

CS FOR SENATE BILL NO. 105(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/16/97

Referred: Rules

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE SELECT COMMITTEE ON LEGISLATIVE ETHICS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to legislative and executive branch ethics; relating to campaign
2 finances for candidates for the legislature; relating to the conduct and regulation
3 of lobbyists with respect to public officials; relating to the filing of disclosures by
4 certain state employees and officials; making a conforming amendment to the
5 definition of 'public official' for employment security statutes; and providing for
6 an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 * **Section 1.** AS 15.13.072(d) is amended to read:

9 (d) A candidate or an individual who has filed with the commission the
10 document necessary to permit that individual to incur election-related expenses under
11 AS 15.13.100 **for election or reelection to the state legislature** may not solicit or
12 accept a contribution if the legislature is convened in a regular or special legislative
13 session, and the candidate or individual is a member of the legislature, or employed

1 as a member of the legislator's staff or as a member of the staff of a legislative
2 committee.

3 * **Sec. 2.** AS 15.13.116(a) is amended to read:

4 (a) A candidate who, after the date of the general, special, municipal, or
5 municipal runoff election or after the date the candidate withdraws as a candidate,
6 whichever comes first, holds unused campaign contributions shall distribute the amount
7 held within 90 days. The distribution may only be made to

8 (1) pay bills incurred for expenditures reasonably related to the
9 campaign and the winding up of the affairs of the campaign, and to pay expenditures
10 associated with post-election fund raising that may be needed to raise funds to pay off
11 campaign debts;

12 (2) pay for a victory or a thank you party costing less than \$500, or to
13 give a thank you gift of a value of less than \$50 to a campaign employee or volunteer;

14 (3) make donations, without condition, to

15 (A) a political party;

16 (B) the state's general fund;

17 (C) a municipality of the state; or

18 (D) the federal government;

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

22 (5) repay loans from the candidate to the candidate's own campaign
23 under AS 15.13.078(b);

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

27 (A) to all contributors;

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

29 (C) to contributors who have made larger contributions;

30 (7) establish a fund for, and from that fund to pay, attorney fees or
31 costs incurred in the prosecution or defense of an administrative or civil judicial action

1 that directly concerns a challenge to the victory or defeat of the candidate in the
2 election;

3 (8) transfer all or a portion of the unused campaign contributions to an
4 account for a future election campaign **and as a reserve for transfer to a legislative**
5 **office account under (d) of this section**; a transfer under this paragraph is limited to

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

8 (B) **\$30,000** [\$10,000], if the transfer is made by a candidate
9 for the state senate;

10 (C) **\$15,000** [\$5,000], if the transfer is made by a candidate for
11 the state house of representatives; and

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

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

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

18 (B) the legislative office account established under this
19 paragraph may be used only for expenses associated with the candidate's
20 serving as a member of the legislature;

21 (C) all amounts expended from the legislative office account
22 shall be annually accounted for under AS 15.13.110(a)(4); and

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

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

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

30 (B) the municipal office account established under this
31 paragraph may be used only for expenses associated with the candidate's

1 serving as mayor or as a member of the assembly, city council, or school
2 board;

3 (C) all amounts expended from the municipal office account
4 shall be annually accounted for under AS 15.13.110(a)(4); and

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

6 * **Sec. 3.** AS 15.13.116 is amended by adding a new subsection to read:

7 (d) After a general or special election, a candidate for the state legislature who
8 has been elected to the state legislature in that election may, from the amount retained
9 in the election campaign account under (a)(8) of this section, transfer to a legislative
10 office account not more than \$5,000 each calendar year for use only for expenses
11 associated with the candidate's serving as a member of the legislature. All amounts
12 expended under this subsection shall be annually accounted for under
13 AS 15.13.110(a)(4).

14 * **Sec. 4.** AS 23.20.526(d) is amended to read:

15 (d) For the purposes of AS 23.20.525(a)(4) - (6) and (14), the term
16 "employment" does not apply to service performed

17 (1) by a duly ordained, commissioned, or licensed minister of a church
18 in the exercise of the person's ministry or by a member of a religious order in the
19 exercise of duties required by the order;

20 (2) in a facility conducted for the purpose of carrying out a program
21 of rehabilitation for individuals whose earning capacity is impaired by age or physical
22 or mental deficiency or injury or providing remunerative work for individuals who,
23 because of their impaired physical or mental capacity, cannot be readily absorbed in
24 the competitive labor market by an individual receiving the rehabilitation or
25 remunerative work;

26 (3) as part of an unemployment work-relief or work-training program
27 assisted or financed in whole or in part by any federal agency or any agency of a state
28 or political subdivision of the state, by an individual receiving work relief or work
29 training;

30 (4) for a state hospital by an inmate of a prison or correctional
31 institution;

1 (5) in the employ of a school, college, or university [,] if the service
2 is performed by a student who is enrolled and is regularly attending classes at the
3 school, college, or university;

4 (6) by an individual under the age of 22 who is enrolled at a nonprofit
5 or public educational institution **that** [WHICH] normally maintains a regular faculty
6 and curriculum and normally has a regularly organized body of students in attendance
7 at the place where its educational activities are carried on as a student in a full-time
8 program, taken for credit at the institution, **that** [WHICH] combines academic
9 instruction with work experience, if the service is an integral part of the program, and
10 the institution has so certified to the employer, except that this paragraph does not
11 apply to service performed in a program established for or on behalf of an employer
12 or group of employers;

13 (7) in the employ of a hospital, if the service is performed by a patient
14 of the hospital, as defined in AS 23.20.520;

15 (8) in the employ of the state or a political subdivision of the state if
16 the service is performed by an individual in the exercise of duties

17 (A) as a **judicial officer, the governor, the lieutenant**
18 **governor, a person hired or appointed as the head or deputy head of a**
19 **department in the executive branch, a person hired or appointed as the**
20 **director of a division of a department in the executive branch, an assistant**
21 **to the governor, a chair or member of a state commission or board, state**
22 **investment officers and the state comptroller in the Department of**
23 **Revenue, the executive director of the Alaska Tourism Marketing Council,**
24 **an appointed or elected municipal officer** ["PUBLIC OFFICIAL"
25 AS DEFINED IN AS 39.50.200(a)], any other elected official, the fiscal analyst
26 of the legislative finance division, the legislative auditor of the legislative audit
27 division, the executive director of the Legislative Affairs Agency, and the
28 directors of the divisions within the Legislative Affairs Agency;

29 (B) as a member of the Alaska Army National Guard or Alaska
30 Air National Guard or Alaska Naval Militia; or

31 (C) as an employee serving on only a temporary basis in case

1 of fire, storm, snow, earthquake, flood, or similar emergency;

2 (9) in the employ of

3 (A) a church or a convention or association of churches; or

4 (B) an organization **that** [WHICH] is operated primarily for
5 religious purposes and **that** [WHICH] is operated, supervised, controlled, or
6 principally supported by a church or a convention or association of churches.

7 * **Sec. 5.** AS 24.25.010(e) is amended to read:

8 (e) This section does not apply to the legislative council, **the Select**
9 **Committee on Legislative Ethics, or** [NOR TO] the Legislative Budget and Audit
10 Committee.

11 * **Sec. 6.** AS 24.45.041(b) is amended to read:

12 (b) The registration form prescribed by the commission must include

13 (1) the lobbyist's full name and complete permanent residence and
14 business address and telephone number, as well as any temporary residential and
15 business address and telephone number in the state capital during a legislative session;

16 (2) the full name and complete address of each person by whom the
17 lobbyist is retained or employed;

18 (3) whether the person from whom the lobbyist receives compensation
19 employs the person solely as a lobbyist or whether the person is a regular employee
20 performing other services for the employer **that** [WHICH] include but are not limited
21 to the influencing of legislative or administrative action;

22 (4) the nature or form of the lobbyist's compensation for engaging in
23 lobbying, including salary, fees, or reimbursement for expenses received in
24 consideration for, or directly in support of or in connection with, the influencing of
25 legislative or administrative action;

26 (5) a general description of the subjects or matters on which the
27 registrant expects to lobby or to engage in the influencing of legislative or
28 administrative action;

29 (6) the full name and complete address of the person, if other than the
30 registrant, who has custody of the accounts, books, papers, bills, receipts, and other
31 documents required to be maintained under this chapter;

1 **(7) the identification of a legislator, legislative employee, or state**
 2 **official to whom the lobbyist is married or with whom the lobbyist has a spousal**
 3 **equivalent relationship.**

4 * **Sec. 7.** AS 24.45.171(12) is amended to read:

5 (12) "public official" or "public officer" means a

6 **(A) public official as defined in AS 39.50.200(a) but does not**
 7 **include a judicial officer or an elected or appointed municipal officer;**

8 **(B) [,] a member of the legislature; [,] or**

9 **(C) a legislative director or another legislative employee who**
 10 **is subject to disclosure** as defined in AS 24.60.990(a) [~~; HOWEVER, IT~~
 11 DOES NOT INCLUDE A JUDICIAL OFFICER OR AN ELECTED OR
 12 APPOINTED MUNICIPAL OFFICER].

13 * **Sec. 8.** AS 24.60.030(a) is amended to read:

14 (a) A legislator or legislative employee may not

15 (1) solicit, agree to accept, or accept a benefit other than official
 16 compensation for the performance of public duties; this paragraph may not be
 17 construed to prohibit lawful solicitation for and acceptance of campaign contributions
 18 or the acceptance of a lawful gratuity under AS 24.60.080;

19 (2) use public funds, facilities, equipment, services, or another
 20 government asset or resource for a nongovernmental purpose or for the private benefit
 21 of either the legislator, legislative employee, or another person; this paragraph does not
 22 prohibit

23 (A) limited use of state property and resources for personal
 24 purposes if the use does not interfere with the performance of public duties and
 25 **either** the cost or value related to the use is nominal **or the legislator or**
 26 **legislative employee reimburses the state for the cost of the use;**

27 (B) the use of mailing lists, computer data, or other information
 28 lawfully obtained from a government agency and available to the general public
 29 for nongovernmental purposes; or

30 (C) telephone **or facsimile** use that does not carry a special
 31 charge;

1 (3) knowingly seek, accept, use, allocate, grant, or award public funds
 2 for a purpose other than that approved by law, or make a false statement in connection
 3 with a claim, request, or application for compensation, reimbursement, or travel
 4 allowances from public funds;

5 (4) require a legislative employee to perform services for the private
 6 benefit of the legislator or employee at any time, or allow a legislative employee to
 7 perform services for the private benefit of a legislator or employee on government
 8 time; it is not a violation of this paragraph if the services were performed in an
 9 unusual or infrequent situation and the person's services were reasonably necessary to
 10 permit the legislator or legislative employee to perform official duties;

11 (5) use or authorize the use of state funds, facilities, equipment,
 12 services, or another government asset or resource for the purpose of political fund
 13 raising or campaigning; this paragraph does not prohibit

14 (A) limited use of state property and resources for personal
 15 purposes if the use does not interfere with the performance of public duties and
 16 either the cost or value related to the use is nominal or the legislator or
 17 legislative employee reimburses the state for the cost of the use;

18 (B) the use of mailing lists, computer data, or other information
 19 lawfully obtained from a government agency and available to the general public
 20 for nongovernmental purposes; [OR]

21 (C) telephone or facsimile use that does not carry a special
 22 charge; or

23 (D) storing or maintaining, consistent with (b) of this
 24 section, election campaign records in a legislator's office.

25 * **Sec. 9.** AS 24.60.030(c) is repealed and reenacted to read:

26 (c) Unless approved by the committee, during a campaign period for an
 27 election in which the legislator or legislative employee is a candidate, a legislator or
 28 legislative employee may not use or permit another to use state funds, other than funds
 29 to which the legislator is entitled as an office allowance, to print or distribute a
 30 political mass mailing to individuals eligible to vote for the candidate. In this
 31 subsection,

1 (1) a "campaign period" is the period that
 2 (A) begins 90 days before the date of an election to the board
 3 of an electric or telephone cooperative organized under AS 10.25, a municipal
 4 election, or a primary election, or that begins on the date of the governor's
 5 proclamation calling a special election; and

6 (B) ends the day after the cooperative election, municipal
 7 election, or general or special election;

8 (2) a mass mailing is considered to be political if it is from or about
 9 a legislator, legislative employee, or another person who is a candidate for election or
 10 reelection to the legislature or another federal, state, or municipal office or to the board
 11 of an electric or telephone cooperative.

12 * **Sec. 10.** AS 24.60.030(d) is amended to read:

13 (d) A legislator, **legislative employee**, or another person on behalf of the
 14 legislator **or legislative employee**, or a campaign committee of the legislator **or**
 15 **legislative employee**, may not distribute or post campaign literature, placards, posters,
 16 **fund-raising notices**, or other communications intended to influence the election of
 17 a candidate in an election in public areas in a facility ordinarily used to conduct state
 18 government business. **This prohibition applies whether or not the election has been**
 19 **concluded. However, a legislator may post, in the legislator's private office,**
 20 **communications related to an election that has been concluded.**

21 * **Sec. 11.** AS 24.60.030(f) is amended to read:

22 (f) A legislative employee may not serve in a position that requires
 23 confirmation by the legislature. A legislator or legislative employee may serve on a
 24 board of an organization, including a governmental entity, that regularly has a
 25 substantial interest in the legislative activities of the legislator or employee [,] if the
 26 legislator or employee discloses the board membership to the committee. **A legislator**
 27 **or legislative employee who is required to make a disclosure under this subsection**
 28 **shall file the disclosure with the committee by the deadlines set out in**
 29 **AS 24.60.105 stating the name of each organization on whose board the person**
 30 **serves. The committee shall maintain a public record of the disclosure and**
 31 **forward the disclosure to the appropriate house for inclusion in the journal. This**

1 subsection does not require a legislator or legislative employee who is appointed
2 to a board by the presiding officer to make a disclosure of the appointment to the
3 committee if the appointment has been published in the appropriate legislative
4 journal during the calendar year.

