

**ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE**

January 23, 2007

8:19 a.m.

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Bob Roses, Vice Chair
Representative John Coghill
Representative Kyle Johansen
Representative Craig Johnson
Representative Andrea Doll
Representative Max Gruenberg

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 10

"An Act prohibiting legislators and certain former legislators from accepting or agreeing to accept compensation for certain work; relating to disclosures under the Legislative Ethics Act; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 20

"An Act relating to disclosure of campaign contributions; prohibiting spouses and domestic partners of legislators and legislative employees from receiving compensation for lobbying; and prohibiting legislators and legislative employees from entering into contracts to provide consulting services."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 10

SHORT TITLE: LEGISLATIVE DISCLOSURES/OUTSIDE INCOME

SPONSOR(S): REPRESENTATIVE(S) LYNN, GARDNER, GATTO, GARA,
SEATON, HOLMES, LEDOUX, BUCH, WILSON, DOOGAN

01/16/07 (H) PREFILE RELEASED 1/5/07

01/16/07 (H) READ THE FIRST TIME - REFERRALS

01/16/07 (H) STA, JUD
01/23/07 (H) STA AT 8:00 AM CAPITOL 106

BILL: HB 20

SHORT TITLE: CAMPAIGN FINANCE/LOBBYING/CONSULTING

SPONSOR(s): REPRESENTATIVE(s) HARRIS, MEYER, HAWKER, CHENAULT,
SAMUELS, FAIRCLOUGH, NEUMAN, WILSON, LEDOUX, THOMAS, RAMRAS,
JOHNSON

01/16/07 (H) PREFILE RELEASED 1/5/07
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01/23/07 (H) STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

REPRESENTATIVE BERTA GARDNER

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Introduced HB 10 as sponsor.

JOYCE ANDERSON, Ethics Committee Administrator

Select Committee on Legislative Ethics
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB
10.

IRIS MATTHEWS, Staff
to Representative Berta Gardner
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Testified and answered questions on behalf
of Representative Gardner, sponsor of HB 10.

BROOKE MILES, Executive Director
Alaska Public Offices Commission (APOC)
Anchorage, Alaska

POSITION STATEMENT: Testified during the hearing on HB 10.

STEVE CLARY, Executive Director
Alaska Public Interest Research Group (AkPIRG)
Anchorage, Alaska

POSITION STATEMENT: Testified on behalf of AkPIRG in support of
HB 10.

REPRESENTATIVE JOHN HARRIS

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Testified as sponsor of HB 20.

TOM WRIGHT

House Majority Office
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Provided comment during the hearing on HB 20.

ACTION NARRATIVE

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at [8:19:55 AM](#). Representatives Roses, Coghill, Johansen, Johnson, Gruenberg, Doll, and Lynn were present at the call to order.

[8:21:27 AM](#)

CHAIR LYNN related that the gavel he uses had been his grandmother's, given to her as an award for being "the most improved student."

[8:22:09 AM](#)

CHAIR LYNN announced that, thus far, 27 bills have been referred to the House State Affairs Standing Committee, 10 of those bills addressing legislation pertaining to ethics. He said the legislature is listening to the public's demand for improved ethics legislation. He stated that although no ethics legislation can make an unethical person ethical, better ethics legislation can help keep good people out of trouble by clarifying what is and is not a conflict of interest. He opined that raising the level of trust between constituents and their government should improve upcoming negotiations for a gas pipeline.

[8:23:52 AM](#)

CHAIR LYNN mentioned the day's agenda and stated that a bipartisan approach to ethics legislation is critical, because "ethics has no party label." He relayed that Governor Sarah Palin has stated that she would like to see one ethics bill enacted, rather than several bills that each address only one aspect of the ethics situation while missing the big picture and leading to unintended consequences. He encouraged the committee

to work in crafting a good bill in a timely manner and to consider a bill from the administration. He suggested a subcommittee may be formed. Chair Lynn stated his intent is not to move bills out of committee today, in order to give due consideration to the issues; however, he related his wish for the committee to avoid "paralysis by analysis."

[8:26:51 AM](#)

CHAIR LYNN directed attention to a handout from the Alaska Budget Report which offers a comparison between "the various bills."

