

# STATE OF ALASKA

## Department of Administration

### Alaska Public Offices Commission

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June 7, 2006

Glenn Trimmer  
Secretary Treasurer  
USW Local 4959  
4548 Shellridge Road N.W.  
Olympia, WA 98502

Re: Advisory Opinion Request  
AO 06-01-CD

Dear Mr. Trimmer:

This letter responds to your advisory opinion request dated January 16, 2006 that was received in our office on February 15, 2006. Because the request was stapled to your 2005 Year-End Campaign Disclosure Report, it only recently came to my attention. I apologize for the delay.

You have asked if the PACE Alaska PAC may distribute its surplus campaign contributions to its National PAC, PACE Local 8-369. You want to close your Alaska State PAC because of the requirement that all contributors must be identified by name and address. You have expressed concerns about the names and home addresses of your members (and PAC contributors) being published on the Internet.

#### **SHORT ANSWER**

PACE Alaska PAC may disband and transfer its surplus contributions to its associated National PAC, PACE Local 8-369.

#### **SUMMARY**

You have requested an Advisory Opinion from the Alaska Public Offices Commission in accordance with 2 AAC 50.384(b) and 2 AAC 50.905. Your question concerns the disbursement of campaign assets held by Alaska PACE PAC. You request permission to transfer the funds held in your Alaska State PAC to the National PAC for the United Steelworkers

**LAW**

Alaska Administrative Code 2 AAC 50.384(a) addresses the reporting of final disbursement of group campaign assets.

**2 AAC 50.384. DISBURSEMENT OF GROUP CAMPAIGN ASSETS.**

(a) Following the election, a group may

- (1) leave its money in a campaign account until the following election if the group plans to remain active;
- (2) contribute the money to another candidate or group subject to the contribution limitations and other requirements of AS 15.13;
- (3) donate the money to qualified charitable organizations under 26 U.S.C. 501(c)(3);
- (4) repay its contributors; or
- (5) pay for a victory or thank you party.

(b) A group may not disburse funds in a manner other than that set out in (a) of this section except if approved by advisory opinion under 2 AAC 50.450.

**FACTS**

- You have been a part of an amalgamated Local Union headquartered in Richmond, Washington (PACE Local 8-369).
- On August 1, 2005, the United Steelworkers gave you a charter for a new Alaska Local, United Steelworkers Local 4959 and your Alaska PAC funds were transferred to the Alaska State PAC associated with USW LU 4959.
- Because Alaska's campaign disclosure law requires that all contributors be identified by name and address, you want to disband your Alaska PAC.
- You have asked if you may transfer the surplus balance of your State PAC to your National PAC funds.
- You are aware that the National PAC would not be able to participate in Alaska State or Municipal candidate elections.

### **ANALYSIS**

Alaska's campaign disclosure law requires that political groups list "the name, address, date, and amount contributed by each contributor...."

AS 15.13.040(b) (3)

This requirement concerns the PACE Alaska PAC because their contributors are also their union members, and they have privacy issues. This requirement was among the 2003 amendments to the law; before that, contributions of \$100 or less were reported only by the number of contributors and the total amount of the \$100 or less contributions in each reporting period. PACE Alaska PAC is funded through a payroll deduction program and their contributors did not exceed the \$100 reporting threshold that was in place prior to the 2003 amendment.

Although the Commission regulations do not specifically address the transfer of surplus funds from a State PAC to its affiliated National PAC, the Commission has addressed the issue of State PAC's contributing to their National PACS.

