

# HB44 and HCR1

**Representative Jason Grenn**

**House District 22**



“HB44 and HCR1 would help provide assurances that legislators are representing the public interest, would promote transparency within our state government, and bring Alaska’s laws into conformity with most other states.”

# Current Uniform Rule 34(b)

Abstention. “Every member present in the house shall vote unless the house for special reasons permits a member to abstain... **A member may not be permitted to abstain except upon the unanimous consent of the membership.**”

# HCR1 Proposed Changes to Uniform Rule 34(b)

“A member may not be permitted to abstain except on the question of the member's abstention or **upon consent of a majority of the membership.**”

# Source of Language for Majority Vote:

AS 29.20.010 Conflict of interest.

(a) Each municipality shall adopt a conflict of interest ordinance that provides that

(1) a member of the governing body shall declare a substantial financial interest the member has in an official action and ask to be excused from a vote on the matter;

(2) the presiding officer shall rule on a request by a member of the governing body to be excused from a vote;

(3) the decision of the of the presiding officer on a request by a member of the governing body to be excused from a vote may be overridden by the majority vote of the governing body; and

(4) a municipal employee of official, other than a member of the governing body, may not participate in an official action in which the employee or official has a substantial financial interest.

# Legislative Breakdown for Voting Recusal

Request to Abstain by Vote:

*Majority Consent: 24*

*2/3 Consent: 4*

Unanimous Consent to Abstain: 2

Declare and Abstain: 58

Declare and Vote: 5

Presiding Officers Discretion: 6

The background of the slide features a large, light gray watermark of the Seal of the State of Tennessee. The seal is circular and contains a landscape with mountains, a river, a plow, and a sheaf of wheat. The words "THE" and "STATE" are visible on the left and right sides of the seal respectively.

# **HB44 Breakdown**

# Employer Conflicts of Interest in Current Statutes

AS 24.60.030(e)

(3) unless required by the Uniform Rules of the Alaska State Legislature, take or withhold official action or exert official influence that could substantially benefit or harm the financial interest of another person with whom the legislator is negotiating for employment.

# **HB44 Proposed Changes to AS 24.60.030(e)**

(3) except as provided in (g) of this section or while participating in a public discussion or debate take or withhold official action or exert official influence that could substantially benefit or harm the financial interest of a person

(A) who is a member of the legislator's immediate family;

(B) by whom the legislator or a member of the legislator's immediate family is employed;

(C) with whom the legislator is negotiating for employment;

(D) from whom the legislator or a member of the legislator's immediate family has, in the immediately preceding 12-month period, received more than \$10,000 of income.



# Other States with Employer Conflict Language

There are 29 State statutes that contain language about the potential for a conflict of interest occurring for a legislator and their employer.

# Current Monetary Threshold in Statute Regarding Members of the Public

AS 24.60.990

(b) A person has a substantial interest in legislative, administrative, or political action if the person...(3) has or seeks contracts in excess of **\$10,000 annually** for goods or services with the legislature or with an agency of the state.

# “Substantial Class” in Current Statutes

AS 24.60.030(g)

Unless required by the Uniform Rules of the Alaska State Legislature, a legislator may not vote on a question if the legislator has an equity or ownership interest in a business, investment, real property, lease, or other enterprise if the interest is substantial and **the effect on that interest of the action to be voted on is greater than the effect on a substantial class of persons to which the legislator belongs as a member of a profession, occupation, industry, or region.**

# “Substantial Class” in Current Statutes (cont.)

AS 24.60.990

(b) A person has a substantial interest in legislative, administrative, or political action if the person...(2) is a natural person and will be directly and substantially affected financially by a legislative, administrative, or political action in a way that **is greater than the effect on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region;**

# **Substantial Class in Other State's Statute**

Substantial Class Language - 19 States

Effect on the General Public - 8 States

Includes Both Kinds of Language - 2 States

# **HB44 Proposed Changes to AS 24.60.030(g)**

- a legislator shall declare a conflict of interest before voting on a question before a committee of the legislature.

# HB 44 Proposed Changes to AS 24.60.030(g)

- Adds the legislators immediate family member into consideration for conflicts of interest.

Definition of “Immediate Family”

AS 24.60.990 Definitions

(6) “Immediate Family” Means

- (A) The spouse or domestic partner of the person;
- (B) a Parent, child, including stepchild and a adopted child, and sibling or a person if the parent, child, or sibling resides with the person, is financially dependent on the person, or shares a substantial financial interest with the person;

# Other States with Reference to Family

There are 28 states that reference family in a possible situation for a conflict of interest.

Such as including the family member's employer to the recipients of a potential benefit or harm from passage of legislation.



# **HB44 Proposed Changes to AS 24.60.030(g)**

- Adds language that states a legislator may vote on an appropriation bill that meets the requirements of AS 37.07.020(a) or 37.07.100 (Executive Budget Act).

# Citizens Legislatures

## New Mexico:

- House: 70 Representatives
- Senate: 42 Senators
- Salary: \$0
- Per Diem: \$163/day
- Majority Consent of the body required to Abstain.
- Use of the General Public Language.

