

CS FOR SENATE BILL NO. 19(FIN) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 3/2/07

Offered: 2/14/07

Sponsor(s): SENATORS FRENCH, ELTON, MCGUIRE, WIELECHOWSKI, THOMAS AND HUGGINS, Ellis, Stevens, Green, Kookesh, Davis, Olson, Hoffman, Cowdery, Stedman, Wilken, Dyson, Wagoner, Therriault

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a public officer's taking official action regarding, or influencing, a
2 matter in which the public officer has a personal or financial interest; relating to
3 restrictions on employment after leaving state service; prohibiting certain persons from
4 engaging in activity as lobbyists; relating to financial disclosures from former public
5 officials; and defining 'official action' under the Alaska Executive Branch Ethics Act
6 and related law."

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

8 * **Section 1.** AS 24.45.121 is amended by adding a new subsection to read:

9 (d) A former public official in the executive branch may not engage in
10 activities as a lobbyist to the extent prohibited under AS 39.52.180(d).

11 * **Sec. 2.** AS 39.50.020 is amended to read:

12 **Sec. 39.50.020. Report of financial and business interests.** (a) A public
13 official other than the governor or the lieutenant governor shall file a statement giving

1 income sources and business interests, under oath and on penalty of perjury, within 30
 2 days after taking office as a public official. Candidates for state elective office other
 3 than a candidate who is subject to AS 24.60 shall file the statement with the director of
 4 elections at the time of filing a declaration of candidacy or a nominating petition or
 5 becoming a candidate by any other means. Candidates for elective municipal office
 6 shall file the statement at the time of filing a nominating petition, declaration of
 7 candidacy, or other required filing for the elective municipal office. Refusal or failure
 8 to file within the time prescribed shall require that the candidate's filing fees, if any,
 9 and filing for office be refused or that a previously accepted filing fee be returned and
 10 the candidate's name removed from the filing records. A statement shall also be filed
 11 by public officials no later than March 15 in each following year. **On or before the**
 12 **90th day after leaving office, a former public official shall file a statement**
 13 **covering any period during the official's service in that office for which the public**
 14 **official has not already filed a statement.** Persons who are members of boards or
 15 commissions not named in AS 39.50.200(b) are not required to file financial
 16 statements.

17 (b) A public official **or former public official** other than an elected or
 18 appointed municipal officer shall file the statement with the Alaska Public Offices
 19 Commission. Candidates for the office of governor and lieutenant governor and, if the
 20 candidate is not subject to AS 24.60, the legislature shall file the statement under
 21 AS 15.25.030 or 15.25.180. Municipal officers, **former municipal officers,** and
 22 candidates for elective municipal office, shall file with the municipal clerk or other
 23 municipal official designated to receive their filing for office. All statements required
 24 to be filed under this chapter are public records.

25 * **Sec. 3.** AS 39.52.110(b) is repealed and reenacted to read:

26 (b) Notwithstanding (a) of this section, a public officer's action or influence
 27 with respect to the officer's personal or financial interest in a specific matter is not a
 28 violation of public trust or a violation of this chapter

29 (1) if the public officer's action or influence in the matter would have
 30 only an insignificant or conjectural effect on the matter; or

31 (2) if the public officer's

1 (A) personal or financial interest is of a type that is possessed
 2 generally by the public or a large class of persons to which the public officer
 3 belongs;

4 (B) personal interest is insignificant; or

5 (C) financial interest is solely in regard to a business and
 6 neither the public officer nor a member of the public officer's immediate
 7 family

8 (i) owns a controlling interest in the business and the
 9 controlling interest has a fair market value of \$5,000 or more;

10 (ii) owns stock or options to buy stock that, when
 11 combined, equal more than one percent of the stock in the business or
 12 have a total fair market value of more than \$5,000;

13 (iii) owns or has an option to buy an equity interest in
 14 the business the fair market value of which is more than \$5,000 or one
 15 percent of the total fair market value of the business, whichever is less;

16 (iv) is a member of the board of directors or another
 17 governing body of the business;

18 (v) is an officer of the business;

19 (vi) provides or has an option to provide personal or
 20 professional services to the business;

21 (vii) has a contract or an option for a contract with the
 22 business; or

23 (viii) is an employee of the business.

24 * **Sec. 4.** AS 39.52.110 is amended by adding a new subsection to read:

25 (d) Stock or other ownership interest in a business is presumed to be
 26 insignificant if the value of the stock or other ownership interest is less than \$5,000.

27 * **Sec. 5.** AS 39.52.180(a) is amended to read:

28 (a) A public officer who leaves state service may not, for two years after
 29 leaving state service, represent, advise, or assist a person for compensation regarding a
 30 matter that was under consideration by the administrative unit served by that public
 31 officer, and in which the officer participated personally and substantially through the

1 exercise of official action. For the purposes of this subsection, "matter" includes a
 2 case, proceeding, application, contract, [OR] determination, [BUT DOES NOT
 3 INCLUDE THE] proposal or consideration of legislative bills, resolutions and
 4 constitutional amendments, or other legislative measures, [;] or [THE] proposal,
 5 consideration, or adoption of administrative regulations.

6 * **Sec. 6.** AS 39.52.180(d) is amended to read:

7 (d) **An individual who formerly held a position listed in this subsection** [A
 8 FORMER GOVERNOR, LIEUTENANT GOVERNOR, OR HEAD OF A
 9 PRINCIPAL DEPARTMENT IN THE EXECUTIVE BRANCH] may not engage in
 10 activity as a lobbyist under AS 24.45 for a period of one year after leaving **that**
 11 **position** [SERVICE AS THE GOVERNOR, LIEUTENANT GOVERNOR, OR
 12 DEPARTMENT HEAD, AS APPROPRIATE]. This subsection does not prohibit
 13 service as a volunteer lobbyist described in AS 24.45.161(a)(1) or a representational
 14 lobbyist as defined under regulations of the Alaska Public Offices Commission. **This**
 15 **subsection applies to the position of**

16 **(1) governor;**

17 **(2) lieutenant governor;**

18 **(3) head or deputy head of a principal department in the executive**
 19 **branch;**

20 **(4) director of a division or legislative liaison within a principal**
 21 **department in the executive branch;**

22 **(5) legislative liaison, administrative assistant, or other employee**
 23 **of the Office of the Governor or Office of the Lieutenant Governor in a policy-**
 24 **making position;**

25 **(6) member of a state board or commission that has the authority**
 26 **to adopt regulations, other than a board or commission named in AS 08.01.010;**

27 **(7) member of the governing board and executive officer of a state**
 28 **public corporation.**

29 * **Sec. 7.** AS 39.52.960(14) is amended to read:

30 (14) "official action" means **performance of any duties in the course**
 31 **and scope of a public officer's employment, including review, advice,**

1 **participation, assistance, or another kind of involvement regarding a matter,**
2 **such as** a recommendation, decision, approval, disapproval, vote, or other similar
3 action, including inaction, by a public officer;

4 * **Sec. 8.** AS 39.52.180(c) is repealed.

5 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

7 APPLICABILITY. Sections 5, 6, and 8 of this Act apply to a person who leaves state
8 service on or after the effective date of secs. 5 and 6 of this Act.