controversial initiative, short time frame for signature collection, or lack of access to good signature-gathering locations.

In Alaska, we originally paid our circulators 50 cents per signature, then 75 cents, and finally \$1. Alaska always has weather problems - circulators do not like standing in the cold to collect signatures, particularly in Fairbanks. This particular campaign had a short time frame to collect signatures and some problems with access to good signature-gathering locations. There was also substantial competition for circulators. Our 50 cent rate had to be raised when the National Education Association and the sponsors of the anti-wolf-snaring petition entered the market,

LAW OFFICES OF
KENNETH P. JACOBUS, P.C.

Rep. Kim Elton
March 3, 1998
Page 2

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Paying circulators is generally the most effective way to gather signatures and complete a petition drive. Volunteer services that were available in the past are less available now, as people have more commitments on their time. Supporters of causes are much more likely to donate money than volunteer services. They would much rather contribute \$100 to a cause, instead of standing outside Walmart for four or eight hours on a weekend collecting signatures in sub-zero weather.

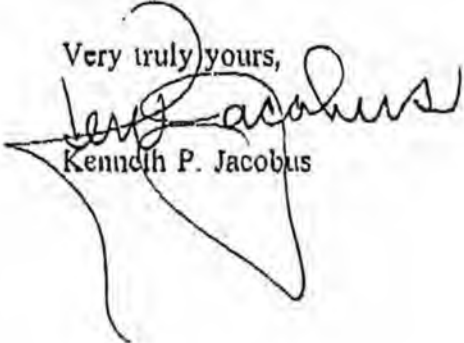
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In summary, however, an initiative signature-gathering effort cannot be done at 10 cents per signature, and to impose this limit is a clear violation of Meyer v. Grant. Our campaign cost \$1 per signature, and I can easily envision an Alaska campaign that would cost more. For example, the anti-wolf-snaring campaign should be paying a lot more for signatures right now because they are up against a drop-dead 30-day deadline to obtain additional signatures in order to qualify for the 1998 general election.

No limitation should be imposed, and the people who want to conduct initiative campaigns should be allowed to conduct those campaigns in the manner that they choose. There should be no limitations placed on the rights to free political speech and to petition one's government.

Thank you.

Very truly yours,


Kenneth P. Jacobus

Collecting signatures often more than just a grass-roots effort

The young man sat next to his crutches on the floor of the arctic entryway to the Lucy Cuddy Center Monday morning. An initiative signature book lay in his lap, with a title page that read: "A bill prohibiting trapping wolves with snares."

"This is a great job for me, because I have a broken leg," he said. "I'm a laborer. You can't be a laborer on crutches."

For every bona fide Alaska voter the young man can cajole into signing his petition, he will be paid from 50 cents to \$1. The young man, who didn't want to give me his name, wouldn't say exactly how much he was being paid. Neither would the man in charge of this petition drive, Kneeland Taylor.

"I'm not going to tell you that," Taylor said. He also said that many of his signature gatherers are volunteers who "believe in the cause."



**MIKE
DOOGAN**

The initiative process is the way individual Alaskans can write certain kinds of laws — if they can get enough of their fellow citizens to sponsor the law, sign up to put it on the ballot, and vote for it. All this citizen involvement gives the initiative process the veneer of grass-roots politics. Increasingly, that's not the case.

"We've hired a company to pay for signatures," said Ken Jacobus, one of the sponsors of the initiative to make English the official language of the state of Alaska. Through that company, National Voter Outreach, Jacobus' organization is paying \$1 a signature. Most of its money comes from a national organization called U.S. English.

"We used to pay less for signatures," Jacobus said, "and then the National Education Association entered the market and drove up the prices."

The NEA is part of an effort to pass an initiative to establish an endowment for elementary and secondary education in Alaska. A fourth initiative campaign, one to allow candidates to make term-limit pledges that would be printed on the state ballot, also is paying

for signatures. Some of the campaign's money, according to its chairman, Bob Bell, comes from a national organization called U.S. Term Limits.

To get on the 1998 ballot, initiative campaigns have to collect about 24,500 valid signatures by the time the Legislature convenes in January. Because a certain number of signatures will be disallowed for various reasons, that means most campaigns are shooting for 30,000 signatures. Eight initiatives are certified to collect signatures. Five are mounting all-out efforts to make the 1998 ballot. Of those, only the billboard initiative isn't paying signature gatherers.

"We're striving to make it an all-volunteer effort," said coordinator Michele Keck.

Those who are paying cite the sheer magnitude of collecting the signatures required for ballot certification.

"In order to get it by the legislative session, you almost have to pay for signatures," Jacobus said.

The fact that initiative campaigns are paying for signatures was a surprise to me, but not to people who pay close attention to the

political process.

"It's normal to pay," said Chris Ellingson, candidate coordinator for the Alaska Public Offices Commission.

Paying is normal now for a number of reasons, said Gary Jacobson, a professor of political science at the University of California, San Diego. One is that special interests often have money but no organization.

"If you're not responding to the grass roots, you can buy Astroturf," he said.

Another is that political parties have grown weaker, and the services they once offered are now available on the open market. A third is a change in the structure of the society.

"We don't have a lot of people with spare time," Jacobson said. "People have more money than they do time. Activities you used volunteers for, you can't find those people anymore. They'd rather give you the money."

— Mike Doogan's opinion column appears in the Daily News each Tuesday, Friday and Sunday. His e-mail address is: mdoogan@pop.adn.com.

11-25-97

Vo

The Anchorage Times

Publisher: BILL J. ALLEN

"Believing in Alaskans, putting Alaska first"

Editors: DENNIS FRADLEY, PAUL JENKINS, WILLIAM J. TOBIN

The Anchorage Times Commentary in this segment of the Anchorage Daily News does not represent the views of the Daily News. It is written and published under an agreement with former owners of The Times, in the interests of preserving a diversity of viewpoints in the community.

Paid volunteers

YOU'RE LIABLE to run into them anywhere in town — the people collecting signatures for one of the numerous petitions to put something or other on next year's election ballot. When you do, how important is it to know if you're dealing with a bona fide volunteer or someone who's getting paid?

Come next spring, when you see a bunch of people picking up trash along the highway, how are you to know if they are really volunteers of whatever organization is getting credit for the effort or if they're being paid to do the work?

Some people wonder about such things. We think it doesn't make a hoot of a difference.

When it comes to petitions, Alaska's Constitution allows for citizens who feel strongly about enacting or repealing a law to have a route to do so through the initiative and referendum process. That process is not intended to be easy.

The requirement is to collect a number of signatures of registered voters equal to 10 percent of those who voted in the preceding election. That hurdle is designed to weed out frivolous matters from reaching the ballot. Some people believe that using hired hands to collect signatures defeats the purpose.

Meanwhile, others will frown at the idea that the highway department may be putting up signs to credit specific companies and civic organizations that "adopt" a two-mile stretch of a thoroughfare, if in fact people from the cited organizations are not actually doing the work to keep the road free of trash. That's what is happening now in some cities in the Lower 48, where new businesses have sprung up that charge organizations \$500 a month to do their roadside clear-up "volunteer" commitment.

But what difference does it make that good ol' American capitalism and ingenuity has infiltrated either of these areas? Why the hullabaloo that a person is getting paid for signatures or for picking up litter?

Local environmental groups, for instance, pat themselves on the back because they only used volunteers to collect signatures for their particular initiative. Surely they must realize the public knows many of their "volunteers" are in fact being paid through donations of various groups and individuals. Some of the volunteers who collected signatures for their road sign petition are just as professional as others collecting signatures to make English the official language.

The upshot is that it still takes 25,000 registered voters to sign a petition before any initiative makes the ballot. The hurdle remains a tough one, no matter who's standing out in the cold collecting signatures.

And highways are still getting spruced up thanks to the generosity of specific organizations — whether they're forking over cash or bending over to pick up the trash.

Requirement for
Add = Disclosure of
WHO is funding
the petition.

LAW OFFICES OF
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March 3, 1998

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From: Ken Jacobus, Alaskans for a Common Language

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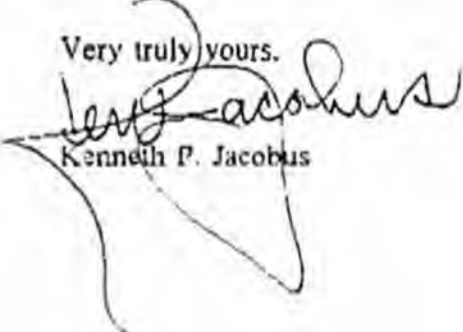
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Thank you.

Very truly yours,



Kenneth P. Jacobus

HB 413 • Initiative Petitions

Sectional Analysis

Section 1. Legislative Intent: To promote broad public participation in the initiative petition process.

Section 2. Preparation of petition: Amends current law to require the lieutenant governor to include, in the warning on each petition, the warning established in section 3 of the bill (below).

