

**ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE**

March 23, 2007

1:16 p.m.

MEMBERS PRESENT

Representative Jay Ramras, Chair
Representative Nancy Dahlstrom, Vice Chair
Representative John Coghill
Representative Bob Lynn
Representative Ralph Samuels
Representative Max Gruenberg
Representative Lindsey Holmes

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Berta Gardner

COMMITTEE CALENDAR

HOUSE BILL NO. 109

"An Act relating to the requirement for candidates, groups, legislators, public officials, and other persons to submit reports electronically to the Alaska Public Offices Commission; relating to disclosures by legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and certain candidates for public office concerning services performed for compensation and concerning certain income, gifts, and other financial matters; requiring legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and municipal officers to make certain financial disclosures when they leave office; relating to insignificant ownership interest in a business and to gifts from lobbyists for purposes of the Alaska Executive Branch Ethics Act; relating to certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act; and providing for an effective date."

- MOVED CSHB 109 (JUD) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 109

SHORT TITLE: DISCLOSURES & ETHICS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/25/07	(H)	READ THE FIRST TIME - REFERRALS
01/25/07	(H)	STA, JUD
01/30/07	(H)	STA AT 8:00 AM CAPITOL 106
01/30/07	(H)	Heard & Held
01/30/07	(H)	MINUTE(STA)
02/03/07	(H)	STA AT 10:00 AM SPEAKER'S CHAMBER
02/13/07	(H)	STA AT 8:00 AM CAPITOL 106
02/13/07	(H)	<Postponed Pending Subcommittee Report>
02/15/07	(H)	STA AT 8:00 AM CAPITOL 106
02/15/07	(H)	<Postponed Pending Subcommittee Report>
02/20/07	(H)	STA AT 8:00 AM CAPITOL 106
02/20/07	(H)	<Postponed Pending Subcommittee Report>
02/22/07	(H)	STA AT 8:00 AM CAPITOL 106
02/22/07	(H)	Heard & Held
02/22/07	(H)	MINUTE(STA)
02/27/07	(H)	STA AT 8:00 AM CAPITOL 106
02/27/07	(H)	Heard & Held
02/27/07	(H)	MINUTE(STA)
03/01/07	(H)	STA AT 8:00 AM CAPITOL 106
03/01/07	(H)	Heard & Held
03/01/07	(H)	MINUTE(STA)
03/03/07	(H)	STA AT 10:00 AM CAPITOL 106
03/03/07	(H)	Moved CSHB 109(STA) Out of Committee
03/03/07	(H)	MINUTE(STA)
03/07/07	(H)	STA RPT CS(STA) NT 3DP 1NR 3AM
03/07/07	(H)	DP: ROSES, DOLL, LYNN
03/07/07	(H)	NR: JOHANSEN
03/07/07	(H)	AM: JOHNSON, COGHILL, GRUENBERG
03/19/07	(H)	JUD AT 1:00 PM CAPITOL 120
03/19/07	(H)	Heard & Held
03/19/07	(H)	MINUTE(JUD)
03/20/07	(H)	JUD AT 1:00 PM CAPITOL 120
03/20/07	(H)	Heard & Held
03/20/07	(H)	MINUTE(JUD)
03/21/07	(H)	JUD AT 1:00 PM CAPITOL 120
03/21/07	(H)	Heard & Held
03/21/07	(H)	MINUTE(JUD)
03/22/07	(H)	JUD AT 1:00 PM CAPITOL 120
03/22/07	(H)	Heard & Held
03/22/07	(H)	MINUTE(JUD)
03/23/07	(H)	JUD AT 1:00 PM CAPITOL 120

WITNESS REGISTER

DAN WAYNE, Attorney
Legislative Legal Counsel
Legislative Legal and Research Services
Legislative Affairs Agency (LAA)
Juneau, Alaska

POSITION STATEMENT: Spoke as the drafter of HB 109 and responded to questions.

JOYCE ANDERSON, Ethics Committee Administrator
Select Committee on Legislative Ethics
Alaska State Legislature
Anchorage, Alaska

POSITION STATEMENT: Provided comments and responded to questions during discussion of HB 109.

BROOKE MILES, Director
Alaska Public Offices Commission (APOC)
Department of Administration (DOA)
Anchorage, Alaska

POSITION STATEMENT: Provided comments and responded to questions during discussion of HB 109.

DAVID JONES, Senior Assistant Attorney General
Opinions, Appeals, & Ethics
Civil Division (Anchorage)
Department of Law (DOL)
Anchorage, Alaska

POSITION STATEMENT: Provided comments and responded to questions during discussion of HB 109.

DAVID G. SHAFTEL, Attorney at Law
Anchorage, Alaska

POSITION STATEMENT: During discussion of HB 109, provided an overview of proposed Amendment 28 and responded to questions.

ACTION NARRATIVE

CHAIR JAY RAMRAS called the House Judiciary Standing Committee meeting to order at [1:16:47 PM](#). Present at the call to order were Representatives Dahlstrom, Coghill, Samuels, Lynn, Holmes, Gruenberg, and Ramras. Representative Gardner was also in attendance.

HB 109 - DISCLOSURES & ETHICS

1:17:00 PM

CHAIR RAMRAS announced that the only order of business would HOUSE BILL NO. 109, "An Act relating to the requirement for candidates, groups, legislators, public officials, and other persons to submit reports electronically to the Alaska Public Offices Commission; relating to disclosures by legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and certain candidates for public office concerning services performed for compensation and concerning certain income, gifts, and other financial matters; requiring legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and municipal officers to make certain financial disclosures when they leave office; relating to insignificant ownership interest in a business and to gifts from lobbyists for purposes of the Alaska Executive Branch Ethics Act; relating to certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act; and providing for an effective date." [Before the committee was CSHB 109(STA), as amended, along with a pending motion regarding whether to adopt Amendment 27.]

CHAIR RAMRAS surmised that the legislature has honored the people's will and has been respectful of legislative members and their vocational pursuits. He opined that there has been a considerable and appropriate amount of deference given to the concerns of the Select Committee on Legislative Ethics and the charge of the Alaska Public Offices Commission (APOC).

CHAIR RAMRAS, after ascertaining that no one wished to testify, closed public testimony on HB 109. He said that Amendment 27 would be set aside at present; Amendment 27 read [original punctuation provided]:

Page 1, lines 4 -5:

Delete "restricting representation of others by legislators and legislative employees;"

Page 13, lines 12 - 25:

Delete all material and insert:

Sec. 24.60.100. Representation. A legislator or legislative employee who takes action for compensation, other than compensation by the State of Alaska, on behalf of another, including but not limited to telephone calls and meetings and appearances at proceedings or meetings, before an

agency, board, or commission of the municipal or executive branch shall disclose to the committee the name of the person on whose behalf the action is taken, the subject matter of the action taken, and the body before which the action is taken. The disclosure shall be made within 48 hours of the commencement of the action taken. A legislator or legislative employee may not take action for compensation, other than compensation by the State of Alaska, on behalf of another, including but not limited to telephone calls and meetings and appearances at proceedings or meetings, before an agency, committee, or other entity of the legislative branch.

CHAIR RAMRAS referred to Amendment 28, labeled 25-GH1059\0.45, Wayne, 3/23/07, which read:

Page 23, line 24:

Delete "businesses,"

Delete "and"

Page 23, line 25, following "mortgages":

Insert ", and interests in closely held businesses"

Page 23, line 27, following "bank":

Insert ", trust company,"

Page 23, line 29, following "principles":

Insert "and, without exception under any circumstances, notwithstanding this section, the prudent investment rule set out in AS 13.36.230 - 13.36.290"

Page 24, lines 6 - 13:

Delete all material and insert.

"(5) during the term of the trust, a trustor or other beneficiary of the trust may not communicate with the trustee except in writing and only regarding (A) a request for a distribution in cash or another unspecified asset of the trust, (B) the general financial requirements regarding distributions from the trust as a whole, (C) direction to the trustee that, because a law, executive order, or regulation prohibits the trustor from holding an asset, the asset may not be held by the trust, (D) direction to the trustee to sell all of an asset initially placed in the trust because the trustor has determined the sale is

necessary to avoid a conflict of interest, the appearance of impropriety, or an ethical violation; quarterly the trustee may provide to the trustor a written report of the aggregate market value of the trust's assets and property but may not disclose to the trustor or other beneficiary of the trust, or any other interested party, any information about the identity and nature of any of the assets in the trust, and the trustee shall be required to report any known breach of this confidentiality [OR THE TERMINATION OF THE TRUST TO THE OFFICE WHERE THE TRUSTOR IS REQUIRED TO FILE STATEMENTS UNDER THIS CHAPTER]; [AND]

(6) the trust shall terminate only upon order of the commission, the death or incompetence of the trustor, the termination of the trustor's status as a public official, or upon revocation, if approved in advance by the commission, and the trustee shall be required to promptly report any termination of the trust to the commission;"

Page 24, lines 14 - 22:

Delete all material and insert.

