

SB

105

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 23, 1998

FURTHER REFERRALS:

Date of Committee Action: 5/5/98

The FINANCE Committee considered:

CSSB 105(FIN) am

CS FOR SENATE BILL NO. 105(FIN) am

ETHICS/LOBBYING/CAMPAIGN FINANCE

"An Act relating to legislative and executive branch ethics; relating to campaign finances for candidates for state office; relating to the conduct and regulation of lobbyists with respect to public officials; relating to the filing of disclosures by certain state employees and officials; making a conforming amendment to the definition of 'public official' for employment security statutes; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CSSB 105 (FIN) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal note(s) _____

fiscal note(s) law 4/23/98

zero fiscal note(s) HFC

2 zero fiscal note(s) DOA 4/23/98

Sen. Com. on leg. Ethics 4/23/98

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
	Theriault			R	
	Mulder	X			
	Martin	X			
	Kohns				X
	J. Davis	X			
	Grossindot			X	
	J. Davis			X	
	Kelly			X	

CO CHAIR'S SIGNATURE _____
Theriault

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 105 (FIN)

Revision Date: _____
 Title: "An Act relating to legislative ethics; relating to the
 filing of disclosures by certain legislative..."
 Sponsor: Senate Rules Committee
 Requester: _____

Dept. Affected Legislative Affairs Agency
 BRU All
 Component All
 Component Serial No. _____

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

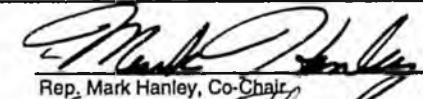
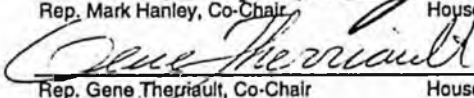
Estimate of any current year (FY97) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Prepared by


 Rep. Mark Hanley, Co-Chair House Finance Committee

 Rep. Gene Theriault, Co-Chair House Finance Committee

Phone 465-4939
 Phone 465-4797
 Date 5/5/98

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 105 (STA)

Revision Date: 4/21/98
 Title: "An Act relating to legislative and executive branch ethics, . . ."
 Sponsor: (S) Rules
 Requestor: (rl) STA

Department Affected: Administration
 BRU: Personnel
 Component: Personnel
 COMPONENT SERIAL NO. 56

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0	0	0	0	0	0

Estimate of any current year (FY 97) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary):

This bill does not fiscally impact the Division of Personnel.

Prepared by: Beverly Reaume
 Division: Division of Personnel

Phone: 465-4429
 Date: _____

Approved by Commissioner: Mark Boyer
 Agency: Department of Administration

Date: 4/23/98

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILLNO. HCS CSSB 105(STA)

Revision Date: 4/23/98
 Title: "An act relating to legislative and executive branch ethics..."
 Sponsor: (S) Rules
 Requestor: (H) STA

Department Affected: Administration
 BRU: AK Public Offices Commission
 Component: AK Public Office Commission
 COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL	1.7	1.7	0.7	0.7	0.7	0.7
CONTRACTUAL	17.5	2.1	2.1	2.1	2.1	2.1
SUPPLIES	1.4	0.7	0.7	0.7	0.7	0.7
EQUIPMENT	0.5					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	21.1	4.5	3.5	3.5	3.5	3.5

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	21.1	4.5	3.5	3.5	3.5	3.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	21.1	4.5	3.5	3.5	3.5	3.5

Estimate of any current year (FY 98) cost: \$ none

POSITION: :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

(See attached)

Prepared by: Karen Boorman, Director
 Division: Alaska Public Office Commission

Phone: 276-4176
 Date: _____

Approved by Commissioner: Mark Boyer
 Agency: Department of Administration

Date: 4/23/98

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FISCAL NOTE
STATE OF ALASKA

BILL NO. HCS CSSB 105(STA)

1998 LEGISLATIVE SESSION

ANALYSIS: (continued)

Additional Public officials must file Conflict of Interest Statements (COI). Public members of the Select Committee on Legislative Ethics (SCLE) must file Legislative Financial Disclosure Statements (LFD). Some Public Officials must file a Disclosures of Close Economic Association.

There are several parts of this bill which would impact the four laws the Alaska Public Offices Commission administers. Section 55, amending AS 24.60.200, requires the five public members of the SCLE and Section 70, amending AS 39.50.200(a), requires additional employees of the executive branch to file personal financial disclosure statements. Section 68 adding AS 39.50.030(d) requires that public officials of the executive branch, other than state boards or commission members, who file personal financial disclosure statements also file disclosures of close economic association with the APOC. The date for filing all financial disclosure statements is changed from April 15th, which it has been the deadline since 1974, to March 15.

Currently, the Commission receives about 800 personal financial disclosure statements from all state filers including 65 from legislators and legislative directors. Approximately 1100 municipal officials file municipal financial disclosure statements. Under the proposed changes to AS 24.60 the 5 public members of SCLE would be required to file annual Legislative Financial Disclosure (LFD) Reports. Approximately 180 additional state employees plus 10% annual turnover would be required to file annual Conflict of Interest (COI) Statements under AS 39.50. Under AS 39.50.030(d), up to 400 new and experienced state employee filers would be required to file annual disclosures of close economic association and update them within sixty days of forming new close economic associations, or in the case of a public official married to a lobbyist, within 48 hours.

Current staffing to advise and train filers, provide manuals and forms, review completed statements, assess penalties and report to the Commission is provided by one Paralegal Assistant. At current staffing levels, review of all municipal filings is not possible and review of state filings is sometimes delayed. However, no additional staff are requested with this fiscal note.

Most of these provisions will take effect midway through FY 99, on January 1, 1999. The first filing deadline for personal financial disclosure filers under the new requirements would be March 15th. Approximately 205 new Financial Disclosure Statements would be due. Additional manuals and forms will be necessary to provide immediate help. To provide long term guidance and enforcement, the Commission would provide advisory opinions, assess civil penalties and adjudicate complaints. Approximately 400 new and existing state official filers would have to file "disclosures of close economic association" with APOC. These filings would be available to the public upon request.

The significant changes to the Conflict of Interest and Legislative Financial Disclosure laws as well as amendments to the Lobbying and Campaign Disclosure (laws) will require extensive education of all disclosure filers and other participants in the political process. Additional funds are requested for travel and training of new filers (in Juneau) through seminars in the first two years (FY99 & FY00) of implementation and video training materials available long term. Equipment costs in FY99 cover one filing cabinet. Contractual and supply costs cover printing and mailing of new manuals, forms and other necessary correspondence for FY99 and subsequent years. FY99 contractual costs also include upgrading and reprogramming the financial disclosure database, streamlining filing procedures and the development of video training materials.

FISCAL NOTE

No: 8

**STATE OF ALASKA
1998 LEGISLATIVE SESSION**

Bill Version: HCSCSSB 105 (STA)
BILL NO. (H) Publish Date: 4/23/98

Revision Date (Note if correction) _____	Dept. Affected <u>Law</u>	_____
Title <u>An Act relating to legislative and executive branch ethics</u>	BRU <u>Civil</u>	_____
Sponsor <u>Senate Rules</u>	Component <u>Commercial Section</u>	_____
Requester <u>House State Affairs</u>	Component Serial No. _____	_____

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	5.0	5.0	5.0	5.0	5.0	5.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	5.0	5.0	5.0	5.0	5.0	5.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF	5.0	5.0	5.0	5.0	5.0	5.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	5.0	5.0	5.0	5.0	5.0	5.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

HCS CSSB 105(STA) concerns campaign finance, APOC reporting, legislative ethics, and executive ethics. Its fiscal impact on the Department of Law stems largely from the amendments to the Executive Branch Ethics Act, AS 39.52, which is administered by the Department. Although several sections of the bill will require increased attorney time—for example, in enforcement, training, and attending Personnel Board meetings, the Department will manage these increases in attorney time without seeking an increased appropriation.

HCS CSSB 105(STA), however, also greatly increases the reporting functions of the Department. Under this bill, the Department will now receive self-reports of potential violations, and the designated supervisor's response to the reports. Sections 79, 80, & 81. The Department will also now receive reports of potential violations from third parties. Section 82. Section 83 gives the Department has a new duty to submit copies of quarterly reports to the Personnel

Prepared by <u>Josh Kasson</u>	Phone <u>465-3600</u>
Division <u>Attorney General's Office</u>	Date <u>4/21/98</u>
Approved by Commissioner <u>Bruce M. Botelho</u> , Attorney General	Date _____
Agency <u>Department of Law</u>	

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 105(STA)

ANALYSIS CONTINUATION

89 requires the Department to forward complaints to the Personnel Board and prepare a montly status report of outstanding complaints for the Personnel Board to Review.

Current reporting duties under the Ethics Act are not performed by attorneys, but are assigned to a paraprofessional in the department. A paralegal can perform these duties more efficiently and at much less cost than an attorney. HCS CSSB 105(STA) will significantly increase the reporting duties of the department, but there are no general funds available to pay a paralegal for these tasks.

We estimate that increased reporting duties will require approximately 5.8 hours of paralegal time per month. Paralegal time currently costs the department \$71.94 per hour. This translates into a fiscal note of \$5,000 per year. First-year costs will be significantly greater due to the requirement of training and creation of new forms. Given that the bill does not become effective until the middle of the fiscal year, however, a \$5,000 fiscal note for FY99 should cover paralegal start-up expenses.

FISCAL NOTE

No: 7

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. Bill Version: HSCSSB 105 (STA)
 (H) Publish Date: 4/23/98

Title: Relating to Legislative and executive
branch ethics...
Sponsor: Senate Rules
Requestor:

Dept. Affected: Select Comm on Legislative Ethics
BRU:
Components:
Serial #:

EXPENDITURE&REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 98	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared by: Susan Barnett staff
Select Comm on Legis. Ethics

Date: 4.21.98
Phone: (907) 258-8172
Phone:

FISCAL NOTE

1. 6
 Bill Version: CSSB105(FM)
 (S) Publish Date: 4/16/97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Department of Law
 Title: *An Act relating to legislative and executive BRU: Civil Division
branch ethics; relating to the conduct of lobbyists . . . Component: General Legal Services
 Sponsor: Senate Rules Committee
 Requester: Senate Finance Committee COMPONENT SERIAL NO. 2087

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

POSITIONS	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

CSSB 105 (STA) makes numerous amendments to the legislative and executive branch ethics acts, expands the reporting requirements of lobbyists, requires exempt and partially exempt state employees above range 19 to file reports under the conflict of interest statutes (AS 39.50), and makes a conforming amendment to the definition of "public official" for employment security statutes. In amending the executive branch ethics act, the bill transfers certain responsibilities for enforcing the act from the Attorney General to the Personnel Board. The Attorney General retains prosecutorial authority in formal proceedings before the Board, and responsibility for enforcing the Board's decisions. CSSB 105 (STA) also adds new prohibitions, new reporting requirements, new disclosures, and expands list of persons affected by the act.

This bill will have no fiscal impact on the Department of Law. When the Executive Ethics Act was passed in 1986, the legislature did not provide funding to the Department of Law to perform its new responsibilities. Consequently, the department has largely relied on ethics supervisors in the appropriate state agencies to

Prepared by: Joan M. Kasson *Joan M. Kasson* Phone: 465-5370
 Division: Administrative Services Division Date: 4/9/97
 Approved by Commissioner: Bruce M. Botelho, Attorney General *Bruce M. Botelho* Date: 4/9/97
 Agency: Department of Law

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ANALYSIS CONTINUATION:

perform investigations; where possible, charged other agencies through interagency agreements for work performed under the act on their behalf; and when necessary to undertake the department's duties with scarce general funds, performed them at the expense of other work.