HB 10-LEGISLATIVE DISCLOSURES/OUTSIDE INCOME

[8:27:20 AM](#)

CHAIR LYNN announced that the first order of business was HOUSE BILL NO. 10, "An Act prohibiting legislators and certain former legislators from accepting or agreeing to accept compensation for certain work; relating to disclosures under the Legislative Ethics Act; and providing for an effective date."

[8:29:00 AM](#)

REPRESENTATIVE BERTA GARDNER, Alaska State Legislature, introduced HB 10 as sponsor. She thanked Chair Lynn for his leadership on the issue of ethics, his efforts to craft a solid bill that will garner bi-partisan support, and the expediency with which he scheduled the bill to be heard. She stated, "It's unfortunate that scandal and allegation of impropriety against just a few do taint the entire body." She relayed that HB 10 is not aimed at any particular individual; it applies to all legislators and is designed to promote disclosure and, through that, increase public confidence. She said she and her staff have worked closely with the Alaska Public Offices Commission (APOC), legislative legal teams, and Joyce Anderson on the issue, listening to the concerns expressed and trying to incorporate them into the bill. Representative Gardner stated that while she believes HB 10 is a good bill and there are provisions in it to which she is absolutely committed, she acknowledges that there is still room for improvement through suggestions.

[8:31:51 AM](#)

JOYCE ANDERSON, Ethics Committee Administrator, Select Committee on Legislative Ethics, Alaska State Legislature, stated that although she has worked closely with the offices of both Representative Gardner and Chair Lynn in attempting to make the language of HB 10 clear, she does not speak on behalf of the committee that has not yet had a chance to review the bill. One exception to that is Section 2, she stated, the language of which she said the committee welcomed to the bill. She reviewed that Section 2 cements the advisory opinion issued by the Select Committee on Legislative Ethics that legislators, legislative employees, and public members of the Select Committee on Legislative Ethics should be required to file ethics disclosures for anything that occurred while in office, even though the disclosure date may be after they have left office.

MS. ANDERSON expressed a favorable opinion of Section 1 of HB 10, because of the change in the language [in paragraph 1, page 1, lines 9-11], which read as follows:

(1) a former member of the legislature or to a person formerly employed by the legislative branch of government unless a [THE] provision of this chapter specifically states that it applies;

MS. ANDERSON explained, "So, what it does is it opens it up a little bit and makes it not just a particular section but ... for the whole chapter." She said Section 4 of the bill, although in the ethics section of statute, is administered by APOC, thus she said she would refrain from testifying on that particular section. She offered to answer any questions regarding [subsection (c) of] Section 2, which read as follows:

(c) During the term for which elected or appointed and for one year thereafter 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, administrative, or political action.

[8:34:15 AM](#)

REPRESENTATIVE GRUENBERG asked if there are any other Select Committee on Legislative Ethics' opinions that should be considered for codification.

MS. ANDERSON answered yes. She stated her intent to provide a list of such to the committee.

REPRESENTATIVE GRUENBERG expressed his appreciation of the work of the Select Committee on Legislative Ethics and said he looks forward to receiving those suggested changes.

[8:36:31 AM](#)

REPRESENTATIVE COGHILL, regarding Section 2, questioned whether it may be difficult to determine whether a person is acting on his/her own behalf or being directed by someone else.

MS. ANDERSON responded that that language is in another portion of statute where the word "another", used in "authorizing another to act", was meant to mean a staff person.

REPRESENTATIVE COGHILL suggested there could be an interesting discussion on the topic.

[8:39:25 AM](#)

MS. ANDERSON, in response to a question from Chair Lynn, said the phrase "one year thereafter" is "not specifically in the code anywhere." She stated, "The only prohibition on legislators at this point is that they cannot become a lobbyist for one year after they leave office." She recalled that there is another prohibition that has to do with not allowing legislators to take a job with the state "if they have actually voted on that particular position." In response to a follow-up question from Chair Lynn, she stated her belief that administering the rule about "one year thereafter" would be difficult from the point of view of the committee.

[8:40:31 AM](#)

REPRESENTATIVE GRUENBERG commented that the Select Committee on Legislative Ethics' jurisdiction ends after the legislator leaves office. He asked Ms. Anderson if she thinks the Select Committee on Legislative Ethics should be allowed to take action on "something appropriate" after the legislator leaves office or, if not, "how would they enforce this for one year thereafter?"