Section 3. Statement of warning: Requires each petition to include a statement of warning in 12 point, capitalized, bold type to the effect that the petition may be circulated by a paid signature gatherer; that the public has a right to ask if the signature gatherer is paid; and that the signature gatherer must disclose how much, and by whom he/she is paid.

Section 4. Payment of agent: Requires a signature gatherer to disclose the amount he/she is paid, as well as the person or organization providing payment, if asked.

Limits payment of signature gatherers to not more than \$.10 per signature; this provision does not apply to persons who are paid on some basis other than a per-signature basis (e.g. salaried personnel).

Prohibits any payment to an individual in exchange for his/her signature on a petition.

Violation of section 4 provisions is a class B misdemeanor.

Section 5. Certification of sponsor: Amends current law to require that the affidavit filed by a person gathering signatures on a petition must include a statement that the signature-gatherer has not been paid in excess of \$.10 per signature, if paid on a per-signature basis, and that he/she has not offered payment to any person in exchange for a signature on the petition.

Section 6. Crime of improper subscription to petition: Expands the definition of the crime of "improper subscription to petition" to include the solicitation or acceptance of payment in exchange for a signature on a petition.

Section 7. Applicability. Each section applies to petitions that arise from an initiative application certified on or after the effective date, or payment agreements arising after the effective date of the act.

Petitions Circulated by Paid Petition Circulators

Submitted for Verification for the November 1996 General Election

Petition #	Const./ Stat.	Measure #	Certified Ballot Title
10	C	(did not qualify)	Amends Constitution: Public Employees Need Not Share Union Representation Costs
11	C	33	Amends Constitution: Limits Legislative Change To Statutes Passed By Voters
29	C	45	Amends Constitution: Raises Public Employees' Normal Retirement Age; Reduces Benefits
30	C	46	Amends Constitution: Counts Non-Voters As "No" Votes On Tax Measures
33	S	37	Broadens Types of Beverage Containers Requiring Deposit and Refund Value
40	C	41	Amends Constitution: States How Public Employee Earnings Must Be Expressed
41	S	35	Restricts Bases For Providers To Receive Pay For Health Care
42	C	42	Amends Constitution: Requires Testing of Public School Students; Public Report
56	S	34	Wildlife Management Exclusive To Commission; Repeals 1994 Bear/Cougar Initiative
60	S	38	Prohibits Livestock In Certain Polluted Waters or On Adjacent Lands
61	C	39	Amends Constitution: Government, Private Entities Cannot Discriminate Among Health Care Provider Categories
62	C	40	Amends Constitution: Gives Crime Victims Rights, Expands Admissible Evidence, Limits Pretrial Release
64	S	(did not qualify)	Allows Creation of Publicly Funded, Independently Operated Charter Schools
65	S	36	Increases Minimum Hourly Wage To \$6.50 Over Three Years
67	C	47	Amends Constitution: Reduces and Limits Property Taxes; Limits Local Revenues, Replacement Fees
70	S	44	Increases, Adds Cigarette and Tobacco Taxes; Changes Tax Revenue Distribution
71	S	43	Amends Collective Bargaining Law For Public Safety Employees
77	C	48	Amends Constitution: Instructs State, Federal Legislators To Vote For Congressional Term Limits

Note: Petition 33 indicated that some of their signature gatherers were paid because some OSPiRG employees were circulating petitions while canvassing. The chief petitioner committee did not pay anyone just for gathering signatures, or pay anyone on a per-signature basis. They were therefore not required to report separately any payments to circulators, and are excluded from this research.

From the Office of the Secretary of State, State of Oregon

Paid Petition Circulator Statistics

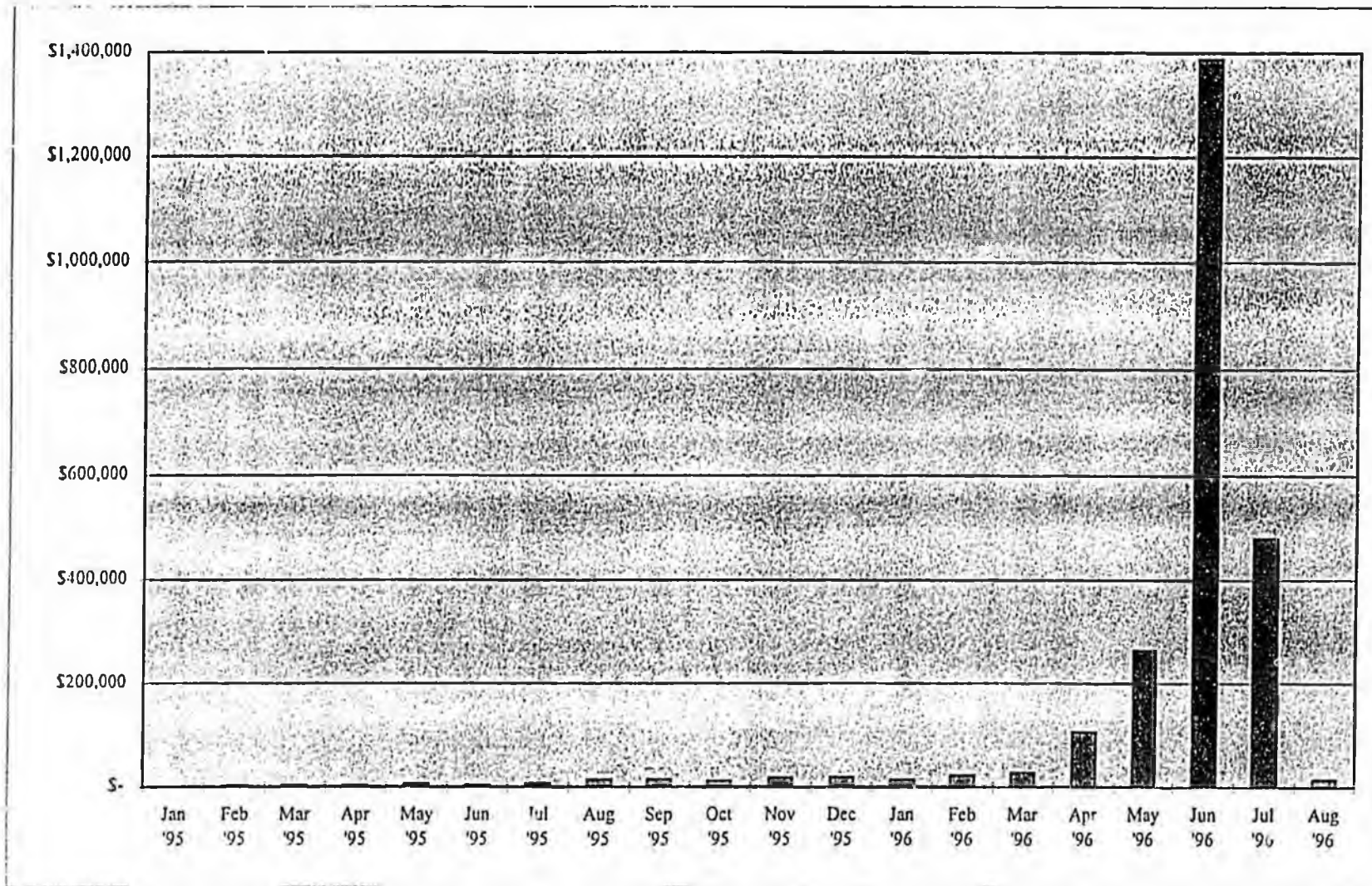
1996 Election Cycle

Number of Signatures Turned in to the Elections Division	2,294,989
Total Amount Paid to Petition Circulators	\$2,422,700.65
Number of Paid Circulators	2,720
Average Amount Earned Per Circulator	\$890.70
Number of Agents Paid by Committees <i>"Agents" are paid by committees to hire or pay for petition circulators. Only 2 committees paid petition circulators directly.</i>	<i>13 plus several temporary agencies</i>
Number of Paid Circulators Working on <i>One Petition Only</i>	484
Percentage of Paid Circulators Working on <i>One Petition Only</i>	18%
Number of Paid Circulators Working on <i>More Than One Petition</i>	2,236
Percentage of Paid Circulators Working on <i>More Than One Petition</i>	82%
Number of Circulators Who Made Over \$5,000	105
Average Amount Earned by Circulators Who Earned Over \$5,000	\$14,677.38

Top 10 Circulators by Dollars Earned

Name	Amount Earned	Months Receiving Payments
J. Sabenario	\$82,457.07	Jun-Jul '96 (2 months)
B. Baker	\$67,684.02	Apr '95, Jan-Jul '96 (8 months)
D. Williams	\$52,415.53	May-Jul '96 (3 months)
L. Weisberg	\$48,618.70	Jan-Dec '95, Jan-Jun '96 (18 months)
J. Pumelia	\$45,189.60	Sep '95, Nov-Dec '95, Jan-Feb '96, Apr-Jul '96 (9 months)
M. Rhodes	\$39,212.65	Feb '96, Apr-Jul '96 (5 months)
J. Neal	\$38,202.26	Jun '96 (1 month)
E. Ormsby	\$36,496.90	Mar-Dec '95, Jan-Mar '96, May-Jul '96 (16 months)
C. Warner	\$35,960.25	Jun '96, Jun '97 (2 months)
C. Bryant	\$31,167.65	Jun '95, Oct-Dec '95, Jan-Aug '96 (12 months)