5 * **Sec. 12.** AS 24.60.030(g) is repealed and reenacted to read:

6 (g) A legislator or legislative employee who has a substantial financial interest
7 that may be affected by official action may not take official action on the matter unless
8 the financial interest has been disclosed as required by this subsection. In the case of
9 a matter that is before a legislative committee or a house of the legislature, the
10 legislator or legislative employee shall orally disclose the financial interest to the
11 legislative committee or to the legislative house, as appropriate. The disclosure must
12 be reported in the journal or in the committee minutes, as appropriate. In the case of
13 a matter that is not before a legislative committee or a house of the legislature, the
14 legislator or legislative employee shall disclose the financial interest to the ethics
15 committee in writing, to be received by the committee within seven days after the
16 legislator or legislative employee takes the action. This written disclosure is a public
17 document. The committee shall promptly forward the disclosure to the clerk of the
18 house or the senate secretary for publication in the journal. A disclosure under this
19 subsection, whether written or oral, must include the nature of the financial interest and
20 a short description of how the action taken affects the interest. In this subsection,

21 (1) "financial interest" includes

22 (A) an equity or ownership interest in a business, investment,
23 real property, lease, or other enterprise if the effect of the action on that interest
24 is greater than the effect on a substantial class of persons to which the
25 legislator or legislative employee belongs as a member of a profession,
26 occupation, industry, or region;

27 (B) an interest based on employment of the legislator or
28 legislative employee or the spouse, spousal equivalent, or dependent child of
29 the legislator or legislative employee;

30 (C) an interest based on a contract, including a personal services
31 contract, in which the legislator or legislative employee or the spouse, spousal

1 equivalent, or dependent child of the legislator or legislative employee is
2 entitled to receive a benefit from a business or other entity;

3 (D) an interest created by membership on the board of directors
4 of a corporation regardless of whether the effect of the action on that interest
5 is greater than the effect on a substantial class of persons to which the
6 legislator or legislative employee belongs as a member of a profession,
7 occupation, industry, or region;

8 (2) "official action" includes legislative, administrative, and political
9 action.

10 * **Sec. 13.** AS 24.60.030 is amended by adding a new subsection to read:

11 (h) In this section, when determining whether an employee is considered to be
12 performing a task on government time, the committee shall consider the employee's
13 work schedule as set by the employee's immediate supervisor. An employee who
14 engages in political campaign activities other than incidental campaign activities as
15 described in this subsection during the employee's work day shall take leave for the
16 period of campaigning. Political campaign activities while on government time are
17 permissible if the activities are part of the normal legislative duties of the employee,
18 including answering telephone calls and handling incoming correspondence.

19 * **Sec. 14.** AS 24.60.031(a) is amended to read:

20 (a) A legislator or legislative employee may not

21 (1) **on a day when either house of** [WHILE] the legislature is in
22 regular or special session, solicit or accept a contribution or a promise or pledge to
23 make a contribution for a state legislative campaign;

24 (2) accept money from an event held **on a day when either house of**
25 **the legislature is in regular or special** [DURING A LEGISLATIVE] session if a
26 substantial purpose of the event is [EITHER] to raise money on behalf of the member
27 or legislative employee for [CAMPAIGN PURPOSES OR TO RAISE MONEY FOR]
28 state legislative political purposes; or

29 (3) expend money in a state legislative campaign that was raised by or
30 on behalf of a legislator **on a day when either house of the legislature was in**
31 [DURING] a legislative session under **a declaration of candidacy or** a general letter

1 of intent to become a candidate for public office.

2 * **Sec. 15.** AS 24.60.039 is amended by adding a new subsection to read:

3 (b) If a person files a complaint with the committee under AS 24.60.170
4 alleging a violation of this section, the committee may refer the complainant to the
5 State Commission for Human Rights and may defer its consideration of the complaint
6 until after the complainant establishes to the satisfaction of the committee that the
7 commission has completed its proceedings in the matter.

8 * **Sec. 16.** AS 24.60.040(a) is amended to read:

9 (a) A legislator or legislative employee, or a member of the immediate family
10 of a legislator or legislative employee, may not be a party to or have an interest in a
11 state contract or lease unless the contract or lease is let [THROUGH COMPETITIVE
12 SEALED BIDDING] under AS 36.30 (State Procurement Code) **or, for agencies that**
13 **are not subject to AS 36.30, under similar procedures,** or the total annual amount
14 of the state contract or lease is **\$5,000** [\$1,000] or less, or is a standardized contract
15 or lease that was developed under publicly established guidelines and is generally
16 available to the public at large, members of a profession, occupation, or group. A
17 person has an interest in a state contract or lease under this section if the person
18 receives direct or indirect financial benefits. **A legislator or legislative employee who**
19 **participates in, or who knows or reasonably should know that a family member**
20 **is participating in, a state contract or lease that has an annual value of \$5,000 or**
21 **more shall disclose the participation to the committee by the date required under**
22 **AS 24.60.105. The legislator or legislative employee shall also disclose the**
23 **renegotiation of a state contract or lease if the original had to be disclosed under**
24 **this section or if, as a result of renegotiation, disclosure is required under this**
25 **section. The disclosure must state the amount of the contract or lease and the**
26 **name of the state agency issuing the contract or lease and must identify the**
27 **procedures under which the contract or lease was issued. If the disclosure**
28 **concerns a contract or lease in which a family member of the discloser is**
29 **participating, the disclosure must identify the relationship between the participant**
30 **and the discloser.**

31 * **Sec. 17.** AS 24.60.040 is amended by adding a new subsection to read:

1 (c) This section does not apply to a contract or lease issued under a state
2 program or loan that is subject to AS 24.60.050. A grant that results in a contract but
3 that is not subject to AS 24.60.050 is subject to this section.

4 * **Sec. 18.** AS 24.60.050(c) is amended to read:

5 (c) A legislator or legislative employee who participates in a program or
6 receives a loan that is not exempt from disclosure under (a) of this section shall file
7 a written report with the committee by **the date required under AS 24.60.105**
8 **[FEBRUARY 15 OF EACH YEAR]** stating the amounts of the loans outstanding or
9 benefits received during the preceding calendar year from nonqualifying programs. If
10 the committee requests additional information necessary to determine the propriety of
11 participating in the program or receiving the loan, it shall be promptly provided. The
12 committee shall promptly compile a list of the statements indicating the loans and
13 programs and amounts and send it to the presiding officer of each house who shall
14 have it published in the supplemental journals within three weeks **after** [OF] the filing
15 date. **A legislator or legislative employee who believes that disclosure of**
16 **participation in a program would be an invasion of the participant's right to**
17 **privacy under the state constitution may request the committee to keep the**
18 **disclosure confidential. If the committee finds that publication would constitute**
19 **an invasion of privacy, the committee shall publish only the fact that a person has**
20 **participated in the program and the amount of benefit that the unnamed person**
21 **received. The committee shall maintain the disclosure of the name of the person**
22 **as confidential and may only use the disclosure in a proceeding under**
23 **AS 24.60.170. If the disclosure becomes part of the record of a proceeding under**
24 **AS 24.60.170, the disclosure may be made public as provided in that section.**

25 * **Sec. 19.** AS 24.60.060 is amended by adding a new subsection to read:

26 (b) A legislator or legislative employee who is the subject of a complaint
27 under AS 24.60.170 violates this section if the legislator or legislative employee
28 violates a protective order issued under AS 24.60.170(i).

29 * **Sec. 20.** AS 24.60.070(b) is amended to read:

30 (b) **A legislator or legislative employee required to make a disclosure**
31 **under this section shall make a disclosure by the date set under AS 24.60.105 of**

1 **the legislator's or legislative employee's close economic associations then in**
 2 **existence.** A disclosure under this section must be sufficiently detailed that a reader
 3 of the disclosure can ascertain the nature of the association.

4 * **Sec. 21.** AS 24.60.070 is amended by adding a new subsection to read:

5 (d) When making a disclosure under (a) of this section concerning a
 6 relationship with a lobbyist to whom the legislator or legislative employee is married
 7 or who is the legislator's or legislative employee's spousal equivalent, the legislator
 8 or legislative employee shall also disclose the name and address of each employer of
 9 the lobbyist and the total monetary value received from the lobbyist's employer. The
 10 legislator or legislative employee shall report changes in the employer of the spouse
 11 or spousal equivalent within 48 hours after the change. In this subsection, "employer
 12 of the lobbyist" means the person from whom the lobbyist received amounts or things
 13 of value for engaging in lobbying on behalf of the person.

14 * **Sec. 22.** AS 24.60.080(a) is amended to read:

15 (a) **Except as otherwise provided in this section, a** [A] legislator or
 16 legislative employee may not solicit, accept, or receive, directly or indirectly, a gift
 17 worth **\$250** [\$100] or more, whether in the form of money, services, a loan, travel,
 18 entertainment, hospitality, promise, or other form, or gifts from the same person worth
 19 less than **\$250** [\$100] that in a calendar year aggregate to **\$250** [\$100] or more in
 20 value. **Except for food or beverage for immediate consumption, a legislator or**
 21 **legislative employee** [, AND] may not solicit, accept, or receive during a legislative
 22 session a gift with any monetary value from a lobbyist or a person acting on behalf
 23 of a lobbyist.

24 * **Sec. 23.** AS 24.60.080(c) is amended to read:

25 (c) Notwithstanding (a) of this section, it is not a violation of this section for
 26 a legislator or legislative employee to accept

27 (1) hospitality, other than hospitality described in (4) of this subsection,

28 (A) with incidental transportation at the residence of a person;

29 **however, a vacation home located outside the state is not considered a**
 30 **residence for the purposes of this subparagraph;** or

31 (B) at a social event or meal;

1 (2) discounts that are available
 2 (A) generally to the public or to a large class of persons to
 3 which the person belongs; or

4 (B) when on official state business, but only if receipt of the
 5 discount benefits the state;

6 (3) food or foodstuffs indigenous to the state that are shared generally
 7 as a cultural or social norm;

8 (4) travel and hospitality primarily for the purpose of obtaining
 9 information on matters of legislative concern;

10 (5) gifts from the immediate family of the person; [OR]

11 (6) gifts that are not connected with the recipient's legislative status;
 12 or

13 (7) a discount for all or part of a legislative session, including time
 14 immediately preceding or following the session, or other gift to welcome a
 15 legislator or legislative employee who is employed on the personal staff of a
 16 legislator or by a standing or special committee to the capital city or in
 17 recognition of the beginning of a legislative session if the gift or discount is
 18 available generally to all legislators and the personal staff of legislators and staff
 19 of standing and special committees; this paragraph does not apply to legislative
 20 employees who are employed by the Legislative Affairs Agency, the office of the
 21 chief clerk, the office of the senate secretary, the legislative budget and audit
 22 committee, or the office of the ombudsman.

23 * Sec. 24. AS 24.60.080(d) is amended to read:

24 (d) A legislator or legislative employee who accepts a gift under (c)(4) [OR
 25 (6)] of this section shall disclose the gift if it has a value of **\$250** [\$100] or more; **the**
 26 [. THE] disclosure must include the name and occupation of the person making the
 27 gift, [AND] the approximate value of the gift, **and** [. A GIFT UNDER (c)(4) OF
 28 THIS SECTION REQUIRED TO BE DISCLOSED UNDER THIS SUBSECTION]
 29 shall be disclosed **to the committee** within 30 days **after** [OF] the receipt of the gift.
 30 **Except as provided in (i) of this section, a gift** [TO THE COMMITTEE. GIFTS]
 31 under (c)(6) of this section **that has a value of \$250 or more** shall be disclosed to the

1 committee annually on or before **February 15** [APRIL 15] of the following calendar
 2 year; **the** [AND THE] disclosure needs to include **only a description of the gift and**
 3 **the identity of the donor** [THE VALUE ONLY IF THE VALUE OF THE GIFT
 4 EXCEEDS \$250]. The committee shall maintain a public record of the disclosure it
 5 receives relating to gifts under (c)(4) of this section and shall forward the disclosure
 6 to the appropriate house for inclusion in the journal. Disclosures relating to gifts under
 7 (c)(6) of this section shall be maintained, but are confidential and may only be used
 8 by the committee and its employees and contractors in the investigation of a possible
 9 violation of this section or in a proceeding under AS 24.60.170. If the disclosures
 10 become part of the record of a proceeding under AS 24.60.170, the confidentiality
 11 provisions of that section apply to the disclosures. **The committee shall forward to**
 12 **the Alaska Public Offices Commission copies of the disclosures concerning gifts**
 13 **under (c)(4) of this section that it receives from legislative employees who are**
 14 **required to file financial disclosure statements under AS 24.60.200 and from**
 15 **legislators.**

16 * **Sec. 25.** AS 24.60.080(e) is amended to read:

17 (e) A political contribution [THAT IS REPORTED UNDER AS 15.13.040] is
 18 not a gift under this section **if it is reported under AS 15.13.040 or is exempt from**
 19 **the reporting requirement under AS 15.13.040(g).**

20 * **Sec. 26.** AS 24.60.080(f) is amended to read:

21 (f) Notwithstanding (a) of this section, a legislator or legislative employee may
 22 accept a gift of property worth **\$250** [\$100] or more, other than money, from a foreign
 23 government or from **the government of the United States or another state or from**
 24 **an official of a foreign government or of the government of the United States or**
 25 **another state** if the person accepts the gift on behalf of the legislature. The person
 26 shall, within 60 days **after** [OF] receiving the gift, deliver the gift to the legislative
 27 council, which shall determine the appropriate disposition of the gift.