[8:41:35 AM](#)

MS. ANDERSON responded that the "legislators are covered for one year after they leave office, for the purpose of filing ethics complaints." She said once a legislative employee has left employment, the Select Committee on Legislative Ethics has no jurisdiction over them. Furthermore, in the ethics code there is a sanction section. She continued:

So, if a legislator were to leave office and violate this new section of the code that we're ... looking at today, if a complaint was filed, the [Select Committee on Legislative Ethics] would have jurisdiction to look at that particular complaint if they found that person in violation. The sanction section of the code would allow the committee to issue a fine of up to \$5,000 if they felt [that to be] appropriate. That is the only penalty that I see in here at this point. So, in looking at the new language, there would really not be a penalty involved with a violation if it was for one year thereafter, unless a complaint was filed against a particular legislator.

[8:42:51 AM](#)

REPRESENTATIVE GRUENBERG drew attention to the word "compensation" on page 3, line 2. He said that in the legal sense, the word usually denotes income, and he said he could see somebody arguing that he/she was not getting compensation but was being given a gift. He suggested that a phrase such as "anything of value" be used instead.

[8:43:26 AM](#)

IRIS MATTHEWS, Staff to Representative Berta Gardner, Alaska State Legislature, testifying on behalf of Representative Gardner, sponsor, noted that "compensation" is defined in AS 24.60.990 [paragraph (4)], which read as follows:

(4) "compensation" means remuneration for personal services rendered, including salary, fees, commissions, bonuses, and similar payments, but does not include reimbursement for actual expenses incurred by a person;

REPRESENTATIVE GRUENBERG said Ms. Matthews just defined what is income, but someone could maintain that what they were given was a gift.

8:44:13 AM

MS. MATTHEWS responded that "anything of value" is also defined in [part of AS 24.60.990(a)(2)], which read as follows:

(2) "anything of value," "benefit," or "thing of value" includes all matters, whether tangible or intangible, that could reasonably be considered to be a material advantage, of material worth, use, or service to the person to whom it is conferred; the terms are intended to be interpreted broadly and encompass all matters that the recipient might find sufficiently desirable to do something in exchange for;

MS. MATTHEWS noted that the statute goes on to list some exceptions. She noted that that statute is available in the committee packet.

8:45:02 AM

REPRESENTATIVE COGHILL remarked, "The exception is some value for state work associated with legislative, administrative, political action." He asked Ms. Anderson, "What was your thinking ... on the political action part, as far as being paid by the state? That would be a policy action?"

8:45:33 AM

MS. ANDERSON replied:

When I met with both Representative Lynn and Representative Gardner's office, I expressed to them that all three of those terms have really not had any particular discussion by the ethics committee, and there are really not any advisory opinions that have dealt with those particular definitions in any part of the code. So, I guess I would have to look at your question and ... do a little bit more research and get back to you.

REPRESENTATIVE COGHILL stressed the importance of clarifying which actions are okay. If the state is going to prohibit someone from political action that comes with some reward to it, for a whole year after he/she is out of office, "we want to take a good, hard look at that." He added, "If it's paid for by the

state, that might be just as big a problem as if it's paid for by anybody else."

[8:46:55 AM](#)

MS. MATTHEWS began her review of HB 10. She said the bill would do three things: prohibit legislators from taking certain types of paid work outside of their legislative position; require greater disclosure of some of the outside work done by legislators; and require a disclosure requirement. She said there is also some "clean-up language" in the bill, and the meat of bill is in Sections 2, 3, and 4. Ms. Matthews reviewed Section 2 of the bill [text provided previously]. She said the intent is to ensure that legislators are only paid by the State of Alaska for "legislative-type work." Section 3, she explained, would require a legislator, legislative employee, or public member of the committee leaving office to file a final disclosure. She noted that the language in Section 3 supports an advisory opinion filed by the Select Committee on Legislative Ethics in December 2006. Section 4 would ask that legislators filling out forms provide more specific information regarding the nature of the work they've done. Most people know what an accountant or lawyer does, Ms. Matthews said, but there are some jobs that are less known. Section 4 would give the public additional tools with which to look at disclosures and determine whether or not people are being compensated fairly.

