

**ALASKA STATE LEGISLATURE
SELECT COMMITTEE ON LEGISLATIVE ETHICS**

NOVEMBER 1, 2018

9:25 AM

FULL COMMITTEE

9:29:58 AM

1. Call the Meeting to Order

Chair Dennis "Skip" Cook called the meeting to order at 9:30 a.m.

Roll Call

Senator John Coghill

Senator Berta Gardner (alternate for Senator Dennis Egan)

Representative Lora Reinbold (telephonically) (alternate
for Representative Colleen Sullivan Leonard)

Representative Chris Tuck

Dennis "Skip" Cook

Conner Thomas

Joyce Anderson

Deb Fancher

Lee Holmes

Others

Jerry Anderson

Jacqueline Yeagle

Megan Wallace/Leg Legal/Juneau (telephonically)

Danea Burns (telephonically)

Heather Hebdon/AK Public Officers (telephonically)

Brenda Applegate/AIDEA (telephonically)

2. Approval of Agenda

Chair Cook announced that although the agenda includes an executive session, an executive session is not anticipated. Chair Cook entertained a motion to approve the agenda without the executive session.

Lee Holmes made a motion to approve the agenda without the executive session.

No objection. The agenda was approved.

3. Approval of Minutes: Full Committee

Chair Cook entertained a motion to approve the minutes of the full committee meeting held on July 17, 2018.

Deb Fancher moved to approve the minutes of the full committee meeting held on July 17, 2018.

No objection. The minutes of the full committee meeting held on July 17, 2018 were approved.

Chair Cook entertained a motion to approve the minutes of the House Subcommittee meeting held on July 17, 2018.

Lee Holmes moved to approve the minutes of the House Subcommittee meeting held on July 17, 2018.

Joyce Anderson asked if there were also going to be a verbatim transcript available of the House Subcommittee public hearing held on July 17 or if the minutes as approved would be the only minutes from the meeting. Chair Cook responded that the meeting had been recorded. Jerry Anderson added that there was no intention to produce a full transcript and repeated that the meeting had been recorded.

Joyce Anderson said that verbatim transcript had been produced following two earlier public hearings. Chair Cook asked Joyce Anderson if those transcripts had been produced without a specific request for them. Joyce Anderson responded that that was her understanding. Joyce Anderson added that the public hearing held in 2002 was transcribed and the transcripts are on file with the legislative library in Juneau.

Chair Cook asked Joyce Anderson if the transcripts were prepared with the committee budget. Joyce Anderson

responded that yes, the transcripts were prepared with the committee budget and not at the request of a specific person.

Chair Cook said that the public hearing budget was pretty well used up. Cook asked the committee if they wanted the public hearing transcribed with the committee budget or wait to see if there is a request to do so. Cook added that there is much more archiving of recordings than there used to be.

Lee Holmes asked if the recording could be archived. Chair Cook responded that he believed they were all archived and asked Jerry Anderson if he could confirm that. Jerry Anderson confirmed that recordings were archived and offered to have a transcript prepared.

Joyce Anderson responded that she was not necessarily asking to have a transcript prepared. Joyce Anderson continued, saying that it is important that the recording be archived along with the transcripts from the other public hearings.

Chair Cook asked Jerry Anderson to make sure that the recording of the public hearing is archived. Cook asked Jerry Anderson if he could confirm that the archives are accessible to the public. Jerry Anderson responded that they were accessible at any time to the public.

Joyce Anderson added that in the past, she had responded to a request from a member of the public regarding the number of public hearings conducted by the committee and because the library is where they are archived, it is important to archive the recording through the legislative process itself and to make sure the recording is in the library as well in case someone asks for it.

Chair Cook asked Jerry Anderson to follow through on the Joyce Anderson suggestion to make sure that the recording is archived in the legislative library.

Jerry Anderson responded the archived recording is the same as the electronic recording. Anderson added that the

question is whether the committee wants to transcribe the public hearing.