Dollars Spent Per Month on Signature Gathering



From the Office of the Secretary of State, State of Oregon

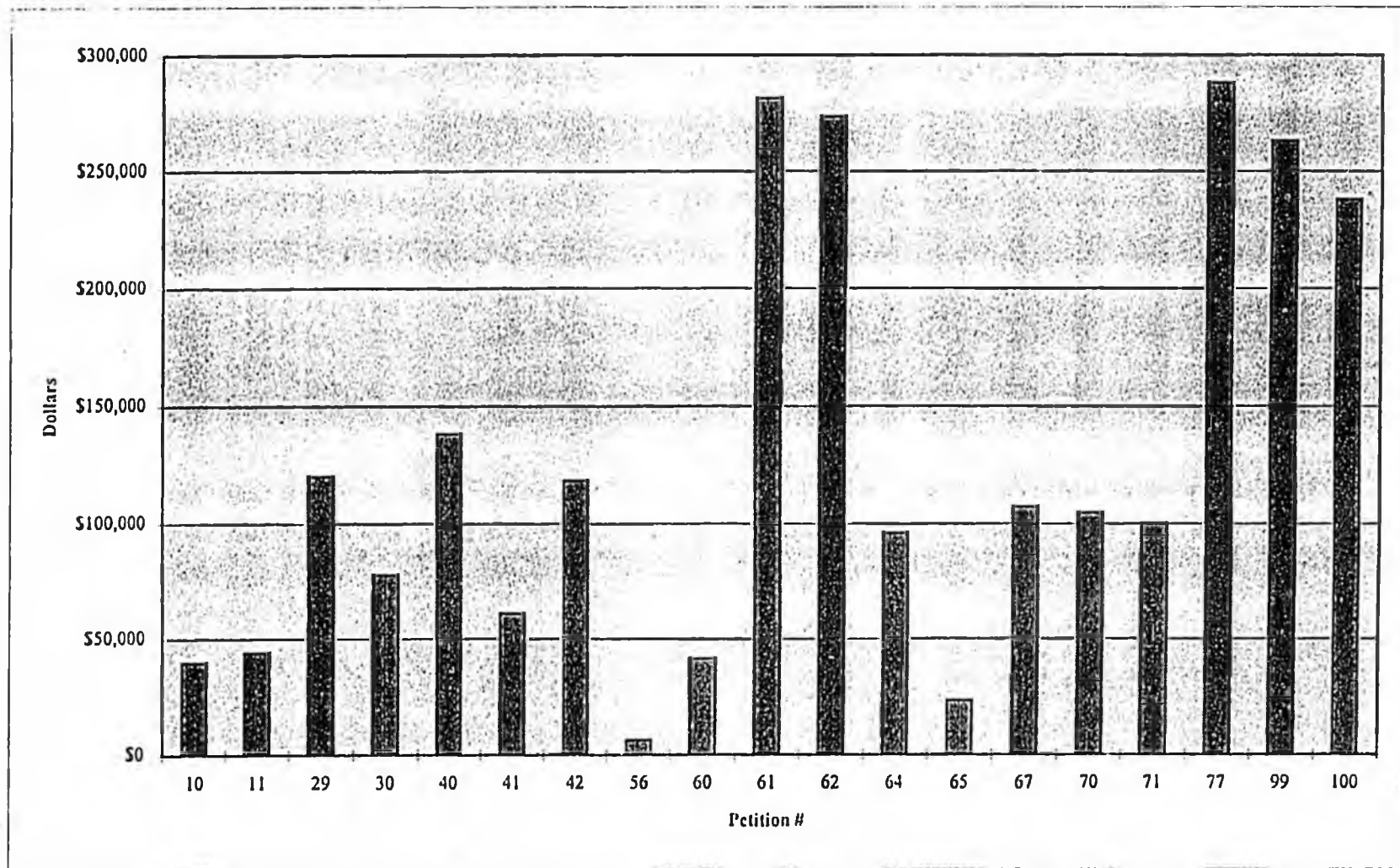
Payments to Agents by Petition

"Agents" are paid by ballot measure committees to hire or pay for petition circulators -- they may also hire other agents. Only 2 petitions paid their petition circulators directly. The payment category for the agent "Temporary Agencies" accounts for payments to several temporary agencies.

Petition	Company	OTU PAC	Alf/Lady	Baker/B	Brackin J.	Claywater	Cardona F.	Charter Schools	Full Spectrum	Gort. Direc	Hilton M.	M.W.C.	Temporary Agency	Wells & Merman	Grand Total
10	*Oregon Clean	\$19,314.60		\$18,508.50					\$1,425.20						\$39,248.30
11						\$44,169.43									\$44,169.43
29						\$120,105.99									\$120,105.99
30						\$77,783.54									\$77,783.54
36						\$118,056.83									\$118,056.83
41						\$61,109.65									\$61,109.65
42						\$118,327.12									\$118,327.12
56						\$6,287.98			\$58.00						\$6,345.98
60	\$27,181.25								\$2,385.65		\$703.15			\$417.00	\$30,577.05
61										\$225,387.53			\$55,859.27		\$281,246.80
62			\$57,056.23		\$18,201.42	\$21,239.47									\$96,507.12
64				\$12,797.55				\$82,376.02	\$472.40					\$182.50	\$95,028.47
65									\$973.50			\$22,568.09			\$23,541.59
67		\$89,764.02		\$11,940.00					\$3,593.60					\$1,913.50	\$107,211.12
70			\$28,152.75		\$1,844.03	\$55,610.00			\$16,092.79					\$3,000.00	\$104,719.57
71			\$47,144.70		\$34,927.10	\$3,380.00			\$30.00					\$14,691.50	\$100,176.30
77		\$54,120.85		\$22,688.05					\$9,481.40					\$1,011.25	\$87,301.55
99		\$168,631.23	\$18,648.33		\$6,049.50	\$54,952.08			\$14,742.40						\$263,023.54
100		\$218,077.31													\$218,077.31
Grand Total	\$37,761.45	\$770,617.01	\$144,002.03	\$63,934.10	\$62,838.83	\$852,003.61	\$267.83	\$82,376.02	\$78,291.44	\$225,387.53	\$703.15	\$22,568.09	\$55,859.27	\$24,088.25	\$2,422,700.65

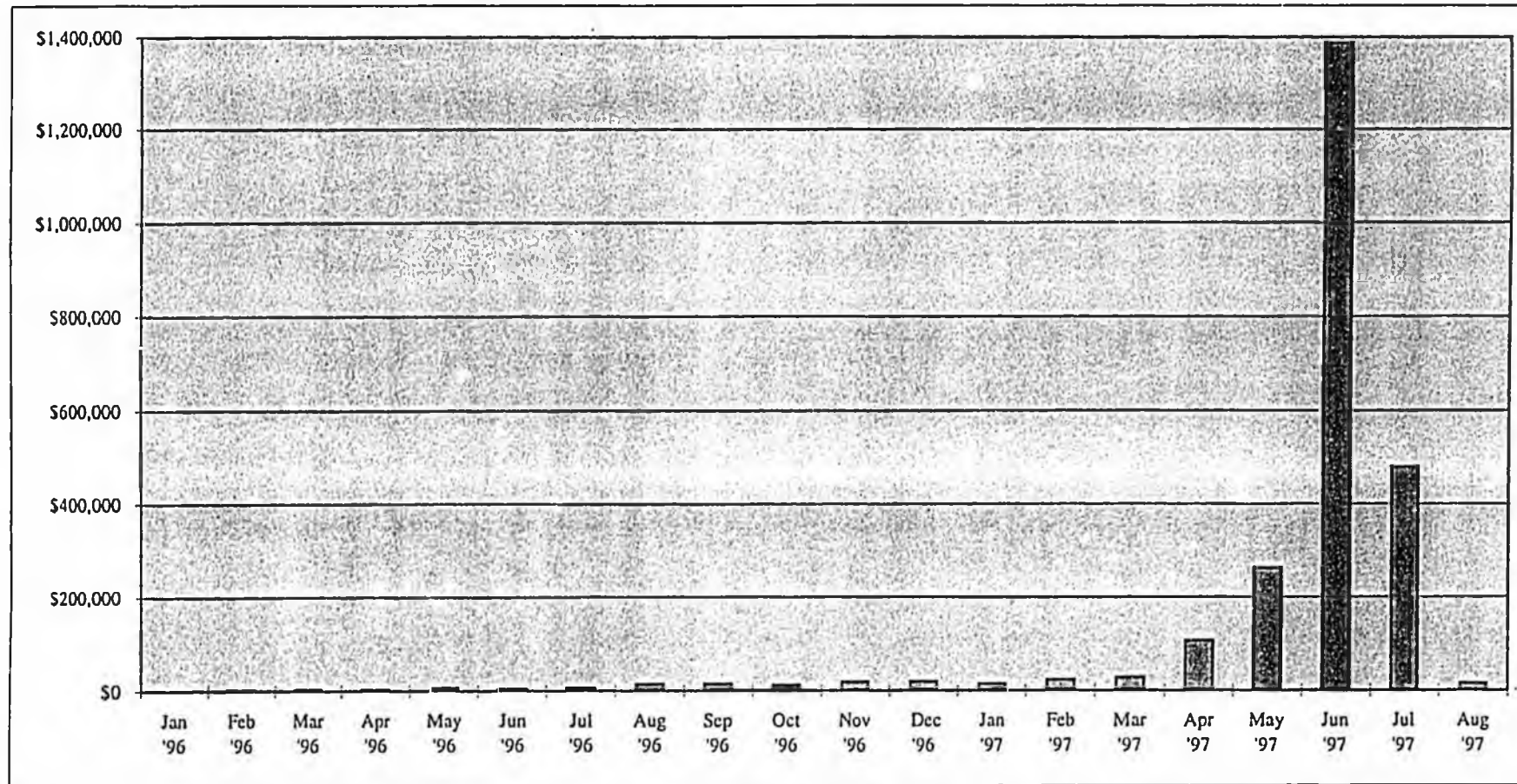
Note: "Petitions" 99 and 100 are categories created to account for spending that could not be attributed to a particular petition. Category 99 accounts for money spent on circulators by either Petition 70 or 71; category 100 accounts for all other spending on circulators for which a particular petition could not be identified.