(7) the trustee shall prepare the income tax return of the trust and may participate in the audit of the trust's returns with authority to compromise a tax liability of the trust, but may not disclose the return or information related to the return, except promptly after the close of each taxable year of the trust the trustee shall provide the trustor with an annual report summarizing information concerning the trust, including net income or loss, expenses, capital gains, and capital losses of the trust, as necessary to enable the trustor to prepare and file tax returns required by law; however, the summary may not directly or indirectly identify a security or other property that is an asset or former asset of the trust;"

Page 24, line 26, following "(9)":

Insert "for the duration of the trust, a trustor or other beneficiary may not pledge, mortgage, or otherwise encumber a person's interests in an asset that is part of the trust,"

Page 25, following line 9:

Insert a new bill section to read:

"* **Sec. 33.** AS 39.50.040 is amended by adding new subsections to read:

(c) A quarterly report of aggregate market value under this section may include, in addition to the aggregate market value of the trust's assets and property, the percentage of that aggregate market value attributable to the trustor and each beneficiary, by name. Within 30 days after receipt from the trustee of the quarterly report of aggregate market value, the trustor may, notwithstanding the limitations on a communication's subject under (b) of this section, provide a written instruction to the trustee that, with respect to the trust as a whole and not a particular asset or property of the trust, the trustor prefers that the trustee adopt an investment approach that is conservative, moderate, or aggressive.

(d) A person initiating a written communication under this section shall cause a copy of the communication to be filed with the commission within five days after the date of the communication.

(e) The trustee shall maintain and make available for inspection by the commission at the commission's request the trust's tax returns, books of account, and other records and, on or before May 15 of each year, shall file with the commission a notarized document certifying compliance with this section for the preceding calendar year.

(f) Except as permitted by this section, the trustee shall make no accounting to the trustor until the date the trust terminates, and, following the termination, the trustor shall promptly make a full accounting to the trustor and turn over to the trustor all assets remaining in the trust at termination.

(g) The trustee may not at any time be held liable for an act or omission of the trustee or for any loss or depreciation of the value of an asset or property of the trust unless the trustee fails to exercise good faith, due diligence, and the ordinary skill, care, and judgment a prudent fiduciary would exercise."

Renumber the following bill sections accordingly.

Page 27, line 29:

Delete "sec. 36"

Insert "sec. 37"

Page 27, line 30:

Delete "sec. 36"
Insert "sec. 37"

Page 27, line 31:
Delete "sec. 37"
Insert "sec. 38"

Page 28, line 3:
Delete "sec. 37"
Insert "sec. 38"

Page 28, line 4:
Delete "sec. 38"
Insert "sec. 39"

Page 28, line 8:
Delete "sec. 38"
Insert "sec. 39"

Page 28, line 10:
Delete "Section 33"
Insert "Section 34"

Page 28, line 11:
Delete "secs. 42 and 43"
Insert "secs. 43 and 44"

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 28.

REPRESENTATIVE COGHILL objected for the purpose of discussion.

[1:24:29 PM](#)

DAN WAYNE, Attorney, Legislative Legal Counsel, Legislative Legal and Research Services, Legislative Affairs Agency (LAA), in response to a question, indicated that if the committee would momentarily set aside Amendment 28, it would to give him the opportunity to review it and thus provide the committee with an explanation.

CHAIR RAMRAS referred to Amendment 29, labeled 25-GH1059\0.20, Wayne, 3/21/07, which read:

Page 15, following line 17:
Insert a new bill section to read:
" * **Sec. 20.** AS 24.60.130(o) is amended to read:
(o) In this section,

(1) "majority organizational caucus" means a group of legislators who have organized and elected a majority leader and constitute more than 50 percent of the total membership of the house or senate, as appropriate;

(2) "minority organizational caucus" means a group of legislators who have organized and elected a minority leader and constitute at least 25 percent of the total membership of the house or senate, as appropriate."

Renumber the following bill sections accordingly.

Page 15, line 23, following "majority":
Insert "organizational"

Page 15, line 26, following "majority":
Insert "organizational"

Page 15, line 27, following "minority":
Insert "organizational"

Page 15, line 30, following "majority":
Insert "organizational"

Page 16, line 1, following "minority":
Insert "organizational"

Page 16, line 2, following "minority":
Insert "organizational"

Page 16, lines 3 - 5:
Delete "In this paragraph, "minority caucus" has the meaning given to the term "minority organizational caucus" in (o) of this section."

Page 27, following line 26:
Insert a new bill section to read:
"*** Sec. 41.** AS 24.60.037(d) is repealed."

Renumber the following bill sections accordingly.

Page 27, line 29:
Delete "sec. 36"
Insert "sec. 37"

Page 27, line 30:

Delete "sec. 36"
Insert "sec. 37"

Page 27, line 31:
Delete "sec. 37"
Insert "sec. 38"

Page 28, line 3:
Delete "sec. 37"
Insert "sec. 38"

Page 28, line 4:
Delete "sec. 38"
Insert "sec. 39"

Page 28, line 8:
Delete "sec. 38"
Insert "sec. 39"

Page 28, line 9:
Delete "Section 28"
Insert "Section 29"

Page 28, line 10:
Delete "Section 33"
Insert "Section 34"

Page 28, line 11:
Delete "secs. 42 and 43"
Insert "secs. 44 and 45"

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 29.

REPRESENTATIVE COGHILL objected for the purpose of discussion.

[1:26:39 PM](#)

JOYCE ANDERSON, Ethics Committee Administrator, Select Committee on Legislative Ethics, Alaska State Legislature, after recapping that Amendment 8 had added the word "organizational" before the word "caucus" in Section 20, noted that there was already a definition of "minority organizational caucus" in the legislative ethics statute, and indicated that attorneys reviewing the bill suggested the addition of a definition of "majority organizational caucus".

REPRESENTATIVE GRUENBERG asked whether there was a need to amend the definition of "minority organizational caucus" to state it is either less than 50 percent of membership, or not the majority organizational caucus.

MS ANDERSON suggested that since the definition of "minority organizational caucus" is already contained in the Uniform Rules, perhaps it should not be changed in HB 109.

REPRESENTATIVE COGHILL withdrew his objection.

CHAIR RAMRAS, noting that there were no further objections, announced that Amendment 29 was adopted.

[1:29:16 PM](#)

CHAIR RAMRAS referred to Amendment 30, labeled 25-GH1059\0.40, Luckhaupt/Wayne, 3/21/07, which read:

Page 2, following line 21:

Insert a new bill section to read:

"* **Sec. 3.** AS 15.13.040(m), as amended by sec. 2 of this Act, is amended to read:

(m) Information required under this chapter shall be submitted to the commission electronically, except that the following information may be submitted in clear and legible black typeface or hand-printed in dark ink on paper in a format approved by the commission or on forms provided by the commission:

(1) information submitted by a candidate for municipal office for a municipality with a population of less than 15,000; in this paragraph, "municipal office" means the office of an elected borough or city

(A) mayor; or
(B) [PLANNING COMMISSIONER;
(C) UTILITY BOARD MEMBER; OR
(D)] assembly, council, or school board member;

(2) any information if the commission determines that circumstances warrant an exception to the electronic submission requirement [;

(3) INFORMATION SUBMITTED BEFORE MAY 1, 2009, BY A CANDIDATE FOR THE LEGISLATURE]."

Renumber the following bill sections accordingly.

Page 25, following line 24:

Insert a new bill section to read:

"* **Sec. 35.** AS 39.50.050(a), as amended by sec. 34 of this Act, is amended to read:

(a) The Alaska Public Offices Commission created under AS 15.13.020(a) shall administer the provisions of this chapter. The commission shall prepare and keep available for distribution standardized forms on which the reports required by this chapter shall be filed. The commission shall print the forms provided under this section so that the front and back of each page have the same orientation when the page is rotated on the vertical axis of the page. The commission shall require that the information required under this chapter [, UNLESS IT IS INFORMATION REQUIRED OF A MUNICIPAL OFFICER,] be submitted electronically but may, when circumstances warrant an exception, accept any information required under this chapter that is typed in clear and legible black typeface or hand-printed in dark ink on paper in a format approved by the commission or on forms provided by the commission and that is filed with the commission. A municipal officer **for a municipality with a population of less than 15,000** shall submit information required under this chapter either electronically or typed or hand-printed in the manner described in this subsection."

Renumber the following bill sections accordingly.

Page 27, line 29:

Delete "sec. 36"

Insert "sec. 38"

Page 27, line 30:

Delete "sec. 36"

Insert "sec. 38"

Page 27, line 31:

Delete "sec. 37"

Insert "sec. 39"

Page 28, line 3:

Delete "sec. 37"

Insert "sec. 39"

Page 28, line 4:

Delete "sec. 38"

Insert "sec. 40"

Page 28, line 8:
Delete "sec. 38"
Insert "sec. 40"

Page 28, lines 9 - 10:
Delete all material and insert:
"*** Sec. 44.** Sections 3, 29, and 35 of this Act take effect January 1, 2009."