28 * **Sec. 27.** AS 24.60.080(g) is amended to read:

29 (g) In this section, "immediate family" **or "family member" means**

30 **(1) the spouse of the person;**

31 **(2) the person's spousal equivalent;**

1 **(3) a child, including a stepchild and an adoptive child, of the**
 2 **person or of the person’s spousal equivalent;**

3 **(4) a parent, sibling, grandparent, aunt, or uncle of the person; and**

4 **(5) a parent, sibling, grandparent, aunt, or uncle of the person’s**
 5 **spouse or the person’s spousal equivalent** [HAS THE MEANING GIVEN IN
 6 AS 24.60.990(a)(5) AND INCLUDES THE GRANDPARENTS, AUNTS, AND
 7 UNCLES OF A PERSON, AND ALSO INCLUDES A PERSON DESCRIBED IN
 8 THIS SUBSECTION OR AS 24.60.990(a)(5) WHO IS RELATED TO THE PERSON
 9 BY MARRIAGE].

10 * **Sec. 28.** AS 24.60.080 is amended by adding new subsections to read:

11 (h) Notwithstanding (a) of this section, a legislator or legislative employee may
 12 solicit, accept, or receive a gift on behalf of a recognized, nonpolitical charitable
 13 organization in accordance with guidelines adopted by the committee.

14 (i) A legislator or legislative employee who receives an inheritance worth \$250
 15 or more from a person other than a family member shall disclose the fact of the receipt
 16 of an inheritance and the identity of the decedent to the committee by the deadline set
 17 out in AS 24.60.105. The committee shall maintain a public record of the disclosure.
 18 This subsection does not require disclosure of the value of the inheritance.

19 (j) A legislator, a legislative committee other than the Select Committee on
 20 Legislative Ethics, or a legislative agency may accept (1) a gift of volunteer services
 21 for legislative purposes so long as the person making the gift of services is not
 22 receiving compensation from another source for the services or (2) a gift of the
 23 services of a trainee who is participating in an educational program approved by the
 24 committee if the services are used for legislative purposes. The committee shall
 25 approve training under a program of the University of Alaska and training under 29
 26 U.S.C. 1501 - 1792b (Job Training Partnership Act). A legislative volunteer or
 27 educational trainee shall be considered to be a legislative employee for purposes of
 28 compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.158
 29 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer
 30 or educational trainee has violated the provisions of one of those sections, the person
 31 may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to

1 the proceeding. This subsection does not permit a legislator or legislative employee
2 to accept a gift of services for nonlegislative purposes.

3 (k) A legislator or legislative employee who knows or reasonably should know
4 that a family member has received a gift because of the family member's connection
5 with the legislator or legislative employee shall report the receipt of the gift by the
6 family member to the committee if the gift would have to be reported under this
7 section if it had been received by the legislator or legislative employee or if receipt of
8 the gift by a legislator or legislative employee would be prohibited under this section.

9 (l) In this section, the value of a gift shall be determined by the fair market
10 value of the gift to the extent that the fair market value can be determined.

11 * **Sec. 29.** AS 24.60.085(a) is amended to read:

12 (a) A legislator or legislative employee may not

13 (1) seek or accept compensation for personal services that **is**
14 **significantly greater than the value of** [INVOLVES PAYMENTS THAT ARE NOT
15 COMMENSURATE WITH] the services rendered taking into account the higher rates
16 generally charged by specialists in a profession; or

17 (2) accept a payment of anything of value, except for actual and
18 necessarily incurred travel expenses, for an appearance or speech by the legislator or
19 legislative employee; this paragraph does not apply to the salary paid to a legislator
20 or legislative employee for making an appearance or speech as part of the legislator's
21 or legislative employee's normal course of employment.

22 * **Sec. 30.** AS 24.60.100 is amended to read:

23 **Sec. 24.60.100. Representation.** A legislator or legislative employee who
24 represents another person for compensation before an agency, board, or commission
25 of the state shall disclose the name of the person represented, the subject matter of the
26 representation, and the body before which the representation is to take place to the
27 committee. **The disclosure shall be made by the deadlines set out in AS 24.60.105.**
28 The committee shall maintain a public record of a [THE] disclosure **under this section**
29 and forward the disclosure to the respective house for inclusion in the journal. A
30 legislator or legislative employee may not represent another person for compensation
31 before an agency, committee, or other entity of the legislative branch.

1 * **Sec. 31.** AS 24.60 is amended by adding a new section to read:

2 **Sec. 24.60.105. Deadlines for filing disclosures.** (a) When a legislator or
3 legislative employee is required to file a disclosure under this chapter and a date by
4 which the disclosure must be filed is not otherwise set by statute, the deadlines set out
5 in this section shall apply. For disclosure of a matter or an interest that began or was
6 acquired during the interim between regular legislative sessions, whether or not the
7 regular session is extended or there is a special session, or during the last 30 days of
8 a regular session, the legislator or legislative employee shall disclose the matter by
9 February 15. For disclosure of a matter or an interest that began or was acquired
10 during a regular legislative session, but not during the last 30 days of the regular
11 session, the disclosure must be made within 30 days after the commencement of the
12 interest or representation.

13 (b) Disclosures under the following statutes are subject to the deadlines set out
14 in this section:

15 (1) service on the board of an organization as set out in
16 AS 24.60.030(f);

17 (2) an interest in a state contract or lease under AS 24.60.040 and the
18 renegotiation of the terms of a state contract or lease that materially affect the
19 obligations of either party;

20 (3) participation in a state program or receipt of a state loan under
21 AS 24.60.050 and the renegotiation of the terms of the program or loan if the
22 renegotiation materially affects the obligations of either party;

23 (4) formation or maintenance of a close economic association under
24 AS 24.60.070;

25 (5) receipt of an inheritance under AS 24.60.080(i);

26 (6) representation of a client under AS 24.60.100.

27 * **Sec. 32.** AS 24.60.130(f) is amended to read:

28 (f) The committee may contract for professional services and may employ staff
29 as it considers necessary. A committee employee, including a person who provides
30 personal services under a contract with the committee, may not be a legislator, an
31 elected or appointed official of a state or local governmental entity, an officer of a

1 political party, a candidate for public office, or a registered lobbyist. The legislative
 2 council shall provide office space, equipment, and additional staff support for the
 3 committee. The committee shall submit a budget for each fiscal year to the finance
 4 committees of the legislature and shall annually submit an estimated budget to the
 5 governor for information purposes in preparation of the state operating budget. **Public**
 6 **members of the committee serve without compensation for their services, but are**
 7 **entitled to per diem and travel expenses authorized for boards and commissions**
 8 **under AS 39.20.180.**

9 * **Sec. 33.** AS 24.60.130(h) is amended to read:

10 (h) A member is disqualified from participating as a member in any
 11 proceeding before the committee involving a complaint against the member **or an**
 12 **employee whose work is supervised by the member** or an advisory opinion
 13 requested by the member. **If a regular legislative member of the committee is**
 14 **disqualified under this subsection from participating in a proceeding involving a**
 15 **complaint, an alternate shall be appointed under (o) of this section** [THE
 16 LEGISLATURE IS IN SESSION WHEN A LEGISLATIVE MEMBER IS
 17 DISQUALIFIED UNDER THIS SUBSECTION, THE PRESIDING OFFICER OF
 18 THAT MEMBER'S HOUSE SHALL, WITH THE CONCURRENCE BY ROLL
 19 CALL VOTE OF TWO-THIRDS OF THE FULL MEMBERSHIP OF THAT HOUSE,
 20 APPOINT ANOTHER MEMBER FROM THAT HOUSE TO ACT AS A MEMBER
 21 OF THE COMMITTEE IN THE PROCEEDING. IF THE LEGISLATURE IS NOT
 22 IN SESSION WHEN A LEGISLATIVE MEMBER IS DISQUALIFIED, THE
 23 PRESIDING OFFICER OF THE HOUSE OF WHICH THE DISQUALIFIED
 24 LEGISLATOR IS A MEMBER SHALL APPOINT ANOTHER MEMBER FROM
 25 THAT HOUSE, WITH A RECORDED CONCURRENCE OF A MAJORITY VOTE
 26 OF THE SUBCOMMITTEE OF THAT HOUSE, TO ACT AS A MEMBER OF THE
 27 COMMITTEE IN THE PROCEEDING].

28 * **Sec. 34.** AS 24.60.130 is amended by adding a new subsection to read:

29 (o) When appointing members of the legislature to serve on the committee, the
 30 speaker of the house or the president of the senate, as appropriate, shall appoint an
 31 alternate member for each regular member. An alternate must have the same

1 qualifications as the regular member for whom the alternate stands as alternate and is
 2 subject to confirmation as required for the regular member. If a regular legislative
 3 member of the committee or a subcommittee is disqualified under (h) of this section
 4 from serving on the committee or the subcommittee concerning a proceeding under
 5 AS 24.60.170, the chair of the committee or a subcommittee shall designate the regular
 6 member's alternate to serve in place of the regular member in the proceeding unless
 7 the alternate is also disqualified from serving. The designation shall be treated as
 8 confidential to the same extent that the identity of the subject of a complaint is
 9 required to be kept confidential.

10 * **Sec. 35.** AS 24.60.134(a) is amended to read:

11 (a) **Except as provided in (c) of this section, in** [IN] addition to **complying**
 12 **with** the requirements of this chapter, a public member of the committee, an employee
 13 of the committee, or a person under contract to provide personal services to the
 14 committee may not, **during the person's term of office or employment or during**
 15 **the life of the contract, participate in**

16 (1) [PARTICIPATE IN] political management or in a political
 17 campaign **for a candidate for election to federal, state, or local office, regardless**
 18 **of whether the campaign is partisan or nonpartisan, or for passage or defeat of**
 19 **a ballot measure of any type** [DURING THE PERSON'S TERM OF OFFICE,
 20 EMPLOYMENT, OR CONTRACT];

21 (2) [PARTICIPATE IN] the campaign of, attend campaign fund-raising
 22 events for, or make a financial contribution to

23 (A) a candidate for the legislature;

24 (B) an incumbent legislator or legislative employee who is a
 25 candidate for another public office; or

26 (C) a person running for another office against an incumbent
 27 legislator or legislative employee; [OR]

28 (3) **a fund-raising event held on behalf of a political party or attend**
 29 **a political party fund-raising event; or**

30 (4) [PARTICIPATE IN] lobbying activities that would require the
 31 person to register as a lobbyist except as required to inform the legislature concerning

1 legislation requested by the committee or other matters related to the committee.

2 * **Sec. 36.** AS 24.60.134 is amended by adding a new subsection to read:

3 (c) A person under contract to provide personal services to the committee who
4 is part of a corporation or partnership that includes individuals who will not be
5 participating directly in the work performed by the entity for the committee may
6 request the committee to exclude members of the entity from some or all of the
7 provisions of this section. The committee may grant the request if it finds that doing
8 so will not lead to the appearance that the committee is subject to undue political
9 influence and if there is no appearance of impropriety.

10 * **Sec. 37.** AS 24.60.150(b) is amended to read:

11 (b) The committee may

12 (1) recommend [LEGISLATION] to the legislature **legislation that** the
13 committee considers desirable or necessary to promote and maintain high standards of
14 ethical conduct in government;

15 (2) subpoena witnesses, administer oaths, and take testimony relating
16 to matters before the committee, and may require the production for examination of
17 any books or papers relating to any matter under investigation before the committee;

18 **(3) adopt guidelines to implement this chapter; in adopting**
19 **guidelines, the committee shall provide notice of its intended action and an**
20 **opportunity for public comment; the committee may not penalize a person who**
21 **reasonably relies on a guideline adopted by the committee for having violated a**
22 **conflicting provision of this chapter.**

23 * **Sec. 38.** AS 24.60.160 is amended to read:

24 **Sec. 24.60.160. Advisory opinions. (a) On the request of a person to**
25 **whom this chapter applies or who has been newly elected to the legislature, the**
26 [THE] committee shall issue an advisory opinion within **60** [30] days [ON THE
27 REQUEST OF A PERSON TO WHOM THE CHAPTER APPLIES OR A PERSON
28 ELECTED TO THE LEGISLATURE WHO AT THE TIME OF ELECTION IS NOT
29 A MEMBER OF THE LEGISLATURE] as to whether the facts and circumstances of
30 a particular case constitute a violation of ethical standards. **If it finds that it is**
31 **advisable to do so, the committee may issue an opinion under this section on the**

1 request of a person who reasonably expects to become subject to this chapter
 2 within the next 45 days. The 60-day [30-DAY] period for issuing an opinion may
 3 be extended by the committee if the person requesting the opinion consents.

4 (b) An [THE] opinion issued under this section is binding on the committee
 5 in any subsequent proceedings concerning the facts and circumstances of the particular
 6 case unless material facts were omitted or misstated in the request for the advisory
 7 opinion. Except as provided in this chapter, an advisory opinion is confidential but
 8 shall be made public if a written request by the person who requested the opinion is
 9 filed with the committee. A person who requested an opinion, including a
 10 legislator, may not require admittance to an executive session of the committee
 11 when it is deliberating concerning the advisory opinion.

12 * **Sec. 39.** AS 24.60.170(a) is amended to read:

13 (a) The committee shall consider a complaint alleging a violation of this
 14 chapter if the alleged violation occurred within five years before [OF] the date that the
 15 complaint is filed with the committee and, when the subject of the complaint is a
 16 former member of the legislature, the complaint is filed within one year after [OF] the
 17 subject's departure from the legislature. The committee may not consider a complaint
 18 filed against all members of the legislature, against all members of one house of
 19 the legislature, or against a person employed by the legislative branch of government
 20 after the person has terminated legislative service. However, the committee may
 21 reinstitute proceedings concerning a complaint that was closed because a former
 22 employee terminated legislative service or because a legislator left the legislature
 23 if the former employee or legislator resumes legislative service, whether as an
 24 employee or a legislator, within five years after the alleged violation. The
 25 committee may also initiate complaints on its own motion, subject to the same time
 26 limitations. The time limitations of this subsection do not bar proceedings against a
 27 person who intentionally prevents discovery of a violation of this chapter.