[8:50:49 AM](#)

REPRESENTATIVE GRUENBERG disclosed that he is a nonpracticing member of the Alaska Bar. He drew attention to the word "administrative" on page 2, line 4, and asked:

If I were to go back to practicing family law and took child support cases - either people seeking to collect child support or change child support, or defending those case before the Child Support Enforcement Division - would that now be prohibited?

MS. MATTHEWS answered yes. She continued:

Any sort of appearance under an administrative hearing would have to be prohibited under this statute. And I think there's been a lot of discussion about that as we've talked about it. [The Select Committee on Legislative Ethics] issued an opinion ... a little over a year ago about legislators working on behalf of

their constituents before administrative hearing officers, and there was the feeling that ... legislators should not be talking to the decision makers in those cases on these constituents' issues. We think it's reasonable to expect that ... a legislator appearing before a hearing officer may be treated differently than another attorney who doesn't have that title.

REPRESENTATIVE GRUENBERG questioned what evidence Ms. Matthews has to support her statement. He clarified:

I'm talking about a situation such as the hypothetical that I gave, where most family lawyers do take child support cases, and many times they go before the Child Support Enforcement Division. That's a very serious allegation that ... you're making against a large number of attorneys, ... frankly, and other attorneys who practiced maybe before the Commercial Fisheries Entry Commission, and all kind of agencies maybe taking procurement cases under the procurement code, or anything Very many lawyers in this state do that. And are you aware of any circumstances where that sort of thing -- because you're going to prohibit a whole profession from practicing with your limits."

[8:53:17 AM](#)

REPRESENTATIVE GARDNER provided the response, stating that she has no intention of maligning anybody's intention or behavior. She explained that the bill is attempting to clarify what is acceptable, honorable, and worthy of respect. She said she is not fully committed to this particular provision; however, she said she wants to ensure people don't have the perception of "taking advantage of their office in employment, while they're legislators or shortly thereafter - that they don't trade on that title." She suggested that the period of one year may not be the best timing.

REPRESENTATIVE GRUENBERG replied that he is not concerned about the time. He said he is more concerned with the quasi-adjudicative function than the rulemaking function. He said he thinks attorneys, for example, should be able to appear in a foreign agency in a quasi-adjudicative function.

REPRESENTATIVE GARDNER proffered that the point to consider is whether a member of the public with a child support case who

wants to hire an attorney will think he/she stands a better chance in hiring an attorney who is also a representative over "Mr. Average attorney."

8:55:41 AM

REPRESENTATIVE GRUENBERG responded, "That would be like saying you can't go before a judge because you're going to get better treatment as an attorney before a superior court judge" He noted that hearing officers are held to a quasi-judicial standard of conduct.

8:56:21 AM

REPRESENTATIVE GARDNER stated that she understands Representative Gruenberg's concern; however, she said the intent is to convey that the legislators will be held to a higher standard. As public citizens become public officials, she said, they give up some opportunities, give up privacy, and disclose details that as private citizens they never would. She reiterated her willingness to consider amendments to the bill.

8:57:06 AM

REPRESENTATIVE ROSES expressed concern regarding the retroactivity aspect of bill. He clarified that if the bill is adopted, not only will legislators and employees not be allowed to perform certain work for one year after leaving office, but "we have another clause in here where we want to go back retroactively and require a change in behavior of those that have already left office." He asked, "If we're going to hold ourselves to a certain standard, why would we then want to go back and change the conditions under which other people have already served?"

8:58:38 AM

MS. MATTHEWS indicated that the proposed legislation mirrors the advisory opinion of the Select Committee on Legislative Ethics, which requires those leaving office to file disclosures.

REPRESENTATIVE GRUENBERG said he would like the committee to take a legal look at the issue, because he said he does not think retroactive measures would be required.

9:00:07 AM

MS. MATTHEWS said there are examples of reporting deadlines in The Legislative Advisor, a publication generated by the Select Committee on Legislative Ethics. Those examples include legislators leaving office on January 16 and specify that those legislators would be subject to the March 15 recording requirements.

REPRESENTATIVE GRUENBERG reiterated that he would like a legal opinion.