Renumber the following bill section accordingly.

Page 28, line 11:
Delete "secs. 42 and 43"
Insert "sec. 44"

REPRESENTATIVE GRUENBERG made a motion to adopt Amendment 30.

REPRESENTATIVE COGHILL objected.

REPRESENTATIVE GRUENBERG explained that previously all municipalities had been exempted from reporting requirements. Amendment 30 would require that municipalities with populations over 15,000 submit reports on the same schedule as legislative members. Amendment 30 is also intended to simplify electronic reporting by setting the same commencement date for everyone. He noted that candidates for governor and lieutenant governor, and state wide ballot propositions would have to submit electronic reports immediately if "they are doing anything". He reminded the committee that financial disclosure would be due starting in April 2009, and campaign disclosures in June 2009. He indicated that the portion of Amendment 30 that proposes to change page 28, lines 9-10, would establish an effective date of January 1, 2009, for Sections 3, 29, and 35 of the bill.

[1:33:09 PM](#)

BROOKE MILES, Director, Alaska Public Offices Commission (APOC), Department of Administration (DOA), concurred with that summation of Amendment 30. In response to a question, she explained that the APOC has a neutral position on Amendment 30, but stated that it is possible that electronic filing by larger municipalities could be beneficial to the APOC's work. She went on to say that imposition of a simplified date would work, and characterized it as a legislative policy choice.

[1:34:25 PM](#)

DAVID JONES, Senior Assistant Attorney General, Opinions, Appeals, & Ethics, Civil Division (Anchorage), Department of Law (DOL), in response to a question, stated that the administration supports Amendment 30, and that it brings the bill closer to the administration's initial proposal.

REPRESENTATIVE COGHILL said that the intent is to give persons covered by the bill some time to file in order to make sure that the electronic system would be able to handle any changes to the reporting system.

MS. MILES explained that 50 percent of legislative members and 17 percent of statewide and municipal candidates reported electronically. She said that 68 percent of political groups filed electronically, and noted that the January 1, 2009, date will allow phase in of the new system since there will be municipal and state elections before that time that will smooth out "any rough spots" in the electronic filing system. She concurred with the statement that the date change in Amendment 30 would move the date for legislative disclosures to January 1, 2009, noting that the current date for disclosure is March 15.

CHAIR RAMRAS questioned whether Amendment 30 expedites the schedule.

MR. JONES clarified that the net effect of Amendment 30 would be to include the requirement that candidates running for office in municipalities of over 15,000 people file their reports electronically. He opined that in reality the date changes have very little effect because legislative disclosures would currently be due March 15th, so moving the effective date of electronic filing from July 1, 2008, to January 1, 2009, will only affect persons appointed to legislative office between July 1, 2008, and January 1, 2009.

REPRESENTATIVE COGHILL removed his objection.

CHAIR RAMRAS announced that Amendment 30 was adopted.

MS. ANDERSON turned attention to Section 8 of CSHB 109(STA) - specifically to proposed AS 24.60.030(a)(2)(K) - and noted that it would prohibit the use of state funds to send out a legislative newsletter in the 30 days preceding a state election; however, existing AS 24.60.030(c) prohibits the use of state funds within 90 days of an election. Because of this discrepancy, she opined that one of the time periods needs to be

amended. She relayed that the 30-day time period was suggested because there have been past occurrences wherein legislators have sent out newsletters in the 30 days preceding an election. Her office received calls from constituents concerned about the campaign-related content of some of these newsletters. As a result, the Select Committee on Legislative Ethics recommended that newsletters not be sent out within 30 days before an election. Additionally, the Select Committee on Legislative Ethics had wanted to restrict a legislator's use of Office Allowance Account Funds and Public Office Expense Term (POET) account funds during that time, but she explained that these restrictions may not be allowed because those funds are not state funds - rather, they are funds belonging to the individual legislator.

MS. ANDERSON referred to a committee handout which illustrates how the 30- and 90-day provisions would work based on the time frame from the 2006 campaign season. She said that using 2006 as an example, the 30 day period does not give a legislator much time between the end of the legislative session and the last day to use state funds to print a legislative newsletter. Based on this, her recommendation, she relayed, is to delete [the change currently proposed via Section 8 of the bill], and amend the current 90-day period to 60 days, which she surmised would give legislators adequate time to prepare their legislative newsletters in time for printing by the Legislative Affairs Agency print shop, and would resolve an issue she receives many comments on.

[1:44:43 PM](#)

MS. ANDERSON, in response to a query, clarified that she is suggesting that the change proposed on page 7 [line 15-18] be deleted and that the 90-day period in AS 24.60.030(c) be amended to 60 days. She mentioned that she would make the recommendation to the Select Committee on Legislative Ethics that the change to 60 days would allow adequate time for newsletter preparation.

REPRESENTATIVE SAMUELS stated he agreed with the 60-day period and sought clarification regarding whether he would be restricted from sending out a newsletter more than 60 days from the general election.

MS. ANDERSON indicated that he would be restricted from doing so.

REPRESENTATIVE GRUENBERG asked whether the language includes the Office Allowance Account Funds and POET accounts.

MS. ANDERSON replied that that decision would be up to the committee, but reiterated that there seems to be a constitutional prohibition against restricting the use of those accounts.

REPRESENTATIVE COGHILL, in response to comments, expressed agreement with a proposal to delete the [change proposed via Section 8 of the bill] and at the same time amend AS 24.60.030(c) to reflect a 60-day time period.

REPRESENTATIVE COGHILL [made a motion to adopt] Conceptual Amendment 31, to delete the words, "**unless the communication is (i) sent during the 30-day period immediately proceeding a state election; or (ii)**" from page 7, lines 15-18, reinsert the word, "except", and insert a new section that would alter AS 24.60.030(c)(1)(A) by changing "90 days" to "60 days". There being no objection, Conceptual Amendment 31 was adopted.

MS. ANDERSON suggested that via Conceptual Amendment 31, AS 24.60.030(c)(1)(A) also ought to have the words, "general election" added to the list of which elections it applies to.

[1:54:01 PM](#)

CHAIR RAMRAS returned the committee's attention to Amendment 28 [text provided previously].

DAVID G. SHAFTEL, Attorney at Law, explained that the first change proposed by Amendment 28 deletes the broad term "businesses" and instead makes use of the term, "interests in closely held businesses", stating that the latter would be inappropriate for a blind trust. The [third] change proposed by Amendment 28 specifically references statutes governing the prudent investor rule as adopted by Alaska.

[Chair Ramras turned the gavel over to Vice Chair Dahlstrom.]

MR. SHAFTEL explained that the second change proposed by Amendment 28 would add the term "trust company" after "bank", as a corporate fiduciary that could serve as a trustee. He indicated that this change may increase the number of institutions that are willing to serve as trustees. He noted that some larger financial institutions may be reluctant to serve as trustees if they feel it increases their risk exposure.

MR. SHAFTEL said that the forth change proposed by Amendment 28 clarifies the timing and substance of communications between the trustee and the trustor. He explained that one type of approved communication is when a beneficiary may have a need for funds. Under the federal form, directions can be given to a trustee that the trust may not hold a certain type of asset if prohibited by regulation, order, or statute. Further provisions are being added allowing the trustor to give the trustee direction to sell all of an asset held in a trust due to the determination by the trustor that retaining the assets would be, or appear to be, a conflict of interest.

MR. SHAFTEL went on to explain that language will be added to clarify that a trustee may provide a trustor a report disclosing the aggregate value of the trust assets. With regard to terminating a blind trust, he explained that federal law allows a trustor to revoke a trust if so approved in advance by the regulatory commission. He reminded the committee that blind trusts are voluntary, but the appropriate regulatory agency should be notified of termination so that it knows the assets no longer have the protection of the blind trust.

MR. SHAFTEL explained that the provisions of Amendment 28 proposing to alter page 24, lines 14-22, of the bill contain tax provisions taken from the federal form and replace the tax provisions currently in the bill. He said that these changes make it clear that the trustee is responsible for preparing and filing trust tax returns. However, the trustee is also required to provide the trustor with information necessary to file his/her own individual tax return without specifically knowing the makeup of the trust's assets.

MR. SHAFTEL explained that the change proposed by Amendment 28 to add a new Section 33 - proposed AS 39.50.040(c)-(g) - covers submission of quarterly reports, and allows the trustor to provide some written instructions that state the trustor's preferred investment approach. He expressed his concern with the language "conservative, moderate, or aggressive", and noted that although these are common investment terms, it may be appropriate to include some other more general language that would allow a trustor to set forth a risk-tolerance preference. [Proposed subsection (d)] requires that a copy of the communication written under these provisions must be filed with the APOC within five days of the date of the communication.