The Department of Law retains responsibility for certain functions under the State Affairs Committee Substitute including prosecuting ethics violations before the Board, seeking civil and criminal penalties, where appropriate, and as a practical matter, continuing to provide informal advice on the Ethics Act to agencies as well. The department hopes to continue to largely rely on interagency agreements to fund these activities.

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO.

No. 5
 Bill Version: CSSB 105(FIN)
 (S) Publish Date: 4/16/97

Revision Date: _____
 Title: Legislative Ethics Code Reform
 Sponsor: Senate Rules Committee
 Requestor: Senate Finance Committee

Department Affected: Labor
 BRU: Employment Security
 Component: Employment/Unemployment Services
 COMPONENT SERIAL NO. 1807

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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CHANGE IN REVENUE						
FUND SOURCE #						

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY97) impact: \$ None

ANALYSIS: The bill amends standards and establishes new standards in three major areas: AS 24.60, governing legislative standards of conduct, the conflict of interest provisions in AS 39.50, and the Executive Branch Ethics Act in AS 39.52.

No fiscal impact is anticipated.

Prepared by: Rebecca Nance, Director Phone: 465-2711
 Division: Employment Security Division Date: 4/4/97
 Approved by Commissioner: Tom Cashen, Commissioner
 Agency: Department of Labor Date: 4/4/97

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Rules Committee

MEMORANDUM.

TO: Senator Kelly, Chairman,
Senate Rules Committee
Representatives Hanley and Therriault, Co-Chairmen,
House Finance Committee

FROM: Benjamin Brown, ^{BBS} Legislative Aide to Senator Kelly

DATE: 5 May 1998

IN RE: revised sectional analysis of proposed House CS for CS for SB 105 (Fin)
(version No. 0-LS0074^(S))

"An Act relating to legislative and executive branch ethics; relating to campaign finances for candidates for state or municipal office; relating to the conduct of lobbyists with respect to public officials; relating to the filing of disclosures by certain state employees and officials; making a conforming amendment to the definition of 'public official' for employment security statutes; and providing for an effective date."

This memo is meant to summarise and analyse each section of the proposed House Finance Committee Substitute for SB 105. Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; a bill itself is the best statement of its specific effects.

SECTION 1: AS 15.13.040(i) DONATION OF SPACE NOT CONSIDERED A CONTRIBUTION This section adds a new subsection which allows donation of space for the posting of political signs, for storage, or for an event without consideration of the donation as a campaign contribution.

SECTION 2: AS 15.13.070(e) LIMITED USE OF CAMPAIGN FUNDS FOR PARTY-RELATED EXPENSES This section adds a new subsection which allows a candidate to expend up to \$1000 annually from a campaign account to pay for

attendance at political party events, for party membership, or to sponsor party functions.

SECTION 3: AS 15.13.072(d) PROHIBITED SOLICITATION & ACCEPTANCE OF CONTRIBUTIONS This section prohibits legislative candidates from soliciting or accepting contributions while the Legislature is convened in regular or special session, unless the candidate's election is within 90 days and the solicitation or acceptance takes place somewhere other than the capital city.

SECTION 4: AS 15.13.072(g) PROHIBITED SOLICITATION & ACCEPTANCE OF CONTRIBUTIONS This section adds a new subsection which prohibits candidates for governor and lieutenant-governor from soliciting or accepting contributions in the capital city while the Legislature is convened in regular or special session.

SECTION 5: AS 15.13.074(c) PROHIBITED CONTRIBUTIONS This section prohibits a person or group from contributing to a candidate for governor or lieutenant-governor before the 1st of January of a general election year or before the date of a proclamation calling for a special election. It prohibits a person or group from contributing to a legislative candidate while the Legislature is convened in regular or special session, unless the candidate's election is within 90 days and the solicitation or acceptance takes place somewhere other than the capital city. Section 5 lengthens the period of time after an election in which a candidate may continue to raise money to the earlier of either 60 days after the election or the end of the calendar year.

SECTION 6: AS 15.13.110(a) POET ACCOUNT REFERENCE IN REPORTING REQUIREMENTS This section changes the name of the account a victorious legislative candidate can establish with unused campaign assets under 15.13.116, from 'legislative office account' to Public Office Expense Term (POET) account.

SECTION 7: AS 15.13.112(c) LIMITED USE OF CAMPAIGN FUNDS FOR PARTY-RELATED EXPENSES This section adds a new subsection which allows a candidate to expend up to \$1000 annually from a campaign account to pay for attendance at political party events, for party membership or to sponsor party functions, in accordance with the changes made to 15.13.070 by Section 2 of the bill.

SECTION 8: AS 15.13.116(a) DISBURSEMENT OF CAMPAIGN ASSETS This section includes victory or 'thank-you' parties and gifts with no specific dollar-limit in the list of campaign-related expenditures that can be paid for with unused campaign

assets. It allows a transfer of unused campaign assets to a POET account or to a POET account reserve in accordance with new subsection (d). Sections 103, 104, and 106 allow this section and Section 10 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 9: AS 15.13.116(b) BULK-MAIL PERMITS NOT CONSIDERED CAMPAIGN ASSETS This section adds bulk-mail permits to the list of items a candidate may retain after an election has been concluded, and allows use of such permits without restriction in subsequent election and non-election years.

SECTION 10: AS 15.13.116(j) DISBURSEMENT OF CAMPAIGN ASSETS TO POET RESERVE This section adds a new subsection (d) which allows a legislator to transfer up to \$5000 annually from a POET account reserve to a POET account. It allows a transfer of unused campaign assets of up to \$20,000 by senators and \$10,000 by representatives to a POET reserve. 15.13.116(a)(9)(D) currently allows a one-time transfer of funds to a POET account of \$5000 multiplied by the number of years in the legislator's term. At the end of this term, the balance in a POET reserve must be disposed of as provided in (a)(3) or (a)(5), which includes charitable donations or repaying contributors. Sections 103, 104, and 106 allow this section and Section 8 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 11: AS 23.20.526(d) EXCLUSION FROM DEFINITION OF 'EMPLOYMENT' This section makes a conforming amendment based on changes in this bill to the Public Official Financial Disclosure law (39.50) to ensure that public employees who are eligible for unemployment compensation remain eligible. (Refer to Attachment 1 - Cramer memo, 13th February '98.)

SECTION 12: AS 24.45.041(b) REPORTING OF SPOUSAL RELATIONSHIPS BY LOBBYISTS This section adds a new provision to the law requiring legislative lobbyists to disclose spousal relationships with legislators, legislative employees, and some public officials. It cites the definition of spousal equivalent at 39.50.030(g).

SECTION 13: AS 24.60.030(a) LEGISLATIVE ETHICS CODE BEHAVIORAL RESTRICTIONS This section amends the Legislative Ethics Code to refine the restrictions on behavior by persons in the legislative branch. It specifically disallows the use of public resources for nonlegislative purposes or for partisan political purposes. It allows limited use of some resources if the cost is nominal or reimbursement is made, and permits facsimile use on the same terms as telephone use. Section 13 allows Leg Council to designate space for health and fitness purposes to allow legislative use of the Capitol School gym. It also allows legislators to use their private offices in the Capitol during session, and for a five-day window before and

after session, for personal or political purposes if there is no cost and the use doesn't interfere with performance of public duties. Finally, Section 13 permits storing campaign records in legislative offices.

SECTION 14: AS 24.60.030(c) POLITICAL MASS MAILING This section extends a current provision of the Legislative Ethics Code which prohibits use of state funds to print or distribute a mass mailing from or about a legislator who is a candidate for State office during the period 90 days before the primary and ending the day after the general election. It prohibits such mailings by legislators and legislative employees who are candidates for federal or municipal office, or for telephone or electric co-operative boards. While other sections of the ethics code clearly prohibit use of state funds for campaign purposes, this section highlights what are considered to be critical periods and provides a guideline for those who issue mailings during those times. This prohibition does not apply to a legislator's LAA office allowance, and would therefore primarily restrict the use of committee or leadership funds for a political mass mailing.

SECTION 15: AS 24.60.030(d) CAMPAIGN LITERATURE This section adds fundraising notices to the list of current prohibitions on distributing or posting campaign literature in State facilities. It expands the current prohibition to include legislative employees, and allows a legislator to post materials related to a past election in a private legislative office.

SECTION 16: AS 24.60.030(f) BOARD MEMBERSHIP DISCLOSURE This section changes the board membership disclosure period from 30 days to 60 days and requires the ethics committee to publish disclosures in the journal. It exempts legislators and legislative employees whose appointments are already published in the journal from disclosing redundantly.

SECTION 17: AS 24.60.030(g) CONFLICTS OF INTEREST This section replaces the prohibition on taking legislative, administrative, or political action if a legislator or legislative employee has an equity or ownership interest, with a ban on a legislator voting on a question if the legislator has an interest.

SECTION 18: AS 24.60.030(h) POLITICAL ACTIVITY DURING THE WORK DAY This section adds a new subsection to the restrictions on legislative behavior which requires an employee to take leave for the period of time the employee is engaged in political campaign activities, other than incidental campaign activities. It permits political campaign activities on government time if the activities are part of the normal legislative duties, including answering phone calls and handling incoming correspondence.

SECTION 19: AS 24.60.031(a) FUNDRAISING DURING SESSION This section clarifies that the restrictions on fundraising during session are in effect on a day when either body is in regular or special session. It prevents a legislator or legislative employee from soliciting or accepting contributions for legislative campaigns during session, accepting money from an event held for legislative political purposes during session, or expending money for a legislative campaign if the money was raised during session. It allows legislators and legislative employees to accept contributions or expend money from contributions made anywhere but the capital city in the 90 days preceding an election in which a legislator or legislative employee is a candidate.

SECTION 20: AS 24.60.039(b) EMPLOYMENT DISCRIMINATION This section reflects the ethics committee's shared jurisdiction with the State Commission for Human Rights on complaints filed against a legislator or legislative employee concerning violations of 18.80.220 (Unlawful employment practices). Current law requires the committee to accept a complaint alleging a violation of that statute just as it would hear any other complaint. Section 20 gives the committee the option of referring those who file a complaint of employment discrimination to the human rights commission, deferring consideration of the complaint until after the commission has completed its proceedings.

SECTION 21: AS 24.60.040(a) CONTRACTS & LEASES This section broadens contract and lease criteria beyond those currently in the Legislative Ethics Code to restrict a legislator or legislative employee from having a financial interest in a State contract or lease unless it is let through competitive bidding in accordance with the State Procurement Code, is worth \$1000 or less annually, or is standardised under publicly-established guidelines and generally available to the public. This allows participation in contracts or leases that are let under 36.30, addressing a variety of award methods, including sole-source. It also allows participation in contracts or leases let under procedures similar to these, addressing such agencies as the University, the Railroad, and the Legislature. The threshold for being involved in a contract or lease is raised from \$1000 to \$5000. Section 21 also requires a legislator or legislative employee to disclose family members' interests in State contracts or leases if they are known or reasonably ought to be known.