Total Expenditures on Petition Circulators



Note: "Petitions" 99 and 100 are categories created to account for spending that could not be attributed to a particular petition. Category 99 accounts for money spent on circulators by either Petition 70 or 71; category 100 accounts for all other spending on circulators for which a particular petition could not be identified.

Dollars Spent Per Month on Signature Gathering



Note: "Petitions" 99 and 100 are categories created to account for spending that could not be attributed to a particular petition. Category 99 accounts for money spent on circulators by either Petition 70 or 71; category 100 accounts for all other spending on circulators for which a particular petition could not be identified. Eighty-eight percent of all payments were concentrated in May, June and July of 1996.

From the Office of the Secretary of State, State of Oregon

Top 10 Circulators by Dollars Earned

SABENARIO J.	\$82,457.07
*JUSTICE FOR ALL	\$71,635.50
BAKER B.	\$67,684.02
WILLIAMS D.	\$52,415.53
WEISBERG L.	\$48,618.70
PUMELIA J.	\$45,189.60
RHODES M.	\$39,212.65
NEAL J.	\$38,202.26
ORMSBY E.	\$36,496.90
WARNER C.	\$35,960.25
BRYANT C.	\$31,167.65

From the Office of the Secretary of State, State of Oregon

Circulators Earning More Than \$5,000

SABENARIO J.	\$82,457.07
*JUSTICE FOR	\$71,635.50
BAKER B.	\$67,684.02
WILLIAMS D.	\$52,415.53
WEISBERG L.	\$48,618.70
PUMELIA J.	\$45,189.60
RHODES M.	\$39,212.65
NEAL J.	\$38,202.26
ORMSBY E.	\$36,496.90
WARNER C.	\$35,960.25
BRYANT C.	\$31,167.65
HARRIS C.	\$29,559.55
THAYER M.	\$27,078.75
KNOBEL P.	\$26,716.75
X KRYSYIAN	\$25,307.30
WALTER P.	\$24,493.60
HAZELTON L.	\$24,489.74
HILTON M.	\$23,996.45
BINNING E.	\$22,679.93
NEWCOMB H.	\$22,461.75
ADDINGTON	\$21,313.80
BRIDGES L.	\$19,898.40
RONAN M.	\$19,064.30
BEVERAGE T.	\$18,543.50
MURUKAS J.	\$18,181.00
ROSEN D.	\$17,594.94
BERRY R.	\$16,905.05
NIX L.	\$15,506.75
BELL P.	\$14,939.65
ATWOOD S.	\$14,861.55
SCHAUMLEFF	\$14,645.25
HOLDMAN F.	\$14,624.75
JAMES S.	\$14,533.10
ALESSANDRO	\$13,661.75
LANAGAN R.	\$13,350.65
ULRICK R.	\$13,336.05
GILCREASE J.	\$12,627.70
BEVERAGE P.	\$11,842.25
ANNINOS L.	\$11,459.00
ZAHARKO T.	\$11,162.63

JORDAN H.	\$10,533.00
HOLODNIK S.	\$9,976.55
RAVENCROFT	\$9,963.25
JAMES T.	\$9,925.00
BOZARTH K.	\$9,826.25
ALIABADI A.	\$9,811.00
GROBERG D.	\$9,624.60
PUTERBAUG	\$9,311.00
KOHAKE F.	\$9,308.00
PEARSON K.	\$9,138.00
OTERO R.	\$9,072.15
CHAVEZ A.	\$8,870.00
SKAMSER D.	\$8,491.50
STROUM E.	\$8,472.70
JEFFERSON R.	\$8,315.50
BELL B.	\$7,969.89
EGBERT R.	\$7,960.45
PETTIGREW T	\$7,927.50
ALBURN W.	\$7,847.75
FOLEY G.	\$7,759.85
FEHNER J.	\$7,621.50
CALIDONNA	\$7,420.10
BARTHOLOM	\$7,332.00
COGBURN J.	\$7,251.80
REISCHMAN J	\$7,225.50
WOODS K.	\$7,155.00
GOODE G.	\$7,089.85
BARTLETT J.	\$7,011.39
MILLET C.	\$6,969.95
CLUTE M.	\$6,950.55
JOHNSON R.	\$6,901.90
FIEBIGER D.	\$6,779.40
WILLIAMS L.	\$6,753.50
BUNNELL P.	\$6,741.50
ADCOCK M.	\$6,721.25
IVERSON L.	\$6,694.25
COHEN J.	\$6,583.25
SUMMER M.	\$6,550.50
GUIDO J.	\$6,546.12
LANCEFIELD	\$6,428.00
LIECHTI S.	\$6,280.10
GARRITY S.	\$6,123.48
FITZGERALD	\$6,026.25

From the Office of the Secretary of State, State of Oregon

HAWKINS E.	\$5,979.25
PARKER L.	\$5,959.50
RILEY D.	\$5,938.40
STROUM R.	\$5,731.30
RUEL L.	\$5,722.00
GATLIFF N.	\$5,704.80
SHEPARD J.	\$5,661.49
REMPEL J.	\$5,650.00
LEVIN A.	\$5,587.00
ALWOOD S.	\$5,576.00
PISOTCHI M.	\$5,520.05
WILLIAMS P.	\$5,511.50
VENABLE G.	\$5,402.00
MILLER D.	\$5,280.98
TABI F.	\$5,173.00
SLAVICH N.	\$5,168.00
SALZWEDEL	\$5,153.25
JENKINS H.	\$5,092.50
CARESS B.	\$5,061.95
HENKES D.	\$5,046.70
SULLINS T.	\$5,043.25
GORDON S.	\$5,025.00

~~Anchorage~~ Daily News
December 1, 1998

Who is paying?

Initiative process has significant flaw

You have seen them for months now in shopping malls or libraries, wherever crowds form — signature gatherers for ballot petitions, clipboards at the ready.

Alaskans probably will face half a dozen advisory votes and proposed changes in statutes next November. The issues range from billboards to the medicinal use of marijuana.

The 49th state is following a national trend. Voters in many states, especially California, are bypassing their legislatures to write their own laws. Often, these ballot initiatives are financed by special interest groups that have built political machines to one end: obtaining signatures to put their issue on the ballot.

It makes sense for Alaskans to know who is financing signature drives. Full disclosure helps inform the voters' judgment. But we don't have full financial disclosure in Alaska. In fact, we don't have anything like it.

To certify a ballot proposition, proponents must send the lieutenant governor a group filing statement containing the proposed language for the initiative and 100 signatures of supporters. Once certified after a legal review, these proponents can spend all they want on getting the 25,000 signatures or more needed for the ballot, but they don't have to disclose where the money came from or how they spent it.

Gren Granquist of the Alaska Public Offices Commission explains the situation this way. "Since 1981 the Commission has taken the position that funds raised and money spent solely to collect signatures to qualify a petition are not reportable under the Campaign Disclosure Law. This view is based, in part, on the constitutional right of citizens to petition their government, and in part, on the emphasis in AS 15.13 on the disclosure of finances that specifically influence the outcome of an election. Clearly, there is no election to influence unless the group successfully concludes the petition drive."

Only if a group rolls over money from a petition drive into the actual campaign — or raises money for the campaign while signature gathering — must it disclose its financial activities.

Mr. Granquist's interpretation of the law is correct — but the law is misguided.

This is a classic case of a conflict of rights: The right of citizens to petition their government and the right of the citizenry to know who is paying for a petition. We believe the right of an informed citizenry should prevail.