MR. SHAFTEL noted that [proposed subsection (e)] requires trustees to provide an annual certificate of compliance with the APOC as a method by which to reinforce to the trustee its responsibilities of administering a blind trust. Referring to [proposed subsection (f)] he said that it requires the trustee to make a full accounting at the time of trust termination and at that point the trustor is entitled to know and question the investment decisions. He relayed that the intent of [proposed subsection (g)] is to make it clear that while the trustee is responsible for proper investment performance, these provisions do not create any greater burden on the trustee. He indicated the need for financial institutions to be willing to take on the fiduciary responsibilities created by blind trusts.

[2:08:13 PM](#)

REPRESENTATIVE GRUENBERG [referring to the language currently in Section 32 of the bill - proposed AS 39.50.040(b)(2) - and as that language would be changed via Amendment 28] observed that the trustee could only be an institution. He asked whether there are also entities other than banks, trust companies, and institutional fiduciaries that could manage blind trusts.

MR. SHAFTEL said that based on his experience in Alaska, the companies that will act as corporate fiduciaries are either banks, trust companies separate from banks, or specially set up trust companies such as those set up under Alaska USA Federal Credit Union or Wells Fargo, for example. In response to a question, he indicated that he didn't know what types of institutions were available outside of Alaska that could administer trusts.

REPRESENTATIVE GRUENBERG asked whether all trust companies are bonded.

MR. SHAFTEL answered yes.

REPRESENTATIVE GRUENBERG posed the possibility that although blind trust provisions are currently being considered only for executive branch public officials, he could see that these provisions could be useful for municipal officials, legislators, and judges.

MR. WAYNE explained that AS 39.52.410 contains the authority to order a public officer under the Alaska Executive Branch Ethics Act to put assets in a blind trust.

REPRESENTATIVE GRUENBERG asked what would happen if a trustee goes out of business.

MR. SHAFTEL explained that the trust itself would not terminate if the trustee institution went out of business; instead, the trust would have to be transferred to another trustee. He told the committee that normally provisions for successor trustees are contained in the trust document. He responded to a question by stating that his preference is to not include such a provision in statute.

[2:14:04 PM](#)

REPRESENTATIVE GRUENBERG, referring to the change proposed by Amendment 28 that would insert a new proposed AS 39.50.040(b)(7), questioned whether a blind trust may contain joint assets, as long as the trustor's spouse is willing to abide by the terms of the trust.

MR. SHAFTEL replied that if the assets are community property, or are otherwise marital assets, consent of the trustor's spouse would be needed in order to place the assets in the trust. This would need to be worked out by the [trustee] and clients during the formation of the trust. With regard to how this relates to blind trusts, he stated that he has not seen this addressed in the federal statutes. However, he opined, it "certainly wouldn't hurt" to include [a provision addressing this issue].

REPRESENTATIVE GRUENBERG asked Mr. Shaftel to look into this further, and come up with language to be inserted at a later time.

MR. JONES referred to the language in proposed AS 39.50.040(c) of Amendment 28 that says, "each beneficiary" of a trust, and offered his understanding that this "contemplates the possibility that a trust could have more than one beneficiary." He stated that the administration believes that blind trusts can be an effective tool for public officials to use in order to avoid conflicts of interest, though currently no public officials are taking advantage of the existing blind trust provisions, perhaps because many public officials have simply chosen to divest any potential conflicting investments.

VICE CHAIR DAHLSTROM offered her hope that the proposed blind trust provisions would provide an additional option for public officials.

MR. JONES, in response to a question, stated his belief that the proposed blind trust provisions will give public officials better direction.

[2:19:14 PM](#)

REPRESENTATIVE COGHILL - referring to proposed AS 39.50.040(c) of Amendment 28, specifically the words, "[that is] conservative, moderate, or aggressive" - inquired as to whether it would be better to change this phrase to, "according to a prudent investor rule."

MR. SHAFTEL said:

The prudent investor rule ... provides a number of guidelines for the trustee, ... [and] an argument could be made that any limitations added by the settlor really infringe on that statute and the guidelines that are provided by that statute to the trustee. So, although we know that typically, in the investment world, these kinds of risk-tolerance preferences are almost always explored with the investor by a financial advisor - and that's why, to me, and I think to Representative Gruenberg, it made sense to allow for that kind of expression on the part of the person who is contributing his or her assets to the trust - I don't think that just reference to the "prudent investor rule" would allow for this. ... If the committee concludes that this kind of preference should be allowed, then Mr. Wayne and I were discussing that perhaps it ought to be more in terms of expressing a preference in terms of risk tolerance, because that really seems to be what this subject is aimed at. ...

REPRESENTATIVE COGHILL asked whether the words, "[that is] conservative, moderate, or aggressive" causes tension with proposed AS 39.50.040(g) of Amendment 28.

MR. SHAFTEL replied that the standard included in proposed AS 39.50.040(g) applies more to the competency of the investment techniques used by the fiduciary.

REPRESENTATIVE GRUENBERG asked whether the concern with the aforementioned language could be solved by simply placing a period after the words, "investment approach".

MR. SHAFTEL suggested instead adding the words, "may adopt a general investment approach".

REPRESENTATIVE GRUENBERG, referring to proposed AS 39.50.040(e) of Amendment 28, commented that the commission might develop a form for the "notarized document" requirement.

REPRESENTATIVE HOLMES opined that it is important to leave the words, "[that is] conservative, moderate, or aggressive" in Amendment 28. She pointed out that it would be banks and financial institutions that would be serving as trustees, and they will always default to the most conservative investment strategy possible unless there is something in writing that permits a more moderate approach. She opined that a person ought to have the ability to put such a preference in writing.

[2:25:37 PM](#)

REPRESENTATIVE COGHILL made a motion to amend Amendment 28 such that in proposed AS 39.50.040(f), the words, "the trustor shall" would be changed to, "the trustee shall".

MR. WAYNE agreed that the language should read "trustee".

[The amendment to Amendment 28 was treated as adopted.]

MS. MILES, in response to a question, said that she does not anticipate any regulatory issues arising from the adoption of Amendment 28, as amended, and characterized the proposed changes as a "substantial improvement" over current statute.

REPRESENTATIVE GRUENBERG, referring to proposed AS 39.50.040(d) of Amendment 28, asked if five days is long enough for a person to file his/her written communication with the APOC.

MS. MILES replied that similar disclosure requirements are already in place, and that she does not foresee it being a problem for the APOC.

REPRESENTATIVE GRUENBERG, referring to proposed AS 39.50.040(e), reiterated his comment regarding a form for the notarized-document requirement, and asked whether a statutory change would be required.

MS. MILES replied that the APOC already has authority to promulgate forms for this chapter.

CHAIR RAMRAS made motion to adopt Amendment 28, as amended. There being no objection, Amendment 28, as amended, was adopted.

VICE CHAIR DAHLSTROM returned the gavel to Chair Ramras.

[2:29:23 PM](#)

CHAIR RAMRAS referred to Amendment 32, labeled 25-GH1059\0.39, Wayne, 3/21/07, which read:

Page 26, following line 7:

Insert a new bill section to read:

"* **Sec. 36.** AS 39.52 is amended by adding a new section to read:

Sec. 39.52.154. State contractor disclosure. A person seeking to enter into a contract with an agency, public corporation, or quasi-public corporation to provide supplies, services, professional services, or public construction, or who enters into a contract with an agency, public corporation, or quasi-public corporation for one or more of these purposes, shall disclose to the representative of the agency, public corporation, or quasi-public corporation that is responsible for administration of the contract the relationship between the person and an association, partnership, business, company, corporation, or limited liability company if the person making the disclosure serves as a consultant or advisor to, is a member or representative of, or has a financial interest of greater than \$5,000 in the association, partnership, business, company, corporation, or limited liability corporation."

Renumber the following bill sections accordingly.

Page 27, line 29:

Delete "sec. 36"

Insert "sec. 37"

Page 27, line 30:

Delete "sec. 36"

Insert "sec. 37"

Page 27, line 31:

Delete "sec. 37"

Insert "sec. 38"

Page 28, line 3:
Delete "sec. 37"
Insert "sec. 38"

Page 28, line 4:
Delete "sec. 38"
Insert "sec. 39"

Page 28, line 8:
Delete "sec. 38"
Insert "sec. 39"

Page 28, line 11:
Delete "secs. 42 and 43"
Insert "secs. 43 and 44"

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 32.

REPRESENTATIVE COGHILL objected for discussion purposes.

MR. JONES shared his understanding that Amendment 32 is designed to require a person who is, or wishes to be, a contractor with the state to disclose all affiliations in which he/she has a financial interest greater than \$5,000. This would apply to corporations, limited liability companies, and others. Referring to the last words in proposed AS 39.52.154 of Amendment 32 - "limited liability corporation" - he suggested that they be changed to read, "limited liability company." Such a change would conform the language to the remainder of Amendment 32. He explained that Amendment 32 adds a new provision to the Alaska Executive Branch Ethics Act, but opined that it would fit better in Title 36, Chapter 30, which is the public contracting statute, because ultimately the goal is to disqualify individuals unless the aforementioned affiliations are revealed.

