

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 44(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Offered: 2/8/17

Referred: State Affairs

Sponsor(s): REPRESENTATIVES GRENN, LeDoux, Kawasaki, Tuck, Stutes, Spohnholz, Parish, Fansler, Tarr, Drummond, Gara, Ortiz

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring a legislator to abstain from taking or withholding official action or**
2 **exerting official influence that could benefit or harm an immediate family member or**
3 **certain employers; requiring a legislator to request to be excused from voting in an**
4 **instance where the legislator may have a financial conflict of interest; and providing for**
5 **an effective date."**

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

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

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

10 (1) agree to, threaten to, or state or imply that the legislator will take or
11 withhold a legislative, administrative, or political action, including support **for** or
12 opposition to a bill, employment, nominations, and appointments, as a result of a
13 person's decision to provide or not provide a political contribution, donate or not

1 donate to a cause favored by the legislator, or provide or not provide a thing of value;

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

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

11 **(A) who is a member of the legislator's immediate family;**

12 **(B) by** [WITH] whom the legislator **or a member of the**
13 **legislator's immediate family is employed;**

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

15 **(D) from whom the legislator or a member of the**
16 **legislator's immediate family has, in the immediately preceding 12-month**
17 **period, received more than \$10,000 of income.**

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

19 (g) Unless **otherwise** required by the Uniform Rules of the Alaska State
20 Legislature, a legislator **shall declare a conflict of interest before voting** [MAY
21 NOT VOTE] on a question **before a committee of the legislature, and shall request**
22 **to be excused from voting on a question before a house of the legislature,** if the
23 legislator **or a member of the legislator's immediate family** has **a financial** [AN
24 EQUITY OR OWNERSHIP] interest in a business, investment, real property, lease, or
25 other enterprise if the interest is substantial and the effect on that interest of the action
26 to be voted on is greater than the effect on a substantial class of persons to which the
27 legislator **or the family member who has the financial interest** belongs as a member
28 of a profession, occupation, industry, or region. **However, notwithstanding (e)(3) of**
29 **this section and the limitations of this subsection, a legislator may vote on an**
30 **appropriation bill that meets the requirements of AS 37.07.020(a) or 37.07.100**
31 **(Executive Budget Act).**

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

2 (j) In this section,

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

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

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

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

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

18 **CONDITIONAL EFFECT.** This Act takes effect only if the Thirtieth Alaska State
 19 Legislature passes a resolution that amends Rule 34(b), Uniform Rules of the Alaska State
 20 Legislature, to require a member to request to be excused from voting on a question before a
 21 house of the legislature when the member has a conflict of interest that is reasonably likely to
 22 influence the member's vote on the question, and allow a member's abstention to be approved
 23 or disapproved by a majority vote.

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