SECTION 22: AS 24.60.040(c) CONTRACTS & LEASES This section adds a new subsection clarifying that a grant, contract, or lease deriving from a State loan or benefit program listed in 24.60.050 is not subject to this section. The ethics committee annually publishes a list of programs that do not meet the criteria in

24.60.050(a) and requires disclosure of participation in any of the listed programs. Section 22 clarifies that a grant that results in a contract is subject to this section.

SECTION 23: AS 24.60.050(c) REFRAINING FROM PUBLICATION This section mandates disclosure of involvement in State programs and loans by the deadline established in 24.60.105. It allows the ethics committee to protect an individual's right to privacy concerning participation in a State loan or benefit program, following a decision by the committee in 1994 not to publish the name of a person who got a benefit from the Violent Crimes Compensation Board, only that a person covered by the Code had received a benefit.

SECTION 24: AS 24.60.060(b) PROTECTIVE ORDER This section adds a new subsection that sets out that the subject of an ethics complaint may not release information deemed confidential under a protective order issued under 24.60.170(i). This allows the committee to broaden discovery by the subject while still protecting any innocent or uninvolved parties.

SECTION 25: AS 24.60.070(b) DEADLINE FOR CLOSE ECONOMIC ASSOCIATION DISCLOSURE This section cites 24.60.105 as the deadline for disclosure of close economic associations, and adds a 60-day timeline for disclosure of new associations.

SECTION 26: AS 24.60.070(d) SPOUSE/SPOUSAL EQUIVALENT LOBBYIST DISCLOSURE This section adds a new subsection which requires a legislator or legislative employee who is married to or who is the spousal equivalent of a lobbyist, to disclose under close economic association the name and address of each of the lobbyist's clients and the total compensation received from each client annually. Changes to the list must be reported within 48 hours.

SECTION 27: AS 24.60.080(a) GIFT RESTRICTIONS This section increases the maximum cumulative annual gift limit in the Legislative Ethics Code from \$100 to \$250. It clarifies that the general prohibition on accepting gifts worth more than \$250 does not apply to types of gifts specifically exempted elsewhere in this part of the Code. Section 27 clearly states that the ban on solicitation, acceptance, or receipt of anything of monetary value from a lobbyist during session does not apply to food or beverage for immediate consumption.

SECTION 28: AS 24.60.080(c) GIFT RESTRICTION EXEMPTIONS This section clarifies that a stay in a vacation home located Outside is not an exempted gift. It allows legislators and legislative employees to accept discounts while on State business if the discount benefits the State. It allows legislators and their personal staff

(but not other legislative employees) to accept discounts and welcoming gifts in the capital city during session. Section 28 allows receipt of a gift worth more than \$250 of legal services related to a matter of legislative concern.

SECTION 29: AS 24.60.080(d) GIFT REPORTING This section increases the reference to the maximum cumulative annual gift limit from \$100 to \$250. It mandates reporting of gifts of travel or legal services within 30 days of receipt. It changes the reporting deadline for gifts not related to legislative status to the 15th of March of the following year, and specifies that the disclosure need include only a description of the gift and the giver's identity (not the actual value). Section 29 also calls for the ethics committee to forward gift disclosures by legislators and legislative directors to the Alaska Public Offices Commission (APOC).

SECTION 30: AS 24.60.080(e) 'LOW BUDGET' CAMPAIGNS/BULK-MAIL PERMITS This section allows certain smaller campaign contributions to fall within the exemption from coverage by the Legislative Ethics Code to conform with the State Elections Act. It sets out that use of a bulk-mail permit is not a gift.

SECTION 31: AS 24.60.080(f) GOVERNMENT GIFTS This section allows acceptance of a gift from a foreign government, the U.S. government, another state government, or a municipal government, on behalf of the Legislature. The gift must be delivered to Leg Council within 60 days. Section 31 increases the reference to the maximum allowable gift from \$100 to \$250.

SECTION 32: AS 24.60.080(g) IMMEDIATE FAMILY This section expands the meaning of the terms 'immediate family' and 'family member' to include spousal equivalents; parents, siblings, grandparents, aunts, and uncles of a spouse or spousal equivalent; and, stepparents, stepsisters, stepbrothers, stepgrandparents, stepparents, and stepuncles of a person, a person's spouse, or a person's spousal equivalent.

SECTION 33: AS 24.60.080 NEW GIFT RESTRICTION EXEMPTIONS This section adds new exempting subsections to the ban on receiving gifts. New subsection (h) permits soliciting and accepting gifts on behalf of charitable organizations, which is in accordance with advisory opinions issued by the ethics committee. New subsection (i) sets out that gifts of volunteer services for legislative purposes may be accepted by a legislator, legislative committee, or legislative agency as a gift to the State, so long as the person donating the services is not paid by another source. Subsection (i) further allows a legislator, legislative committee, or legislative agency to accept a University intern or Job Training Partnership Act trainee as well as any other educational trainee the committee approves. (To maintain confidentiality, the ethics committee is not permitted to accept volunteer services.) Subsection (i) also requires

volunteers, interns, and educational trainees to comply generally with the Legislative Ethics Code, with the exceptions of certain sections: contracts and leases, close economic associations, nepotism, and representation before state agencies and affords them the protection of the ethics complaint process under 24.60.170. New subsection (j) sets out that gifts from another source to a family member of a legislator or legislative employee fall within restrictions and reporting requirements. Subsection (j) further requires disclosure by a legislator or legislative employee who knows, or reasonably ought to know, that a family member has received a gift because of the family member's connection to the legislator or legislative employee. New subsection (k) states that the value of a gift is fair market value, to the extent that fair market value can be determined.

SECTION 34: AS 24.60.085(a) EARNED INCOME & HONORARIA This section would allow legislators and legislative employees to accept compensation that is less than fees generally charged, (E.G., allowing an attorney to do pro bono work or an engineer to charge a reduced rate for review of plans for a non-profit organization).

SECTION 35: AS 24.60.100 REPRESENTATION This section sets a deadline for reporting representation before a State agency, citing 24.60.105.

SECTION 36: AS 24.60.105 DEADLINE FOR FILING DISCLOSURES This section adds a new section which establishes a filing deadline for most disclosures in the Legislative Ethics Code filed with the ethics committee: board memberships, interests in state contracts or leases, participation in State programs and loans, close economic associations, and representation of clients. It mandates disclosure of an interest begun or acquired during the interim or in the last 30 days of a regular session by the 15th of March, and disclosure within 30 days for a matter begun or acquired during a regular session's final 30 days.

SECTION 37: AS 24.60.130(f) COMMITTEE PER DIEM & TRAVEL This section authorizes the ethics committee's public members to receive per diem and travel compensation, as has been customary with legislative committees that have non-legislative members (E.G., the Code Revision Committee). Public members are not entitled to actual pay for their time. Rates and terms for per diem and travel for state boards and commissions (set in 39.20.180) apply to public members of the ethics committee.

SECTION 38: AS 24.60.130(g) REMOVAL OF ETHICS COMMITTEE MEMBERS This section provides a means of removing a legislative or public member of the ethics committee for failure to carry out the member's duties.

Removal is effected by a two-thirds vote of the body to which a legislative member belongs, or by a two-thirds vote of both bodies for a public member.

SECTION 39: AS 24.60.130(h) MEMBER DISQUALIFICATION

This section prohibits a legislative member of the ethics committee from participating in a complaint proceeding if the subject of the complaint is the member, or the subject is supervised by the member. The process for designating a new member to serve on the ethics committee in the place of a disqualified member is in new subsection 24.60.130(o), added by Section 40 of the bill.

SECTION 40: AS 24.60.130(o) APPOINTMENT OF ETHICS COMMITTEE

ALTERNATES This section adds a new subsection which sets out that each presiding officer appoints an alternate legislative member of the ethics committee when appointing regular members. Alternate members must have the same qualifications as regular members and must be confirmed just as a regular member is. If a regular member is disqualified from serving, the ethics committee chairman or subcommittee chairman confidentially designates the alternate to serve for the course of that proceeding.

SECTION 41: AS 24.60.134(a) RESTRICTIONS ON ETHICS COMMITTEE PUBLIC MEMBERS, STAFF & CONTRACTORS

This section expands the restrictions on the ethics committee's public members, staff, and contractors by prohibiting participation in political management or political campaigns for federal, state and local office (regardless of whether the campaign is partisan or nonpartisan), or participation in campaigns for or against ballot measures. Section 41 further prohibits the ethics committee's public members, staff, and contractors from attending fundraisers or contributing to political parties, to legislative candidates, to incumbent legislators or legislative employees running for other public offices, or to persons running for another office against an incumbent legislator or legislative employee. Section 41 maintains the existing restriction on lobbying activities.

SECTION 42: AS 24.60.134(c) EXEMPTION FROM CODE OF SOME CONTRACTORS

This section adds a new subsection which permits a contractor with the ethics committee to request an exemption for some members of the corporation or partnership from compliance with some or all prohibitions against political activity. If the committee contracts for outside legal counsel with an attorney who is part of a large firm with branches Outside, a strict reading of current law might mandate that all employees of the firm comply with the Legislative Ethics Code. This section gives the committee the latitude to grant such request.

SECTION 43: AS 24.60.160 ADVISORY OPINIONS This section provides that the ethics committee must issue an advisory opinion to a newly elected legislator within 60 days of a request from such a person, doubling the current response deadline of 30 days. It further allows the committee to issue an advisory opinion to a person who anticipates becoming a legislative employee within 45 days.

SECTION 44: AS 24.60.170(a) INITIATION OF COMPLAINTS This section changes the statute of limitations for consideration of ethics complaints from five to two years, consistent with the time limit for the Executive Branch Ethics Act, and coterminous with the length of a single House term, and establishes that a complaint against a legislator must be filed within a year of the legislator's departure from the Legislature. Section 44 prevents the ethics committee from considering complaints against all members of the legislature, all members of one its houses, or against former employees. It further allows the committee to reinstate a complaint closed upon an employee's termination if the employee is rehired within two years of the date the complaint was filed, and provides for the same procedure with a former legislator who resumes legislative service within two years of the date of the complaint, affecting former staffers who are elected to the legislature and former legislators who are hired as staffers. Section 44 removes the committee's ability to initiate complaints on its own aggregate motion, but does not remove any individual committee member's right to initiate a complaint.

SECTION 45: AS 24.60.170(b) REQUIREMENTS OF COMPLAINANT This section allows any person to file a written complaint under oath stating that the complainant has reason to believe a violation occurred and describing known facts in support of the complaint. It mandates that the ethics committee provide a complaint form, and advise complainants that they may be asked to testify in support of their complaints. Section 45 further sets out that the committee can only accept new complaints or release public information on pending complaints outside of campaign periods as defined in subsections (o) and (p), added by Section 52 of the bill. Section 45 provides that the committee must immediately provide subjects of complaints with copies.

SECTION 46: AS 24.60.170(c) PRELIMINARY TREATMENT OF COMPLAINTS This section allows the ethics committee to have staff preliminarily examine complaints for legal sufficiency and credibility of information, then recommend action to the committee based on information and evidence contained in the complaint. It explicitly allows the committee and staff to solicit additional information from the complainant and subject, though neither is obligated to provide information. Section 46 allows for dismissal of complaints that are frivolous, lack credible information, or fall outside the committee's jurisdiction. It further

clarifies that proceedings under this subsection are confidential and that confidentiality may be waived by the subject in compliance with subsection (l).