REPRESENTATIVE SAMUELS asked for an example of contractor disclosure.

MR. JONES explained that if a contractor is applying for a contract and serves as a consultant or advisor to, or has a financial interest of greater than \$5,000 in another business entity, this must be disclosed during the application process. In response to an additional question, he stated that the administration did not propose this amendment. He offered his

understanding that the intent is to make an individual's affiliations clear when a state contract is applied for.

CHAIR RAMRAS relayed that Amendment 32 was withdrawn.

[2:36:24 PM](#)

CHAIR RAMRAS referred to Amendment 33, labeled 25-GH1059\0.41, Wayne, 3/22/07, which read [original punctuation provided]:

Page 14, line 29:

Following "file a "

Insert "final"

Following "matter"

Insert "or interest, except for a matter or interest subject to disclosure under AS 24.60.200,"

Page 14, line 30, following "serving":

Insert ", unless the person previously disclosed the matter or interest and, for that reason, the matter or interest is no longer subject to disclosure. Nothing in this section excuses the filing of a disclosure or report as may be required by another section of this chapter"

Page 20, line 7, following "appointment":

Insert ". In addition, a person subject to this subsection

(1) shall, within 90 days after leaving service as a legislator, legislative director, or public member of the committee, file a final report containing the disclosures required of the person by AS 24.60.200 for the period that begins on the last day of the last period for which the person filed a report required by that section and ends on the date of the person's last day of service;

(2) who makes a disclosure required by AS 24.60.200 shall include that disclosure in every subsequent report under this section unless the matter or interest disclosed ceases to exist during a period for which a report has already been filed"

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 33.

REPRESENTATIVE COGHILL objected for discussion purposes.

CHAIR RAMRAS explained that Amendment 33 clarifies reporting requirements for legislators who are leaving office.

REPRESENTATIVE COGHILL offered his understanding that legislators leaving office would be required to report back, back to the date of the most recent annual report.

MS. ANDERSON agreed. In response to a question, she stated that the language included in proposed AS 24.60.210(a)(2) of Amendment 33 is not necessary, because it is duplicative language.

CHAIR RAMRAS made a motion to amend Amendment 33, to delete proposed AS 24.60.210(a)(2). There being no objection, Amendment 33 was amended.

MS. ANDERSON went on to say that because the disclosure requirement was changed to reporting within 30 days of being appointed, there is no longer an annual reporting requirement in statute, and so she had been working with Mr. Wayne to draft language to remedy this.

MR. WAYNE relayed that he has drafted an amendment which would address this issue and apply [an annual reporting requirement] under a more appropriate section of statute. In response to an additional question, he explained that while that proposed amendment and Amendment 33 "compliment each other," Amendment 33 can stand on its own.

REPRESENTATIVE COGHILL removed his objection [to the motion to adopt Amendment 33, as amended].

CHAIR RAMRAS noted that there were no further objections to Amendment 33, as amended, and announced that Amendment 33, as amended, was adopted.

[2:42:27 PM](#)

CHAIR RAMRAS referred to Amendment 34, labeled 25-GH1059\0.46, Wayne, 3-32-07, which read:

Page 14, line 10, following "interest":

Insert "or the date the legislator or legislative employee first becomes subject to this chapter, whichever comes first"

Page 14, following line 23:

Insert a new bill section to read:

"* **Sec. 18.** AS 24.60.105 is amended by adding a new subsection to read:

(c) In addition to the filing requirements under (a) and (b) of this section, the disclosures under (b) of this section shall be made annually, in a report filed with the committee within 30 days after the first day of the regular legislative session."

Renumber the following bill sections accordingly.

Page 27, line 29:

Delete "sec. 36"

Insert "sec. 37"

Page 27, line 30:

Delete "sec. 36"

Insert "sec. 37"

Page 27, line 31:

Delete "sec. 37"

Insert "sec. 38"

Page 28, line 3:

Delete "sec. 37"

Insert "sec. 38"

Page 28, line 4:

Delete "sec. 38"

Insert "sec. 39"

Page 28, line 8:

Delete "sec. 38"

Insert "sec. 39"

Page 28, line 9:

Delete "Section 28"

Insert "Section 29"

Page 28, line 10:

Delete "Section 33"

Insert "Section 34"

Page 28, line 11:

Delete "secs. 42 and 43"

Insert "secs. 43 and 44"

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 34.

REPRESENTATIVE COGHILL objected for discussion purposes.

MR. WAYNE, referring to the first change proposed by Amendment 34, said that it addresses a potential situation in which a legislator or legislative employee has a history that ought to be made public but because of the new 30-day deadline isn't; the change will ensure that disclosure in such a situation does occur. Referring, then, to the second change proposed by Amendment 34, he explained that it requires that the disclosures made under subsection (b) of proposed AS 24.60.105 be made annually.

MS. ANDERSON, in response to a question, stressed that individuals need to disclose both that they are currently serving on a board or commission and that they are about to start serving on a board or commission.

REPRESENTATIVE COGHILL removed his objection.

CHAIR RAMRAS noted that there were no further objections, and announced that Amendment 34 was adopted.

[2:47:04 PM](#)

CHAIR RAMRAS referred to Amendment 35, labeled 25-GH1059\0.44, Bullard, 3/23/07, which read:

Page 4, lines 1 - 2:

Delete "in this paragraph, "domestic partner" has the meaning given in AS 39.50.200(a);"

Page 4, line 8, following "commission":

Insert "[IN THIS PARAGRAPH, "DOMESTIC PARTNER" HAS THE MEANING GIVEN IN AS 39.50.200(a)]"

Page 4, following line 8:

Insert a new bill section to read:

"* **Sec. 5.** AS 24.45.041(b), as amended by sec. 4 of this Act, is amended to read:

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

(1) the lobbyist's full name and complete permanent residence and business address and telephone number, as well as any temporary residential and

business address and telephone number in the state capital during a legislative session;

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

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

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

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

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

(7) the identification of a legislator, legislative employee, or public official to whom the lobbyist is married or who is the domestic partner of the lobbyist;

(8) a sworn affirmation by the lobbyist that the lobbyist has completed the training course administered by the commission under AS 24.45.031(a) within the 12-month period preceding the date of registration or registration renewal under this chapter, except this paragraph does not apply to a person who is a representational lobbyist as defined under regulations of the commission."

Renumber the following bill sections accordingly.

Page 5, line 15:

Delete "a new subsection"

Insert "new subsections"

Page 5, following line 19:

Insert new material to read:

"(e) The spouse or domestic partner of a legislator may not engage in activity as a lobbyist. This subsection does not prohibit the spouse or domestic partner from acting as a volunteer lobbyist under AS 24.45.161(a)(1) or a representational lobbyist, as defined in regulation by the commission.

* **Sec. 8.** AS 24.45.171 is amended by adding a new paragraph to read:

(15) "domestic partner" has the meaning given in AS 39.50.200(a)."

Renumber the following bill sections accordingly.

Page 8, following line 25:

Insert a new bill section to read:

"* **Sec. 11.** AS 24.60.030(a), as amended by sec. 10 of this Act, is amended to read:

(a) A legislator or legislative employee may not
(1) solicit, agree to accept, or accept a benefit other than official compensation for the performance of public duties; this paragraph may not be construed to prohibit lawful solicitation for and acceptance of campaign contributions, solicitation or acceptance of contributions for a charity event, as defined in AS 24.60.080(c)(10), or the acceptance of a lawful gratuity under AS 24.60.080;

(2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person; this paragraph does not prohibit

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

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

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

(D) the legislative council, notwithstanding AS 24.05.190, from designating a

public facility for use by legislators and legislative employees for health or fitness purposes; when the council designates a facility to be used by legislators and legislative employees for health or fitness purposes, it shall adopt guidelines governing access to and use of the facility; the guidelines may establish times in which use of the facility is limited to specific groups;

(E) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others;

(F) a legislator from use of legislative employees to prepare and send out seasonal greeting cards;

(G) a legislator from using state resources to transport computers or other office equipment owned by the legislator but primarily used for a state function;

(H) use by a legislator of photographs of that legislator;

(I) reasonable use of the Internet by a legislator or a legislative employee except if the use is for election campaign purposes;

(J) a legislator or legislative employee from soliciting, accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable organization in a state facility;

(K) a legislator from sending any communication in the form of a newsletter to the legislator's constituents unless the communication is

(i) sent during the 30-day period immediately preceding a state election; or

(ii) a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for

the private benefit of a legislator or a legislative employee; or

(L) full participation in a charity event approved in advance by the Alaska Legislative Council;

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

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

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

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

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

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

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

(E) a legislator from using the legislator's private office in the capital city during a legislative session, and for the 10 days immediately before and the 10 days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of

the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with others; or

(F) use by a legislator of photographs of that legislator;

(6) communicate directly with a spouse or domestic partner of a legislator if the spouse or domestic partner is registered as a lobbyist under AS 24.45.041 and the communication concerns legislative action; in this paragraph, "legislative action" has the meaning given in AS 24.45.171."

