

HOUSE BILL NO. 326

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE KAWASAKI

Introduced: 2/21/14

Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring a legislator to abstain from voting on questions affecting an**
2 **enterprise if the legislator or member of the legislator's immediate family has a**
3 **substantial financial interest in the enterprise, and requiring a legislator to refrain from**
4 **taking or withholding official action or exerting official influence in certain matters in**
5 **which the legislator's action or influence could benefit or harm another person; adding a**
6 **definition of 'financial interest' to the Legislative Ethics Act; making this Act**
7 **conditionally effective; and providing for an effective date."**

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

9 *** Section 1.** AS 24.60.030(e) is amended to read:

10 (e) A legislator may not directly, or by authorizing another to act on the
11 legislator's behalf,

12 (1) agree to, threaten to, or state or imply that the legislator will take or
13 withhold a legislative, administrative, or political action, including support **for** or

1 opposition to a bill, employment, nominations, and appointments, as a result of a
 2 person's decision to provide or not provide a political contribution, donate or not
 3 donate to a cause favored by the legislator, or provide or not provide a thing of value;

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

8 (3) **except as provided in (g) of this section or while participating**
 9 **in a public discussion or debate** [UNLESS REQUIRED BY THE UNIFORM
 10 RULES OF THE ALASKA STATE LEGISLATURE], take or withhold official
 11 action or exert official influence that could substantially benefit or harm the financial
 12 interest of another person

13 (A) **by** [WITH] whom the legislator **is employed**;

14 (B) **with whom the legislator** is negotiating for employment;

15 **or**

16 (C) **from whom the legislator has received more than**
 17 **\$10,000 of income within the immediately preceding 12-month period.**

18 * **Sec. 2.** AS 24.60.030(g) is amended to read:

19 (g) **A** [UNLESS REQUIRED BY THE UNIFORM RULES OF THE
 20 ALASKA STATE LEGISLATURE, A] legislator may not vote on a question if the
 21 legislator **or a member of the legislator's immediate family** has **a financial** [AN
 22 EQUITY OR OWNERSHIP] interest in a business, investment, real property, lease, or
 23 other enterprise if the interest is substantial and the effect on that interest of the action
 24 to be voted on is greater than the effect on a substantial class of persons to which the
 25 legislator **or the family member, whichever one has the financial interest,** belongs
 26 as a member of a profession, occupation, industry, or region. **However,**
 27 **notwithstanding (e)(3) of this section and the limitations of this subsection, a**
 28 **legislator may vote on an appropriation bill that meets the requirements of**
 29 **AS 37.07.020(a) or 37.07.100 (Executive Budget Act).**

30 * **Sec. 3.** AS 24.60.030(j) is amended to read:

31 (j) In this section,

1 **(1)** "administrative hearing" means a quasi-judicial hearing before an
2 agency; "administrative hearing" does not include an informal conference or review
3 held by an agency before a final decision is issued or a rate-making proceeding or
4 other nonadjudicative public hearing;

5 **(2)** "**substantially benefit or harm**" means the effect on the
6 **person's financial interest is greater than the effect on the financial interest of a**
7 **substantial class of persons to which the person belongs as a member of a**
8 **profession, occupation, industry, or region.**

9 * **Sec. 4.** AS 24.60.990(a) is amended by adding a new paragraph to read:

10 (17) "financial interest" means ownership of an interest or an
11 involvement in a business, including a property ownership, or a professional or private
12 relationship, that is a source of income, or from which, or as a result of which, a
13 person has received or expects to receive a financial benefit.

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

16 CONDITIONAL EFFECT. This Act takes effect only if Rule 34(b), Uniform Rules of
17 the Alaska State Legislature, is amended to require a member to request to abstain from
18 voting when the member reasonably believes that casting a vote would violate AS 24.60
19 (Legislative Ethics Act), and allowing a member's abstention to be approved by a majority
20 vote.

21 * **Sec. 6.** If, under sec. 5 of this Act, this Act takes effect, it takes effect on the later of the
22 effective date of the amendment made to Rule 34(b), Uniform Rules of the Alaska State
23 Legislature, as described in sec. 5 of this Act or on the date described in AS 01.10.070(c).