NOTES TO DECISIONS

Constitutionality. – Because the State has a compelling interest in enforcing contribution limits, and because candidates still retain the right to make contributions from personal funds, the ban on inter-candidate contributions in paragraph (b)(7) is constitutional. State v. Alaska Civil Liberties Union, 978 P.2d 597 (Alaska 1999), cert. denied, 528 U.S. 1153, 120 S. Ct. 1156, 145 L. Ed. 2d 1069 (2000).

Sec. 15.13.114. Disposition of prohibited contributions. (a) A candidate, group, or nongroup entity that receives and accepts a contribution given in violation of <u>AS</u> 15.13.072 or 15.13.074 shall immediately, upon discovery that the contribution is prohibited, return it to the contributor. A candidate, group, or nongroup entity that receives and accepts a contribution in excess of the limitation on contributions set out in <u>AS 15.13.070</u> shall immediately, upon discovery of the prohibited excess contribution, return the excess to the contributor. If the contribution or excess amount cannot be returned in the same form, the equivalent value of the contribution or excess amount shall be returned.

(b) An anonymous contribution is forfeited to the state unless the contributor is identified within five days of its receipt. Money that forfeits to the state under this subsection shall be delivered immediately to the Department of Revenue for deposit in the general fund. (§ 19 ch 48 SLA 1996; am § 23 ch 1 SLA 2002)

Effect of amendments. – The 2002 amendment, effective April 16, 2002, in two places. In subsection (a) inserted ", or nongroup entity": and made related stylistic changes

Sec. 15.13.116. Disbursement of campaign assets after election. (a) A candidate who, after the date of the general, special, municipal, or municipal runoff election or after the date the candidate withdraws as a candidate, whichever comes first, holds unused campaign contributions shall distribute the amount held on February 1 for a general election or within 90 days after a special election. The distribution may only be made to

(1) pay bills incurred for expenditures reasonably related to the campaign and the winding up of the affairs of the campaign, including a victory or thank you party, thank you advertisements, and thank you gifts to campaign employees and volunteers, and to pay expenditures associated with post-election fund raising that may be needed to raise funds to pay off campaign debts;

(2) make donations, without condition, to

(A) a political party;

(B) the state's general fund;

(C) a municipality of the state; or

(D) the federal government;

(3) make donations, without condition, to organizations qualified as charitable organizations under 26 U.S.C. 501(c)(3) if the organization is not controlled by the candidate or a member of the candidate's immediate family;

(4) repay loans from the candidate to the candidate's own campaign under \underline{AS} <u>15.13.078</u> (b);

(5) repay contributions to contributors, but only if repayment of the contribution is made pro rata in approximate proportion to the contributions made using one of the following, as the candidate determines:

(A) to all contributors;

(B) to contributors who have contributed most recently; or

(C) to contributors who have made larger contributions;

(6) establish a fund for, and from that fund to pay, attorney fees or costs incurred in the prosecution or defense of an administrative or civil judicial action that directly concerns a challenge to the victory or defeat of the candidate in the election;

(7) transfer all or a portion of the unused campaign contributions to an account for a future election campaign; a transfer under this paragraph is limited to

(A) \$50,000, if the transfer is made by a candidate for governor or lieutenant governor;

(B) \$10,000, if the transfer is made by a candidate for the state senate;

(C) \$5,000, if the transfer is made by a candidate for the state house of representatives; and

(D) \$5,000, if the transfer is made by a candidate for an office not described in (A) - (C) of this paragraph;

(8) transfer all or a portion of the unused campaign contributions to a public office expense term account or to a public office expense term account reserve in accordance with (d) of this section; a transfer under this paragraph is subject to the following:

(A) the authority to transfer is limited to candidates who are elected to the state legislature;

(B) the public office expense term account established under this paragraph may be used only for expenses associated with the candidate's serving as a member of the legislature; (C) all amounts expended from the public office expense term account shall be annually accounted for under <u>AS 15.13.110 (a)(4)</u>; and

(D) a transfer under this paragraph is limited to \$5,000 multiplied by the number of years in the term to which the candidate is elected plus any accumulated interest; and

(9) transfer all or a portion of the unused campaign contributions to a municipal office account; a transfer under this paragraph is subject to the following:

(A) the authority to transfer is limited to candidates who are elected to municipal office, including a municipal school board;

(B) the municipal office account established under this paragraph may be used only for expenses associated with the candidate's serving as mayor or as a member of the assembly, city council, or school board;

(C) all amounts expended from the municipal office account shall be annually accounted for under $\underline{AS \ 15.13.110}$ (a)(4); and

(D) a transfer under this paragraph is limited to \$5,000.

(b) After a general, special, municipal, or municipal runoff election, a candidate may retain the ownership of one computer and one printer and of personal property, except money, that was acquired by and for use in the campaign. The current fair market value of the property retained, exclusive of the computer and printer, may not exceed \$5,000. All other property shall be disposed of, or sold and the sale proceeds disposed of, in accordance with (a) or (c) of this section. Notwithstanding any other provision of this chapter,

(1) a candidate may (A) retain a bulk mailing permit that was paid for with campaign funds, and (B) use personal funds, campaign funds, or unused campaign contributions transferred to a public office expense term account under (a)(8) of this section to pay the continuing charges for the permit after the election; money used to continue the life of the permit is not considered to be a contribution under this chapter; in addition to any other use permitted under this chapter, during the candidate's term of office, the candidate may use the bulk mailing permit for mailings associated with service in the office to which the candidate was elected; during the candidate's term of office, if the candidate files a declaration of candidacy or the document necessary to permit the candidate to incur election-related expenses under AS 15.13.100 for the same or a different elective office, the candidate may also use the bulk mailing permit in that election campaign;

(2) a candidate may retain campaign photographs and use the photographs for any purpose associated with service in the office to which the candidate was elected;

(3) a candidate may retain seasonal greeting cards purchased with campaign funds; and

(4) campaign signs prepared for an election that has already taken place have no monetary value and may be retained or disposed of at the candidate's discretion.