Renumber the following bill sections accordingly.

Page 10, following line 15:

Insert a new bill section to read:

"* **Sec. 15.** AS 24.60.070(c), as amended by sec. 14 of this Act, is amended to read:

(c) When making a disclosure under (a) of this section concerning a relationship with a lobbyist to whom the legislator or legislative employee is married or who is the legislator's or legislative employee's domestic partner, the legislator or legislative employee shall also disclose the name and address of each employer of the lobbyist and the total monetary value received by the lobbyist from the lobbyist's employer. The legislator or legislative employee shall report changes in the employer of the spouse or domestic partner within 48 hours after the change. In this subsection, "employer of the lobbyist" means the person from whom the lobbyist received amounts or things of value for engaging in lobbying on behalf of the person."

Renumber the following bill sections accordingly.

Page 27, following line 26:

Insert a new bill section to read:

"* **Sec. 45.** AS 24.45.121(e) is repealed."

Renumber the following bill sections accordingly.

Page 27, line 29:

Delete "sec. 36"
Insert "sec. 40"

Page 27, line 30:
Delete "sec. 36"
Insert "sec. 40"

Page 27, line 31:
Delete "sec. 37"
Insert "sec. 41"

Page 28, line 3:
Delete "sec. 37"
Insert "sec. 41"

Page 28, line 4:
Delete "sec. 38"
Insert "sec. 42"

Page 28, line 8:
Delete "sec. 38"
Insert "sec. 42"

Page 28, following line 8:
Insert new bill sections to read:

"* Sec. 47. The uncodified law of the State of Alaska is amended by adding a new section to read:

CONDITIONAL EFFECT. Sections 5, 11, 15, and 45 of this Act take effect only if a court of competent jurisdiction enters a final judgment on the merits that is no longer subject to appeal or petition for certiorari holding AS 24.45.121(e), as enacted by sec. 7 of this Act, to be unconstitutional.

*** Sec. 48.** If secs. 5, 11, 15, and 45 of this Act take effect under sec. 47 of this Act, they take effect on the day after the last day on which an appeal of or petition for certiorari for the judgment described in sec. 47 of this Act could have been filed."

Renumber the following bill sections accordingly.

Page 28, line 9:
Delete "Section 28"
Insert "Section 29"

Page 28, line 10:

Delete "Section 33"
Insert "Section 37"

Page 28, line 11:

Delete "secs. 42 and 43"
Insert "secs. 48 - 50"

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 35.

REPRESENTATIVE COGHILL objected for discussion purposes.

REPRESENTATIVE GRUENBERG pointed out that previously, the committee adopted Amendment 2, which stated that the spouse or domestic partner of a legislator may not be a lobbyist. He explained that this may be held unconstitutional, as it is beyond the legislature's jurisdiction to regulate a spouse or domestic partner in this manner. Amendment 35 would simply prohibit legislators from discussing matters of legislative concern with the lobbyist. He said, "It is modeled on the congressional model we discussed" and addresses the fact that the legislature may not be able to prevent a person from lobbying because doing so might be unconstitutional.

A roll call vote was taken. Representative Gruenberg voted in favor of Amendment 35. Representatives Coghill, Samuels, Lynn, Holmes, Dahlstrom, and Ramras voted against it. Therefore, Amendment 35 failed by a vote of 1-6.

[2:51:22 PM](#)

CHAIR RAMRAS referred to Amendment 25, which had been tabled on 3/21/07; Amendment 25, labeled 25-GH1059\0.6, Wayne, 3/16/07, read:

Page 1, line 1, following "Act":

Insert "denying public employee retirement pension benefits to certain legislators, legislative directors, and public officers who commit certain offenses, and adding to the duties of the Alaska Retirement Management Board and to the list of matters governed by the Administrative Procedure Act concerning that denial;"

Page 1, following line 7:

Insert new bill sections to read:

"* **Section 1.** AS 14.25 is amended by adding a new section to read:

Sec. 14.25.212. Pension forfeiture. The provisions of AS 37.10.310 apply to pension benefits under AS 14.25.009 - 14.25.220.

* **Sec. 2.** AS 14.25 is amended by adding a new section to read:

Sec. 14.25.532. Pension forfeiture. The provisions of AS 37.10.310 apply to pension benefits under AS 14.25.310 - 14.25.590."

Page 1, line 8:

Delete "**Section 1**"

Insert "**Sec. 3**"

Renumber the following bill sections accordingly.

Page 2, following line 21:

Insert a new bill section to read:

"* **Sec. 5.** AS 22.25 is amended by adding a new section to read:

Sec. 22.25.800. Pension forfeiture. The provisions of AS 37.10.310 apply to pension benefits under this chapter."

Renumber the following bill sections accordingly.

Page 20, following line 21:

Insert new bill sections to read:

"* **Sec. 33.** AS 37.10.220(a) is amended by adding a new paragraph to read:

(16) administer pension forfeitures required under AS 37.10.310 using the procedures of AS 44.62 (Administrative Procedure Act).

* **Sec. 34.** AS 37.10 is amended by adding a new section to read:

Sec. 37.10.310. Pension forfeiture to preserve public trust in government. (a) A public officer, as defined in AS 39.52.960, a legislator, or a person employed as a legislative director, as that term is defined in AS 24.60.990, who is convicted of a federal or state felony offense of bribery, receiving a bribe, perjury, subornation of perjury, scheme to defraud, or fraud may not receive a state pension benefit if the offense was committed on or after the effective date of this section and was in connection with the person's official duties.

(b) Pension benefits and employee contributions that accrue to a person before the date of the person's commission of the offense described in (a) of this section are not diminished or impaired by that subsection.

(c) A state pension benefit under (a) of this section does not include

(1) insurance, voluntary wage reductions, involuntary wage reductions, or supplemental or health benefits under AS 39.30.090 - 39.30.495 or former AS 39.37.145;

(2) member or employee contributions under AS 14.25.050, 14.25.055, 14.25.075, 14.25.340, 14.25.360(a), AS 22.25.011, AS 39.35.160, 39.35.165(f), 39.35.180, 39.35.730, 39.35.760(a), or former AS 39.37.070.

(d) In a pension forfeiture matter under this section the board may award to a spouse, dependent, or former spouse of the person governed by the limitations in (a) of this section some or all of the amount that, but for the forfeiture under (a) of this section, may otherwise be payable. In determining whether to make an award under this subsection, the board shall consider the totality of circumstances, including

(1) the role, if any, of the person's spouse, dependent, or former spouse in connection with the illegal conduct for which the person was criminally charged;

(2) the degree, if any, to which the person's spouse, dependent, or former spouse profited financially from the person's illegal conduct; and

(3) any restitution ordered by the court in the criminal case and the amount of restitution, if any, still owing.

* **Sec. 35.** AS 39.35 is amended by adding a new section to read:

Sec. 39.35.672. Pension forfeiture. The provisions of AS 37.10.310 apply to pension benefits under AS 39.35.095 - 39.35.680.

* **Sec. 36.** AS 39.35 is amended by adding a new section to read:

Sec. 39.35.932. Pension forfeiture. The provisions of AS 37.10.310 apply to pension benefits under AS 39.35.700 - 39.35.990."

Renumber the following bill sections accordingly.

Page 27, following line 26:

Insert new bill sections to read:

"* **Sec. 48.** AS 44.62.330(a) is amended by adding a new paragraph to read:

(47) the Alaska Retirement Management Board for administration of pension forfeitures under AS 37.10.310.

* **Sec. 49.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY TO ELECTED PUBLIC OFFICERS' RETIREMENT SYSTEM. The provisions of AS 37.10.310, added by sec. 34 of this Act, apply to benefits under former AS 39.37 (elected public officers' retirement system)."

Renumber the following bill sections accordingly.

Page 27, line 29:

Delete "sec. 36"

Insert "sec. 43"

Page 27, line 30:

Delete "sec. 36"

Insert "sec. 43"

Page 27, line 31:

Delete "sec. 37"

Insert "sec. 44"

Page 28, line 3:

Delete "sec. 37"

Insert "sec. 44"

Page 28, line 4:

Delete "sec. 38"

Insert "sec. 45"

Page 28, line 8:

Delete "sec. 38"

Insert "sec. 45"

Page 28, line 9:

Delete "Section 28"

Insert "Section 31"

Page 28, line 10:

Delete "Section 33"
Insert "Section 40"

Page 28, line 11:

Delete "secs. 42 and 43"
Insert "secs. 51 and 52"

CHAIR RAMRAS mentioned that Amendment 25 pertains to retirement pension/benefit forfeiture, and that members' packets contain a memorandum from Mr. Wayne [dated 3/23/07].

REPRESENTATIVE DAHLSTROM made a motion to take from the table Amendment 25. There being no objection, the motion to adopt Amendment 25, which had been made on 3/21/07, was before the committee.