28 * **Sec. 40.** AS 24.60.170(b) is amended to read:

29 (b) A complaint may be initiated by any person. The complaint must be in
 30 writing and signed under oath by the person making the complaint and must contain
 31 a statement that the complainant has reason to believe that a violation of this

1 chapter has occurred and describe any facts known to the complainant to support
 2 that belief. The committee shall upon request provide a form for a complaint to a
 3 person wishing to file a complaint. Upon receiving a complaint, the committee shall
 4 advise the complainant that the committee or the subject of the complaint may
 5 ask the complainant to testify at any stage of the proceeding as to the
 6 complainant's belief that the subject of the complaint has violated this chapter.

7 The committee shall immediately provide a copy of the complaint to the person who
 8 is the subject of the complaint.

9 * **Sec. 41.** AS 24.60.170(c) is amended to read:

10 (c) When the committee receives a complaint under (a) of this section, it may
 11 assign the complaint to a staff person. The staff person shall conduct a
 12 preliminary examination of the complaint and advise the committee whether the
 13 allegations of the complaint, if true, constitute a violation of this chapter and
 14 whether there is credible information to indicate that a further investigation and
 15 proceeding is warranted. The staff recommendation shall be based on the
 16 information and evidence contained in the complaint as supplemented by the
 17 complainant and by the subject of the complaint, if requested to do so by the staff
 18 member. The committee shall consider the recommendation of the staff member,
 19 if any, and shall determine whether the allegations of the complaint, if true, constitute
 20 a violation of this chapter. If the committee determines that the allegations, if proven,
 21 would not give rise to a violation, that the complaint is frivolous on its face, that
 22 there is insufficient credible information that can be uncovered to warrant further
 23 investigation by the committee, or that [IF] the committee's lack of jurisdiction is
 24 apparent on the face of the complaint, the committee shall dismiss the complaint [,]
 25 and shall notify the complainant and the subject of the complaint of the dismissal.
 26 The committee may ask the complainant to provide clarification or additional
 27 information before it makes a decision under this subsection and may request
 28 information concerning the matter from the subject of the complaint. Neither the
 29 complainant nor the subject of a complaint is obligated to provide the
 30 information. A proceeding conducted under this subsection, documents that are
 31 part of a proceeding, and a dismissal under this subsection are confidential as

1 provided in (l) of this section unless the subject of the complaint waives
2 confidentiality as provided in that subsection.

3 * **Sec. 42.** AS 24.60.170(f) is amended to read:

4 (f) If the committee determines after investigation that there is not probable
5 cause to believe that the subject of the complaint has violated this chapter, the
6 committee shall dismiss the complaint. The committee may also dismiss portions of
7 a complaint if it finds no probable cause to believe that the subject of the complaint
8 has violated this chapter as alleged in those portions. The committee shall issue a
9 decision explaining its dismissal. Committee deliberations and vote on the
10 dismissal order and decision are not open to the public or to the subject of the
11 complaint. A copy of the dismissal order and decision shall be sent to the
12 complainant and to the subject of the complaint. Notwithstanding (l) of this section,
13 a dismissal order and decision is open to inspection and copying by the public.

14 * **Sec. 43.** AS 24.60.170(g) is amended to read:

15 (g) If the committee investigation determines that a probable violation of this
16 chapter exists that may be corrected by action of the subject of the complaint and that
17 does not warrant sanctions other than correction, the committee may issue an opinion
18 recommending corrective action. This opinion shall be provided to the complainant
19 and to the subject of the complaint, and is open to inspection by the public. The
20 subject of the complaint may comply with the opinion or may request a hearing before
21 the committee under (j) of this section. After the hearing, the committee may amend
22 or affirm the opinion. If the subject of the complaint agrees to comply with the
23 opinion but later fails to complete the corrective action in a timely manner, the
24 committee may formally charge the person as provided in (h) of this section or
25 may refer the matter to the appropriate house of the legislature, in the case of a
26 legislator, or, in the case of a legislative employee, to the employee's appointing
27 authority. The appropriate house of the legislature or the appointing authority,
28 as appropriate, may take action to enforce the corrective action or may decline
29 to take action and refer the matter to the committee. In either case, the
30 committee may formally charge the person under (h) of this section.

31 * **Sec. 44.** AS 24.60.170(h) is amended to read:

1 (h) If the subject of a complaint fails to comply with an opinion **and the**
 2 **committee decides** [ISSUED] under (g) of this section **to charge the person,** or if the
 3 committee determines after investigation that there is probable cause to believe that the
 4 subject of the complaint has committed a violation of this chapter that may require
 5 sanctions instead of or in addition to corrective action, the committee shall formally
 6 charge the person. The charge shall be served on the person charged, in a manner
 7 consistent with the service of summons under the rules of civil procedure, and a copy
 8 of the charge shall be sent to the complainant. The person charged may file a
 9 responsive pleading to the committee admitting or denying some or all of the
 10 allegations of the charge.

11 * **Sec. 45.** AS 24.60.170(i) is amended to read:

12 (i) A person charged under **(h)** [(b)] of this section may engage in discovery
 13 in a manner consistent with the Alaska Rules of Civil Procedure. The committee may
 14 **adopt procedures that**

15 **(1) impose reasonable restrictions on the time for this discovery and on**
 16 **the materials that may be discovered;**

17 **(2) permit a person who is the subject of a complaint to engage in**
 18 **discovery at an earlier stage of the proceedings;**

19 **(3) impose reasonable restrictions on the release of information that**
 20 **the subject of a complaint acquires from the committee in the course of discovery,**
 21 **or on information obtained by use of the committee's authority, in order to**
 22 **protect the privacy of persons not under investigation to whom the information**
 23 **pertains; however, the committee may not impose restrictions on the release of**
 24 **information by the subject of the complaint unless the complainant has agreed to**
 25 **be bound by similar restrictions and has not made public the information**
 26 **contained in the complaint, information about the complaint, or the fact of filing**
 27 **the complaint.**

28 * **Sec. 46.** AS 24.60.170(l) is amended to read:

29 (l) Proceedings of the committee relating to complaints before it are
 30 confidential until the committee determines that there is probable cause to believe that
 31 a violation of this chapter has occurred. The complaint and all documents produced

1 or disclosed as a result of the committee investigation are confidential and not subject
 2 to inspection by the public. If in the course of an investigation or probable cause
 3 determination the committee finds evidence of probable criminal activity, the
 4 committee shall transmit a statement and factual findings limited to that activity to the
 5 appropriate law enforcement agency. If the committee finds evidence of a probable
 6 violation of AS 15.13, the committee shall transmit a statement to that effect and
 7 factual findings limited to the probable violation to the Alaska Public Offices
 8 Commission. All meetings of the committee before the determination of probable
 9 cause are closed to the public **and to legislators who are not members of the**
 10 **committee. However, the committee may permit the subject of the complaint to**
 11 **attend a meeting other than the deliberations on probable cause.** The
 12 confidentiality provisions of this subsection may be waived by the subject of the
 13 complaint, **except that the subject of the complaint may not waive the**
 14 **confidentiality duty the committee owes to others and may not require the**
 15 **committee to deliberate in public.**

16 * **Sec. 47.** AS 24.60.174(a) is amended to read:

17 (a) If the person found to have violated this chapter is or was a member of the
 18 legislature, the committee's recommendations shall be forwarded by the chair of the
 19 committee to the presiding officer of the appropriate house of the legislature. **If the**
 20 **committee recommends sanctions other than expulsion from the legislature, the**
 21 **committee recommendation**

22 **(1) must include a suggested timetable for the compliance reports**
 23 **required under (e) of this section, if any; and**

24 **(2) may include recommended fines that the legislature may impose**
 25 **if the legislator who was found to have violated this chapter does not comply with**
 26 **the sanctions imposed by the legislature in a timely manner.**

27 * **Sec. 48.** AS 24.60.174 is amended by adding a new subsection to read:

28 (e) When a house of the legislature imposes a sanction other than expulsion
 29 on a member or former member, it shall advise the committee at the time of imposing
 30 the sanction of the terms it has imposed and of the timetable for compliance adopted
 31 with the sanctions. A legislator or former legislator on whom sanctions other than

1 expulsion have been imposed shall report to the committee as required by the
 2 timetable. If the committee determines that the legislator or former legislator has not
 3 complied fully and in a timely manner with the sanctions imposed by the legislature,
 4 the committee may recommend that the legislature impose a fine or additional
 5 sanctions.

6 * **Sec. 49.** AS 24.60.176 is amended to read:

7 **Sec. 24.60.176. Recommendations where violator is a legislative employee.**

8 If the person found to have violated this chapter is or was a legislative employee, the
 9 committee's recommendations shall be forwarded to the appropriate appointing
 10 authority which shall, as soon as is reasonably possible, determine the sanctions, if
 11 any, to be imposed. The appointing authority may not question the committee's
 12 findings of fact. The appointing authority shall assume the validity of the committee's
 13 findings [,] and determine and impose the appropriate sanctions. **The appointing**
 14 **authority has the power to impose a sanction recommended by the committee or**
 15 **to impose a different sanction. The appointing authority shall enforce the**
 16 **sanction and shall report to the committee at a time specified by the committee**
 17 **concerning the employee's compliance with the sanction.**

18 * **Sec. 50.** AS 24.60.176 is amended by adding a new subsection to read:

19 (b) In this section, "appointing authority" means

20 (1) the legislative council for employees of the Legislative Affairs
 21 Agency and of the legislative council and for legislative employees not otherwise
 22 covered under this subsection;

23 (2) the Legislative Budget and Audit Committee for the legislative
 24 fiscal analyst and employees of the division of legislative finance, the legislative
 25 auditor and employees of the division of legislative audit, and employees of the
 26 Legislative Budget and Audit Committee;

27 (3) the appropriate finance committee for employees of the senate or
 28 house finance committees;

29 (4) the appropriate rules committee for employees of standing
 30 committees of the legislature, other than the finance committees, and employees of the
 31 senate secretary's office and the office of the chief clerk of the house of

1 representatives;

2 (5) the legislator who made the hiring decision for employees of
3 individual legislators; however, the legislator may request the appropriate rules
4 committee to act in the legislator's stead;

5 (6) the ombudsman for employees of the office of the ombudsman,
6 other than the ombudsman;

7 (7) the legislature for the ombudsman.

8 * **Sec. 51.** AS 24.60 is amended by adding a new section to read:

9 **Sec. 24.60.178. Recommended sanctions.** (a) When the committee finds that
10 a person has violated this chapter, the committee may recommend appropriate
11 sanctions, including sanctions set out in (b) of this section.

12 (b) The sanctions that the committee may recommend include

13 (1) imposition of a civil penalty of not more than \$5,000 for each
14 offense or twice the amount improperly gained, whichever is greater;

15 (2) divestiture of specified assets or withdrawal from specified
16 associations;

17 (3) additional, detailed disclosure, either as a public disclosure or as a
18 confidential disclosure to the committee;

19 (4) in the case of a legislative employee, suspension of employment
20 with or without pay for a stated period of time or until stated conditions are met, or
21 termination from legislative employment;

22 (5) restitution of property or reimbursement of improperly received
23 benefits;

24 (6) public or private written reprimand;

25 (7) censure, including, in the case of a legislator, removal from a
26 leadership position or committee membership and a determination that the legislator
27 will not be appointed to serve in a leadership position or on a committee during the
28 remainder of that legislature;

29 (8) placing the person on probationary status;

30 (9) in the case of a legislator, expulsion from the house of the
31 legislature;

1 (10) any other appropriate measure.

2 (c) In addition to or in place of a sanction recommended under (b) of this
3 section, the committee may recommend that the subject of a complaint be required to
4 pay all or a portion of the costs related to the investigation and adjudication of a
5 complaint.

6 * **Sec. 52.** AS 24.60.200 is amended to read:

7 **Sec. 24.60.200. Financial disclosure by legislators, [AND] legislative**
8 **directors, public members of the committee, and certain legislative employees.** A
9 legislator, [AND A] legislative director, **public member of the committee and**
10 **legislative employee who is required to disclose** shall file a disclosure statement,
11 under oath and on penalty of perjury, with the Alaska Public Offices Commission
12 giving the following information about the income received by **the person filing the**
13 **disclosure, the person's spouse or spousal equivalent, the person's** [THEM, THEIR
14 SPOUSES, THEIR] dependent children, and **the person's** [THEIR] nondependent
15 children who are living with **the discloser** [THEM]:

16 (1) the information that a public official is required to report under
17 AS 39.50.030; **however, a person subject to disclosure requirements is not**
18 **required to report any gifts** [, EXCEPT THAT SOURCES OF INCOME OTHER
19 THAN GIFTS OF \$1,000 OR LESS, AND LOANS OF \$1,000 OR LESS NEED NOT
20 BE REPORTED];

21 (2) as to income in excess of \$1,000 received as compensation for
22 personal services, the name and address of the source of the income, and a statement
23 describing the nature of the services performed; if the source of income is known or
24 reasonably should be known to have a substantial interest in legislative, administrative,
25 or political action and the recipient of the income is a **person subject to disclosure**
26 **requirements** [LEGISLATOR OR A LEGISLATIVE DIRECTOR], the amount of
27 income received from the source shall be disclosed;

28 (3) as to each loan or loan guarantee over \$1,000 from a source with
29 a substantial interest in legislative, administrative, or political action, the name and
30 address of the person making the loan or guarantee, the amount of the loan, the terms
31 and conditions under which the loan or guarantee was given, the amount outstanding

1 at the time of filing, and whether or not a written loan agreement exists [;

2 (4) THE SOURCE OF A GIFT, OTHER THAN AN INHERITANCE,
3 RECEIVED DURING THE PRECEDING CALENDAR YEAR BY THE PERSON,
4 THE PERSON'S SPOUSE OR DEPENDENT CHILD, OR A NONDEPENDENT
5 CHILD OF THE PERSON WHO IS LIVING WITH THE PERSON, IF THE
6 AMOUNT OF THE GIFT EXCEEDS \$100 AND IS RECEIVED FROM A PERSON
7 WHO IS NOT A MEMBER OF THE RECIPIENT'S FAMILY].