[9:00:54 AM](#)

REPRESENTATIVE ROSES stated that he does not have a problem with the proposed legislation, although it may need some tweaking. He stated that when the prior set of legislators were sworn into office, they had a set of regulations, guidelines, and ethics that they were supposed to follow, and to go back now to clarify situations under which they were sworn in and hold them to a different standard from what they were expected to uphold in the beginning gives him concern.

[9:02:01 AM](#)

REPRESENTATIVE GARDNER reiterated Ms. Matthews' previous remark that the bill is clarifying the advisory opinion and making it less ambiguous.

REPRESENTATIVE ROSES said he appreciates what Representative Gardner is saying; however, he anticipates offering amendments on this issue.

REPRESENTATIVE GARDNER suggested Ms. Anderson be included in the discussion the next time the bill is heard.

[9:03:01 AM](#)

REPRESENTATIVE GRUENBERG stated for the record his concern with [subparagraph (B), on lines 1-2], page 3, which would require the disclosure of the total number of hours spent on services. He opined that there needs to be some language included to allow APOC or some other entity to use a different standard when hourly wages are not applicable. Taxi drivers, for example, are paid by the mile, not by the hour, he said.

[9:04:50 AM](#)

REPRESENTATIVE COGHILL spoke of trading. He suggested using an industry standard rather than figuring service by hours. He stated his agreement with the concept that a person shouldn't be receiving an inordinate amount of money just because he/she is a legislator.

[9:06:53 AM](#)

REPRESENTATIVE GARDNER said this issue is the heart of the bill. Notwithstanding that, she said she is willing to speak to APOC to find some other language to satisfy the concerns expressed by the committee, while keeping the bill strong.

[9:08:23 AM](#)

REPRESENTATIVE GRUENBERG said he just wants what is fair.

[9:08:34 AM](#)

REPRESENTATIVE GARDNER noted that a representative of APOC was available to testify.

[9:08:58 AM](#)

REPRESENTATIVE JOHNSON brought up another issue, which is working for commissions. He said many people generate their living in this manner and, looked at from an hourly perspective, one hour may garner a disproportionately large income while another will earn almost none. He mentioned real estate work.

[9:09:43 AM](#)

REPRESENTATIVE GARDNER noted that realtors are licensed professionals, thus they would not have to disclose in the same detail. She said a realtor who sold one house and made a lot of money also spent time designing and running the advertisement. Because of the nature of the work, the time spent is an estimate.

[9:10:12 AM](#)

CHAIR LYNN disclosed that he holds a real estate license.

[9:10:18 AM](#)

REPRESENTATIVE JOHNSON suggested that real estate may not have been the best example. He stated that there are a lot of

workers who earn commission but whose income is not "cut and dry on a contract."

[9:10:40 AM](#)

REPRESENTATIVE GARDNER noted that under current law, a person can report \$100,000 in services with no other information. She added, "And while this proposal may be imperfect, it still, I think, is better to say, '\$100,000 for 10 hours [than] \$100,000 - none of your business.'"

[9:11:32 AM](#)

BROOKE MILES, Executive Director, Alaska Public Offices Commission (APOC), stated that that HB 10, for the first time in Alaska law, codifies the fact that dividends from a limited liability company are income and must be disclosed as such. She said APOC appreciates the clarification, which she noted will provide a useful tool in enforcing financial disclosure laws. Additionally, HB 10 provides that when a person subject to legislative ethics law, particularly a legislator, is providing professional services for remuneration, those services must be described in sufficient detail for the public knows what the legislator actually did for his/her employer or client.

MS. MILES opined:

In that ... legislative ethics code ..., we have a measure that prohibits legislators from being paid for work that is not commensurate with the amount they're paid. And so, should an allegation be made to the committee that a legislator has violated this section of law, having a standard that's disclosed on their public disclosure statement would be a very useful tool to the committee.

MS. MILES expressed appreciation for the clarity in the bill on page 3, subparagraph (C), which instructs a legislator, already required to disclose a source of income, to report the amount of that income. She said the language is without the caveat that that income have an interest in legislative, administrative, or political action. She explained that that caveat is subjective and has caused confusion and a lack of full reporting in the past, "in an accidental way." The measure, she added, will not have fiscal impact on the work of the commission.

