MEMORANDUM

State of Alaska

Department of Law

Hon. John B. "Jack" Coghill DATE: October 25, 1993 TO: Lieutenant Governor State of Alaska

FILE NO.: 663-94-0213

465-3600 TEL. NO.:

Revised initiative SUBJECT: application to reform Alaska's campaign finance laws

Barbara J. Blasco FROM: Assistant Attorney General Governmental Affairs Section - Juneau

Introduction and Summary I.

You have asked us to review the revised application for an initiative petition to reform Alaska's campaign finance laws. The first initiative application on this subject was rejected because the application was not substantially in the required form. 1993 Inf. Op. Att'y Gen. (Sept. 21; 663-94-0066).

The revised application and the proposed bill comply with the constitutional and statutory provisions governing the use of the initiative. Therefore, provided the required number of signatures and addresses of qualified voters have been submitted, we recommend that you certify the application and so notify the initiative committee. Preparation of the petitions may then commence in accordance with AS 15.45.090.

II. The Form of the Application

The defects in the form of the initial initiative application have been corrected in the revised application. The revised application meets the first three requirements of AS 15.45.030: it includes the proposed bill to be initiated; it includes a statement that the sponsors are qualified voters who signed the application with the proposed bill attached; and it includes the designation of a three member an initiative committee that will sponsor the initiative. Your office must determine whether the application meets the fourth requirement of AS 15.45.030, i.e., whether the application contains the signatures and addresses of not less than 100 qualified voters.

III. The Form of the Proposed Bill

The revised application contains the same proposed bill as the initial application. Our opinion on initial application concluded that the form of the proposed bill met the requirements of AS 15.45.040: the proposed bill is confined to one subject; the subject is expressed in the title; the enacting clause is in the proper form; and it does not include any of the prohibited subjects. 1993 Inf. Op. Att'y Gen. (Sept. 21; 663-94-0066) at 4.

As discussed in our earlier opinion on the proposed bill, we note that the constitutionality of certain provisions of the bill is doubtful and if this initiative is enacted, it is likely that these issues will be litigated. <u>Id.</u> at 4-5. However, the initiative application should not be rejected for this reason. Review of these issues must await post-enactment litigation. <u>Boucher v. Engstrom</u>, 528 P. 2d 456, 460 n.13 (Alaska 1974).

IV. Impartial Summary of the Proposed Bill

AS 15.45.090(2) requires that the initiative petition include an impartial summary of the subject matter of the bill. We recommend the following for purposes of the impartial summary:

"Proposed bill to reform Alaska's campaign finance laws, an initiative."

This bill, if passed, would amend the state's campaign finance laws.

The bill includes findings stating that for state and local government to properly function, elected officials must be exclusively dependent on voters in their election districts rather than on groups and out-of-district contributors. The findings also state that the Alaska's campaign financing system has discouraged qualified candidates from seeking office and has allowed out-of-district contributors to manipulate the outcome of elections and exercise significantly more influence over legislative and executive actions of successful candidates than the voters in the candidates' election districts.

This bill would prohibit groups, including businesses, corporations, labor unions, political action committees, and political parties, from contributing money, or making independent expenditures, for or against candidates for state and local office. It would limit contributions by individuals to those candidates who are seeking Hon. John B. "Jack" Coghill Our File No.: 663-94-0213 October 25, 1993 Page 3

election to state or local office in the election district in which the individual making the contribution resides. The bill would retain the \$1,000 per candidate per year limit on individual contributions for or against a candidate for state local office, and would limit independent or expenditures by individuals for or against a candidate for state or local office to \$1,000 per candidate per year; provided that together, contributions and expenditures by individuals could not exceed a total of \$1,000 per candidate per year. The bill would allow candidates to contribute or expend more than \$1,000 of their own money on their own campaign. Also, it would allow individuals and groups to contribute or expend more than \$1,000 per year for or against a ballot proposition. The bill would also prohibit a candidate for state or local office from accepting a contribution unless it was deposited in the candidate's campaign bank account by midnight of the day preceding the day of the general election in which the candidate is seeking office.

V. Conclusion

For the reasons discussed above, we conclude that the proposed initiative complies with the constitutional and statutory provisions governing the use of the initiative. Provided the application includes the required number of signatures and addresses of qualified voters, we recommend that it be certified and petitions prepared in accordance with AS 15.45.090.

Please let us know if you need any further assistance on this matter.

BJB:kh

cc: Joseph Swanson, Director Division of Elections