SECTION 47: AS 24.60.170(f) LACK OF PROBABLE CAUSE This section states that if there is lack of probable cause that a violation of the ethics code occurred, the complaint must be dismissed, and that unsubstantiable portions may be dismissed. It mandates that the committee issue a decision explaining the dismissal, and establishes that deliberation and vote on the dismissal order and decision are not open to the public or to the subject of the complaint. It further calls for copies of a dismissal order and decision to be sent to the complainant and the subject.

SECTION 48: AS 24.60.170(g) CORRECTIVE ACTIONS This section allows the ethics committee to issue an opinion (which must go to both the complainant and the subject) recommending corrective action after finding probable cause that a violation occurred. It lets the subject request a confidential meeting with the committee within 20 days of receipt of the opinion, at which the committee must explain its reasons for recommending corrective action. It then allows the subject to comply with the opinion or request a hearing under subsection (j), and lets the committee amend or affirm the opinion after this hearing. Section 48 sets out that if a subject agrees to comply with an opinion but fails to do so in a timely manner, the committee may formally charge the person under subsection (h) or refer the matter to a supervisory authority. It empowers the supervisory authority to enforce corrective actions, or decline to do so and refer the matter back to the committee which retains the power formally to charge the person.

SECTION 49: AS 24.60.170(h) FORMAL CHARGES BEYOND CORRECTIVE ACTION This section conforms subsection (h) to the new language in subsection (g), empowering the committee formally to charge a person who fails to complete corrective actions, or if investigation reveals a violation requiring sanctions instead of, or in addition to, corrective actions.

SECTION 50: AS 24.60.170(i) DISCOVERY This section allows the subject of a complaint to engage in discovery under Alaska Rules of Civil Procedure, and lets the ethics committee adopt procedures concerning discovery, including allowing discovery at an earlier stage than formal charges and imposing reasonable restrictions on release of information to the subject of a complaint (to protect the privacy of persons not under investigation). It further prevents the committee from imposing restrictions on discovery by the subject unless the complainant agrees to be bound by similar restrictions concerning release of information, and has not made public the information in or about the complaint or the filing of the complaint.

SECTION 51: AS 24.60.170(l) CONFIDENTIALITY This section sets out that ethics committee proceedings are confidential until the determination of probable cause, and that complaints and all documents produced or disclosed in the course of an investigation are confidential as well. It mandates that the committee transmit information obtained in the course of an investigation to appropriate enforcement authorities. Section 51 clarifies that all meetings of the committee concerning complaints are closed to the public and non-members of the committee, though the committee may permit the subject of a complaint to attend a meeting other than deliberation on probable cause. It allows the subject to waive the confidentiality provisions of this section.

SECTION 52: AS 24.60.174(o), (p) & (q) MORATORIA ON NEW COMPLAINTS/RELEASE OF PUBLIC INFORMATION This section adds three new subsections which concern handling of complaints by the ethics committee during campaign periods. Subsection (o) provides that the committee shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. It provides that the committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (p) sets out that the committee may not proceed beyond the point of confidentiality on a complaint concerning a candidate that is pending when a campaign period begins, preventing action under subsections (f), (g), and (h), unless the subject waives the right to suspension of proceedings. Subsection (q) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 53: AS 24.60.174(a) TIMETABLE FOR COMPLIANCE/RECOMMENDED FINES This section sets out procedures for the Legislature and the ethics committee to follow concerning sanctions on legislators. It mandates that the committee include a suggested timetable for compliance reports when recommending sanctions on a legislator found in violation of the Code. Section 53 allows the committee to recommend fines that the legislative body may impose if the legislator does not comply in a timely manner.

SECTION 54: AS 24.60.174(e) TIMETABLE FOR SANCTIONS This section adds a new subsection requiring a legislative body to report to the ethics committee the sanctions and timetable for compliance it has adopted. It further requires a legislator to report to the committee on compliance with the sanctions, in accordance with the timetable. Section 54 lets the committee determine if the legislator has failed to

comply fully and in a timely manner, and recommend imposition of fines or additional sanctions.

SECTION 55: AS 24.60.176(a) RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE EMPLOYEE This section sets out that the ethics committee will recommend sanctions for a legislative employee to the employee's appointing authority, defined in 24.60.176(b) by Section 56 of the bill. It establishes that appointing authorities may impose the sanctions recommended by the committee or different sanctions, and that the appointing authority enforces the sanctions and reports to the committee on the employee's compliance.

SECTION 56: AS 24.60.176(b) APPOINTING AUTHORITY. This section adds a new subsection which defines which person or committee is the appointing authority for all legislative employees.

SECTION 57: AS 24.60.178(a), (b) & (c) RECOMMENDED SANCTIONS This section adds a new section which lists sanctions the committee may recommend for violations of the Code, enumerated in subsection (b). Subsection (c) lets the committee recommend that the subject be required to pay all or some of the costs related to the investigation or adjudication of the complaint.

SECTION 58: AS 24.60.200 FINANCIAL DISCLOSURE BY LEGISLATORS, LEGISLATIVE DIRECTORS & PUBLIC MEMBERS This section adds public members of the ethics committee to the group of persons who must file Legislative Financial Disclosures (LFD). It adds spousal equivalents to the group of persons about whom income information must be disclosed, and deletes the requirement that gift information be included in an LFD.

SECTION 59: AS 24.60.210 DEADLINES FOR FILING This section changes the deadline for filing an LFD from the 15th of April to the 15th of March.

SECTION 60: AS 24.60.240 CIVIL PENALTY FOR LATE FILING This section changes the reference to who must file an LFD to include public members of the ethics committee as well as legislative directors and legislators.

SECTION 61: AS 24.60.250(a), (b) & (c) EFFECTS OF FAILURE TO FILE This section sets out what APOC must do if an incumbent legislator fails to file an LFD by the 15th of March. It establishes that APOC notifies the candidate that the report is late, and if the candidate still refuses to file within 30 days, APOC informs the Lieutenant-Governor of the failure to file. The candidate then forfeits nomination to office and may not be seated. The lieutenant-governor may not certify the person's

nomination, and the results of the person's election are certified according to 39.50.060(b). Subsection (b) sets out that if a public member fails to file, APOC must notify the appropriate presiding officer. Subsection (c) sets out that APOC must notify Leg Council or LB&A if a legislative director fails to file.

SECTION 62: AS 24.60.260(a) REFERENCE TO FINES This section prohibits false statements in disclosures, and establishes that filing after the deadline constitutes a violation of the Legislative Ethics Code.

SECTION 63: AS 24.60.260(c) FINES FOR FAILURE TO FILE This section permits the committee to impose fines for late disclosures, not to exceed \$2 per day, to a maximum of \$100 per late disclosure, unless the lateness was inadvertent which makes the maximum fine \$25.

SECTION 64: AS 24.60.990(a)(5) IMMEDIATE FAMILY This section expands the general definition of 'immediate family' for the Code.

SECTION 65: AS 24.60.990(a)(15) & (a)(16) DEFINITIONS This section adds new general definitions of 'spousal equivalent' and 'state office' to the Code.

SECTION 66: AS 39.25.070 PERSONNEL BOARD POWERS AND DUTIES This section simplifies the reference to the Executive Branch Ethics Act (39.52) in the State Personnel Act (39.25).

SECTION 67: AS 39.25.160(e) BAN ON CANDIDACY OF EXEMPT EMPLOYEES This section adds extends the ban on candidacy for State or national elective political office by State employees to include the exempt service, but excludes some members of the exempt service from this ban.

SECTION 68: AS 39.25.160(j) PROHIBITION ON POLITICAL ACTIVITY ON GOVERNMENT TIME This section adds a new subsection to the State Personnel Act which explicitly prohibits State employees from engaging in campaign activities on behalf of political candidates on government time. It clarifies that Division of Elections employees may carry out duties related to elections, that members and employees of the Commission on Judicial Conduct may carry out duties related to evaluation of judges, and exempts elected State officials from the ban.

SECTION 69: AS 39.50.020 REPORT OF FINANCIAL AND BUSINESS INTERESTS This section changes the requirements for Public Official Financial Disclosure reports, setting out that public officials listed in 39.50.200 must file reports within 30 days after taking office and in each following year. It changes the annual

filing deadline to the 15th of March, and specifies that all non-municipal officials file with APOC, while municipal officials file with appropriate local authorities.

SECTION 70: AS 39.50.030(a) CONTENTS OF FINANCIAL REPORTS This section states what Public Official Financial Disclosure reports must contain information specified in subsections (b) and (d), and deletes the unnecessary reference to assets or liabilities under \$500, household goods, and personal effects.

SECTION 71: AS 39.50.030(b) CONTENTS OF FINANCIAL REPORTS This section changes the reporting requirements for executive branch public officials to include income sources over \$1000. It adds a requirement for public officials to report any income of over \$250 that is a gift. It changes the requirement to report trust or fiduciary relationships or loans only when they exceed \$1000. Section 71 mandates reporting state contracts held, bid, or offered by a partnership or professional corporation of which an official is a member; deletes a requirement for reporting a state contract or natural resource lease held, bid, or offered by an official's mother or father; and, adds an official's spouse to the group on whom an official must report if the spouse holds a natural resource lease. It adds spousal equivalents in each place where spouses are referred to for reporting requirements, and deletes references to 'dependent child' made unnecessary by the addition of a new definition of 'child' in Section 72 of the bill that addresses dependency.

SECTION 72: AS 39.50.030(d) CONTENTS OF FINANCIAL REPORTS. This section adds new subsections which alter requirements for Public Official Financial Disclosures. Subsection (d) calls for public officials to report close economic associations with legislators, other public officials, lobbyists, and, for the governor and lieutenant-governor, with any public officer. Subsection (e) sets out that new close economic associations must be reported within 60 days of their formation. Subsection (f) calls for disclosure of client information for lobbyists with whom the public official has a close economic association, and for updating of this information within 48 hours for new lobbying contracts. Subsection (g) exempts municipal officers from disclosures related to spousal equivalents. Subsection (h) defines several terms.

SECTION 73: AS 39.50.060 THIRTY DAY PERIOD AFTER FILING DEADLINE This section allows a public official to file. It establishes that APOC notifies the candidate that the report is late, and if the candidate still refuses to file within 30 days, APOC informs the Lieutenant-Governor of the failure to file. The candidate then forfeits nomination to office and may not be seated. The lieutenant-governor may not certify the person's nomination, and the results of the person's election are certified according to 39.50.060(b). Subsection (b) sets out that if a public member fails to file, APOC must notify the appropriate presiding officer. Subsection

(c) sets out that APOC must notify Leg Council or LB&A if a legislative director fails to file

SECTION 74: AS 39.50.070 FAILURE TO REPORT BY CERTAIN STATE EMPLOYEES This section provides for penalties for most public officials who fail to file reports.

SECTION 75: AS 39.50.090(a) PROHIBITION ON USE OF OFFICIAL POSITION This section disallows the use of official position to obtain financial gain for a spousal equivalent.

SECTION 76: AS 39.50.200(a)(1) DEFINITIONS This section redefines the definition of 'assistant to the governor' to include the lieutenant-governor's staff and all person in either office employed in a policy-making position.

SECTION 77: AS 39.50.200(a)(8) DEFINITIONS This section expands the definition of public official to include deputy directors, special assistants to commissioners, legislative liaisons, policy-making staff in the governor's and lieutenant-governor's offices, the State's chief procurement officer, and the executive director of the Alaska Human Resource Investment Council .