[9:15:10 AM](#)

REPRESENTATIVE GRUENBERG told Ms. Miles that he supports the elimination of language on page 3, lines 4-6; however, he noted that the same language is not being eliminated from page 3, lines 9-10. He asked if she thought it should be.

[9:16:55 AM](#)

MS. MILES agreed it would be easier to administer the law if that language was removed from lines 9-10.

REPRESENTATIVE GRUENBERG directed attention to page 2, line 24, regarding dividends received from a limited liability company, and he suggested that something like "anything else of value" be added. He explained that it is easy to call something other than a dividend. Furthermore, he suggested that the language say "any kind of an entity" to include sole proprietorship, limited liability partnership, or a corporation. He said that would get rid of wiggle room in the language.

MS. MILES answered that APOC would find any clarification language to be acceptable and welcome. She noted that limited liability companies did not exist at the time the original language in statute was created. She stated, "We would like to make sure that we encompass all."

The committee took an at-ease from [9:19:37](#) to [9:20:10 AM](#).

[9:20:33 AM](#)

STEVE CLARY, Executive Director, Alaska Public Interest Research Group (AkPIRG), testified in favor of HB 10. He mentioned his and many others' participation in forums [related to ethics] held in Anchorage and Juneau. He said he is excited in anticipating the result of the forums, the legislature's focus on ethics, and the administration's input. He said the bill is simple in its intent to ensure legislators don't use their office incorrectly and that they disclose the work that they are doing. He posited that critical to having citizen legislature is letting the public know what the members are doing for money earned outside of the legislature. He said the bill's bipartisan sponsorship is a great effort, and he looks forward to the legislature's putting together the best of the bills to bring about what's best for Alaskans.

[9:23:58 AM](#)

CHAIR LYNN announced that HB 10 was heard and held.

HB 20-CAMPAIGN FINANCE/LOBBYING/CONSULTING

[Contains brief mention of HB 10]

9:24:14 AM

CHAIR LYNN announced that the last order of business was HOUSE BILL NO. 20, "An Act relating to disclosure of campaign contributions; prohibiting spouses and domestic partners of legislators and legislative employees from receiving compensation for lobbying; and prohibiting legislators and legislative employees from entering into contracts to provide consulting services."

9:24:22 AM

REPRESENTATIVE JOHN HARRIS, Alaska State Legislature, testifying as sponsor of HB 20, noted that over the years, government has been made more and more complicated, and he stated his position that the legislature should make serving government "as convenient and as easy for as many people in this state to qualify to be a legislator." He said former Representative Ethan Berkowitz commented that one of the biggest ethical issues in the legislature is the Constitutional Budget Reserve (CBR). Representative Harris said probably 95 percent of the people in Alaska don't understand that it requires a three-quarter vote of the legislature to take money from the CBR. He said vote trading occurs frequently [relating to control of CBR votes]. Representative Harris said he thinks that is what the public does not want, but nevertheless it happens. He asked, "So, should we do away with the CBR? The public put it in, the public has to take it away." He stated that everything previously discussed related to HB 10 would "create a difficulty." He suggested that the way to simplify things would be to take away the ability of a legislature to work outside of the legislature entirely. The only way that could be done, he related, is to pay legislators enough money so they can afford to serve. Representative Harris said he is not suggesting that manner of simplification, but reiterated that that is what it would take. He said he doesn't disagree with reporting income. The focus, he suggested, must be, "How do we make it the very best to get the most amount of people to qualify to be a legislator?" He said he thinks that's the question the public wants asked. Many people don't want their business dealings disclosed and, thus, won't run for office.

REPRESENTATIVE HARRIS said there are other options of which the public should be aware. For example, many states have switched to holding shorter legislative sessions, holding session every two years, or having a biannual budget.

REPRESENTATIVE HARRIS, in response to a question from Chair Lynn, agreed that morality cannot be legislated. He said guidelines can be set so that there is a penalty for unethical behavior. He explained that what he was talking about previously is the issue of compensation. He said he works for salary and he did not work at all last summer because the legislature is on call at the behest of the governor and the governor had the legislature "under the threat of a call all summer and all fall." He said he is not complaining, but wants to point out that not many people in the public would endure that.