## Wyoming:

- House: 60 Representatives
- Senate: 30 Senators
- Salary: \$150/day during session
- Per diem: \$109/day
- Majority Consent of the Rules Committee required to Abstain.
- Use of the Substantial Class Language.

# Citizens Legislatures cont....

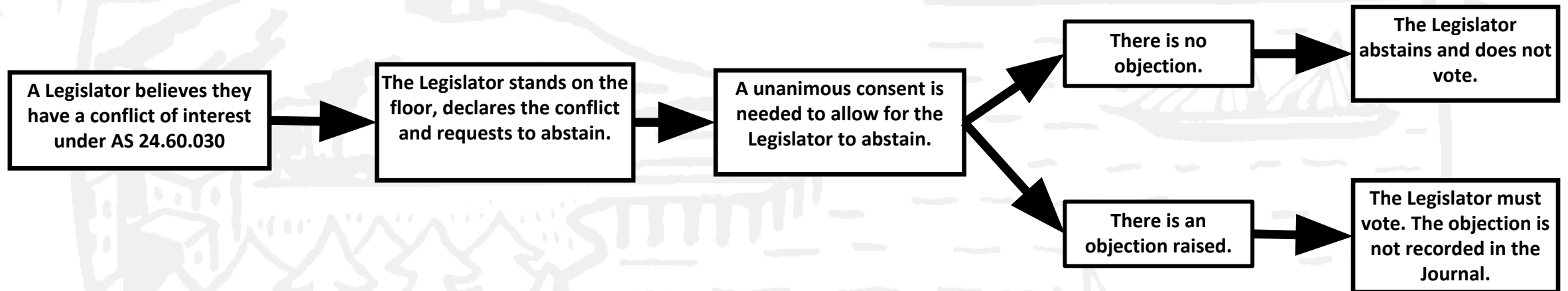
## South Dakota:

- House: 70 Representatives
- Senate: 35 Senators
- Salary: \$6,000/session
- Per Diem: \$0
- Majority Consent of the Body required to Abstain.
- Does not use either Substantial Class of General Public Language.

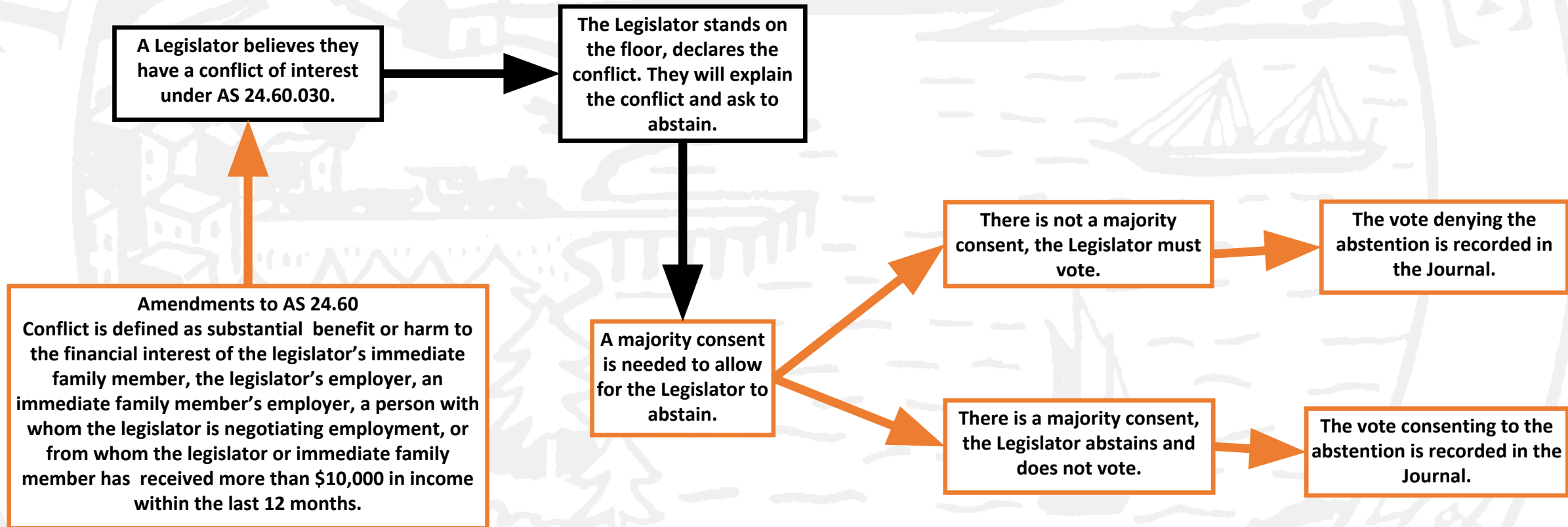
## Idaho:

- House: 70 Representatives
- Senate: 35 Senators
- Salary: \$16,684/year
- Per Diem: \$129/day
- 2/3 consent of the Senate required to Abstain.
- Abstains by declaring a conflict in the House.
- Use of the Substantial class Language

# Current Procedure



# Procedure Implemented by HB44 & HCR1



**\*\*orange boxes indicate new procedures implemented by HB44 and HCR1 \*\***