In Advisory Opinion 97-09-CD, the IBEW PAC asked the following question:

*The International Brotherhood of Electrical Workers Committee On Political Education (IBEW-COPE) is a political action committee registered with the Federal Elections Commission. May the PAC make contributions to IBEW-COPE? If so, are there limits in the amount that the PAC may contribute to IBEW-COPE?*

The following advice was issued by the Commission:

AS 15.13 does not address contributions by groups to national PACs which are active in federal campaigns and thus would not prohibit or limit IBEW PAC's contributions to IBEW-COPE. IBEW PAC will need to consult with the Federal Elections Commission to determine if federal law limits its contribution to IBEW-COPE. Please note that, in a reciprocal scenario, AS 15.13 would address contributions by IBEW-COPE PAC to Alaska state and local candidates. Before IBEW-COPE could contribute to Alaskan state or local candidates or groups, the group would have to meet the state limitations on the size and source of its incoming contributions. See AS 15.13.070 (b) (1); AS 15.13.072(f).

AS 15.13.112 does require that a group's funds are spent on activities that reasonably relate to election campaign activities. The Commission holds that this provision does not prohibit a state group from contributing to a national group or national candidate assuming that both entities would use the funds in connection with an election.

Therefore, in accordance with the advisory opinion issued to the IBEW PAC in 1997, PACE Alaska PAC may disband and send its surplus funds to its National PAC.

PACE Alaska PAC must file its final campaign disclosure report within ten days of disbanding as provided in 2 AAC 50.394. After the final report is filed, PACE Alaska PAC will have no further reporting requirements under AS 15.13, until such time as a new registration statement is filed.

### **CONCLUSION**

Based on precedent Commission Advice, PACE Alaska PAC is permitted to send their surplus campaign funds to their National PAC upon disbandment.

Only the Commission has the authority to approve an advisory opinion. 2 AAC 50.905. The Commission will rule on staff's proposed advice at its next meeting scheduled for June 21 – 22, 2006 in Anchorage. The Commission may approve, disapprove, or modify the proposed advice. An advisory opinion must be approved by an affirmative vote of at least four members or it will be considered disapproved. Both staff's proposed advice and the Commission's final advisory opinion apply only to the specific facts and activity for which the advice was requested. If you rely on staff's proposed advisory opinion in good faith and the Commission subsequently rejects the proposed advice, staff will take no enforcement action on activities up to that point if you acted under the specific facts described.

If you would like to appear before the Commission in person or by phone when this matter is considered, please contact me as soon as possible so that we can arrange a mutually convenient time on the agenda. In the meantime, please contact me at 276-4176 if you have any additional questions.

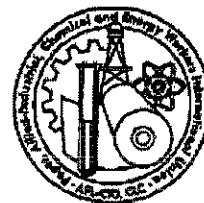
**The Commission approved the advice in this letter by an affirmative vote of 5-0 on September 20, 2006. The advice in this opinion applies only to the specific activity for which the advice was requested.**

# United Steelworkers



Building Power  
**USW**

Merged April 14, 2005



January 16, 2006

ARRIVED

Alaska Public Offices Commission

AO 06-01-CS

FEB 15 2006

APOC - ANCH  
PM HC FAX

To Whom it may concern:

We are the former Alaska members of PACE Local 8-369. This last April PACE International Union merged with the United Steelworkers International Union.

We have been part of an amalgamated Local Union who's Headquarters were in Richland Washington (PACE Local 8-369). On August 1<sup>st</sup> 2005 the United Steelworkers gave us a charter for a new Local here in Alaska. We are now United Steelworkers Local 4959. On August 1<sup>st</sup> the former PACE Local 8-369 transferred the Alaska State PAC fund we had here in Alaska to the new USW Local 4959.

Enclosed you will find a report with the activity of that fund to the current date. In conversations with your office it comes to our attention that we will be required to submit a list of our members who contribute to the fund and their home addresses to be posted on your web page. We are not prepared to continue this course of action. We would like to close our account and request permission to transfer the balance of our State PAC fund to our National PAC fund. We understand this will prohibit us from participating in State or Local Electoral process.

Thank you for your attention in this matter.

Glenn Trimmer  
Secretary Treasurer  
USW Local 4959  
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Olympia, WA 98502  
360-867-9024