[9:33:50 AM](#)

REPRESENTATIVE HARRIS said he asked the governor if she would sponsor an ethics bill, and he told the committee that he would be working closely to help move along such a bill.

[9:34:48 AM](#)

CHAIR LYNN said it may be better to work with the governor's bill because "she certainly has more horsepower than the rest of us." Notwithstanding that, he recommended hearing all the other ethics bills that are put across the House Floor in order to incorporate them into the governor's bill. He stated that there are laws against burglary and theft, thus, he said the government legislates morality all the time with civil law.

REPRESENTATIVE HARRIS said he is not arguing that guidelines are bad; he is just pointing out that having laws does not make people better and will not prevent people from choosing to break the law.

REPRESENTATIVE HARRIS spoke of the effect one person's breaking the law has on the rest of the group to which he/she belongs. He said it is a very uncomfortable feeling to be associated through the public eye with a member or members of the legislature who may not be ethical. He stated that the legislature sets the guidelines for ethical behavior.

[9:39:07 AM](#)

CHAIR LYNN talked about the complexity of the issue and said he thinks most everyone is an honest, hard-working, ethical person, doing the best he/she can. He said the legislature deals with controversial issues and "nothing is simple."

9:40:05 AM

REPRESENTATIVE HARRIS, in response to a comment from Representative Gruenberg, said as of yesterday the governor's bill will not be limited to administrative ethics.

REPRESENTATIVE GRUENBERG responded by emphasizing the importance of including the minority party in discussions related to all ethics bills. He stated that to have real credibility, HB 20 should have the support of the Democrats, the Republicans, the governor, and the press. If an ethics bill is seen to be partisan or advancing a hidden agenda not in the public's interest, then "the entire public servant profession will receive the black eye"

REPRESENTATIVE HARRIS concurred with Representative Gruenberg and said he thinks the governor, although a Republican, wants to be inclusive of all parties. He said he would ask that the governor make certain she include everyone in the discussion.

CHAIR LYNN said, "Really, the bill should be sponsored by our constituents; it's what it's all about."

REPRESENTATIVE HARRIS said the consultant hired to present an ethics seminar last week to the legislators and staff mentioned the fact that it is always the group in power that will get nailed with the ethics complaints, because that group makes more of the decisions. Trying to impose [blame] is a mistake, he indicated. He gave Representative Gruenberg his word that "this will not be a partisan issue"

9:45:27 AM

REPRESENTATIVE HARRIS stated that HB 20 is important to the social and ethical climate of the legislature, and he expressed his appreciation for the committee's hearing the bill early in the session.

TOM WRIGHT, House Majority Office, Alaska State Legislature, testifying on behalf of the House Majority Office, noted that HB

20 was written with broad language intentionally to allow for the anticipated discussion of the issues addressed in the bill.

[HB 20 was heard and held.]

[9:47:15 AM](#)

CHAIR LYNN announced that a subcommittee would be formed to further study HB 10 and HB 20. He appointed the following members to the subcommittee: Representatives Roses, Coghill, and Gruenberg. He said any others would be welcome.

[9:48:09 AM](#)

REPRESENTATIVE COGHILL opined that the three people asked to be on the subcommittee would provide a good start to studying the ethics issues of both bills, as well as to get input from sponsors of other ethics bills and consider the governor's stance on the issues. He suggested considering Ms. Anderson's aforementioned, promised report before doing any other work. In response to Chair Lynn, he said he would be glad to be chair of the subcommittee. He suggested the subcommittee be allowed 10 days for its work before coming back to the committee with its findings.

[9:51:27 AM](#)

REPRESENTATIVE GRUENBERG suggested that an announcement be made on the House Floor that anyone working on ethics bills share his/her ideas with the subcommittee as soon as possible, so that the subcommittee will have that information available to it.

REPRESENTATIVE COGHILL offered to make an announcement on the House Floor regarding the meeting time of the subcommittee.

CHAIR LYNN emphasized that the subcommittee meetings would be open to the public.

[9:52:37 AM](#)

REPRESENTATIVE ROSES said he wanted to ensure no one has a problem with the fact that he was chosen to serve on the Select Committee on Legislative Ethics and would also be serving on the subcommittee.

REPRESENTATIVE GRUENBERG said he doesn't think it is an issue.

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at [9:53:55 AM](#).