When lawmakers convene in January, they should take an immediate look at this hole in the campaign finance law and find out what can be done to close it. The initiative is a vital piece in the machinery of democracy, but it should not be permitted this remarkable exemption from financial disclosure.

In the meantime, the next time you meet a guy or a gal with a clipboard who wants your signature, don't hesitate to ask, "Who is paying for this?" Your John Henry is worth at least an answer to this question.

NY Times 7/9/96

In 90's Ritual, Hired Hands Carry Democracy's Petitions

By ERNEST TOLLERSON

WOODSTOCK, Ga. — There was a time when volunteers collected signatures to put an issue or an insurgent candidate on the ballot. They acted out of ideology, party loyalty, the expectation of a patronage reward or a commitment to a particular candidate.

That breed is not extinct, but it is endangered. Nowadays, when people like Chad Towe collect signatures in front of the Wal-Mart here in this suburb north of Atlanta, they are driven by a very different incentive: a weekly paycheck whose size turns on the number of signatures they collect.

Mr. Towe, 27, and paid nomads like him are the most visible manifestation of a low-profile cottage industry that has come to dominate signature collection on statewide issues throughout much of the nation. Whether the cause is Ross Perot's nascent third party seeking a place on a ballot, the tobacco industry trying to change smoking regulations or trial lawyers fighting for an initiative that would guarantee the right to litigate, the work of signature collec-

tion companies generally determine who succeeds and who fails.

"I mean the Democratic and Republican Parties couldn't requalify for ballot status under current laws without the help of some paid circulators," said Bob Glaser, a lawyer who owns and operates the La Jolla Group, a major signature collection company in California.

Even Common Cause, known historically as a citizens' lobby, and its allies, including The League of Women Voters, had to rely on paid gatherers to help collect the 700,000 signatures to put a campaign finance initiative on the November ballot in California. Volunteers accounted for half of the signatures, said Ruth Holton, the executive director of Common Cause in California.

"And that is considered excellent," Ms. Holton said. "It has rarely been done."

While signature drives are always required to place an initiative on a ballot, they are also needed to get insurgent candidates on ballots as well as to help regular political parties boost registration in specific areas. Some political candidates like Steve Forbes have relied on paid signature collectors, but among their biggest consumers are citizens' and business groups.

In 1994, tobacco companies spent \$19.4 million on a California initiative to relax restrictions on smoking in public places. Of that amount, \$1.8 million financed the collection of 600,000 signatures, according to the American Medical Association, which opposed the initiative. The tobacco industry could not supply specific figures.

When the Service Employees International Union went after the 750,000 signatures needed to put a living-wage initiative on California's November ballot, paid collectors gathered 60 percent of the signatures while volunteers — including religious groups, students and union members — collected 40 percent.

Richard Holober, a union official who oversaw the project, said paid

Finding the Humor In the Horse Race

Forty percent of people under 30 say they learn something about Presidential politics from late-night television comedy routines, and those viewers generally do not receive the most uplifting impressions of their leaders.

But this year, some of the jokes have become especially harsh.

The favorite subjects are President Clinton's appetites, Hillary Rodham Clinton's legal woes, and Bob Dole's age and supposed crankiness.

In defense, Jay Leno said, "You don't change anyone's mind with this stuff. You just reinforce what they already believe."

collectors were vital because the union started late and had only two and a half months, not the typical five, to accomplish the task.

Ken R. Masterton, who with his wife, Sarah, owns Masterton & Wright, a signature-collection company in Bolinas, Calif., estimated that the vast majority of ballot issues in California and the nation used only paid signature gatherers.

So widespread is the use of this type service that, asked to name a recent petition project that was all volunteer, those who have spearheaded petition drives could recall only environmentalists' 1990 California ballot initiative to save mountain lions.

The signature collection industry seems to be dominated by a handful of companies — including American Petition Consultants, Kimball Petition Management and Masterton & Wright — many of them clustered in California, in part because of the predominance of the West in allowing voter initiatives. Calling themselves "petition-management experts," their fieldworkers, hired as independent contractors for individual projects, frequently account for no less than a third and sometimes all the signatures collected.

In many states the law allows fieldworkers to solicit supporters for several ballot issues and, sometimes, more than one party simultaneously.

While some have scruples regarding who and what they work for, others decide purely on the basis of economics. Much the same can be said about the companies that employ them.

As a result, signature gathering, once a reliable barometer of support and legitimacy, has instead become

a gauge of ability to pay and the knack for handling the market forces that dominate the business of transforming issues and people into initiatives and candidates.

"It really is a subversion of the democratic process because the reason you can get on the ballot is you have money and you can pay a firm to collect the signatures," said Ester Fuchs, a professor of politics at Barnard College. "On the other hand, in some states where the ballot access laws are so horrific, you sort of can't blame anybody who has money for hiring these firms, because the ballot is essentially locked up by regular party organizations."

Even some members of the signature-collection industry criticize the effect of paid petition drives on participatory democracy.

"There isn't anything per se wrong with it," Mr. Masterton said. "But it's not a political act to do a paid petition drive in my view. It's like getting your oil changed. That's an important service. But it is not a

political act."

Professor Fuchs said those who use signature collection companies are eager to keep that information quiet, because it raises questions. "This issue of paying for signatures is very close to the issue of buying a vote," she said. "And buying a vote is illegal."

Using the signature collection companies can also dilute the image many seek to convey to the public. Mr. Perot's public statements, for example, have left the impression

that his new third party is getting on state ballots the old-fashioned way, solely with volunteer muscle. In a June 1 speech to supporters in Los Angeles, for example, he extolled the work of Reform Party enthusiasts, noting: "I want to thank you for showing America last September that it is possible to create a new political party. California is the toughest state in the union. It only takes two years. You did it in 18 days and set Washington on fire."

Mr. Perot has never fully defined who precisely, managed to enroll the required 89,007 people in the Reform Party in 18 days. Russell Verney, who coordinated efforts to gain ballot lines nationwide, said that in California as in other states, volunteers and Reform Party staff members completed the huge recruitment campaign. He added that in California paid gatherers provided an insurance policy of 30,000 to 35,000 enrollees to cover any signatures that might be invalidated, but those were accounted for separately from the ones gathered by volunteers.

But William E. McCarthy, a California crew chief who works for a number of signature collection companies and said he received \$5 for each new Reform Party member, estimated that paid gatherers should be given credit for 80 percent of the enrollees and volunteers for 20 percent. Mr. McCarthy and other independent contractors say that from 25 to 50 professionals now work for Mr. Perot nationally, with most of their expenses paid — provided they meet their quotas.

Mr. Glaser, of the La Jolla Group, said Mr. Perot's party employed his company in California, Michigan and North Carolina. Referring to California, Mr. Glaser said, "I know that both sides had a substantial part in

the process. It could be 60-40 either way. But neither element could have done it entirely on its own."

Everyone familiar with the industry acknowledges that volunteers are less likely to be as productive as paid professionals. Mike Tompkins, the Vice Presidential candidate of the Natural Law Party, an independent party founded in 1992 by followers of the Maharishi Mahesh Yogi, said, for example, that in Texas this year, his party handed in more than 75,000 signatures collected by 113 people. While the majority of signature collectors were volunteers, the amateurs were not the top performers, Mr. Tompkins said.

The individuals who collected from 1,500 to a whopping 4,500 signatures apiece were paid collectors "who were willing to get out there 8 hours, 10 hours a day, rain or shine, didn't mind being told 9 times out of 10 'I won't sign this,' didn't mind rejection," he said.

Mr. Verney of the Reform Party declined to discuss the rates the party pays for each signature, except to say "in all cases we negotiated contracts based on market forces in the state at the time." Mr. Glaser also declined to discuss pay, but described the interplay of forces as "a true form of open capitalism."

Mr. Towe, who started circulating petitions professionally when he was 18, said he earned \$1.50 to \$2 a signature working for Mr. Perot's party here in Georgia last month, well above the national average of 50 cents to \$1. In a good week, he said, professionals like him can earn \$1,000, and more than double that if they are crew chiefs. Oklahoma for 10 days and pull out an extra 5,000 signatures and get back on down here to this job."

Initiatives big-money business

With \$2.4 million spent last fall to gather signatures, the system is vulnerable to fraud.

The Statesman Journal

A financial analysis of last fall's initiative petition process reveals a system awash in money and the potential for fraud.

More than \$2.4 million was spent to get signatures on a slew of initiatives intended for the November ballot.

The money went to paid signature gatherers — people willing to stand outside businesses, on street corners and in parks soliciting signatures.

Some of those people were committed to a cause. But many were there only because they were paid up to \$2 for every signature they got.

Last year, with dozens of initiative petitions fighting for space on the ballot and Oregonians tiring of being asked to sign, only those sponsors who hired circulators got enough signatures to make the ballot.

The system of paid circulators has been criticized by many who say that it corrupts what is meant to be a

SPECIAL REPORT

Soliciting signatures

This special report is based on the research, reporting and writing of a University of Oregon specialized reporting class taught by professor Don Campbell. Statesman Journal reporter Jilyn McCullough contributed to the reporting and writing. A full listing of the students appears inside.