(c) Property remaining after disbursements are made under (a) - (b) of this section is forfeited to the state. Within 30 days, the candidate shall deliver the property to the Department of Revenue. The Department of Revenue shall deposit any money received into the general fund and dispose of any other property in accordance with law.

(d) After a general or special election, a candidate for the state legislature who has been elected to the state legislature in that election may, from the amount retained in the public office expense term account reserve under this subsection, transfer to a public office expense term account not more than \$5,000 each calendar year for use only for expenses associated with the candidate's serving as a member of the legislature, except that a senator serving a two-year term may transfer not more than \$10,000 each calendar year. A candidate for the senate may transfer up to \$20,000 from unused campaign contributions to a public office expense term account reserve. A candidate for the house of representatives may transfer up to \$10,000 from unused campaign contributions to a public office expense term account reserve. The public office expense term account reserve may only be used to make transfers to the public office expense term account. At the end of the candidate's term of office, a balance in the public office expense term account reserve must be disposed of as provided in (a) of this section but may not be disposed of as provided in (a)(1), (4), or (6) - (9) of this section. All amounts expended under this subsection shall be annually accounted for under AS 15.13.110 (a)(4). (§ 19 ch 48 SLA 1996; am §§ 8, 9, 10 ch 74 SLA 1998; am §§ 4-6 ch 3 SLA 2002; am § 15 ch 108 SLA 2003)

Cross references. – For provisions relating to certain persons holding unused campaign contributions on January 1, 1997, see § 32, ch. 48, SLA 1996 in the Temporary and Special Acts.

For provisions relating to the applicability of subsection (d) to certain contributions held by certain legislators, see § 104, ch. 74, SLA 1998 in the 1998 Temporary and Special Acts.

Effect of amendments. – The 1998 amendment, effective June 4, 1998, rewrote subsection (a); added the last four sentences in subsection (b); and added subsection (d).

The 2002 amendment, effective April 16, 2002, in subsection (a) inserted ", thank you advertisements," in paragraph (1), in paragraph (8) inserted "plus any accumulated interest" in subparagraph (D); in subsection (b) substituted "\$5,000" for "\$2,500" in the introductory language, added the subparagraph (1) designation, in subparagraph (1) substituted "the document necessary to permit the candidate to incur election-related expenses under AS 15.13.100" for "A letter of intent to become a candidate" near the end and added subparagraphs (2)-(4); in subsection (d) added the exception at the end of the first sentence; and made stylistic changes.

The 2003 amendment, effective September 14, 2003, in subsection (a) inserted "on February 1 for a general election or" and "after a special election" in the introductory language and made a stylistic change.

Editor's notes. – Section 106, ch. 105, SLA 1998 makes the 1998 amendments to subsections (a) and (b), the 1998 enactment of subsection (d), and the related provisions in § 104, ch. 74, SLA 1998 in the 1998 Temporary and Special Acts all retroactive to December 31, 1996.

NOTES TO DECISIONS

Constitutionality. – The State's interest in preventing avoidance of valid contribution limits by use of carry-forwards in both compelling and served by the restriction set forth in this section, which is narrowly tailored to accomplish this interest, and justifies its burden on speech. State v. Alaska Civil Liberties Union, 978 P.2d 597 (Alaska 1999), cert. denied, 528 U.S. 1153, 120 S. Ct. 1156, 145 L. Ed. 2d 1069 (2000).

Sec. 15.13.120. [Renumbered as <u>AS 15.13.380</u>].

Repealed or Renumbered

Sec. 15.13.122. [Renumbered as <u>AS 15.13.385</u>].

Repealed or Renumbered

Sec. 15.13.125. [Renumbered as <u>AS 15.13.390</u>].

Repealed or Renumbered

Sec. 15.13.130. Definitions. [Repealed, ch 48 Sec. 28 SLA 1996].

Repealed or Renumbered

Sec. 15.13.135. Independent expenditures for or against candidates. (a) Only an individual, group, or nongroup entity may make an independent expenditure supporting or opposing a candidate for election to public office. An independent expenditure supporting or opposing a candidate for election to public office, except an independent expenditure made by a nongroup entity with an annual operating budget of \$250 or less, shall be reported in accordance with <u>AS 15.13.040</u> and 15.13.100 - 15.13.110 and other requirements of this chapter.

(b) An individual, group, or nongroup entity who makes independent expenditures for a mass mailing, for distribution of campaign literature of any sort, for a television, radio, newspaper, or magazine advertisement, or any other communication that supports or opposes a candidate for election to public office

(1) shall comply with <u>AS 15.13.090</u>; and

(2) shall place the following statement in the mailing, literature, advertisement, or other communication so that it is readily and easily discernible:

This NOTICE TO VOTERS is required by Alaska law. (I/we) certify that this (mailing/literature/advertisement) is not authorized, paid for, or approved by the candidate. (§ 24 ch 48 SLA 1996; am § 24 ch 1 SLA 2002)