SECTION 78: AS 39.50.200(a)(9) DEFINITIONS This section expands the definition of 'source of income' to include spousal equivalents.

SECTION 79: AS 39.50.200(a)(10) DEFINITIONS This section adds a new definition of 'spousal equivalent' for the purposes of 39.50.

SECTION 80: AS 39.52.010(a) FINDINGS AND PURPOSE This section augments the preamble to the Executive Branch Ethics Act.

SECTION 81: AS 39.52.120(b) MISUSE OF OFFICIAL POSITION This section sets out what sorts of behavioral restrictions apply to executive branch employees. Additions to the Executive Branch Ethics Act in State Affairs include an explicit ban on coercion of subordinates and use of state resources for partisan political purposes, and a definition of 'partisan political purposes'.

SECTION 82: AS 39.52.120(d) POLITICAL ACTIVITY ON GOVERNMENT TIME This section adds a new subsection to the behavioral restrictions in the Executive Branch Ethics Act with criteria for determining whether or not a public officer is considered to be on government time, and mandates that leave be taken for political campaign activities that are not minor, inconsequential, and unavoidable.

SECTION 83: AS 39.52.130(b) GIFTS This section increases the value of a gift that may be received in the executive branch from \$50 to \$150. It requires disclosure of a gift received due to a public officer's governmental status whether or not the officer can take or withhold official action that affects the giver.

SECTION 84: AS 39.52.130(e) & (f) GOVERNMENT GIFTS & GIFTS TO FAMILY MEMBERS This section adds new subsections, the first of which allows acceptance of a gift on behalf of the State from a foreign government, the U.S. government, another state government, or a municipal government. The recipient must notify the governor's office within 60 days for instructions on appropriate disposition of the gift. Subsection (f) requires a public officer to return or report a gift given to a family member because of the family member's connection with the public officer under the terms of 39.52.130.

SECTION 85: AS 39.52.170(c) OUTSIDE EMPLOYMENT This section adds a new subsection which bans commissioners from accepting outside employment for compensation.

SECTION 86: AS 39.52.180(d) RESTRICTIONS ON EMPLOYMENT AFTER HOLDING OFFICE This section adds a new subsection which restricts the governor, lieutenant-governor, and commissioners from lobbying for compensation for a year after leaving service.

SECTION 87: AS 39.52.210(a) DECLARATION OF POTENTIAL VIOLATIONS This section requires public employees to report potential violations to the attorney-general as well as to their designated ethics supervisors.

SECTION 88: AS 39.52.210(b) DECLARATION OF POTENTIAL VIOLATIONS This section requires an employee's supervisor to provide a written determination of whether or not a violation reported under subsection (a) exists to both the employee and the attorney-general.

SECTION 89: AS 39.52.220(a) VIOLATIONS BY MEMBERS OF BOARDS & COMMISSIONS This section requires members of boards and commissions to disclose a matter that may result in a violation for the public record and in writing to their designated ethics supervisor and to the attorney-general. It further requires board and commission members' ethics supervisors to provide a written determination of whether or not a violation exists to both the member and the attorney-general.

SECTION 90: AS 39.52.230 REPORTING OF POTENTIAL VIOLATIONS This section requires a supervisor to provide a copy of a report of potential violation of the Executive Branch Ethics Act to the attorney-general.

SECTION 91: AS 39.52.260(d) SUBMISSION OF QUARTERLY REPORTS TO THE PERSONNEL BOARD This section requires the attorney-general to submit copies of quarterly reports from ethics supervisors and the attorney-general's reviews of these reports to the Personnel Board.

SECTION 92: AS 39.52.270(a), (b) & (c) DISCLOSURE STATEMENTS This section adds a new section which makes filing of disclosure statements a provision of the Act. Subsection (a) calls for the statements to be true, correct, and complete. Subsection (b) sets out that ethics supervisors must review disclosures and report potential violations disclosed therein to the attorney-general. Subsection (c) defines 'disclosure statement' to include reports filed under 39.52.210 - 240.

SECTION 93: AS 39.52.310(a) MORATORIUM ON INITIATION OF COMPLAINTS This section prevents the attorney-general from initiating a complaint against the governor or lieutenant-governor who is a candidate during a campaign period as defined in subsection (k).

SECTION 94: AS 39.52.310(c) MORATORIUM ON RECEIPT OF COMPLAINTS/CONTRACT WITH INDEPENDENT COUNSEL This section prevents the Personnel Board from accepting a complaint against the governor or lieutenant-governor who is a candidate during a campaign period as defined in subsection (k). It further allows the Personnel Board to contract for or hire independent counsel without consulting the Department of Law.

SECTION 95: AS 39.52.310(j) & (k) MORATORIUM ON CONSIDERATION OF COMPLAINTS This section adds new subsections. Subsection (j) provides that the Personnel Board shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. The committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (k) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 96: AS 39.52.320 DISMISSAL BEFORE FORMAL PROCEEDINGS This section sets out that the attorney-general must dismiss complaints if there is no

probable cause that a violation occurred, and notify the complainant and the subject under the terms of 39.52.335(c).

SECTION 97: AS 39.52.335(a) - (h) SUMMARY OF DISPOSITION OF COMPLAINTS & REVIEW BY PERSONNEL BOARD This section adds a new section which expands the Personnel Board's oversight of the Executive Branch Ethics Act as enforced by the attorney-general. Subsection (a) mandates forwarding of all complaints received by the attorney-general to the Personnel Board. Subsection (b) requires monthly reporting of the status of pending complaints. Subsection (c) sets out that if a complaint is dismissed or resolved, the attorney-general must report this to the Board, the subject, and the complainant. Subsection (d) allows the complainant to file comments concerning the resolution or dismissal with the Board within 15 days. Subsection (e) calls for the Board to review the summary filed by the attorney-general at its next meeting, allows the Board to compel attendance of the subject, complainant, and attorney-general, and to compel production of documents. Subsection (f) allows the Board to issue a report on the disposition of the complaint. Subsection (g) governs the confidentiality of its report if the summary filed by the attorney-general is confidential. Subsection (h) sets out the steps the Board may take if its recommendation is that the resolution or dismissal be made public.

SECTION 98: AS 39.52.340(a) CONFIDENTIALITY This section sets out that ethics proceedings are confidential as are complaints and all documents produced or disclosed in the course of an investigation. It mandates that the attorney-general transmit information obtained in the course of an investigation to appropriate enforcement authorities.

SECTION 99: AS 39.52.960(2) DEFINITION OF AGENCY This section adds the Alaska Railroad Corporation to the definition of 'agency' for the purposes of the Executive Branch Ethics Act.

SECTION 100: AS 39.52.960(4) DEFINITION OF BOARD OR COMMISSION This section adds the Alaska Railroad Corporation Board of Directors to the definition of 'board or commission' for the purposes of the Executive Branch Ethics Act.

SECTION 101: AS 39.52.960(11) DEFINITION OF IMMEDIATE FAMILY This section changes the general definition of immediate family member for the purposes of the Executive Branch Ethics Act.

SECTION 102: 42.40.710 ALASKA RAILROAD EMPLOYEES This section specifies that the Executive Branch Ethics Act does apply to Railroad employees, although the remaining provisions of Title 39 do not.

SECTION 103: AS 42.40.230 ALASKA RAILROAD ETHICS CODE REPEALER This section repeals 42.40.230, no longer needed as the Railroad is brought under the Executive Branch Ethics Act by the bill.

SECTION 104: POET RESERVES FOR INCUMBENTS This section allows current legislators to transfer unused campaign assets to a POET account reserve under the provisions of Sections 8 and 10 of the bill.

SECTION 105: RETROACTIVITY FOR POET ACCOUNT RESERVE This section makes Sections 8, 10, and 104 retroactive to the 31st of December 1996.

SECTION 106: PARTICULAR EFFECTIVE DATE This section makes Sections 1 - 10, 19, 61, 104 and 105 effective immediately under 01.01.070(c).

SECTION 107: GENERAL EFFECTIVE DATE This section makes Sections 11 -18, 20 - 60, and 62 - 103 effective on the 1st of January 1999.



Official Business

Alaska State Legislature

Senate

State Capitol
Juneau, AK. 99801-1182

Rules Committee

MEMORANDUM.

TO: Senator Kelly, Chairman,
Senate Rules Committee
Representatives Hanley and Therriault, Co-Chairmen
House Finance Committee

FROM: Benjamin Brown, ^{BB}Legislative Aide to Senator Kelly

DATE: 4 May 1998

IN RE: revised sectional analysis of proposed House CS for CS for SB 105 (Fin)
(version No. 0-LS0074\C)

"An Act relating to legislative and executive branch ethics; relating to campaign finances for candidates for state or municipal office; relating to the conduct of lobbyists with respect to public officials; relating to the filing of disclosures by certain state employees and officials; making a conforming amendment to the definition of 'public official' for employment security statutes; and providing for an effective date."

This memo is meant to summarise and analyse each section of the proposed House Finance Committee Substitute for SB 105. Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; a bill itself is the best statement of its specific effects.

SECTION 1: AS 15.13.040(i) DONATION OF SPACE NOT CONSIDERED A CONTRIBUTION This section adds a new subsection which allows donation of space for the posting of political signs, for storage, or for an event without consideration of the donation as a campaign contribution.

SECTION 2: AS 15.13.070(e) LIMITED USE OF CAMPAIGN FUNDS FOR PARTY-RELATED EXPENSES This section adds a new subsection which allows a candidate to expend up to \$1000 annually from a campaign account to pay for

attendance at political party events, for party membership, or to sponsor party functions.

SECTION 3: AS 15.13.072(d) PROHIBITED SOLICITATION & ACCEPTANCE OF CONTRIBUTIONS This section prohibits legislative candidates from soliciting or accepting contributions while the Legislature is convened in regular or special session, unless the candidate's election is within 90 days and the solicitation or acceptance takes place somewhere other than the capital city.

SECTION 4: AS 15.13.072(g) PROHIBITED SOLICITATION & ACCEPTANCE OF CONTRIBUTIONS This section adds a new subsection which prohibits candidates for governor and lieutenant-governor from soliciting or accepting contributions in the capital city while the Legislature is convened in regular or special session.

SECTION 5: AS 15.13.074(c) PROHIBITED CONTRIBUTIONS This section prohibits a person or group from contributing to a candidate for governor or lieutenant-governor before the 1st of January of a general election year or before the date of a proclamation calling for a special election. It prohibits a person or group from contributing to a legislative candidate while the Legislature is convened in regular or special session, unless the candidate's election is within 90 days and the solicitation or acceptance takes place somewhere other than the capital city. Section 5 lengthens the period of time after an election in which a candidate may continue to raise money to the earlier of either 60 days after the election or the end of the calendar year.

SECTION 6: AS 15.13.110(a) POET ACCOUNT REFERENCE IN REPORTING REQUIREMENTS This section changes the name of the account a victorious legislative candidate can establish with unused campaign assets under 15.13.116, from 'legislative office account' to Public Office Expense Term (POET) account.

SECTION 7: AS 15.13.112(c) LIMITED USE OF CAMPAIGN FUNDS FOR PARTY-RELATED EXPENSES This section adds a new subsection which allows a candidate to expend up to \$1000 annually from a campaign account to pay for attendance at political party events, for party membership, or to sponsor party functions, in accordance with the changes made to 15.13.070 by Section 2 of the bill.