8 * **Sec. 53.** AS 24.60.210 is amended to read:

9 **Sec. 24.60.210. Deadlines for filing of disclosure statements.** A **person**
10 **subject to disclosure requirements** [LEGISLATOR AND A LEGISLATIVE
11 DIRECTOR] shall file an annual report with the Alaska Public Offices Commission,
12 covering the previous calendar year, containing the disclosures required by
13 AS 24.60.200, on or before **February** [APRIL] 15 of each year. **However, a**
14 **legislative employee who is required to disclose who was first appointed to a**
15 **position compensated at Range 19 or above on or after January 1 of the calendar**
16 **year in which the report is to be filed is required to file the report on or before**
17 **the 60th day after the employee was hired into the position.**

18 * **Sec. 54.** AS 24.60.240 is amended to read:

19 **Sec. 24.60.240. Civil penalty for late filing.** A **person subject to disclosure**
20 **requirements** [LEGISLATOR OR A LEGISLATIVE DIRECTOR] who fails to file
21 a properly completed report under AS 24.60.200 is subject to a civil penalty of not
22 more than \$10 a day for each day the delinquency continues as the Alaska Public
23 Offices Commission determines, subject to appeal to the superior court. An affidavit
24 stating facts in mitigation may be submitted to the Alaska Public Offices Commission
25 by the person against whom the civil penalty is assessed. However, the imposition of
26 the penalties prescribed in this section does not excuse the person from filing reports
27 required by AS 24.60.200.

28 * **Sec. 55.** AS 24.60.250 is amended to read:

29 **Sec. 24.60.250. Effect of failure to file by legislative candidate.** In addition
30 to the sanctions described in AS 24.60.260, if the Alaska Public Offices Commission
31 finds that a candidate for the legislature who is **a person subject to disclosure**

1 **requirements** [AN INCUMBENT LEGISLATOR OR A LEGISLATIVE DIRECTOR]
 2 has failed or refused to file a report under AS 24.60.200 by a deadline established in
 3 AS 24.60.210, it shall notify the lieutenant governor. The candidate shall forfeit
 4 nomination to office and may not be seated in office. The lieutenant governor may
 5 not certify the person's nomination for office or election to office, and nomination to
 6 the office shall be certified as provided in AS 39.50.060(b).

7 * **Sec. 56.** AS 24.60.260(a) is amended to read:

8 (a) A person required to make a disclosure under this chapter may not
 9 knowingly make a false or deliberately misleading or incomplete disclosure to the
 10 committee or to the Alaska Public Offices Commission. **A person who files** [, OR
 11 FILE] a disclosure after a deadline set by this chapter or by a regulation adopted by
 12 the committee or by the Alaska Public Offices Commission **has violated this chapter**
 13 **and may be subject to imposition of a fine as provided in (c) of this section or**
 14 **AS 24.60.240.**

15 * **Sec. 57.** AS 24.60.260 is amended by adding a new subsection to read:

16 (c) The committee may impose a fine on a person who files a disclosure after
 17 a deadline set by this chapter. The amount of the fine imposed under this subsection
 18 may not exceed \$2 for each day to a maximum of \$100 for each disclosure for a late
 19 disclosure. However, if the committee finds that a late filing was inadvertent, the
 20 maximum fine the committee may impose under this subsection is \$25.

21 * **Sec. 58.** AS 24.60.990(a)(5) is amended to read:

22 (5) "immediate family" means

23 **(A) the spouse or spousal equivalent of the person; or**

24 **(B) a parent, child** [, PARENTS, CHILDREN], including a
 25 stepchild and an adoptive child, and **sibling** [SIBLINGS] of a person **if the**
 26 **parent, child, or sibling resides with the person, is financially dependent**
 27 **on the person, or shares a substantial financial interest with the person;**

28 * **Sec. 59.** AS 24.60.990(a) is amended by adding new paragraphs to read:

29 (15) "legislative employee who is required to disclose" means a
 30 legislative employee, other than a legislator or a legislative director, who is
 31 compensated at Range 19 or above of the state salary schedule under AS 39.27.011;

1 (16) "person subject to disclosure requirements" means a legislator,
 2 legislative director, public member of the committee, or legislative employee who is
 3 required to disclose;

4 (17) "spousal equivalent" means a person who is cohabiting with
 5 another person in a relationship that is like a marriage but that is not a legal marriage.

6 * **Sec. 60.** AS 39.25.070 is amended to read:

7 **Sec. 39.25.070. Powers and duties of personnel board.** In addition to the
 8 other duties imposed by this chapter, the personnel board shall

9 (1) approve or disapprove amendments to the personnel rules in
 10 accordance with AS 39.25.140;

11 (2) consider and act upon recommendations for the extension of the
 12 partially exempt service and the classified service as provided in AS 39.25.130;

13 (3) hear and determine appeals by employees in the classified service
 14 as provided in AS 39.25.170;

15 (4) establish its own rules of procedure; two members constitute a
 16 quorum for the transaction of business and two affirmative votes are required for final
 17 action on matters acted upon by the board;

18 (5) elect a **chair** [CHAIRMAN] from its membership;

19 (6) have the power to administer oaths, subpoena witnesses, and compel
 20 the production of books and papers pertinent to a hearing authorized by this chapter;

21 (7) employ staff members, who shall be in the classified service;

22 (8) **carry out its powers and duties under AS 39.52** [RETAIN
 23 INDEPENDENT COUNSEL IN ACCORDANCE WITH AS 39.52.310(c);

24 (9) APPOINT, AND REVIEW THE FINDINGS, CONCLUSIONS,
 25 AND RECOMMENDATIONS OF, HEARING OFFICERS IN ACCORDANCE WITH
 26 AS 39.52.350(c), 39.52.360, AND 39.52.370;

27 (10) ISSUE FINDINGS, CONCLUSIONS, AND DECISIONS
 28 REGARDING VIOLATIONS OF THE CODE OF ETHICS IN AS 39.52.110 -
 29 39.52.190; AND

30 (11) IMPOSE THE PENALTIES DESCRIBED IN AS 39.52.410,
 31 39.52.440, AND 39.52.450].

1 * **Sec. 61.** AS 39.25.160 is amended by adding a new subsection to read:

2 (j) A state employee, whether in the classified, partially exempt, or exempt
3 service, may not campaign on behalf of a political candidate on government time.
4 This subsection does not prohibit the employees of the division of elections from
5 carrying out duties related to elections or the members and employees of the
6 commission on judicial conduct from carrying out duties relating to the evaluation of
7 justices and judges.

8 * **Sec. 62.** AS 39.50.020 is amended to read:

9 **Sec. 39.50.020. Report of financial and business interests.** (a) A **public**
10 **official as defined in AS 39.50.200 other than the governor or the lieutenant**
11 **governor** [JUDICIAL OFFICER, COMMISSIONER, CHAIR OR MEMBER OF A
12 STATE COMMISSION OR BOARD SPECIFIED IN AS 39.50.200(b), A PERSON
13 HIRED OR APPOINTED AS HEAD OR DEPUTY HEAD OF, OR DIRECTOR OF
14 A DIVISION WITHIN, A DEPARTMENT IN THE EXECUTIVE BRANCH, A
15 PERSON APPOINTED AS ASSISTANT TO THE GOVERNOR, A STATE
16 INVESTMENT OFFICER AND THE STATE COMPTROLLER IN THE
17 DEPARTMENT OF REVENUE, AND A MUNICIPAL OFFICER] shall file a
18 statement giving income sources and business interests, under oath and on penalty of
19 perjury, within 30 days after taking office as a public official. Candidates for state
20 elective office other than a candidate who is subject to AS 24.60 shall file **the** [SUCH
21 A] statement with the director of elections at the time of filing a declaration of
22 candidacy or a nominating petition [,] or [WITHIN 30 DAYS OF] becoming a
23 candidate by any other means. Candidates for elective municipal office shall file **the**
24 [SUCH A] statement at the time of filing a nominating petition, declaration of
25 candidacy, or other required filing for the elective municipal office. Refusal or failure
26 to file within the time prescribed shall require that the candidate's filing fees, if any,
27 and filing for office be refused or that a previously accepted filing fee be returned and
28 the candidate's name removed from the filing records. A statement shall also be filed
29 by public officials no later than April 15 or 15 days after the person files a federal
30 income tax return in each following year, whichever comes first. Persons who are
31 members of boards or commissions not named in AS 39.50.200(b) are not required to

1 file financial statements.

2 (b) **A public official other than an elected or appointed municipal officer**
 3 [THE GOVERNOR, LIEUTENANT GOVERNOR, JUDICIAL OFFICERS, EACH
 4 COMMISSIONER, HEAD OR DEPUTY HEAD OF, OR DIRECTOR OF A
 5 DIVISION WITHIN, A DEPARTMENT IN THE EXECUTIVE BRANCH,
 6 ASSISTANT TO THE GOVERNOR, STATE INVESTMENT OFFICERS AND THE
 7 STATE COMPTROLLER IN THE DEPARTMENT OF REVENUE, OR CHAIR OR
 8 MEMBER OF A COMMISSION OR BOARD REQUIRED TO REPORT UNDER
 9 THIS CHAPTER,] shall file the statement with the Alaska Public Offices Commission.
 10 Candidates for the office of governor and lieutenant governor and, if the candidate is
 11 not subject to AS 24.60, the legislature shall file the statement under AS 15.25.030 or
 12 15.25.180. Municipal officers, and candidates for elective municipal office, shall file
 13 with the municipal clerk or other municipal official designated to receive their filing
 14 for office. All statements required to be filed under this chapter are public records.

15 * **Sec. 63.** AS 39.50.030(a) is amended to read:

16 (a) Each statement **must** [SHALL] be an accurate representation of the
 17 financial affairs of the public official or candidate and **must** [SHALL] contain the
 18 same information for each member of the person's family, as specified in (b) **and (d)**
 19 of this section, to the extent that it is ascertainable by the public official or candidate.
 20 [AN ASSET OR LIABILITY UNDER \$500, HOUSEHOLD GOODS, AND
 21 PERSONAL EFFECTS NEED NOT BE IDENTIFIED.]

22 * **Sec. 64.** AS 39.50.030(b) is amended to read:

23 (b) Each statement filed by a public official or candidate under this chapter
 24 **must** [SHALL] include the following:

25 (1) the source of all income over **\$1,000** [\$100] during the preceding
 26 calendar year, including taxable and nontaxable capital gains, received by the person,
 27 the person's spouse or dependent child, or a nondependent child of the person who is
 28 living with that person, **except that a source of income that is a gift must be**
 29 **included if the value of the gift exceeds \$250;**

30 (2) the identity, by name and address, of each business in which the
 31 person, the person's spouse or dependent child, or a nondependent child of the person

1 who is living with that person was a stockholder, owner, officer, director, partner,
2 proprietor, or employee during the preceding calendar year;

3 (3) the identity and nature of each interest owned in any business
4 during the preceding calendar year by the person, the person's spouse or dependent
5 child, or a nondependent child of the person who is living with that person;

6 (4) the identity and nature of each interest in real property, including
7 an option to buy, owned at any time during the preceding calendar year by the person,
8 the person's spouse or dependent child, or a nondependent child of the person who is
9 living with that person;

10 (5) the identity of each trust or other fiduciary relation in which the
11 person, the person's spouse or dependent child, or a nondependent child of the person
12 who is living with that person held a beneficial interest **exceeding \$1,000** during the
13 preceding calendar year, a description and identification of the property contained in
14 each trust or relation, and the nature and extent of the beneficial interest in it;

15 (6) any loan or loan guarantee **of more than \$1,000** made to the
16 person, the person's spouse or dependent child, or a nondependent child of the person
17 who is living with that person, and the identity of the maker of the loan or loan
18 guarantor and the identity of each creditor to whom the person, the person's spouse or
19 dependent child, or a nondependent child of the person who lives with that person
20 owed **more than \$1,000; this paragraph requires disclosure of a loan, loan**
21 **guarantee, or indebtedness only if the loan or guarantee was made, or the**
22 **indebtedness incurred, during the preceding calendar year, or if the amount still**
23 **owing on the loan, loan guarantee, or indebtedness was more than \$1,000 at any**
24 **time during the preceding calendar year** [\$500 OR MORE];

25 (7) a list of all contracts and offers to contract with the state or an
26 instrumentality of the state during the preceding calendar year held, bid, or offered by
27 the person, the person's spouse or dependent child, a nondependent child of the person
28 who is living with that person, **a partnership or professional corporation of which**
29 **the person is a member** [THE PERSON'S MOTHER OR FATHER], or a corporation
30 in which the person or the person's spouse or children, or a combination of them, hold
31 a controlling interest; and

1 (8) a list of all mineral, timber, oil, or any other natural resource lease
 2 held, or lease offer made, during the preceding calendar year by the person, the
 3 person's spouse or dependent child, a nondependent child of the person who is living
 4 with that person, [THE PERSON'S MOTHER OR FATHER,] a partnership or
 5 professional corporation of which the person is a member, or a corporation in which
 6 the person or the person's spouse or children, or a combination of them, holds a
 7 controlling interest.

8 * **Sec. 65.** AS 39.50.030 is amended by adding new subsections to read:

9 (d) In addition to the requirements of (b) of this section, each statement filed
 10 by a state official under this chapter must include a disclosure of the formation or
 11 maintenance of a close economic association involving a substantial financial matter
 12 as required by this subsection. The disclosure must be sufficiently detailed that a
 13 reader can ascertain the nature of the association. A state official shall disclose a close
 14 economic association with

15 (1) a supervisor who is not a public officer who has responsibility or
 16 authority either directly or indirectly over the person's employment, including
 17 preparing or reviewing performance evaluations, or granting or approving pay raises
 18 or promotions;

19 (2) a legislator;

20 (3) a public official who is not an appointed or elected municipal
 21 officer; or

22 (4) a public officer if the person required to make the disclosure is the
 23 governor or the lieutenant governor.

