BALLOT MEASURE 2 FAQs

WHO MUST COMPLY?

- 1. Every entity (person, individual, or group) that made one or more independent expenditures supporting or opposing a candidate during the previous election cycle; or is making such expenditures in the current election cycle or plans on doing so.
- 2. Every individual, person, non-group entity or group that contributes more than \$2,000 to an entity that must comply.

WHAT NEW REPORTS MUST BE FILED?

- 1. The independent expenditure entity who receives a contribution in excess of \$2,000 (singerly or in the aggregate) from a single contributor must report that contribution and all subsequent contributions from that contributor within 24 hours.
- 2. A contributor who contributes in excess of \$2,000 to the independent expenditure entity must file a statement of contributions report, within 24 hours, disclosing all post February 27, 2021 true sources of the funds contributed. Once a true source has been identified, that true source need not be identified again for subsequent contributions to the same independent expenditure entity unless the true source contributes again.

WHERE ARE THESE REPORTS FOUND?

The new reports are found in APOC's online filing system, accessed through <u>myAlaska</u>, similar to other reports you file.

The independent expenditure entity will file a 24-Hour Report, located under campaign disclosure forms, in the same manner as the 24-Hour Reports it currently files during the last 9 days before the election.

The contributor will file a Statement of Contributions Form 15-5.

WHAT MUST BE REPORTED?

The independent expenditure entity must report the true source(s) of the contribution on the 24-Hour Report, its next Independent Expenditure Report, and its next Campaign Disclosure Report if applicable.

The contributor must provide to the independent expenditure entity the true source(s) of the funds contributed, including the true source(s) of funds it received from intermediaries

who, themselves have true sources. The contributor must report the same information on its Statement of Contributions Form 15-5 within 24 hours.

WHAT IS A TRUE SOURCE?

Ballot Measure 2 defines a true source as follows:

"true source" means the person or legal entity whose contribution is funded from wages, investment income, inheritance, or revenue generated from selling goods or services. A person or legal entity who derived funds via contributions, donations, dues, or gifts is not the true source, but rather an intermediary for the true source. Notwithstanding the foregoing, to the extent a membership organization receives dues or contributions of less than \$2,000 per person per year, the organization is considered the true source.

WHAT IS DARK MONEY?

Dark Money is money whose true source has not been disclosed. It is defined in the ballot measure as follows:

"Dark Money" means a contribution whose source or sources, whether from wages, investment income, inheritance, or revenue generated from selling goods or services, is not dis closed to the public. Notwithstanding the foregoing, to the extent a membership organization receives dues or contributions of less than \$2,000 per person per year, the organization itself shall be considered the true source."

Individuals, persons, nongroup entities or groups may not contribute or accept \$2,000 or more of dark money.

FAILURE TO TIMELY FILE

Untimely filing of a contributor's statement of a contributions report results in a maximum civil penalty of \$1,000 per day for each day the delinquency continues.

A contributor or intermediary that misreports or fails to disclose a true source is subject to a maximum civil penalty equal to the amount of the contribution made to the independent expenditure entity. Upon a showing that the misreporting or failure to disclose was intentional, a maximum civil penalty of three times the amount of the contribution may be imposed.

OUTSIDE-FUNDED ENTITIES

Ballot Measure 2 defines outside-funded entities as follows:

"outside-funded entity" means an entity that makes one or more independent expenditures in one or more candidate elections and that, during the previous 12-month period, received more that 50% of its aggregate contributions from true sources, or their equivalents, who,

at the time of the contribution, resided or had their principal place of business outside Alaska."

Ballot Measure 2 requires outside funded entities to include the following language in all or their print and video communications: "A majority of contributions to (outside-funded entity's name) came from outside the State of Alaska." This language must appear on the screen throughout the entire communication.

PAID FOR BY IDENTIFIERS

The paid for by identifier on all video communications must remain on screen throughout the entire communication.

HELPFUL LINKS

Ballot Measure 2

Unapproved advisory opinion addressing ballot measure 2 issues

Ballot Measure 2 FAQs – Revised, April 2, 2021