SECTION 8: AS 15.13.116(a) DISBURSEMENT OF CAMPAIGN ASSETS This section includes victory or 'thank-you' parties and gifts with no specific dollar-limit in the list of campaign-related expenditures that can be paid for with unused campaign

assets. It allows a transfer of unused campaign assets to a POET account or to a POET account reserve in accordance with new subsection (d). Sections 103, 104, and 106 allow this section and Section 10 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 9: AS 15.13.116(b) BULK-MAIL PERMITS NOT CONSIDERED CAMPAIGN ASSETS This section adds bulk-mail permits to the list of items a candidate may retain after an election has been concluded, and allows use of such permits without restriction in subsequent election and non-election years.

SECTION 10: AS 15.13.116(d) DISBURSEMENT OF CAMPAIGN ASSETS TO POET RESERVE This section adds a new subsection (d) which allows a legislator to transfer up to \$5000 annually from a POET account reserve to a POET account. It allows a transfer of unused campaign assets of up to \$20,000 by senators and \$10,000 by representatives to a POET reserve. 15.13.116(a)(9)(D) currently allows a one-time transfer of funds to a POET account of \$5000 multiplied by the number of years in the legislator's term. At the end of this term, the balance in a POET reserve must be disposed of as provided in (a)(3) or (a)(5), which includes charitable donations or repaying contributors. Sections 103, 104, and 106 allow this section and Section 8 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 11: AS 23.20.526(d) EXCLUSION FROM DEFINITION OF 'EMPLOYMENT' This section makes a conforming amendment based on changes in this bill to the Public Official Financial Disclosure law (39.50) to ensure that public employees who are eligible for unemployment compensation remain eligible. (Refer to Attachment 1 - Cramer memo, 13th February '98.)

SECTION 12: AS 24.45.041(b) REPORTING OF SPOUSAL RELATIONSHIPS BY LOBBYISTS This section adds a new provision to the law requiring legislative lobbyists to disclose spousal relationships with legislators, legislative employees, and some public officials. It cites the definition of spousal equivalent at 39.50.030(g).

SECTION 13: AS 24.60.030(a) LEGISLATIVE ETHICS CODE BEHAVIORAL RESTRICTIONS This section amends the Legislative Ethics Code to refine the restrictions on behavior by persons in the legislative branch. It specifically disallows the use of public resources for nonlegislative purposes or for partisan political purposes. It allows limited use of some resources if the cost is nominal or reimbursement is made, and permits facsimile use on the same terms as telephone use. Section 13 allows Leg Council to designate space for health and fitness purposes to allow legislative use of the Capitol School gym. It also allows legislators to use their private offices in the Capitol during session, and for a five-day window before and

after session, for personal or political purposes if there is no cost and the use doesn't interfere with performance of public duties. Finally, Section 13 permits storing campaign records in legislative offices.

SECTION 14: AS 24.60.030(c) POLITICAL MASS MAILING This section extends a current provision of the Legislative Ethics Code which prohibits use of state funds to print or distribute a mass mailing from or about a legislator who is a candidate for State office during the period 90 days before the primary and ending the day after the general election. It prohibits such mailings by legislators and legislative employees who are candidates for federal or municipal office, or for telephone or electric co-operative boards. While other sections of the ethics code clearly prohibit use of state funds for campaign purposes, this section highlights what are considered to be critical periods and provides a guideline for those who issue mailings during those times. This prohibition does not apply to a legislator's LAA office allowance, and would therefore primarily restrict the use of committee or leadership funds for a political mass mailing.

SECTION 15: AS 24.60.030(d) CAMPAIGN LITERATURE This section adds fundraising notices to the list of current prohibitions on distributing or posting campaign literature in State facilities. It expands the current prohibition to include legislative employees, and allows a legislator to post materials related to a past election in a private legislative office.

SECTION 16: AS 24.60.030(f) BOARD MEMBERSHIP DISCLOSURE This section changes the board membership disclosure period from 30 days to 60 days and requires the ethics committee to publish disclosures in the journal. It exempts legislators and legislative employees whose appointments are already published in the journal from disclosing redundantly.

SECTION 17: AS 24.60.030(g) CONFLICTS OF INTEREST This section replaces the prohibition on taking legislative, administrative, or political action if a legislator or legislative employee has an equity or ownership interest, with a ban on a legislator voting on a question if the legislator has an interest.

SECTION 18: AS 24.60.030(h) POLITICAL ACTIVITY DURING THE WORK DAY This section adds a new subsection to the restrictions on legislative behavior which requires an employee to take leave for the period of time the employee is engaged in political campaign activities, other than incidental campaign activities. It permits political campaign activities on government time if the activities are part of the normal legislative duties, including answering phone calls and handling incoming correspondence.

SECTION 19: AS 24.60.031(a) FUNDRAISING DURING SESSION This section clarifies that the restrictions on fundraising during session are in effect on a day when either body is in regular or special session. It prevents a legislator or legislative employee from soliciting or accepting contributions for legislative campaigns during session, accepting money from an event held for legislative political purposes during session, or expending money for a legislative campaign if the money was raised during session. It allows legislators and legislative employees to accept contributions or expend money from contributions made anywhere but the capital city in the 90 days preceding an election in which a legislator or legislative employee is a candidate.

SECTION 20: AS 24.60.039(b) EMPLOYMENT DISCRIMINATION This section reflects the ethics committee's shared jurisdiction with the State Commission for Human Rights on complaints filed against a legislator or legislative employee concerning violations of 18.80.220 (Unlawful employment practices). Current law requires the committee to accept a complaint alleging a violation of that statute just as it would hear any other complaint. Section 20 gives the committee the option of referring those who file a complaint of employment discrimination to the human rights commission, deferring consideration of the complaint until after the commission has completed its proceedings.

SECTION 21: AS 24.60.040(a) CONTRACTS & LEASES This section broadens contract and lease criteria beyond those currently in the Legislative Ethics Code to restrict a legislator or legislative employee from having a financial interest in a State contract or lease unless it is let through competitive bidding in accordance with the State Procurement Code, is worth \$1000 or less annually, or is standardised under publicly-established guidelines and generally available to the public. This allows participation in contracts or leases that are let under 36.30, addressing a variety of award methods, including sole-source. It also allows participation in contracts or leases let under procedures similar to these, addressing such agencies as the University, the Railroad, and the Legislature. The threshold for being involved in a contract or lease is raised from \$1000 to \$5000. Section 21 also requires a legislator or legislative employee to disclose family members' interests in State contracts or leases if they are known or reasonably ought to be known.

SECTION 22: AS 24.60.040(c) CONTRACTS & LEASES This section adds a new subsection clarifying that a grant, contract, or lease deriving from a State loan or benefit program listed in 24.60.050 is not subject to this section. The ethics committee annually publishes a list of programs that do not meet the criteria in

24.60.050(a) and requires disclosure of participation in any of the listed programs. Section 22 clarifies that a grant that results in a contract is subject to this section.

SECTION 23: AS 24.60.050(c) REFRAINING FROM PUBLICATION This section mandates disclosure of involvement in State programs and loans by the deadline established in 24.60.105. It allows the ethics committee to protect an individual's right to privacy concerning participation in a State loan or benefit program, following a decision by the committee in 1994 not to publish the name of a person who got a benefit from the Violent Crimes Compensation Board, only that a person covered by the Code had received a benefit.

SECTION 24: AS 24.60.060(b) PROTECTIVE ORDER This section adds a new subsection that sets out that the subject of an ethics complaint may not release information deemed confidential under a protective order issued under 24.60.170(i). This allows the committee to broaden discovery by the subject while still protecting any innocent or uninvolved parties.

SECTION 25: AS 24.60.070(b) DEADLINE FOR CLOSE ECONOMIC ASSOCIATION DISCLOSURE This section cites 24.60.105 as the deadline for disclosure of close economic associations, and adds a 60-day timeline for disclosure of new associations.

SECTION 26: AS 24.60.070(d) SPOUSE/SPOUSAL EQUIVALENT LOBBYIST DISCLOSURE This section adds a new subsection which requires a legislator or legislative employee who is married to or who is the spousal equivalent of a lobbyist, to disclose under close economic association the name and address of each of the lobbyist's clients and the total compensation received from each client annually. Changes to the list must be reported within 48 hours.

SECTION 27: AS 24.60.080(a) GIFT RESTRICTIONS This section increases the maximum cumulative annual gift limit in the Legislative Ethics Code from \$100 to \$250. It clarifies that the general prohibition on accepting gifts worth more than \$250 does not apply to types of gifts specifically exempted elsewhere in this part of the Code. Section 27 clearly states that the ban on solicitation, acceptance, or receipt of anything of monetary value from a lobbyist during session does not apply to food or beverage for immediate consumption.

SECTION 28: AS 24.60.080(c) GIFT RESTRICTION EXEMPTIONS This section clarifies that a stay in a vacation home located Outside is not an exempted gift. It allows legislators and legislative employees to accept discounts while on State business if the discount benefits the State. It allows legislators and their personal staff

(but not other legislative employees) to accept discounts and welcoming gifts in the capital city during session. Section 28 allows receipt of a gift worth more than \$250 of legal services related to a matter of legislative concern.

SECTION 29: AS 24.60.080(d) GIFT REPORTING This section increases the reference to the maximum cumulative annual gift limit from \$100 to \$250. It mandates reporting of gifts of travel or legal services within 30 days of receipt. It changes the reporting deadline for gifts not related to legislative status to the 15th of March of the following year, and specifies that the disclosure need include only a description of the gift and the giver's identity (not the actual value). Section 29 also calls for the ethics committee to forward gift disclosures by legislators and legislative directors to the Alaska Public Offices Commission (APOC).

SECTION 30: AS 24.60.080(e) 'LOW BUDGET' CAMPAIGNS/BULK-MAIL PERMITS This section allows certain smaller campaign contributions to fall within the exemption from coverage by the Legislative Ethics Code to conform with the State Elections Act. It sets out that use of a bulk-mail permit is not a gift.

SECTION 31: AS 24.60.080(f) GOVERNMENT GIFTS This section allows acceptance of a gift from a foreign government, the U.S. government, another state government, or a municipal government, on behalf of the Legislature. The gift must be delivered to Leg Council within 60 days. Section 31 increases the reference to the maximum allowable gift from \$100 to \$250.

SECTION 32: AS 24.60.080(g) IMMEDIATE FAMILY This section expands the meaning of the terms 'immediate family' and 'family member' to include spousal equivalents; parents, siblings, grandparents, aunts, and uncles of a spouse or spousal equivalent; and, stepparents, stepsisters, stepbrothers, stepgrandparents, stepparents, and stepuncles of a person, a person's spouse, or a person's spousal equivalent.

SECTION 33: AS 24.60.080 NEW GIFT RESTRICTION EXEMPTIONS This section adds new exempting subsections to the ban on receiving gifts. New subsection (h) permits soliciting and accepting gifts on behalf of charitable organizations, which is in accordance with advisory opinions issued by the ethics committee. New subsection (i) sets out that gifts of volunteer services for legislative purposes may be accepted by a legislator, legislative committee, or legislative agency as a gift to the State, so long as the person donating the services is not paid by another source. Subsection (i) further allows a legislator, legislative committee, or legislative agency to accept a University intern or Job Training Partnership Act trainee as well as any other educational trainee the committee approves. (To maintain confidentiality, the ethics committee is not permitted to accept volunteer services.) Subsection (i) also requires

volunteers, interns, and educational trainees to comply generally with the Legislative Ethics Code, with the exceptions of certain sections: contracts and leases, close economic associations, nepotism, and representation before state agencies and affords them the protection of the ethics complaint process under 24.60.170. New subsection (j) sets out that gifts from another source to a family member of a legislator or legislative employee fall within restrictions and reporting requirements. Subsection (j) further requires disclosure by a legislator or legislative employee who knows, or reasonably ought to know, that a family member has received a gift because of the family member's connection to the legislator or legislative employee. New subsection (k) states that the value of a gift is fair market value, to the extent that fair market value can be determined.