24 (e) If a state official forms a close economic association after the date on
 25 which the official files the financial disclosure statement required by (a) of this section,
 26 disclosure of the association must be made to the official's designated supervisor
 27 within 60 days after the formation of the association.

28 (f) In this section,

29 (1) "close economic association" means a financial relationship that
 30 exists between a state official and some other person or entity, including a relationship
 31 where the state official serves as a consultant or advisor to, is a member or

1 representative of, or has a financial interest in an association, partnership, business, or
2 corporation;

3 (2) "designated supervisor" has the meaning given in AS 39.52.960;

4 (3) "public officer" has the meaning given in AS 39.52.960;

5 (4) "state official" has the meaning given in AS 39.52.960.

6 * **Sec. 66.** AS 39.50.070 is amended to read:

7 **Sec. 39.50.070. Failure to report by certain state employees**
8 **[DEPARTMENT, DIVISION, OR DEPUTY DEPARTMENT HEADS].** A person
9 hired or appointed as the head or deputy head of, or director of a division within, a
10 department in the executive branch **or another state employee subject to this chapter**
11 who refuses or fails to file a report of financial interests required under this chapter
12 when due may not hold office, and the person's name may not be submitted to the
13 legislature for confirmation, until the person complies. The person may not be
14 confirmed, hired, or appointed, and the person forfeits and may not be paid any salary,
15 per diem, or travel expenses, until the person complies. If, after installation as the
16 head or deputy head of, or director of a division within, a department, **or, for other**
17 **state employees, after beginning employment in the position subject to this**
18 **chapter,** the person refuses or fails to file the required statement when due, the person
19 is guilty of a misdemeanor and upon conviction is punishable by a fine of not less than
20 \$100 nor more than \$1,000 and shall be removed from office if compliance is not
21 made within 30 days after the due date of the report.

22 * **Sec. 67.** AS 39.50.080 is amended to read:

23 **Sec. 39.50.080. Failure to report by a commission or board chair**
24 **[CHAIRMAN] or member.** A person hired or appointed as a commissioner, **chair,**
25 **[CHAIRMAN]** or member of a state commission or board specified in
26 AS 39.50.200(b), **including the executive director of the Alaska Tourism Marketing**
27 **Council,** who fails to file a report of financial interests required under this chapter
28 when due may not hold office, and the person's name may not be submitted to the
29 legislature until the person complies. The person may not be confirmed, and the
30 person forfeits and may not be paid any salary, per diem or travel expenses, until the
31 person complies. If, after being seated as commissioner, **chair,** **[CHAIRMAN]** or

1 member of **the** [SUCH A] commission or board the person refuses or fails to file the
 2 required statement when due, the person is guilty of a misdemeanor and upon
 3 conviction is punishable by a fine of not less than \$100 nor more than \$1,000 and
 4 shall be removed from office if compliance is not made within 30 days after the due
 5 date.

6 * **Sec. 68.** AS 39.50.200(a)(8) is amended to read:

7 (8) "public official" means a judicial officer, the governor, the
 8 lieutenant governor, a person hired or appointed as the head or deputy head of [, OR
 9 DIRECTOR OF A DIVISION,] a department in the executive branch **or as the**
 10 **director of a division in a department in the executive branch,** [AN ASSISTANT
 11 TO THE GOVERNOR,] chair or member of a state commission or board, [STATE
 12 INVESTMENT OFFICERS AND THE STATE COMPTROLLER IN THE
 13 DEPARTMENT OF REVENUE,] the executive director of the Alaska Tourism
 14 Marketing Council, **another state employee subject to this chapter,** and each
 15 appointed or elected municipal officer;

16 * **Sec. 69.** AS 39.50.200(a) is amended by adding a new paragraph to read:

17 (10) "another state employee subject to this chapter"

18 (A) means a state employee who is employed in a position in
 19 the executive branch of state government in the exempt or partially exempt
 20 service and who is compensated at Range 19 or above on the state salary
 21 schedule under AS 39.27.011 or at more than \$4,200 per month; and

22 (B) means an assistant to the governor, an assistant to the
 23 lieutenant governor, a state investment officer, and the state comptroller in the
 24 Department of Revenue; but

25 (C) does not include a state officer or employee who is
 26 otherwise included in the definition of "public official" under this section; and

27 (D) does not include an employee who is a member of a
 28 collective bargaining unit.

29 * **Sec. 70.** AS 39.52.010(a) is amended to read:

30 (a) It is declared **that**

31 (1) [THAT] high moral and ethical standards among public officers in

1 the executive branch are essential **to assure the trust, respect, and confidence of the**
 2 **people of this state;** [TO THE CONDUCT OF FREE GOVERNMENT; AND]

3 (2) [THAT THE LEGISLATURE BELIEVES THAT] a code of ethics
 4 for the guidance of public officers will

5 (A) discourage those officers from acting upon personal or
 6 financial interests in the performance of their public responsibilities;

7 (B) [, WILL] improve standards of public service; **and**

8 (C) [, AND WILL] promote and strengthen the faith and
 9 confidence of the people of this state in their public officers;

10 (3) [. IT IS FURTHER DECLARED THAT] holding public office or
 11 employment is a public trust and that as one safeguard of that trust, the people require
 12 public officers to adhere to a code of ethics;

13 (4) **a fair and open government requires that executive branch**
 14 **public officers conduct the public's business in a manner that preserves the**
 15 **integrity of the governmental process and avoids conflicts of interest or even**
 16 **appearances of conflicts of interest;**

17 (5) **in order for the rules governing conduct to be respected both**
 18 **during and after leaving public service, the code of ethics must be administered**
 19 **fairly without bias or favoritism;**

20 (6) **no code of conduct, however comprehensive, can anticipate all**
 21 **situations in which violations may occur nor can it prescribe behaviors that are**
 22 **appropriate to every situation; in addition, laws and regulations regarding ethical**
 23 **responsibilities cannot legislate morality, eradicate corruption, or eliminate bad**
 24 **judgment; and**

25 (7) **compliance with a code of ethics is an individual responsibility;**
 26 **thus all who serve the state have a solemn responsibility to avoid improper**
 27 **conduct and prevent improper behavior by colleagues and subordinates.**

28 * Sec. 71. AS 39.52.110(c) is amended to read:

29 (c) **Designated** [THE ATTORNEY GENERAL, DESIGNATED] supervisors,
 30 hearing officers, and the personnel board must be guided by this section when issuing
 31 opinions and reaching decisions.

1 * **Sec. 72.** AS 39.52.120(b) is amended to read:

2 (b) A public officer may not

3 (1) seek other employment or contracts through the use or attempted
4 use of official position;

5 (2) accept, receive, or solicit compensation for the performance of
6 official duties or responsibilities from a person other than the state; **this paragraph**
7 **may not be construed to prohibit the governor or the lieutenant governor from**
8 **the lawful solicitation for and acceptance of campaign contributions or a public**
9 **officer from the acceptance of a lawful gift, other than a campaign contribution,**
10 **under AS 39.52.130;**

11 (3) use state time, property, equipment, or other facilities to benefit
12 personal or financial interests;

13 (4) take or withhold official action in order to affect a matter in which
14 the public officer has a personal or financial interest; or

15 (5) attempt to benefit a personal or financial interest through coercion
16 of a subordinate.

17 * **Sec. 73.** AS 39.52 is amended by adding a new section to read:

18 **Sec. 39.52.125. Misuse of official position by state officials.** (a) In addition
19 to the prohibitions under AS 39.52.120, a state official may not

20 (1) take or withhold official action or exert official influence that could
21 substantially benefit or harm the financial interest of a person with whom the state
22 official is negotiating for employment;

23 (2) knowingly seek, accept, use, allocate, grant, or award public funds
24 for a purpose other than that approved by law, or make a false statement in connection
25 with a claim, request, or application for compensation, reimbursement, or travel
26 allowances from public funds;

27 (3) require another public officer to perform services for the private
28 benefit of the state official at any time, or allow a public officer to perform services
29 for the private benefit of the state official on government time; or

30 (4) use or authorize the use of state funds, facilities, equipment,
31 services, or another government asset or resource for the purpose of political fund

1 raising or campaigning.

2 (b) Except for the governor and the lieutenant governor, a state official may
3 not on government time assist in political party or candidate activities, campaigning,
4 or fund raising. A state official, including the governor and the lieutenant governor,
5 may not require another public officer to perform an act in violation of this subsection.

6 (c) Unless approved by the personnel board, during a campaign period for an
7 election in which the state official is a candidate, a state official may not use or permit
8 another to use state funds to print or distribute a political mass mailing to individuals
9 eligible to vote for the candidate. In this subsection,

10 (1) a "campaign period" is the period that

11 (A) begins 90 days before an election to the board of an electric
12 or telephone cooperative organized under AS 10.25, a municipal election, or
13 a primary election or that begins on the date of the governor's proclamation
14 calling a special election; and

15 (B) ends the day after the cooperative election, municipal
16 election, or the general or special election;

17 (2) a mass mailing is considered to be political if it is from or about

18 a

19 (A) state official who is a candidate for election to a federal,
20 state, or municipal elective office or to the board of a telephone or electric
21 cooperative;

22 (B) another person who is a candidate for election to a federal,
23 state, or municipal elective office or to the board of a telephone or electric
24 cooperative.

25 (d) A state official, or another person on behalf of the official, or a campaign
26 committee of the official, may not distribute or post campaign literature, placards,
27 posters, fund-raising notices, or other communications intended to influence the
28 election of a candidate in an election in public areas in a facility ordinarily used to
29 conduct state government business.

30 (e) A state official may not directly, or by authorizing another to act on the
31 official's behalf,

1 (1) agree to, threaten to, or state or imply that the official will take or
 2 withhold an official action as a result of a person's decision to provide or not provide
 3 a political contribution, donate or not donate to a cause favored by the official, or
 4 provide or not provide a thing of value; or

5 (2) state or imply that the official will perform or refrain from
 6 performing a lawful governmental service as a result of a person's decision to provide
 7 or not provide a political contribution, donate or not donate to a cause favored by the
 8 official or provide or not provide a thing of value.

9 (f) A state official may serve on a board of an organization, including a
 10 governmental entity, that regularly has a substantial interest in the official actions of
 11 the official, if the official discloses the board membership to the personnel board.

12 (g) In this section, when determining whether a state official is considered to
 13 be performing a task on government time, the personnel board shall consider the
 14 official's work schedule as set by the official's immediate supervisor, if any. An
 15 official other than the governor and lieutenant governor who engages in political
 16 campaign activities other than incidental campaign activities as described in this
 17 subsection during the work day shall take leave for the period of campaigning.
 18 Political campaign activities while on government time are permissible if the activities
 19 are part of the normal governmental duties of the official, including answering
 20 telephone calls and handling of incoming correspondence.

21 * **Sec. 74.** AS 39.52.130(c) is amended to read:

22 (c) In accordance with AS 39.52.240, a designated supervisor **or a state**
 23 **official** may request guidance from the **personnel board** [ATTORNEY GENERAL]
 24 concerning whether acceptance of a particular gift is prohibited.

25 * **Sec. 75.** AS 39.52.130 is amended by adding new subsections to read:

26 (e) In addition to the requirements of (a) and (b) of this section, and except
 27 as provided in (f) - (n) of this section, a state official may not solicit, accept, or
 28 receive, directly or indirectly, a gift worth \$250 or more, whether in the form of
 29 money, service, loan, travel, entertainment, hospitality, employment, promise, or in any
 30 other form, or gifts from the same person worth less than \$250 that in a calendar year
 31 aggregate to \$250 or more in value. Except for food or beverage for immediate

1 consumption, a state official may not solicit, accept, or receive during a legislative
2 session a gift with any monetary value from a lobbyist or a person acting on behalf
3 of a lobbyist.

4 (f) A state official who accepts a gift under (g)(4) of this section shall disclose
5 the gift if it has a value in excess of \$250, including the name and occupation of the
6 giver and a description of the gift and its approximate value, to the personnel board
7 within 30 days after the date of its receipt. Except as provided in (j) of this section,
8 a gift under (g)(6) of this section that has a value of \$250 or more shall be disclosed
9 to the personnel board annually on or before February 15 of the following calendar
10 year; the disclosure must include only a description of the gift and the identity of the
11 donor. The personnel board shall maintain a public record of the disclosures received
12 of gifts under (g)(4) of this section. Disclosures relating to gifts under (g)(6) of this
13 section shall be maintained but are confidential and may only be used by the attorney
14 general or the personnel board and its employees and contractors in the investigation
15 of a possible violation of this section or in a proceeding under AS 39.52.310 -
16 39.52.390. If the disclosures become part of the record of a proceeding under
17 AS 39.52.310 - 39.52.390, the confidentiality provisions in AS 39.52.340 apply to the
18 disclosures. The personnel board shall forward disclosures it receives from a state
19 official concerning gifts under (g)(4) of this section to the Alaska Public Offices
20 Commission.

21 (g) Notwithstanding (e) of this section, it is not a violation of this section for
22 a state official to accept

23 (1) hospitality, other than hospitality described in (4) of this subsection

24 (A) with incidental transportation at the residence of a person;
25 however, a vacation home located outside the state is not considered a
26 residence for the purposes of this subparagraph; or

27 (B) at a social event or meal;

28 (2) discounts that are available

29 (A) generally to the public or to a large class of persons to
30 which the person belongs; or

31 (B) when on state business;

1 (3) food or foodstuffs indigenous to the state that are shared generally
2 as a cultural or social norm;

3 (4) travel and hospitality primarily for the purpose of obtaining
4 information on matters of governmental concern;

5 (5) gifts from the immediate family of the person; or

6 (6) gifts that are not connected with the recipient's governmental status.

