

**Sponsor Statement for CS for HB 177 (STA)**  
**Campaign Finance**  
**Contributions/Disclosure/Groups**

An Act placing special interest organizations within the definition of 'group' for purposes of Alaska's campaign finance statutes; and requiring disclosure of the true source of campaign contributions.

**Last Updated:** April 3, 2001

**Contact:** Representative Brian Porter's office at (907) 465-4930.

In 1999, the Alaska Supreme Court in ACLU v. State upheld Alaska's ban on political contributions and independent expenditures by corporations and labor unions. But the court also held that entities must be allowed to make independent expenditures if "(1) they cannot participate in business activities, (2) they have no shareholders who have a claim on corporate earnings, and (3) they are independent from the influence of business corporations." The court also suggested that entities, which meet these three criteria, must be permitted to make political contributions.

The committee substitute for House Bill 177 clarifies that non-group entities that meet these three criteria may make contributions and independent expenditures. It also subjects them to the same rules--including contribution limits and reporting requirement--as other groups that participate in political campaigns.