On Page 2A

The process: The steps required for an initiative to reach the ballot.

The payout: An industry has emerged around the gathering of signatures.

Perceptions: Activists tell Bill Sizemore that the system should not be changed without a popular vote.

grass-roots exercise, with voters making laws.

Critics complained that people were buying their way onto the ballot and that signature gatherers were coming in from out of state.

SEE INITIATIVES / 2A

CONTINUED FROM 1A

with no intention of staying.

A recent analysis by the secretary of state's office and a University of Oregon journalism class gives a glimpse of the extent of the problem:

- \$2.4 million was pumped into the various initiative campaigns for November's ballot solely to collect signatures. The money came mostly from special interest groups and individuals supporting specific causes.

- Some people made huge amounts of money in short periods of time gathering signatures. A California man, for example, made \$82,457 in two months.

- Under state law, signature gatherers must be registered Oregon voters who intend to stay here, but many apparently come from out of state. One registered using as his address a mail drop box in Portland. Several gave one address in Portland when they registered to vote.

The secretary of state's office is investigating 100 boxes of signature sheets collected to put measures on the ballot. Workers are looking at how many signature gatherers were working illegally and how many signatures were fraudulent.

Because the office has not yet examined the signature sheets, the scope of the problem is unclear, said Scott Tighe, manager of the state elections division.

Traditionally, about 10 percent of signatures are found invalid for a variety of reasons, Secretary of State Phil Keisling said.

Random checks conducted to qualify the measures found that an average of 17.7 percent of the signatures were invalid. Of initiatives that made the ballot, the collective bargaining proposal — Measure 43 — topped the list, with 27 percent found invalid.

Potential for fraud

Almost everyone agrees that the potential for fraud is great.

"It's a sizable temptation for the unscrupulous, especially when word on the street is you can make \$500 or \$1,000 a day," Keisling said.

Take the case of a self-described traveling salesman who earned \$82,457 in just two months last summer. At an average of \$1.50 per signature, Julius Sabenorio would have had to collect nearly 1,000 signatures every day the two months he was in Portland.

"Who could believe how much money would be there in that city for something like that? It blew my mind," he said.

Sabenorio said he actually hired a crew to gather signatures in his name. He didn't pass those names along to the secretary of state's office, however, as required by law.

More troubling for the integrity of Oregon's initiative petition process: The Multnomah County Elections Division says Sabenorio was not a registered Oregon voter. His voter registration was rejected after he gave a mail drop box on Barbur Boulevard in Portland as his address.

Inconsistencies

Sabenorio tried to register a second time, using 525 N.E. 113th St. in Portland as his home and the mail drop box as his mailing address. It turns out that eight other voters are registered at the 113th Street address, including Parker Bell, who hired other signature gatherers for Oregon Taxpayers United and collected signatures himself.

When Sabenorio asked the elections office for a certified copy of his voter registration, he produced his California driver's license as ID. He never returned to the office with proof that he

was an Oregon resident, and his application was rejected.

Though Sabenorio made the most money, according to records in the secretary of state's office, others made plenty as well. The top 10 list includes Brian Baker, \$67,684; Harold D. Williams, \$52,410; and Lionel S. Weisberg, \$48,610.

No one routinely checks whether signature gatherers are Oregon voters. But the secretary of state's office has the names of 160 people who tried to register to vote, mostly in the Portland area, who were rejected for using business addresses.

The names were forwarded to the office by county elections officials who became suspicious, both because of the addresses and because the applicants requested a registration certificate. They apparently wanted that to show their employers that they had registered and could legally circulate petitions.

1994 election the worst

Fraud in the initiative process is nothing new.

"In 1994, to my knowledge, Oregon had far and away the biggest initiative fraud problem in the country," Keisling said.

The state found 20,000 signatures it believed to be fraudulent, all for Measure 7, the equal protection initiative. Workers apparently were copying names out of phone books. Nothing quite so dramatic has shown up for the 1996 cycle.

But during random signature checks for November's election, state officials found that every signature submitted by one Eugene circulator was invalid.

And a Salem woman who acted as a middleman, hiring a company to hire signature gatherers, told the secretary of state's office that she was stuck with three boxes of invalid signatures that she'd paid the company for but couldn't use. Such companies are at the center of concerns about fraud in the system.

Last summer, 58 circulators in Washington County were investigated for falsely registering to vote at a motel. All were connected with a Florida couple who hired signature gatherers for initiative drives around the country. A grand jury decided against indictment after most of those subpoenaed failed to show up.

Petitioner's alarm

Reading a newspaper account of that case alarmed one signature gatherer who had responded to the Florida couple's ad in a Seattle newspaper promising \$1,000 a day.

She left Medford, where she had been collecting signatures, and took a bus to Salem. She put her suitcase in a bus locker and walked over to the secretary of state's office.

The woman told officials that she and her counterparts got no training on any of the issues they were collecting signatures for, and some circulators would make up things about the issues.

According to Tighe, the woman said her bosses told the Seattle recruits they could use motel addresses on their voter registration cards. When they became concerned about attention from the media and state officials, they hired people from the Portland unemployment office to stand next to the signature gatherers and act as witnesses, as registered Oregon voters.

Tighe said the woman's story sent up a warning signal.

"Up until that election cycle, we were unaware of the extent that circulator companies were bringing people in from out of state ... and just registering here for the sole purpose of circulating petitions."

Reform suggested

Some say the only sure-fire way to clean up the system is to ban paid signature gatherers, but the courts have ruled that would restrict free speech.

To Keisling, part of the answer is banning the bounty method — paying circulators for each person who signs a petition — and requiring that signature gatherers be paid by the hour. But his proposal doesn't appear to have much support in the Legislature.

The Employment Division believes the answer may be changing the classification of circulators from independent contractors to employees. That way, the employer has responsibility.

The division is holding hearings on the issue, but initiative petition advocates such as Bell say the change would be a mess.

"It would make it a complete nightmare. You'd have to have somebody watching them," he said of signature gatherers.

"There is nobody more free-style than a petitioner," said Bell, who made \$14,000 as a signature gatherer last year.

Initiatives: Grass roots give way to money

Staying honest

Bill Sizemore, whose Oregon Taxpayers United spent more than \$770,000 to gather signatures for the cut-and-cap property tax initiative and three other measures last year, said he thinks fraud is limited to certain individuals.

Last year, for example, his group hired a full-time employee to review each petition for invalid signatures. It also requires signature gatherers to sign affidavits that they were valid Oregon voters and intended to stay in the state. They also had to return a date-stamped application for voter registration.

Sizemore's own wife, Cindy, circulated petitions for Oregon Taxpayers United, earning \$1,500 to send to her mother who has cancer, in Hawaii.

The real problem with the initiative process is that the demand for signature gatherers far exceeds the supply, Sizemore said. This allows gatherers to name their own price, resulting in \$2 signatures.

"We're paying really high prices for people to circulate petitions," he said. "I'm for entrepreneurship and profit, but that's pretty outrageous for an unskilled laborer."

High prices, Sizemore says, lead to greed, which leads down the slippery slope to forgery.

Suggested solutions

The solution is to allow initiative petitions on the ballot at least once a year instead of every other year, he said. Fair competition to get on the ballot would mean lower prices and less fraud.

Some initiative activists believe the state is overreacting to media hype and trampling on democracy.

"What makes us the only people in politics who should not be paid? Look at the lobbyists," Bell said.

Ruth Bendl, who ran a signature-gathering company during the 1996 election, said calls for reform are simply a reaction by the power structure, which doesn't like the kind of initiatives Oregonians are approving.

Bendl's Portland-based firm, Canvasser's Services, paid out the most money of any firm last year to signature-gatherers — \$850,000.

She said it's no secret that people come from out-of-state and register as Oregon voters to work elections here. But she doesn't see what all the fuss is about.

"There are many issues on the ballot that I disagree with, but I welcome the opportunity to vote no on them," Bendl said.

The only change needed is to make elections offices more friendly, Bendl said. The risk of being prosecuted for fraud is enough of a deterrent to abuse.

"I do think that the system is ready has all the checks and balances. ... It isn't broke."

Salem Statesman Journal 3/30/97



TAKING INITIATIVE: Anti-tax activist Bill Sizemore delivers signatures to the Capitol in July 1996. File

Sizemore often finds Capitol clout missing

Around Oregon, the powerful leader is shown no deference.

The Statesman Journal

By anyone's reckoning, Bill Sizemore has become one of the most powerful figures in Oregon. As executive director of Oregon Taxpayers United, he gets most of the credit — or blame — for passage of Measure 47 in 1996.

As he roams the hallways of the state Capitol these days, legislative leaders acknowledge his clout by regularly consulting with him on proposed changes to Measure 47, which cuts and caps property taxes.

The deference shown to Sizemore by state lawmakers doesn't always trickle down to the trenches, where ballot-measure activists plot their strategies, as Sizemore discovered in Portland recently.

Members of the Coalition for Initiative Rights hold regular meetings, track legislation affecting the initiative process and send members to testify at legislative hearings.