MR. WAYNE recounted that in the first paragraph of his memorandum he said that although it is not possible to predict with certainty how the courts will decide a particular issue, he thinks the court would probably resolve most of the constitutional issues raised by Amendment 25 in favor of the State, though one exception might pertain to state employees covered by collective bargaining agreements. He elaborated:

I think that that would be a constitutional violation to (indisc.) forfeiture on a state employee ... that's covered by a collective bargaining agreement that's [already] in effect when the language becomes law. In the subsequent round of negotiations the union and the State would be (indisc.) from agreeing to something in a contract that's inconsistent with state law. And so at that point, once the new agreement goes into effect, state employees could ... constitutionally have their pension rights forfeited, but until then, (indisc.) probably be a violation.

MR. WAYNE said that there is a difference between taking away someone's benefits that have already accrued and taking away benefits that have not yet accrued or that accrued after the date of the offense. Because "the line" is drawn from the date of the offense, though, there is good chance of withstanding a constitutional challenge, he remarked, because the court could conclude that the importance of [maintaining] the public's trust in government outweighs the importance of benefit rights.

REPRESENTATIVE COGHILL said he's been trying to keep criminal issues out of HB 109, and suggested that Amendment 25 is "going

down that road" and so he will be objecting to it on those grounds. He mentioned, though, that it raises a worthy topic of discussion.

A roll call vote was taken. Representatives Samuels, Lynn, Gruenberg, Dahlstrom, and Ramras voted in favor of Amendment 25. Representatives Holmes and Coghill voted against it. Therefore, Amendment 25 was adopted by a vote of 5-2.

[2:56:56 PM](#)

REPRESENTATIVE SAMUELS referred to Amendment 36, which read [original punctuation provided]:

Page 13, lines 12-25

Delete all materials and insert:

Sec. 24.60.100. Representation. A legislator or legislative employee who represents another person for compensation, unless that person is controlled by the legislator or legislative employee, other than compensation by the State of Alaska, before a municipal board or commission shall disclose to the committee the name of the person represented, the subject matter of the representation, and the body before which the representation takes place. The disclosure shall be made by the deadlines set out in AS 24.60.105. The committee shall maintain a public record of a disclosure under this section and forward the disclosure to the respective house for inclusion in the journal. A legislator or legislative employee may not represent another person for compensation, unless that person is controlled by the legislator or legislative employee, other than compensation by the State of Alaska, before an agency, committee, or other entity of the legislative or executive branches.

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 36.

REPRESENTATIVE HOLMES objected.

REPRESENTATIVE SAMUELS said:

What we tried to do here was find some middle ground, ... and it is my belief ... [that] you don't want a legislator going before an agency or any other body and throwing [his/her] ... weight around. People know

who we all are, ... and you get treated differently no matter what you do.

REPRESENTATIVE SAMUELS pointed out that under the first part of Amendment 36, if a legislator or legislative employee represents another person for compensation before a municipal board or commission, the legislator or legislative employee shall disclose to the [Select Committee on Legislative Ethics] the name of the person represented, the subject matter of the representation, and the body before which the representation took place. Under the second part of Amendment 36, a legislator or legislative employee may not represent another person for compensation - other than by the State of Alaska - before an agency, committee, or other entity of the legislative or executive branch, unless the person being represented is controlled by the legislator or legislative employee. Under Amendment 36, a legislator or legislative employee could represent a constituent before an agency as long as the legislator or legislative employee was only being compensated by the State of Alaska. He proffered that Amendment 36 would address the concerns raised by the examples given previously involving Representative Dahlstrom and Chair Ramras.

[3:01:42 PM](#)

REPRESENTATIVE HOLMES said that although Amendment 36 fixes some of the problems in Section 16 of the bill, she still has some concerns. She set forth two hypothetical situations to illustrate some actions that may be considered illegal under Amendment 36, but which she opined are not unethical. For example, a legislator [or legislative employee] who is also a realtor is required to comply with professional requirements for filing certain kinds of reports before that profession's governing board; under Amendment 36, it would be illegal for that person to have any contact with the applicable board, including filing routine paperwork. She further suggested that Amendment 36 would preclude a legislator and legislative employee from having any communication with state agencies that are connected with the person's employment.

REPRESENTATIVE SAMUELS disagreed. He opined that under Amendment 36, a person who wanted to go before a professional board could do so for the purpose of representing himself/herself. He relayed that he, as an employee of an airline, has chosen not to contact the Department of Transportation & Public Facilities (DOT&PF) in the course of his

employment; furthermore, when his company held a contract with the DOT&PF, he recused himself from administering that contract.

REPRESENTATIVE HOLMES pointed out, though, that a legislator who is also a realtor could not go before the Real Estate Commission to resolve an issue involving a client.

CHAIR RAMRAS sought clarification as to whether the prohibition would extend to representing a client in an ongoing sale of real estate, or whether it limits the legislator or legislative employee from appearing before the Real Estate Commission on matters perhaps not related to a current business relationship.

REPRESENTATIVE DAHLSTROM asked whether a real estate agent who is also a legislator would be able to represent a client before a broker and agent if there was a legal dispute.

REPRESENTATIVE HOLMES opined that such representation by a real estate agent who is also a legislator or legislative employee would be prohibited.

MR. JONES said he thinks the only instance where such would be prohibited would be if the matter came before a state agency, not just a situation involving a meeting of private parties.

REPRESENTATIVE HOLMES agreed that Mr. Jones' point is correct when applied to just the private party and the realtor, but argued still that such actions would be prohibited if a state agency or board were involved.

MS. ANDERSON agreed.

A roll call vote was taken. Representatives Dahlstrom, Coghill, Samuels, Ramras, and Lynn voted in favor of Amendment 36. Representatives Holmes and Gruenberg voted against it. Therefore, Amendment 36 to HB 109 passed by a vote of 5-2.

The committee took an at-ease from 3:12 p.m. to 3:22 p.m.

[3:22:19 PM](#)

CHAIR RAMRAS returned the committee's attention to Amendment 27 [text provided previously].

REPRESENTATIVE HOLMES made a motion to adopt an amended version of Amendment 27, which read [original punctuation provided]:

Page 1, lines 4 -5:

Delete "restricting representation of others by legislators and legislative employees;"

Page 13, lines 12 - 25:

Delete all material and insert:

Sec. 24.60.100. Representation. A legislator or legislative employee who represents another person for compensation, other than compensation by the State of Alaska, before a municipal, legislative, or executive branch agency, board, or commission shall disclose to the committee the name of the person represented, the subject matter of the representation, and the body before which the representation takes place. The disclosure shall be made by the deadlines set out in AS 24.60.105. The committee shall maintain a public record of a disclosure under this section and forward the disclosure to the respective house for inclusion in the journal. A legislator or legislative employee may not take [sic] represent another person for compensation, other than compensation by the State of Alaska before an agency, committee, or other entity of the legislative branch.

REPRESENTATIVE COGHILL objected.

REPRESENTATIVE HOLMES offered her belief that Section 16, even as amended by Amendment 36, is still overbroad in that it precludes routine communications integral to the everyday business transactions that legislators and legislative employees must engage in during the course of their non-legislative employment.

REPRESENTATIVE SAMUELS offered his interpretation that under Amendment 36, certain activity is banned, while under Amendment 27, as amended, such activity would be reportable.

Representative HOLMES agreed.

CHAIR RAMRAS asked whether deleting the term "executive branch" from Amendment 27, as amended, would make it similar to Amendment 36.

Representative HOLMES said no. She said that Amendment 27, as amended, provides disclosure requirements for municipal, legislative, and executive branch entities, whereas Amendment 36

contains a disclosure requirement for interactions with municipal entities and a prohibition on interactions with the executive branch.

REPRESENTATIVE SAMUELS clarified that the prohibition outlined in Amendment 36 applies unless a person is representing himself/herself or a person he/she has control over.

REPRESENTATIVE COGHILL indicated that that covers receipt of compensation for representation before an administrative agency.

CHAIR RAMRAS surmised that Amendment 27, as amended, would not preclude a legislator or legislative employee who is an attorney from employment, however he/she would have to disclose the name of the person represented and the subject matter and the body before which the representation takes place. He went on to say that arguably, the legislator or legislative employee could also have some influence over those commissions, boards, or other entities due to his/her position as a legislator or legislative employee.

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MR. JONES stated that one of the difficulties regarding this issue is that Alaska law defines "representation" very broadly. He referred to AS 24.60.990 and noted that representation is defined as an action taken on behalf of another, whether for compensation or not, including but not limited to meetings, telephone calls, appearances or proceedings at meetings. And although Amendment 27, as amended, uses the term "represent" in its text, not the term "representation", he predicted that a court would likely interpret "represent" by referencing the definition of "representation".

REPRESENTATIVE COGHILL questioned whether a legislator or legislative employee could appear before a state board or commission for compensation.

MR. JONES replied that such a person could not under Amendment 36. However, under Amendment 27, as amended, the legislator or legislative employee could perform such activities for compensation, but would have to disclose the activities.