7 (h) Notwithstanding (e) of this section, a state official may accept a gift of
8 property worth \$250 or more, other than money, from a foreign government or from
9 the government of the United States or another state or from an official of a foreign
10 government or of the government of the United States or another state if the person
11 accepts the gift on behalf of the state. The person shall, within 60 days after receiving
12 the gift, deliver the gift to the Office of the Governor, which shall determine the
13 appropriate disposition of the gift.

14 (i) Notwithstanding (e) of this section, a state official may solicit, accept, or
15 receive a gift on behalf of a recognized, nonpolitical charitable organization in
16 accordance with guidelines adopted by the personnel board.

17 (j) A state official who receives an inheritance from a person other than a
18 family member shall disclose the fact of the receipt of an inheritance and the identity
19 of the person from whom it was received to the personnel board within 60 days after
20 receiving notice of the inheritance. The personnel board shall maintain a public record
21 of the disclosure. This subsection does not require disclosure of the value of the
22 inheritance.

23 (k) A state official or public agency may accept (1) a gift of volunteer services
24 for governmental purposes so long as the person making the gift of services is not
25 receiving compensation from another source for the services or (2) a gift of the
26 services of a trainee who is participating in an educational program approved by the
27 personnel board if the services are used for governmental purposes. The personnel
28 board shall approve training under a program of the University of Alaska and training
29 under 29 U.S.C. 1501 - 1792b (Job Training Partnership Act). A governmental
30 volunteer or educational trainee shall be considered to be a public employee for
31 purposes of compliance with this chapter other than AS 39.52.150, 39.52.155, and

1 39.52.160. If a person believes that a governmental volunteer or educational trainee
 2 has violated the provisions of one of those sections, the person may file a complaint
 3 under AS 39.52.310. The provisions of AS 39.52.310 - 39.52.390 apply to the
 4 proceeding. This subsection does not permit a state official to accept a gift of services
 5 for nongovernmental purposes.

6 (l) A state official who knows or reasonably ought to know that a family
 7 member has received a gift because of the family member's connection with the
 8 official's public office shall report the receipt of the gift by the family member to the
 9 personnel board if the gift would have to be reported under this section if it had been
 10 received by the public officer or if receipt of the gift by a public officer would be
 11 prohibited under this section.

12 (m) In this section, the value of a gift shall be determined by the fair market
 13 value of the gift to the extent that the fair market value can be determined.

14 (n) In this section, "immediate family" or "family member" means

15 (1) the spouse of the person;

16 (2) another person cohabiting with the person in a conjugal relationship
 17 that is not a legal marriage;

18 (3) a child, including a stepchild and an adoptive child, of the person;

19 (4) a parent, sibling, grandparent, aunt, or uncle of the person; and

20 (5) a parent, sibling, grandparent, aunt, or uncle of the person's spouse.

21 * **Sec. 76.** AS 39.52 is amended by adding new sections to read:

22 **Sec. 39.52.132. Restrictions on fund raising.** (a) A state official, including
 23 the governor and the lieutenant governor, may not

24 (1) on a day when either house of the legislature is in regular or special
 25 session, solicit or accept a contribution or a promise or pledge to make a contribution
 26 for a candidate for state office;

27 (2) accept money from an event held on a day when either house of the
 28 legislature is in regular or special session if a substantial purpose of the event is to
 29 raise money on behalf of the state official for a campaign for state office; or

30 (3) expend money in a campaign for state office that was raised by or
 31 on behalf of a state official on a day when either house of the legislature was in a

1 legislative session under a declaration of candidacy or general letter of intent to
2 become a candidate for public office.

3 (b) In this section, "contribution" has the meaning given in AS 15.13.400.

4 **Sec. 39.52.134. Restrictions on employee candidacies.** A state official, other
5 than the governor and the lieutenant governor, may not file a letter of intent to become
6 a candidate or file a declaration of candidacy for the legislature.

7 **Sec. 39.52.136. Open meetings law.** State officials shall abide by the open
8 meetings law under AS 44.62.310 - 44.62.312.

9 * **Sec. 77.** AS 39.52.150(d) is amended to read:

10 (d) A public officer shall report in writing to the **personnel board and the**
11 designated supervisor a personal or financial interest held by the officer, or an
12 immediate family member, in a state grant, contract, lease, or loan that is awarded,
13 executed, or administered by the agency the officer serves.

14 * **Sec. 78.** AS 39.52 is amended by adding a new section to read:

15 **Sec. 39.52.155. Disclosure of close economic associations.** (a) A state
16 official shall disclose to the official's designated supervisor and to the Alaska Public
17 Offices Commission, which shall maintain a public record of the disclosure, the
18 formation or maintenance of a close economic association involving a substantial
19 financial matter with

20 (1) a supervisor who is not a public officer who has responsibility or
21 authority, either directly or indirectly, over the person's employment, including
22 preparing or reviewing performance evaluations, or granting or approving pay raises
23 or promotions;

24 (2) legislators;

25 (3) a public official who is required to file a financial disclosure
26 statement under AS 39.50 and is not an appointed municipal officer;

27 (4) a registered lobbyist; or

28 (5) a public officer if the person required to make the disclosure is the
29 governor or the lieutenant governor.

30 (b) A state official required to make a disclosure under this section shall make
31 an annual disclosure no later than February 15 of each year of the individual's close

1 economic associations then in existence. If the official forms a close economic
 2 association after that date, the disclosure must be made within 60 days after forming
 3 the association. A disclosure under this section must be sufficiently detailed that a
 4 reader of the disclosure can ascertain the nature of the association.

5 (c) When making a disclosure under (a) of this section concerning a
 6 relationship with a lobbyist to whom the state official is married or who is the
 7 official's spousal equivalent, the state official shall also disclose the name and address
 8 of each employer of the lobbyist and the total monetary value received from the
 9 lobbyist's employer. The state official shall report changes in the employer of the
 10 spouse or spousal equivalent within 48 hours after the change. In this subsection,

11 (1) "employer of the lobbyist" means the person from whom the
 12 lobbyist received amounts or things of value for engaging in lobbying on behalf of
 13 the person;

14 (2) "spousal equivalent" means a person cohabiting with the state
 15 official in a conjugal relationship that is not a legal marriage.

16 (d) In this section, "close economic association" means a financial relationship
 17 that exists between a state official and some other person or entity, including but not
 18 limited to relationships where the state official serves as a consultant or advisor to, is
 19 a member or representative of, or has a financial interest in, any association,
 20 partnership, business, or corporation.

21 * **Sec. 79.** AS 39.52.170 is amended to read:

22 **Sec. 39.52.170. Outside employment restricted.** (a) A public employee may
 23 not render services to benefit a personal or financial interest or engage in or accept
 24 employment outside the agency which the employee serves, if the outside employment
 25 or service is incompatible or in conflict with the proper discharge of official duties **or,**
 26 **in the case of a state official, if the compensation sought or accepted for the**
 27 **personal services is significantly greater than the value of the services rendered,**
 28 **taking into account the higher rates generally charged by specialists in a**
 29 **profession.**

30 (b) A public employee rendering services for compensation, or engaging in
 31 employment outside the employee's agency, shall report by July 1 of each year the

1 outside services or employment to the personnel board and to the employee's
 2 designated supervisor. During the year, any change in an employee's outside service
 3 or employment activity must be reported to the designated supervisor as it occurs.

4 * **Sec. 80.** AS 39.52.170 is amended by adding a new subsection to read:

5 (c) A state official may not accept a payment of anything of value, except for
 6 actual and necessarily incurred travel expenses, for an appearance or speech by the
 7 state official; this subsection does not apply to the salary paid to a state official for
 8 making an appearance or speech as part of the official's normal course of employment.

9 * **Sec. 81.** AS 39.52.180(b) is amended to read:

10 (b) Except as provided in (d) of this section, this [THIS] section does not
 11 prohibit an agency from contracting with a former public officer to act on a matter on
 12 behalf of the state.

13 * **Sec. 82.** AS 39.52.180(c) is amended to read:

14 (c) Except as provided in (d) of this section, and, in the case of a state
 15 official, only after the elapse of one year from the date the state official left state
 16 service, the [THE] head of an agency may waive application of (a) of this section
 17 after determining that representation by a former public officer is not adverse to the
 18 public interest. The waiver must be in writing and a copy of the waiver must be
 19 provided to the attorney general for approval or disapproval.

20 * **Sec. 83.** AS 39.52.180 is amended by adding a new subsection to read:

21 (d) An agency may not enter into a contract with a state official who has left
 22 state service and the head of an agency may not waive application of (a) of this section
 23 if the purpose of the proposed contract or representation includes lobbying before a
 24 state agency or the state legislature.

25 * **Sec. 84.** AS 39.52.210 is amended to read:

26 **Sec. 39.52.210. Declaration of potential violations by public employees.** (a)

27 A public employee who is involved in a matter that may result in a violation of
 28 AS 39.52.110 - 39.52.190 shall

29 (1) refrain from taking any official action relating to the matter until
 30 a determination is made under this section; and

31 (2) immediately disclose the matter in writing to the designated

1 supervisor **and the personnel board**.

2 (b) A public employee's designated supervisor shall make a written
3 determination whether an employee's involvement violates AS 39.52.110 - 39.52.190
4 **and shall provide a copy of the written determination to the public employee and**
5 **to the personnel board**. If the supervisor determines that a violation could exist or
6 will occur, the supervisor shall,

7 (1) reassign duties to cure the employee's potential violation, if feasible;
8 or

9 (2) direct the divestiture or removal by the employee of the personal
10 or financial interests that give rise to the potential violation.

11 (c) A **state official or a** designated supervisor may request guidance from the
12 **personnel board** [ATTORNEY GENERAL], in accordance with AS 39.52.240, when
13 determining whether a public employee is involved in a matter that may result in a
14 violation of AS 39.52.110 - 39.52.190.

15 * **Sec. 85.** AS 39.52.220 is amended to read:

16 **Sec. 39.52.220. Declaration of potential violations by members of boards**
17 **or commissions.** (a) A member of a board or commission who is involved in a
18 matter that may result in a violation of AS 39.52.110 - 39.52.190 shall disclose the
19 matter on the public record and in writing to the designated supervisor **and to the**
20 **personnel board**. The supervisor shall determine whether the member's involvement
21 violates AS 39.52.110 - 39.52.190 **and shall provide a copy of the written**
22 **determination to the board or commission member and to the personnel board**.

23 If a member of the board or commission objects to the ruling of the supervisor, or if
24 the supervisor discloses an involvement requiring a determination, the members present
25 at a meeting, excluding the involved member, shall vote on the matter. If the
26 supervisor or a majority of the members voting determine that a violation will exist
27 if the member continues to participate, the member shall refrain from voting,
28 deliberating, or participating in the matter.

29 (b) The **member of the board or commission, the** designated supervisor, or
30 the board or commission may request guidance from the **personnel board**
31 [ATTORNEY GENERAL], in accordance with AS 39.52.240, when determining

1 whether a member of a board or commission is involved in a matter that may result
2 in a violation of AS 39.52.110 - 39.52.190.

3 * **Sec. 86.** AS 39.52.230 is amended to read:

4 **Sec. 39.52.230. Reporting of potential violations.** A person may report to
5 a public officer's designated supervisor, under oath and in writing, a potential violation
6 of AS 39.52.110 - 39.52.190 by the public officer. The supervisor shall provide a
7 copy of the report to the officer who is the subject of the report **and to the personnel**
8 **board**, and shall review the report to determine whether a violation may exist. The
9 supervisor shall act in accordance with AS 39.52.210 or 39.52.220 if the supervisor
10 determines that the matter may result in a violation of AS 39.52.110 - 39.52.190.

11 * **Sec. 87.** AS 39.52.240(a) is amended to read:

12 (a) Upon the written request of a **state official**, designated supervisor, or a
13 board or commission, the **personnel board** [ATTORNEY GENERAL] shall issue
14 opinions interpreting this chapter. The requester must supply any additional
15 information requested by the **personnel board** [ATTORNEY GENERAL] in order to
16 issue the opinion. Within 60 days after receiving a complete request, the **personnel**
17 **board** [ATTORNEY GENERAL] shall issue an advisory opinion on the question.

18 * **Sec. 88.** AS 39.52.240(b) is amended to read:

19 (b) The **personnel board** [ATTORNEY GENERAL] may offer oral advice if
20 delay would cause substantial inconvenience or detriment to the requesting party.

21 * **Sec. 89.** AS 39.52.240(c) is amended to read:

22 (c) **In the case of a request for advice from a designated supervisor or a**
23 **board or commission, the** [THE] designated supervisor or **the** [A] board or
24 commission shall make a written determination based on the advice of the **personnel**
25 **board** [ATTORNEY GENERAL]. If the advice [OF THE ATTORNEY GENERAL]
26 provides more than one way for a public officer to avoid or correct a problem found
27 under AS 39.52.110 - 39.52.190, the designated supervisor or the board or commission
28 shall, after consultation with the officer, determine the alternative that is most
29 appropriate and advise the officer of any action required of the officer to avoid or
30 correct the problem.

31 * **Sec. 90.** AS 39.52.240(e) is amended to read:

1 (e) The **personnel board** [ATTORNEY GENERAL] may reconsider, revoke,
2 or modify an advisory opinion at any time, including upon a showing that material
3 facts were omitted or misstated in the request for the opinion.

4 * **Sec. 91.** AS 39.52.240(h) is amended to read:

5 (h) The **personnel board** [ATTORNEY GENERAL] shall publish in the
6 Alaska Administrative Journal, with sufficient deletions to prevent disclosure of the
7 persons whose identities are confidential under (g) of this section, the advisory
8 opinions issued under this section that the **personnel board** [ATTORNEY GENERAL]
9 determines to be of major import because of their general applicability to executive
10 branch officers.