SECTION 34: AS 24.60.085(a) EARNED INCOME & HONORARIA This section would allow legislators and legislative employees to accept compensation that is less than fees generally charged, (E.G., allowing an attorney to do pro bono work or an engineer to charge a reduced rate for review of plans for a non-profit organization).

SECTION 35: AS 24.60.100 REPRESENTATION This section sets a deadline for reporting representation before a State agency, citing 24.60.105.

SECTION 36: AS 24.60.105 DEADLINE FOR FILING DISCLOSURES This section adds a new section which establishes a filing deadline for most disclosures in the Legislative Ethics Code filed with the ethics committee: board memberships, interests in state contracts or leases, participation in State programs and loans, close economic associations, and representation of clients. It mandates disclosure of an interest begun or acquired during the interim or in the last 30 days of a regular session by the 15th of March, and disclosure within 30 days for a matter begun or acquired during a regular session's final 30 days.

SECTION 37: AS 24.60.130(f) COMMITTEE PER DIEM & TRAVEL This section authorizes the ethics committee's public members to receive per diem and travel compensation, as has been customary with legislative committees that have non-legislative members (E.G., the Code Revision Committee). Public members are not entitled to actual pay for their time. Rates and terms for per diem and travel for state boards and commissions (set in 39.20.180) apply to public members of the ethics committee.

SECTION 38: AS 24.60.130(g) REMOVAL OF ETHICS COMMITTEE MEMBERS This section provides a means of removing a legislative or public member of the ethics committee for failure to carry out the member's duties.

Removal is effected by a two-thirds vote of the body to which a legislative member belongs, or by a two-thirds vote of both bodies for a public member.

SECTION 39: AS 24.60.130(h) MEMBER DISQUALIFICATION

This section prohibits a legislative member of the ethics committee from participating in a complaint proceeding if the subject of the complaint is the member, or the subject is supervised by the member. The process for designating a new member to serve on the ethics committee in the place of a disqualified member is in new subsection 24.60.130(o), added by Section 40 of the bill.

SECTION 40: AS 24.60.130(o) APPOINTMENT OF ETHICS COMMITTEE

ALTERNATES This section adds a new subsection which sets out that each presiding officer appoints an alternate legislative member of the ethics committee when appointing regular members. Alternate members must have the same qualifications as regular members and must be confirmed just as a regular member is. If a regular member is disqualified from serving, the ethics committee chairman or subcommittee chairman confidentially designates the alternate to serve for the course of that proceeding.

SECTION 41: AS 24.60.134(a) RESTRICTIONS ON ETHICS COMMITTEE PUBLIC MEMBERS, STAFF & CONTRACTORS

This section expands the restrictions on the ethics committee's public members, staff, and contractors by prohibiting participation in political management or political campaigns for federal, state and local office (regardless of whether the campaign is partisan or nonpartisan), or participation in campaigns for or against ballot measures. Section 41 further prohibits the ethics committee's public members, staff, and contractors from attending fundraisers or contributing to political parties, to legislative candidates, to incumbent legislators or legislative employees running for other public offices, or to persons running for another office against an incumbent legislator or legislative employee. Section 41 maintains the existing restriction on lobbying activities.

SECTION 42: AS 24.60.134(c) EXEMPTION FROM CODE OF SOME

CONTRACTORS This section adds a new subsection which permits a contractor with the ethics committee to request an exemption for some members of the corporation or partnership from compliance with some or all prohibitions against political activity. If the committee contracts for outside legal counsel with an attorney who is part of a large firm with branches Outside, a strict reading of current law might mandate that all employees of the firm comply with the Legislative Ethics Code. This section gives the committee the latitude to grant such request.

SECTION 43: AS 24.60.160 ADVISORY OPINIONS This section provides that the ethics committee must issue an advisory opinion to a newly elected legislator within 60 days of a request from such a person, doubling the current response deadline of 30 days. It further allows the committee to issue an advisory opinion to a person who anticipates becoming a legislative employee within 45 days.

SECTION 44: AS 24.60.170(a) INITIATION OF COMPLAINTS This section changes the statute of limitations for consideration of ethics complaints from five to two years, consistent with the time limit for the Executive Branch Ethics Act, and coterminous with the length of a single House term, and establishes that a complaint against a legislator must be filed within a year of the legislator's departure from the Legislature. Section 44 prevents the ethics committee from considering complaints against all members of the legislature, all members of one its houses, or against former employees. It further allows the committee to reinstate a complaint closed upon an employee's termination if the employee is rehired within two years of the date the complaint was filed, and provides for the same procedure with a former legislator who resumes legislative service within two years of the date of the complaint, affecting former staffers who are elected to the legislature and former legislators who are hired as staffers. Section 44 removes the committee's ability to initiate complaints on its own aggregate motion, but does not remove any individual committee member's right to initiate a complaint.

SECTION 45: AS 24.60.170(b) REQUIREMENTS OF COMPLAINANT This section allows any person to file a written complaint under oath stating that the complainant has reason to believe a violation occurred and describing known facts in support of the complaint. It mandates that the ethics committee provide a complaint form, and advise complainants that they may be asked to testify in support of their complaints. Section 45 further sets out that the committee can only accept new complaints or release public information on pending complaints outside of campaign periods as defined in subsections (o) and (p), added by Section 52 of the bill. Section 45 provides that the committee must immediately provide subjects of complaints with copies.

SECTION 46: AS 24.60.170(c) PRELIMINARY TREATMENT OF COMPLAINTS This section allows the ethics committee to have staff preliminarily examine complaints for legal sufficiency and credibility of information, then recommend action to the committee based on information and evidence contained in the complaint. It explicitly allows the committee and staff to solicit additional information from the complainant and subject, though neither is obligated to provide information. Section 46 allows for dismissal of complaints that are frivolous, lack credible information, or fall outside the committee's jurisdiction. It further

clarifies that proceedings under this subsection are confidential and that confidentiality may be waived by the subject in compliance with subsection (l).

SECTION 47: AS 24.60.170(f) LACK OF PROBABLE CAUSE This section states that if there is lack of probable cause that a violation of the ethics code occurred, the complaint must be dismissed, and that unsubstantiable portions may be dismissed. It mandates that the committee issue a decision explaining the dismissal, and establishes that deliberation and vote on the dismissal order and decision are not open to the public or to the subject of the complaint. It further calls for copies of a dismissal order and decision to be sent to the complainant and the subject.

SECTION 48: AS 24.60.170(g) CORRECTIVE ACTIONS This section allows the ethics committee to issue an opinion (which must go to both the complainant and the subject) recommending corrective action after finding probable cause that a violation occurred. It lets the subject request a confidential meeting with the committee within 20 days of receipt of the opinion, at which the committee must explain its reasons for recommending corrective action. It then allows the subject to comply with the opinion or request a hearing under subsection (j), and lets the committee amend or affirm the opinion after this hearing. Section 48 sets out that if a subject agrees to comply with an opinion but fails to do so in a timely manner, the committee may formally charge the person under subsection (h) or refer the matter to a supervisory authority. It empowers the supervisory authority to enforce corrective actions, or decline to do so and refer the matter back to the committee which retains the power formally to charge the person.

SECTION 49: AS 24.60.170(h) FORMAL CHARGES BEYOND CORRECTIVE ACTION This section conforms subsection (h) to the new language in subsection (g), empowering the committee formally to charge a person who fails to complete corrective actions, or if investigation reveals a violation requiring sanctions instead of, or in addition to, corrective actions.

SECTION 50: AS 24.60.170(i) DISCOVERY This section allows the subject of a complaint to engage in discovery under Alaska Rules of Civil Procedure, and lets the ethics committee adopt procedures concerning discovery, including allowing discovery at an earlier stage than formal charges and imposing reasonable restrictions on release of information to the subject of a complaint (to protect the privacy of persons not under investigation). It further prevents the committee from imposing restrictions on discovery by the subject unless the complainant agrees to be bound by similar restrictions concerning release of information, and has not made public the information in or about the complaint or the filing of the complaint.

SECTION 51: AS 24.60.170(l) CONFIDENTIALITY This section sets out that ethics committee proceedings are confidential until the determination of probable cause, and that complaints and all documents produced or disclosed in the course of an investigation are confidential as well. It mandates that the committee transmit information obtained in the course of an investigation to appropriate enforcement authorities. Section 51 clarifies that all meetings of the committee concerning complaints are closed to the public and non-members of the committee, though the committee may permit the subject of a complaint to attend a meeting other than deliberation on probable cause. It allows the subject to waive the confidentiality provisions of this section.

SECTION 52: AS 24.60.174(o), (p) & (q) MORATORIA ON NEW COMPLAINTS/RELEASE OF PUBLIC INFORMATION This section adds three new subsections which concern handling of complaints by the ethics committee during campaign periods. Subsection (o) provides that the committee shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. It provides that the committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (p) sets out that the committee may not proceed beyond the point of confidentiality on a complaint concerning a candidate that is pending when a campaign period begins, preventing action under subsections (f), (g), and (h), unless the subject waives the right to suspension of proceedings. Subsection (q) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 53: AS 24.60.174(a) TIMETABLE FOR COMPLIANCE/RECOMMENDED FINES This section sets out procedures for the Legislature and the ethics committee to follow concerning sanctions on legislators. It mandates that the committee include a suggested timetable for compliance reports when recommending sanctions on a legislator found in violation of the Code. Section 53 allows the committee to recommend fines that the legislative body may impose if the legislator does not comply in a timely manner.

SECTION 54: AS 24.60.174(e) TIMETABLE FOR SANCTIONS This section adds a new subsection requiring a legislative body to report to the ethics committee the sanctions and timetable for compliance it has adopted. It further requires a legislator to report to the committee on compliance with the sanctions, in accordance with the timetable. Section 54 lets the committee determine if the legislator has failed to

comply fully and in a timely manner, and recommend imposition of fines or additional sanctions.

SECTION 55: AS 24.60.176(a) RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE EMPLOYEE This section sets out that the ethics committee will recommend sanctions for a legislative employee to the employee's appointing authority, defined in 24.60.176(b) by Section 56 of the bill. It establishes that appointing authorities may impose the sanctions recommended by the committee or different sanctions, and that the appointing authority enforces the sanctions and reports to the committee on the employee's compliance.

SECTION 56: AS 24.60.176(b) APPOINTING AUTHORITY. This section adds a new subsection which defines which person or committee is the appointing authority for all legislative employees.

SECTION 57: AS 24.60.178(a), (b) & (c) RECOMMENDED SANCTIONS This section adds a new section which lists sanctions the committee may recommend for violations of the Code, enumerated in subsection (b). Subsection (c) lets the committee recommend that the subject be required to pay all or some of the costs related to the investigation or adjudication of the complaint.