Sizemore attended a CIR

meeting in February to discuss how he had been trying to negotiate changes in the initiative process with Secretary of State Phil Keisling.

He quickly got shot down.

Sizemore began by talking about a proposal to widen the gap on the number of signatures required on petitions to amend state statutes versus the number required for amending the state constitution. He said he and Keisling also discussed extending the qualifying period for initiative petitions to one year.

The latter change, Sizemore said, would help eliminate the "feeding frenzy" that occurs when there's only a short period of time in which to gather signatures on an initiative.

As deadlines draw near, the prices for signatures rise, and there's "more motivation to engage in forgery," he said.

But CIR members didn't like the idea of Sizemore negotiating with Keisling.

They said they feared such talks could set in motion changes that could spiral out of control. Besides, they said, any changes to the initiative peti-

tion process should go through that same process — qualifying for the ballot and holding a public vote.

"When we see a story about a Keisling-Sizemore deal, we wonder what's going on. Is it an admission on your part that the system is wrong? That's what it looks like," said Don McIntire, the architect of Measure 6.

"You play into their hands," said Lloyd Marbet, the anti-nuclear activist and chairman of CIR. "Don't you feel that you got used?"

"No," replied Sizemore. "I don't feel that I was used."

"Changes in the initiative process should go through the process," Marbet said. "We can't lose the moral high ground."

After more debate, the group voted against continued negotiations with Keisling — a stand Sizemore agreed to abide by.

"I will keep my word on that, although I've made it clear I don't agree," Sizemore said.

The discussions have ended.

Reported by Vickie Abous.

Paying for signatures

The rising use of initiative petitions around the country has created a whole industry devoted to hiring paid signature gatherers. Some Oregon petition sponsors hired companies or agents to hire signature gatherers. Other political organizations paid their circulators directly. Here's a look at some of the biggest amounts paid for signature gatherers. All of the money went to help get initiatives on the November 1996 ballot:

Canvasser's Services \$852,006 A Portland signature-gathering company that's now defunct.	Affinity \$114,002 A Salem-based signature gathering company. The phone number has been disconnected.	Jenny Breslin \$62,839 Breslin worked as an agent, hiring other signature gatherers.
Oregon Taxpayers United \$770,617 The group that worked to put Measure 47, the cut-and-cap property tax initiative, and three other measures on the ballot.	Charter Schools \$82,376 The petition sponsor's committee that tried unsuccessfully to get the charter schools initiative on the ballot.	Temporary Agencies \$55,859 This accounts for payments to several temporary agencies.
Government Direct \$225,388 Listed at the state corporations division as a Portland-based management and public relations firm. The phone number has been disconnected.	Full Spectrum Voter Services \$78,291 Listed with the state corporations division. An Eastern Oregon company set up to do political organization.	Oregon Clean \$37,761 The petition sponsor's committee that got the Oregon Clean Streams Initiative on the ballot.
	Brian Baker \$65,934 Baker worked as an agent, paying other signature gatherers.	Wells & Merman \$24,088 Listed as a Creswell management and public relations firm with the state corporations division. Directory assistance listed no phone number.

The initiative process

1. The chief petitioner files the prospective initiative with the Secretary of State's office.
2. The chief petitioner either hires people to circulate petitions, called "circulators," or hires a circulating company or agent to hire circulators, or does both. Most chief petitioners use several different companies. Circulators are required to be registered voters in Oregon with an intent to stay in the state. Prosecuting someone for saying he intended to stay in Oregon, when he really didn't, would be difficult, however.
3. Chief petitioner is required to review with circulators the legal prohibitions and guidelines for circulating petitions before circulators begin to obtain signatures. There is no requirement that circulators be trained on the issues of the petition.
4. Circulators gather signatures, either because they believe in the cause or they're paid. Prices generally range from 35 cents to \$1.50 per signature. Circulators generally work for and are paid by several companies at once.
5. Petitions are turned into the Elections Division for verification by the filing deadline. The office recommends that the chief petitioner turn in one-fifth more signatures than required to allow for invalid signatures.
6. The elections division chooses 1,000 random signatures to check, sending the signatures back to their county of origin for verification. There are four reasons a signature can be found invalid:
 - The signature is illegible
 - The signer is not from that county
 - The signer is not a registered voter
 - The signature is a duplicate
 Invalid signatures are discounted for qualification. The elections division does nothing further with them. If too many of the sampled signatures are found invalid, a second sample of 4,000 is done. This happens less than 10 percent of the time. If the second sample doesn't pass, the proposed initiative is not qualified for the ballot.

Salem Statesman Journal 3/30/97

Signature drive lets man collect

An out-of-state petitioner earns big bucks in Oregon.

The Statesman Journal

Julius Sabenorio was working in Vancouver, Wash., last year, collecting signatures on a petition drive, when he heard that the real money was in Oregon.

So he headed south to Portland, where he hooked up with Oregon Taxpayers United, the group that was mounting an initiative to cut and cap property taxes.

Two months later, Sabenorio had been paid a total of \$82,457 for collecting signatures on that initiative and seven others, according to records in the secretary of state's office.

"It was a lot of money; there was easy money to be made out there, believe me," Sabenorio said. "From what I heard, that was like the highest-paying petition drive in world history."

Sabenorio said he worked for four separate companies, putting together crews of people to go out and collect signatures.

He said most of the \$82,457 went to the crews who worked for him. But that information wasn't reported to the Secretary of State's office as required.

"Yeah, I turned (the petitions) in; I was witnessing some other people; I distributed the money to them," he said in a phone interview from Ohio, where he said he was doing Internet training. "I got some money that was

Top 10 circulators

Collectors of signatures to put initiatives on the November 1996 ballot who were paid the most money:

Name	Amount
Julius Sabenorio	\$82,457
Justice For All*	71,638
Brian Baker	67,684
Harold D. Williams	52,416
Lionel S. Weisberg	48,619
John Pumilla	45,190
Michael Rhodes	39,213
Jarrell Neal	38,202
Eric Ormsby	36,497
Curtis Warner	35,960

* This committee hired others to collect signatures on its behalf.
Source: Oregon Secretary of State's Office

not all for me and passed it out to some other people."

In addition to breaking state election laws, Sabenorio may be in trouble with the IRS. Independent contractors are self-employed, and his tax bill on \$82,457 will be hefty. He's thinking about filing paperwork that would assign some of the burden to his gatherers, but he doesn't know where all of them live.

Sabenorio has an address in Hayward, Calif., but he said he isn't there much. He travels from state to state, working contacts and trying to get his Web consulting business established.

"I'm like the old version of the traveling person who sells elixir in a wagon with a pony," he said. "I travel around. I like to be on the road. I like to work hard, do a good job and do what I want to do."

To petitioner, earning a living is priority over political ideals

The Statesman Journal

Brian Baker gathered signatures for money, not ideals.

It's not something he apologizes for.

"You're looking at a job that's not going to be there in a couple months," he said. "And it's a lot of time, a lot of effort."

Last fall, Baker, 34, of Portland, gathered signatures on several petitions. His days started at 6 a.m., catching professionals on their way to work. He'd move on about 10 a.m., working the lunch crowd at restaurants.

After that, he'd hawk his petitions at crowded stores, downtown streets and bus stops until 5 p.m., when he'd catch the professionals on their way home. Then it was back to the restaurants until about 8 p.m.

"Your only plan at that point is to get home, get to bed," he said. "And then you get up the next morning and do it again."

Baker wasn't picky about

which campaigns he worked for. "I'll work on any issue that pays," he said. "I'm out there trying to earn a living. It doesn't matter whether you're for an issue or against it."

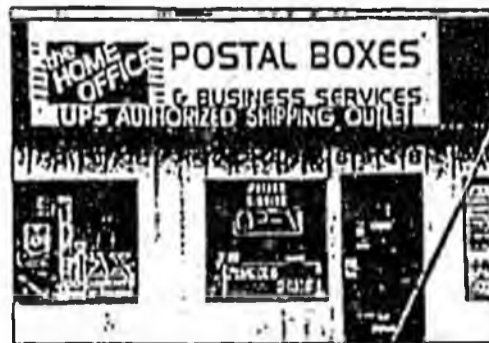
Baker had up to 35 homeless people working for him at any time. They were especially effective in gathering signatures for Measure 47, he said, because they had the most at stake.

"When people can't afford property taxes, eventually somewhere down the line, someone goes homeless," he said.

Baker said he wouldn't put up with workers who were rude or who argued with people. He'd fire them on the spot.

He didn't have much trouble with cheating: Most petitioners won't fake signatures because there's not enough to gain and too much to lose, he said.

"People get sent to jail for that," he said. "It would definitely keep me from doing it."



Home sweet home

One paid signature gatherer listed this mailbox company as his home address when registering to vote, officials say. Seven others used the same address in Portland.

REPRESENTATIVE KIM ELTON

HB 413 • Initiative Petitions

Sponsor Statement

HB 413 seeks to promote public participation in the initiative process by limiting payment to persons who collect signatures on initiative petitions. In addition, HB 413 requires disclosure of payments and the organization or entity by whom a signature-gatherer is paid.