11 * **Sec. 92.** AS 39.52.250 is amended to read:

12 **Sec. 39.52.250. Advice to former public officers.** (a) A former public
13 officer may request, in writing, an opinion from the **personnel board** [ATTORNEY
14 GENERAL] interpreting this chapter. The **personnel board** [ATTORNEY
15 GENERAL] shall give advice in accordance with AS 39.52.240(a) or (b) and publish
16 opinions in accordance with AS 39.52.240(h).

17 (b) A former public officer is not liable under this chapter for any action
18 carried out in accordance with the advice of the **personnel board** [ATTORNEY
19 GENERAL] issued under this section, if the public officer fully disclosed all relevant
20 facts reasonably necessary to the issuance of the advice.

21 * **Sec. 93.** AS 39.52.260 is amended to read:

22 **Sec. 39.52.260. Designated supervisor's report and personnel board**
23 **[ATTORNEY GENERAL] review.** (a) A designated supervisor shall quarterly
24 submit a report to the **personnel board that** [ATTORNEY GENERAL WHICH] states
25 the facts, circumstances, and disposition of any disclosure made under AS 39.52.210 -
26 39.52.240.

27 (b) The **personnel board** [ATTORNEY GENERAL] shall review
28 determinations reported under this section. The **personnel board** [ATTORNEY
29 GENERAL] may request additional information from a supervisor concerning a
30 specific disclosure and its disposition.

31 (c) The report prepared under this section is confidential and not available for

1 public inspection unless formal proceedings under AS 39.52.350 are initiated based on
2 the report. If formal proceedings are initiated, the relevant portions of the report are
3 public documents open to inspection. The **personnel board** [ATTORNEY
4 GENERAL] shall, however, make available to the public a summary of the reports
5 received under this section, with sufficient deletions to prevent disclosure of a person's
6 identity.

7 * **Sec. 94.** AS 39.52.310(a) is amended to read:

8 (a) The **personnel board** [ATTORNEY GENERAL] may initiate a complaint,
9 or elect to treat as a complaint, any matter disclosed under AS 39.52.210, 39.52.220,
10 39.52.250, or 39.52.260.

11 * **Sec. 95.** AS 39.52.310(b) is amended to read:

12 (b) A person may file a complaint with the **personnel board** [ATTORNEY
13 GENERAL] regarding the conduct of a current or former public officer. A complaint
14 must be in writing, be signed under oath, and contain a clear statement of the details
15 of the alleged violation.

16 * **Sec. 96.** AS 39.52.310(c) is amended to read:

17 (c) If a complaint alleges a violation of AS 39.52.110 - 39.52.190 by the
18 governor, lieutenant governor, or the attorney general, the [MATTER SHALL BE
19 REFERRED TO THE PERSONNEL BOARD. THE] **personnel board** shall retain
20 independent counsel who shall act in the place of the attorney general under
21 **AS 39.52.350** [(d) - (i) OF THIS SECTION, AS 39.52.320 - 39.52.350,] and
22 39.52.360(c) and (d).

23 * **Sec. 97.** AS 39.52.310(d) is amended to read:

24 (d) The **personnel board** [ATTORNEY GENERAL] shall review each
25 complaint filed, to determine whether it is properly completed and contains allegations
26 which, if true, would constitute conduct in violation of this chapter. The **personnel**
27 **board** [ATTORNEY GENERAL] may require the complainant to provide additional
28 information before accepting the complaint. If the **personnel board** [ATTORNEY
29 GENERAL] determines that the allegations in the complaint do not warrant an
30 investigation, the **personnel board** [ATTORNEY GENERAL] shall dismiss the
31 complaint with notice to the complainant and the subject of the complaint.

1 * **Sec. 98.** AS 39.52.310(e) is amended to read:

2 (e) The **personnel board** [ATTORNEY GENERAL] may refer a complaint
3 to the subject's designated supervisor for resolution under AS 39.52.210 or 39.52.220.

4 * **Sec. 99.** AS 39.52.310(f) is amended to read:

5 (f) If the **personnel board** [ATTORNEY GENERAL] accepts a complaint for
6 investigation, the **personnel board** [ATTORNEY GENERAL] shall serve a copy of
7 the complaint upon the subject of the complaint, for a response. The **personnel board**
8 [ATTORNEY GENERAL] may require the subject to provide, within 20 days after
9 service, full and fair disclosure in writing of all facts and circumstances pertaining to
10 the alleged violation. Misrepresentation of a material fact in a response to the
11 **personnel board** [ATTORNEY GENERAL] is a violation of this chapter. Failure to
12 answer within the prescribed time, or within any additional time period that may be
13 granted in writing by the **personnel board** [ATTORNEY GENERAL], may be
14 considered an admission of the allegations in the complaint.

15 * **Sec. 100.** AS 39.52.310(g) is amended to read:

16 (g) If a complaint is accepted under (f) of this section, the **personnel board**
17 [ATTORNEY GENERAL] shall investigate to determine whether a violation of this
18 chapter has occurred. At any stage of an investigation or review, the **personnel board**
19 [ATTORNEY GENERAL] may issue a subpoena under AS 39.52.380.

20 * **Sec. 101.** AS 39.52.320 is amended to read:

21 **Sec. 39.52.320. Dismissal before formal proceedings.** If, after investigation,
22 it appears that there is no probable cause to believe that a violation of this chapter has
23 occurred, the **personnel board** [ATTORNEY GENERAL] shall dismiss the complaint
24 and [PREPARE AND FILE A CONFIDENTIAL SUMMARY WITH THE
25 PERSONNEL BOARD. THE ATTORNEY GENERAL] shall communicate
26 disposition of the matter promptly to the complainant and to the subject of the
27 complaint.

28 * **Sec. 102.** AS 39.52.330 is amended to read:

29 **Sec. 39.52.330. Corrective or preventive action.** After determining that the
30 conduct of the subject of a complaint does not warrant a hearing under AS 39.52.360,
31 the **personnel board** [ATTORNEY GENERAL] shall recommend action to correct or

1 prevent a violation of this chapter. The **personnel board** [ATTORNEY GENERAL]
 2 shall communicate the recommended action to the complainant and the subject of the
 3 complaint. The subject of the complaint shall comply with the **personnel board's**
 4 [ATTORNEY GENERAL'S] recommendation.

5 * **Sec. 103.** AS 39.52.340(a) is amended to read:

6 (a) Before the initiation of formal proceedings under AS 39.52.350,
 7 information regarding an investigation conducted under this chapter, or obtained by the
 8 **personnel board** [ATTORNEY GENERAL] during the investigation, is confidential.
 9 The **personnel board** [ATTORNEY GENERAL] and all persons contacted during the
 10 course of an investigation shall maintain confidentiality regarding the existence of the
 11 investigation. A person who violates this section is guilty of a class A misdemeanor.

12 * **Sec. 104.** AS 39.52.350 is amended to read:

13 **Sec. 39.52.350. Probable cause for hearing.** (a) If the **personnel board**
 14 [ATTORNEY GENERAL] determines that there is probable cause to believe that a
 15 knowing violation of this chapter or a violation that cannot be corrected under
 16 AS 39.52.330 has occurred, or that the subject of a complaint failed to comply with
 17 a recommendation for corrective or preventive action, the **personnel board**
 18 [ATTORNEY GENERAL] shall initiate formal proceedings by **requesting the**
 19 **attorney general to serve** [SERVING] a copy of an accusation upon the subject of
 20 the accusation. The accusation shall specifically set out the alleged violation. After
 21 service, the accusation is a public document open to inspection. Except as provided
 22 in AS 39.52.370(c), all subsequent proceedings are open to the public.

23 (b) The subject of the accusation shall file an answer with the **personnel**
 24 **board and the** attorney general within 20 days after service of the accusation, or at
 25 a later time specified by the **personnel board** [ATTORNEY GENERAL]. If the
 26 subject of the accusation fails to timely answer, the allegations are considered
 27 admitted.

28 (c) If the subject of the accusation denies that a violation of this chapter has
 29 occurred, the [ATTORNEY GENERAL SHALL REFER THE MATTER TO THE]
 30 personnel board [, WHICH] shall appoint a hearing officer to conduct a hearing.

31 (d) If the subject of the accusation admits a violation of this chapter, the

1 [ATTORNEY GENERAL SHALL REFER THE MATTER TO THE] personnel board
 2 shall [TO] impose penalties under AS 39.52.410, 39.52.440, and 39.52.450, as
 3 appropriate.

4 * **Sec. 105.** AS 39.52.920 is amended to read:

5 **Sec. 39.52.920. Agency policies.** Subject to the review and approval of the
 6 personnel board [ATTORNEY GENERAL], an agency may adopt a written policy
 7 that, in addition to the requirements of this chapter, limits the extent to which a public
 8 officer in the agency or an administrative unit of the agency may

9 (1) acquire a personal interest in an organization or a financial interest
 10 in a business or undertaking that may benefit from official action taken or withheld by
 11 the agency or unit;

12 (2) have a personal or financial interest in a state grant, contract, lease,
 13 or loan administered by the agency or unit; or

14 (3) accept a gift.

15 * **Sec. 106.** AS 39.52.950 is amended to read:

16 **Sec. 39.52.950. Regulations.** The attorney general may adopt regulations
 17 under AS 44.62 ([THE] Administrative Procedure Act) necessary to interpret and
 18 implement the provisions concerning complaints under this chapter. The personnel
 19 board may adopt regulations under AS 44.62 (Administrative Procedure Act)
 20 necessary to interpret and implement the other provisions of this chapter.

21 * **Sec. 107.** AS 39.52.960(11) is amended to read:

22 (11) "immediate family member" means

23 (A) the spouse of the person;

24 (B) another person cohabiting with the person in a conjugal
 25 relationship that is not a legal marriage; or

26 (C) a parent, child including a stepchild and an adoptive
 27 child, and sibling of a person if the parent, child, or sibling resides with
 28 the person, is financially dependent on the person, or shares a substantial
 29 financial interest with the person [A PUBLIC OFFICER'S SPOUSE, A
 30 RELATION BY BLOOD WITHIN AND INCLUDING THE SECOND
 31 DEGREE OF KINDRED, AND A REGULAR MEMBER OF THE OFFICER'S

1 HOUSEHOLD];

2 * **Sec. 108.** AS 39.52.960 is amended by adding a new paragraph to read:

3 (23) "state official" means the governor, the lieutenant governor, a
 4 person hired or appointed as the head or deputy head of a department in the executive
 5 branch or as the director of a division in a department in the executive branch, the
 6 chair or member of a state commission or board, as defined in AS 39.50.200(b), the
 7 executive director of the Alaska Tourism Marketing Council, an assistant to the
 8 governor or the lieutenant governor, a state investment officer, the state comptroller
 9 in the Department of Revenue, and a state employee who is not otherwise listed in this
 10 definition who is employed by an agency in the executive branch of state government
 11 in the exempt or partially exempt service and who is compensated at Range 19A or
 12 above on the state salary schedule under AS 39.27.011 or at more than \$4,200 per
 13 month; however, "state official" does not include an employee who is a member of a
 14 collective bargaining unit.

15 * **Sec. 109.** AS 44.62.175(a) is amended to read:

16 (a) The lieutenant governor shall publish or contract for the publication of the
 17 Alaska Administrative Journal. The journal shall be published weekly. The journal
 18 must include

- 19 (1) notices of proposed actions given under AS 44.62.190(a);
 20 (2) notices of state agency meetings required under AS 44.62.310(e),
 21 even if the meeting has been held;
 22 (3) notices of solicitations to bid issued under AS 36.30.130;
 23 (4) notices of state agency requests for proposals issued under
 24 AS 18.55.255, 18.55.320; AS 36.30.210; AS 37.05.316; AS 38.05.120; and
 25 AS 43.40.010;
 26 (5) executive orders and administrative orders issued by the governor;
 27 (6) written delegations of authority made by the governor or the head
 28 of a principal department under AS 44.17.010;
 29 (7) the text or a summary of the text of a regulation or order of repeal
 30 of a regulation for which notice is given under AS 44.62.190(a), including an
 31 emergency regulation or repeal whether or not it has taken effect;

1 (8) a summary of the text of recently issued formal opinions and
2 memoranda of advice of the attorney general;

3 (9) a list of vacancies on boards, commissions, and other bodies whose
4 members are appointed by the governor; and

5 (10) in accordance with AS 39.52.240(h), advisory opinions of the
6 **personnel board** [ATTORNEY GENERAL].

7 * **Sec. 110.** RELIANCE ON ADVISORY OPINIONS OF THE ATTORNEY GENERAL.

8 Notwithstanding the amendments made to AS 39.52.240 - 39.52.250 by secs. 87 - 92 of this
9 Act, a public officer or a former public officer may rely on an advisory opinion given by the
10 attorney general under AS 39.52.240 - 39.52.250 before the effective date of this bill section
11 to the same extent that the public officer or former public officer could have relied on the
12 opinion if those sections had not been amended by this Act.

13 * **Sec. 111.** PROVISIONS MADE SPECIFICALLY APPLICABLE TO INCUMBENT
14 LEGISLATORS. Notwithstanding any other provision of AS 15.13, the provisions of
15 AS 15.13.116(d), added by sec. 3 of this Act, apply to authorize a legislator holding office
16 in the legislature during the First Regular Session of the Twentieth Alaska State Legislature
17 who, under sec. 32, ch. 48, SLA 1996, retains unused campaign contributions in the
18 candidate's election campaign account, to transfer to a legislative office account not more than
19 \$5,000 each calendar year for use only for expenses associated with the candidate's serving
20 as a member of the legislature during each year remaining to the legislator on the legislator's
21 current term. All amounts expended under this section shall be annually accounted for under
22 AS 15.13.110(a)(4).

23 * **Sec. 112.** Sections 2, 3, and 111 of this Act are retroactive to December 31, 1996.

24 * **Sec. 113.** Sections 2, 3, 111, and 112 of this Act take effect immediately under
25 AS 01.10.070(c).

26 * **Sec. 114.** Sections 1 and 4 - 110 of this Act take effect January 1, 1998.