REPRESENTATIVE COGHILL observed that the prohibitions of Amendment 36 provide a brighter line than mere disclosure requirements. He opined that there could be a real conflict of interest if a person receiving pay as a state legislator also

received compensation for representing a person before a state board or commission.

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REPRESENTATIVE GRUENBERG referred to Section 16 as amended by Amendment 36 and opined that it "sweeps too broadly" in that it would prohibit legislators and legislative employees engaged in many professions from conducting routine business matters, such as filing tax returns and asking questions or obtaining building variances from applicable agencies.

CHAIR RAMRAS suggested that perhaps appropriate language could be crafted from provisions that pertain specifically to the medical and legal professions.

MS. MILES explained that the federal law which covers medical practitioners prohibits those practitioners from making their clients' names public. She said that in the legal profession, certain cases, such as those involving minor children, are sealed.

CHAIR RAMRAS asked whether the committee could propose any changes to accommodate Representative Holmes's concerns.

MS. MILES pointed out that the aforementioned prohibitions pertain to representation for compensation.

REPRESENTATIVE COGHILL suggested that there may need to be changes made to the statutory definition of representation.

REPRESENTATIVE SAMUELS opined that there is a problem if legislators [and legislative employees] use their influence to gain advantages, such as not having to stand in line at the Division of Motor Vehicles (DMV).

REPRESENTATIVE COGHILL said that the first consideration is that legislators and legislative employees should not receive compensation, besides legislative pay, for legislative work. He opined that a legislator or legislative employee who receives compensation for non-legislative work should not use his or her legislative status to influence an outcome.

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REPRESENTATIVE GRUENBERG opined that what should be prohibited is payment by a third person for legislative activities. He

also noted that it is improper to attempt to use one's legislative influence outside the legislative process and suggested that a solution would be to simply prohibit that kind of behavior. He opined that the current [language of Section 16 as amended by Amendment 36] is both too broad and too narrow. It prohibits some routine activities, such as going to the DMV, because they could be done for compensation, but would allow activities involving invocation of legislative influence if it was being done on the legislator's [or legislative employee's] own behalf, he said. The solution is to prohibit such activities, regardless of whether they are being done for compensation, he concluded.

REPRESENTATIVE HOLMES reminded the committee that in prohibiting certain behavior, the legislature is characterizing that behavior as unethical. She set forth her concern that routine actions by legislators or legislative employees are prohibited by [Section 16 as amended by Amendment 36] even though the activities are not in and of themselves unethical. She again referenced routine phone calls for informational purposes as an example of prohibited activity.

REPRESENTATIVE SAMUELS emphasized that it is important to avoid even the perception of impropriety so that people have confidence in government. He reiterated that even if no impropriety is occurring, any perception of improper action or influence must be avoided.

CHAIR RAMRAS said he has been treated more deferentially by business groups and the state court system since he has been elected as a legislator. He explained that his business makes the bulk of its revenue between May and September. He noted that his attendance at a special session during those months could have a serious financial effect on his business. Despite this, he said that his decision to serve in the legislature is a voluntary one based on the privilege of holding public office. He surmised that there is a price to be paid to represent the State of Alaska. He said that prohibiting certain activities provides a clearer, brighter line and perhaps better results for the people of Alaska.

[3:54:04 PM](#)

REPRESENTATIVE HOLMES agreed that legislators are treated differently and experience disruption of normal life activities. However, she said, she cannot agree with the broad provisions that prohibit employees from certain routine activities. She

predicted that such a prohibition will be difficult to [enforce] and will have an adverse impact on the ability of those covered to earn a living.

REPRESENTATIVE GRUENBERG observed that as currently drafted, Amendment 36 would prohibit legislators who work for others from engaging in certain activities.

CHAIR RAMRAS noted that there are many different employment situations among the legislators and legislative employees. Regardless of an individual's employment situation, it is not fair that legislators and legislative employees are treated differently by those with whom they interact; this deferential treatment is particularly unfair if the legislator is before a state agency, board, or commission.

REPRESENTATIVE HOLMES pointed out that if this behavior is unethical, then the prohibitions ought to also apply to a business owner who is also a legislator or legislative employee.

REPRESENTATIVE SAMUELS disagreed, citing that a business owner is representing himself/herself, which, he opined, is vastly different from being paid to represent someone else.

REPRESENTATIVE DAHLSTROM relayed that her preference would be to delete Section 16 from the bill, but because she does not have a solution to the current problem she will not offer such a change.

REPRESENTATIVE GRUENBERG commented that Section 15 already says that a "legislator may not, directly or by authorizing another to act on the legislator's behalf, accept or agree to accept compensation, except from the State of Alaska, for work associated with legislative action, administrative action, or political action" as currently defined by law.

CHAIR RAMRAS reiterated that his choice is to opt for prohibition of certain activities because disclosure could leave gaps.

A roll call vote was taken. Representatives Holmes and Gruenberg voted in favor of Amendment 27, as amended. Representatives Dahlstrom, Coghill, Samuels, Lynn, and Ramras voted against it. Therefore, Amendment 27, as amended, failed by a vote of 2-5.

[4:05:04 PM](#)

REPRESENTATIVE DAHLSTROM made a motion to adopt Amendment 37, which read [original punctuation provided]:

Page 19, Lines 18-26:

Delete all materials

Insert:

(2) as to income or deferred income in excess of \$1,000 earned or received as compensation for personal services, and as to dividend income or deferred compensation in excess of \$1,000 received from a limited liability company as compensation or deferred compensation for personal services, a statement describing:

(A) name and address of the source of the income;

(B) the amount of the of the income;

(C) a brief statement describing whether the income was earned by commission, by the job, by the hour, or by some other method;

(D) the dates and approximate number of hours worked to earn the income; and

(E) unless required by law to be kept confidential, a description sufficient to make clear to a person of ordinary understanding the nature of each service performed and the date the service was performed.

REPRESENTATIVE COGHILL objected.

REPRESENTATIVE HOLMES said Amendment 37 would take Section 26, which applies to the legislative branch, and conform it to a similar provision - Section 31 - pertaining to the executive branch. Amendment 37 addresses issues related to disclosures of income and deferred income for personal services. She noted that the reference to "limited liability company" is made in Amendment 37 only because such entities are not yet covered by existing statute and regulation.

MS. MILES concurred, and said the APOC's job is easier when the rules are the same for both the legislative and executive branches. In response to questions, she said the APOC will make every effort to make its form as simple as possible so that it is clear what information is required, and confirmed that a person's deferred income would be reported as such, but would still be disclosed to the public as income.

4:09:52 PM

REPRESENTATIVE HOLMES made a motion to amend Amendment 37, to remove the duplicate words, "of the" in proposed paragraph (2)(B), and to change the word "ate" in proposed paragraph (2)(E) to the word, "date". There being no objection, the amendment to Amendment 37 was adopted.

MS. MILES, in response to comments, clarified that [those filing] legislative financial disclosures must file on behalf of themselves, their domestic partner or spouse, and their dependent children.

REPRESENTATIVE HOLMES made a motion to amend Amendment 37, as amended, to add a new subparagraph (B) that says, "the recipient of the income or gift;", and to [reletter] the remaining subparagraphs accordingly.

MS. MILES said the word gift is not appropriate in this part of statute, because legislators and legislative employees report gifts to the Select Committee on Legislative Ethics under a separate provision of statute. In response to a question, she confirmed that the language would be fine without the words, "or gift".

REPRESENTATIVE HOLMES indicated that the recommendation to delete "or gift" from the language of the new proposed subparagraph (B) was acceptable.

CHAIR RAMRAS announced that Amendment 37, as amended, was further amended.

REPRESENTATIVE SAMUELS asked whether the term "deferred compensation" ought to be defined.

MR. JONES said he thinks that that term is generally understood and would not need further definition.

MR. JONES, in response to a question, said that the section of the bill that addresses executive branch disclosures already includes similar language.

REPRESENTATIVE COGHILL removed his objection to Amendment 37, [as amended].

CHAIR RAMRAS, noting that there were no further objections, announced that Amendment 37, as amended, was adopted.

REPRESENTATIVE SAMUELS observed that the ethics of the judiciary branch of government has not yet been discussed. He continued:

On our ethics committee, we have four legislators, we have five citizens, [and] the chairman must be a citizen. In the judicial branch, they have six attorneys and three citizens: three attorneys who do business before the bar, three judges [who] ... are colleagues with the person who has a complaint against them, and three citizens. And the question that I asked in the budget subcommittee on the Commission on Judicial Conduct was that if we had a legislative ethics committee with six legislators and three citizens, how do you think the public would see that. And I did not offer an amendment - although I did have one drafted - to change that, to put the citizens in charge of complaints on the judiciary, rather than the judiciary in charge of complaints on the judiciary, because it strikes me as wrong. And there may be a bill in the making ... to do just that.

[4:17:00 PM](#)

REPRESENTATIVE DAHLSTROM moved to report CSHB 109(STA), as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 109(JUD) was reported from the House Judiciary Standing Committee.

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 4:18 p.m.