Joyce Anderson said she did not think a written transcript is necessary; just to make sure the legislative library has the recording. That way, said Chair Cook, if somebody goes to the library and asks for the recording, it would be there.

Chair Cook asked if there were any objections to approving the minutes of the House Subcommittee meeting held on July 17, 2018.

No objection. The minutes of the House Subcommittee meeting held on July 17, 2018 were approved.

4. Public comment

No public comment.

5. Advisory Opinion 18-05

Chair Cook introduced Megan Wallace of Legislative Legal and asked her to present an overview of the draft opinion.

Director of Legislative Legal Services Megan Wallace said that the Ethics Committee submitted four questions related to HB 44, which passed in the last legislative session. Wallace added that the most pertinent information to the discussion at this time begins at section seven of the bill, which amends AS 24.60.030(e) and AS 24.60.030 (g): Conflicts of interest provisions that were substantially modified and those modifications substantially impact earlier ethics decisions and advisory opinions.

Megan Wallace addressed the changes in AS 24.60.030(e)(3). Previously, a legislator unless prohibited by the uniform rules was prohibited from taking or withholding certain official action if it could substantially benefit or harm the financial interest of a person with whom the legislator is negotiating for employment. HB 44 expands that provision and states that except as provided in AS 24.60.030(g), or

while participating in a public discussion or debate, a legislator is prohibited from taking or withholding official action or exerting influence that could substantially benefit or harm the financial interests of four categories of persons: members of the legislator's immediate family, an employer of the legislator's immediate family, an employer person with whom the legislator is negotiating for employment, and from whom the legislator or a member of the legislator's immediate family has, in the last 12-month period, received more than \$10,000 of income.

AS 24.60.030(g) now requires a legislator to declare a conflict of interest before voting on a question before a committee and to request to be excused from voting on a question before a house of the legislature if the legislator or a member of the legislator's immediate family has a financial interest in a business, investment, real property, lease, or other enterprise if it will have a substantial effect that is greater than the effect on the general public.

The advisory opinion notes that "substantially benefit or harm" is defined in AS 24.60.030(j) and the term "financial interest" is defined in AS 24.60.990 as:

ownership of an interest or an involvement in a business, including a property ownership, or a professional or private relationship, that is a source of income, or from which, or as a result of which, a person has received or expects to receive a financial benefit.

After providing an overview of the information most pertinent to the discussion, Megan Wallace individually addressed the four questions and their subparts that the committee had submitted to Legislative Legal and concluded by addressing the contents of the balance of the advisory opinion. Then the committee discussed the advisory opinion as a whole, providing feedback to Megan Wallace about the document as a whole.

At the end of the discussion, Lee Holmes moved to adopt the Advisory Opinion 18-05 and the amendments recommended by the committee.

The committee discussed and approved each of the recommended amendments separately.

Chair Cook asked Jerry Anderson to conduct a roll call vote on Advisory Opinion 18-05. Prior to conducting the roll call vote, Jerry Anderson read a brief description of the advisory opinion in accordance with committee rules of procedure.

Roll Call

Representative Chris Tuck	Y
Dennis "Skip" Cook	Y
Conner Thomas	Y
Joyce Anderson	Y
Deb Fancher	Y
Lee Holmes	Y
Senator John Coghill	Y
Representative Lora Reinbold	N
(alternate for Representative Colleen Sullivan Leonard)	
Senator Berta Gardner	Y
(alternate for Senator Dennis Egan)	

The committee adopted Advisory Opinion 18-05 by 8-1.

The meeting recessed until 1:00 p.m.

6. Review of State Benefit and Loan programs

Jerry Anderson presented an overview of the State Benefit and Loan Program. Legislators and legislative employees must file a disclosure with the Ethics Committee if they participate in one or more of the state benefit and loan programs.

Jerry Anderson explained that annual confirmation by the executive branch departments is sought to ensure that the list of programs is accurate. On October 1, 2018, letters were mailed to the departments and all of the departments responded.