The 1998 general election ballot in Alaska will hold a record number of initiative issues. Many of those initiatives were promoted in the signature gathering phase, not by volunteers committed to a specific cause, but by individuals paid to collect signatures. It is a trend sweeping the country and one which allows the initiative process to be captured by special, moneyed interests.

HB 413 is sponsored out of concern for the growing commercialization of the process. During Oregon's 1996 election cycle, \$2.5 million was paid to 2,720 petition circulators. Some of those circulators earned up to \$1000 per day, paid at a rate of \$3 or \$4 per signature. Some earned in excess of \$50,000 for just a few months' work. Nationally, over 80% of all payments to circulators were made in the last three months of the cycle. Payment of signature gatherers who know and care nothing about the issue is the antithesis of the initiative process itself.

HB 413 restricts payment of signature gatherers to no more than \$.10 per signature. In addition, it requires every petition to carry a notice that the petition may be circulated by a paid signature gatherer. Signature collectors are required to disclose the payer, and the amount paid, upon request. The bill further closes a loophole in existing law by prohibiting payment to individuals in exchange for their signatures on a petition.

REPRESENTATIVE KIM ELTON

MEMORANDUM

February 18, 1998

TO: Rep. Jeannette James, Chair
House State Affairs Committee

FROM: Rep. Kim Elton

RE: Scheduling of HB 413, relating to initiative petitions

I would like to request a hearing for HB 413, relating to initiative petitions, before the House State Affairs Committee at the earliest opportunity. HB 413 was prompted by the growing commercialization of the initiative process. It is becoming fairly common to find signature gatherers who are paid for each signature collected but know little or nothing about the issue their petition addresses.

HB 413 restricts payment to \$.10 per signature, requires public disclosure of payment, and prohibits payment to individuals in exchange for their signatures. In this way the bill safeguards public participation in this democratic process.

Thank you for your consideration of this request.

Yes!

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. CSHB 413(STA)

Revision Date (3/6/98	Dept. Affected	Office of the Governor
Title <u>Relating to disclosure of compensation</u>	BRU	Elective Operations
paid to sponsors of initiative petitions	Component	Elections
Sponsor <u>Representative Elton</u>		
Requester <u>House State Affairs Committee</u>	Component Serial No.	<u>#21</u>

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Rec 3/6/98

Prepared by Gail Fenumisi *Gail Fenumisi*
 Division Division of Elections
 Approved by C Lt. Governor Fran Ulmer *M. Ulmer*
 Agency Office of the Lieutenant Governor

Phone 465-3935
 Date 3/6/98
 Date 3/6/98

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For further distribution information, call the Governor's Legislative Office

Author: Barbara Cotting at LAA_TRANS
Date: 2/26/98 1:34 PM
Priority: Normal
TO: shari_kochman@gov.state.ak.us at CC2MHS1
Subject: details

I have scheduled the following for hearing on Tuesday, March 3, 1998,
and need fiscal notes.

HJR 1	Limit session to 90 days	Elections
HB 359	Health Insurance Regulation	Commerce
HJR 59	Desecration of U.S. Flag	Admin
HB 338	Annul All Admin Regs; Repeal APA	Admin
HB 413	Initiative Petition Comp.	Elections

at 9:30 a.m. Monday 3/2/98
when packets must be prepared,
none of the requested bills
fiscal notes had been
received.
B. Cotting

HB

416

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSHB 416(), Draft Version "F"

1 Page 2, lines 8 - 16:

2 Delete all material and insert:

3 "(b) By December 31, 1998, the commission shall adopt regulations ensuring
4 universal service and providing for appropriate access charges and any other
5 regulations necessary to allow for and promote local exchange competition through
6 the entry of competing local exchange carriers in the service areas of local exchange
7 carriers that served 1,500 or more access lines on January 1, 1998, by

8 (1) construction of networks and interconnection with incumbent local
9 exchange carrier;

10 (2) use of unbundled network elements provided by incumbent local
11 exchange carriers; and

12 (3) resale of retail service of incumbent local exchange carriers
13 purchased at wholesale rates;"

14 Page 2, following line 26:

15 Insert a new subsection to read:

16 "(d) The commission shall exempt an incumbent local exchange carrier from
17 a duty set out in 47 U.S.C. 251(b) or (c) if but only if the incumbent local exchange
18 carrier demonstrates that complying with the duty is not technically feasible or would
19 cause an undue economic burden to the incumbent. In determining whether
20 complying with a duty would cause an undue economic burden, the commission may
21 only consider the cost of fulfilling the duty. In particular, the commission may not
22 consider the effect on the incumbent that would result from entry of an efficient
23 competitor into the market served by the incumbent."

1 Reletter the following subsection accordingly.

2 Page 2, following line 30:

3 Insert a new subsection to read:

4 "(f) In this section, "incumbent local exchange carrier" or "incumbent" has the
5 meaning given to "incumbent local exchange carrier" in 47 U.S.C. 251(h)."

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 16, 1998

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 3/26/98

The STATE AFFAIRS Committee considered:

HB 416

HOUSE BILL NO. 416

LOCAL EXCHANGE TELEPHONE SERVICE

"An Act relating to competition in the provision of local exchange telephone service; and providing for an effective date."

recommends it be replaced with the following committee substitute C5(HB 416)STA [] the same title
[] a new title

[] additional referral to _____ Committee

[] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

[] fiscal note(s) Commerce

[] fiscal note(s) _____

[] zero fiscal note(s) _____

[] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Jeanette James</i>			✓	
<i>[Signature]</i>			✓	
<i>[Signature]</i>		✓		
<i>Joe Ryan</i>			✓	
<i>[Signature]</i>			✓	

CHAIR'S SIGNATURE *Jeanette James*

Alaska State Legislature

REPRESENTATIVE

PETER KELLY

Mailing Address:

119 N. Cushman, Suite 203

Fairbanks, Alaska 99701

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While in Juneau

State Capitol

Juneau, Alaska

99801-1182

(907) 465-2327

House District 31

House Of Representatives

Sectional

HB 416

An Act providing for competition in local telephone service.

Section 1. (a) Finds competition in local exchange telephone service to be of benefit to consumers throughout the state.

(b) Requires the commission to adopt regulations to enable local competition.

(c) The Legislature provides the commission (APUC) with the finding that an applicant for local exchange competition is convenient and necessary for the public. The commission has 90 days to determine if the applicant is fit, willing and able to provide the service.

(d) A municipality may not regulate a utility competing in a local telephone exchange under this law.

Alaska State Legislature

CHAIR:
REPRESENTATIVE
JEANNETTE JAMES

State Capitol
Room 102
Juneau, Alaska
99801-1192
(907) 465-3743
FAX (907) 465-2381



House of Representatives
HOUSE STATE AFFAIRS

MEMBERS:
REPRESENTATIVES
IVAN IVAN
AL VEZEY
FRED DYSON
MARK HODGINS
KIM ELTON
ETHAN BERKOWITZ

Attached is a transcript of A.P.U.C.'s discussion RE HB 416
on Wednesday, March 25, 1998.

465-2381
attn Barbara

Tape 3

Log 0700

CHAIRMAN COTTEN: Well, I think it's difficult to ignore the potential consequences of changing or losing these support mechanisms and that's a great euphemism for subsidies that I've enjoyed using. And that could mean that rates could be adversely affected. I think that's part of the rationale that went into my thinking as we've reviewed these subjects earlier. And our challenge is to produce regulations and not just produce regulations by the end of the year, but also understand what the rest of the world is doing as far as Universal Service is concerned. We keep hearing about what the FCC's doing as far as Universal Service Funds and the competition for those funds with the schools, libraries, and educational facilities and medical facilities. There's a lot of flux here that deal with the so-called support mechanisms. And I think it -- we can't ignore, again, the potential adverse consequences of losing those funds. So I think that my recommendation to the Legislature would be to wait until next year and see how the Commission does and our -- as we attempt to produce these regulations that will, hopefully, resolve a lot of these questions. But my guess is that just like the last telephone wars that took place in Juneau if we don't or if we stumble or are unable to produce them, perhaps, the Legislature will have a better justification for circumventing this process. Commissioner?

COMMISSIONER COOK: Should we formalize that recommendation, Mr. Chairman, 'cause I agree with what you just said.

COMMISSIONER HANLEY: You just said give us the first shot and if we wait till next year.....

CHAIRMAN COTTEN: Okay. Well, one way to accomplish that would be to maybe get a transcript and try to put something down on paper that could find the support of the majority of this Commission. We all know that we tweak and offered a sense and so forth, so I think we kind of -- we have an idea of the will of the majority here, but as far as formalizing it, maybe I could suggest that we attempt to put something in writing that we could find majority agreement to. Does that sound like a good plan?

COMMISSIONER HANLEY: Yes.

COMMISSIONER POSEY: Support it.

CHAIRMAN COTTEN: All right. So that will be once we get the transcript we can attempt to craft a recommendation.

0825