Jerry Anderson said that four programs were added to the list. Anderson provided background and information to the committee about each of those programs.

Jerry Anderson said only one program is deleted, because it no longer exists.

Jerry Anderson asked the committee to amend the list of State Benefit and Loan Programs as recommended.

Chair Cook asked if any of the committee members had any objections to the addition of the four programs and the deletion of one program.

No objection. The committee approved amending the list of State Benefit and Loan Programs as recommended.

7. New investigator contract

Jerry Anderson presented an overview of a proposed investigator contract in the amount of \$2,000 and recommended committee approval of extending the contract. No activity is currently anticipated but the contract would be in place in the event investigator services are needed.

Lee Holmes moved to approve the extended contract for investigative services in the amount of \$2,000.

Jerry Anderson conducted a roll call vote.

Roll Call Vote:

Senator John Coghill	Y
Senator Berta Gardner	Y
Representative Chris Tuck	Y
Skip Cook	Y
Conner Thomas	Y
Joyce Anderson	Y
Deb Fancher	Y

Lee Holmes Y

The motion passed 8-0.

8. New outside counsel contract

Jerry Anderson provided an overview of a proposed outside counsel contract in the amount of \$2,000 (\$225/hour, an increase of \$25/hour) and recommended committee approval of extending the contract. No activity is currently anticipated but the contract would be in place in the event outside counsel services are needed.

Chair Cook invited discussion of the contract.

Lee Holmes moved to approve the extended contract for Woelber & Cole as outside counsel for the time period January 1, 2019 to June 30, 2019.

Jerry Anderson conducted a roll call vote.

Roll Call Vote:

Senator Berta Gardner	Y
Representative Chris Tuck	Y
Skip Cook	Y
Conner Thomas	Y
Joyce Anderson	Y
Deb Fancher	Y
Lee Holmes	Y
Senator John Coghill	Y

9. COGEL conference

Jerry Anderson noted that he, Skip Cook, and Deb Fancher planned to attend the conference in Philadelphia from December 9 through 12.

Conner Thomas expressed interest in also attending the conference.

10. Chair/staff report

Jerry Anderson referred to the committee budget information as of September 30, 2018. Anderson noted that the encumbrances under services would lapse on December 31 if the funds are not used. Anderson added that if the encumbrances are not used in 2018, they will be returned as unencumbered.

Jerry Anderson noted also that money will be spent in traveling to Juneau in January.

Deb Fancher asked if the committee pays the attorney representing Representative David Eastman.

Chair Cook replied no.

Deb Fancher asked who pays him.

Jerry Anderson replied that he does not know.

Chair Cook added that the committee pays for committee counsel and for the hearing officer at the public hearing.

11. 2019 Ethics training

Jerry Anderson suggested January 23 or 24 for the committee meeting and asked Representative Tuck his opinion of those two dates.

Representative Tuck suggested January 17 or 18 for the committee meeting and discussion followed about the benefits and drawbacks to different dates for the committee meetings. During the discussion, Jerry Anderson reminded the committee of the components and types of training that will be offered.

Lee Holmes asked if there was a recording of the training that could be viewed. Jerry Anderson replied that a recording of the full training is planned, but that recording would be as much as six hours long as opposed to three and a half hours of refresher training. Jerry Anderson added that the committee meeting and training could occur in conjunction with each other.

12. Removed from agenda

13. Removed from agenda

14. Public session

15. Other business

Joyce Anderson suggested to include in the next newsletter a reminder to file final disclosures. Jerry Anderson assured Joyce Anderson that the newsletter will include that information.

Lee Holmes asked if an email would be emailed to the public members reminding them of required disclosures. Jerry Anderson replied yes.

Joyce Anderson asked if there would be a Q&A with questions that have been submitted to the committee. Jerry Anderson responded yes, in January.

16. Adjourn

Chair Cook announced he would entertain a motion to adjourn.

Lee Holmes moved to adjourn.

No objections

The meeting adjourned.

12:47:21 PM