SECTION 58: AS 24.60.200 FINANCIAL DISCLOSURE BY LEGISLATORS, LEGISLATIVE DIRECTORS & PUBLIC MEMBERS This section adds public members of the ethics committee to the group of persons who must file Legislative Financial Disclosures (LFD). It adds spousal equivalents to the group of persons about whom income information must be disclosed, and deletes the requirement that gift information be included in an LFD.

SECTION 59: AS 24.60.210 DEADLINES FOR FILING This section changes the deadline for filing an LFD from the 15th of April to the 15th of March.

SECTION 60: AS 24.60.240 CIVIL PENALTY FOR LATE FILING This section changes the reference to who must file an LFD to include public members of the ethics committee as well as legislative directors and legislators.

SECTION 61: AS 24.60.250(a), (b) & (c) EFFECTS OF FAILURE TO FILE This section sets out what APOC must do if an incumbent legislator fails to file an LFD by the 15th of March. It establishes that APOC notifies the candidate that the report is late, and if the candidate still refuses to file within 30 days, APOC informs the Lieutenant-Governor of the failure to file. The candidate then forfeits nomination to office and may not be seated. The lieutenant-governor may not certify the person's

nomination which is certified according to 39.50.060(b). Subsection (b) sets out that if a public member fails to file, APOC must notify the appropriate presiding officer. Subsection (c) sets out that APOC must notify Leg Council or LB&A if a legislative director fails to file.

SECTION 62: AS 24.60.260(a) REFERENCE TO FINES This section prohibits false statements in disclosures, and establishes that filing after the deadline constitutes a violation of the Legislative Ethics Code.

SECTION 63: AS 24.60.260(c) FINES FOR FAILURE TO FILE This section permits the committee to impose fines for late disclosures, not to exceed \$2 per day, to a maximum of \$100 per late disclosure, unless the lateness was inadvertent which makes the maximum fine \$25.

SECTION 64: AS 24.60.990(a)(5) IMMEDIATE FAMILY This section expands the general definition of 'immediate family' for the Code.

SECTION 65: AS 24.60.990(a)(15) & (a)(16) DEFINITIONS This section adds new general definitions of 'spousal equivalent' and 'state office' to the Code.

SECTION 66: AS 39.25.070 PERSONNEL BOARD POWERS AND DUTIES This section simplifies the reference to the Executive Branch Ethics Act (39.52) in the State Personnel Act (39.25).

SECTION 67: AS 39.25.160(e) BAN ON CANDIDACY OF EXEMPT EMPLOYEES This section extends the ban on candidacy for State or national elective political office by State employees to include the exempt service, but excludes some members of the exempt service from this ban.

SECTION 68: AS 39.25.160(j) PROHIBITION ON POLITICAL ACTIVITY ON GOVERNMENT TIME This section adds a news subsection to the State Personnel Act which explicitly prohibits State employees from engaging in campaign activities on behalf of political candidates on government time. It clarifies that Division of Elections employees may carry out duties related to elections, that members and employees of the Commission on Judicial Conduct may carry out duties related to evaluation of judges, and exempts elected State officials from the ban.

SECTION 69: AS 39.50.020 REPORT OF FINANCIAL AND BUSINESS INTERESTS This section changes the requirements for Public Official Financial Disclosure reports, setting out that public officials listed in 39.50.200 must file reports within 30 days after taking office. It changes the filing deadline to the 15th of

March, and specifies that all non-municipal officials file with APOC, while municipal officials file with appropriate local authorities.

SECTION 70: AS 39.50.030(a) CONTENTS OF FINANCIAL REPORTS This section states what Public Official Financial Disclosure reports must contain information specified in subsections (b) and (d), and deletes the unnecessary reference to assets or liabilities under \$500, household goods, and personal effects.

SECTION 71: AS 39.50.030(b) CONTENTS OF FINANCIAL REPORTS This section changes the reporting requirements for executive branch public officials to include income sources over \$1000. It adds a requirement for public officials to report any income of over \$250 that is a gift. It changes the requirement to report trust or fiduciary relationships or loans only when they exceed \$1000. Section 71 mandates reporting state contracts held, bid, or offered by a partnership or professional corporation of which an official is a member; deletes a requirement for reporting a state contract or natural resource lease held, bid, or offered by an official's mother or father; and, adds an official's spouse to the group on whom an official must report if the spouse holds a natural resource lease. It adds spousal equivalents in each place where spouses are referred to for reporting requirements, and deletes references to 'dependent child' made unnecessary by the addition of a new definition of 'child' in Section 72 of the bill that addresses dependency.

SECTION 72: AS 39.50.030(d) CONTENTS OF FINANCIAL REPORTS. This section adds new subsections which alter requirements for Public Official Financial Disclosures. Subsection (d) calls for public officials to report close economic associations with legislators, other public officials, lobbyists, and, for the governor and lieutenant-governor, with any public officer. Subsection (e) sets out that new close economic associations must be reported within 60 days of their formation. Subsection (f) calls for disclosure of client information for lobbyists with whom the public official has a close economic association, and for updating of this information within 48 hours for new lobbying contracts. Subsection (g) exempts municipal officers from disclosures related to spousal equivalents. Subsection (h) defines several terms.

SECTION 73: AS 39.50.070 FAILURE TO REPORT BY CERTAIN STATE EMPLOYEES This section provides for penalties for most public officials who fail to file reports.

SECTION 74: AS 39.50.090(a) PROHIBITION ON USE OF OFFICIAL POSITION This section disallows the use of official position to obtain financial gain for a spousal equivalent.

SECTION 75: AS 39.50.200(a)(1) DEFINITIONS This section redefines the definition of 'assistant to the governor' to include the lieutenant-governor's staff and all person in either office employed in a policy-making position.

SECTION 76: AS 39.50.200(a)(8) DEFINITIONS This section expands the definition of public official to include deputy directors, special assistants to commissioners, legislative liaisons, policy-making staff in the governor's and lieutenant-governor's offices, the State's chief procurement officer, and the executive director of the Alaska Human Resource Investment Council .

SECTION 77: AS 39.50.200(a)(9) DEFINITIONS This section expands the definition of 'source of income' to include spousal equivalents.

SECTION 78: AS 39.50.200(a)(10) DEFINITIONS This section adds a new definition of 'spousal equivalent' for the purposes of 39.50.

SECTION 79: AS 39.52.010(a) FINDINGS AND PURPOSE This section augments the preamble to the Executive Branch Ethics Act.

SECTION 80: AS 39.52.120(b) MISUSE OF OFFICIAL POSITION This section sets out what sorts of behavioral restrictions apply to executive branch employees. Additions to the Executive Branch Ethics Act in State Affairs include an explicit ban on coercion of subordinates and use of state resources for partisan political purposes, and a definition of 'partisan political purposes'.

SECTION 31: AS 39.52.120(d) POLITICAL ACTIVITY ON GOVERNMENT TIME This section adds a new subsection to the behavioral restrictions in the Executive Branch Ethics Act with criteria for determining whether or not a public officer is considered to be on government time, and mandates that leave be taken for political campaign activities that are not minor, inconsequential, and unavoidable.

SECTION 82: AS 39.52.130(b) GIFTS This section increases the value of a gift that may be received in the executive branch from \$50 to \$150. It requires disclosure of a gift received due to a public officer's governmental status whether or not the officer can take or withhold official action that affects the giver.

SECTION 83: AS 39.52.130(e) & (f) GOVERNMENT GIFTS & GIFTS TO FAMILY MEMBERS This section adds new subsections, the first of which allows acceptance of a gift on behalf of the State from a foreign government, the U.S. government, another state government, or a municipal government. The recipient must notify the governor's office within 60 days for instructions on appropriate

disposition of the gift. Subsection (f) requires a public officer to return or report a gift given to a family member because of the family member's connection with the public officer under the terms of 39.52.130.

SECTION 84: AS 39.52.170(c) OUTSIDE EMPLOYMENT This section adds a new subsection which bans commissioners from accepting outside employment for compensation.

SECTION 85: AS 39.52.180(d) RESTRICTIONS ON EMPLOYMENT AFTER HOLDING OFFICE This section adds a new subsection which restricts the governor, lieutenant-governor, and commissioners from lobbying for compensation for a year after leaving service.

SECTION 86: AS 39.52.210(a) DECLARATION OF POTENTIAL VIOLATIONS This section requires public employees to report potential violations to the attorney-general as well as to their designated ethics supervisors.

SECTION 87: AS 39.52.210(b) DECLARATION OF POTENTIAL VIOLATIONS This section requires an employee's supervisor to provide a written determination of whether or not a violation reported under subsection (a) exists to both the employee and the attorney-general.

SECTION 88: AS 39.52.220(a) VIOLATIONS BY MEMBERS OF BOARDS & COMMISSIONS This section requires members of boards and commissions to disclose a matter that may result in a violation for the public record and in writing to their designated ethics supervisor and to the attorney-general. It further requires board and commission members' ethics supervisors to provide a written determination of whether or not a violation exists to both the member and the attorney-general.

SECTION 89: AS 39.52.230 REPORTING OF POTENTIAL VIOLATIONS This section requires a supervisor to provide a copy of a report of potential violation of the Executive Branch Ethics Act to the attorney-general.

SECTION 90: AS 39.52.260(d) SUBMISSION OF QUARTERLY REPORTS TO THE PERSONNEL BOARD This section requires the attorney-general to submit copies of quarterly reports from ethics supervisors and the attorney-general's reviews of these reports to the Personnel Board.

SECTION 91: AS 39.52.270(a), (b) & (c) DISCLOSURE STATEMENTS This section adds a new section which makes filing of disclosure statements a provision of the Act. Subsection (a) calls for the statements to be true, correct, and complete.

Subsection (b) sets out that ethics supervisors must review disclosures and report potential violations disclosed therein to the attorney-general. Subsection (c) defines 'disclosure statement' to include reports filed under 39.52.210 - 240.

SECTION 92: AS 39.52.310(a) MORATORIUM ON INITIATION OF COMPLAINTS This section prevents the attorney-general from initiating a complaint against the governor or lieutenant-governor who is a candidate during a campaign period as defined in subsection (k).

SECTION 93: AS 39.52.310(c) MORATORIUM ON RECEIPT OF COMPLAINTS/CONTRACT WITH INDEPENDENT COUNSEL This section prevents the Personnel Board from accepting a complaint against the governor or lieutenant-governor who is a candidate during a campaign period as defined in subsection (k). It further allows the Personnel Board to contract for or hire independent counsel without consulting the Department of Law.

SECTION 94: AS 39.52.310(j) & (k) MORATORIUM ON CONSIDERATION OF COMPLAINTS This section adds new subsections. Subsection (j) provides that the Personnel Board shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. The committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (k) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 95: AS 39.52.320 DISMISSAL BEFORE FORMAL PROCEEDINGS This section sets out that the attorney-general must dismiss complaints if there is no probable cause that a violation occurred, and notify the complainant and the subject under the terms of 39.52.335(c).

SECTION 96: AS 39.52.335(a) - (h) SUMMARY OF DISPOSITION OF COMPLAINTS & REVIEW BY PERSONNEL BOARD This section adds a new section which expands the Personnel Board's oversight of the Executive Branch Ethics Act as enforced by the attorney-general. Subsection (a) mandates forwarding of all complaints received by the attorney-general to the Personnel Board. Subsection (b) requires monthly reporting of the status of pending complaints. Subsection (c) sets out that if a complaint is dismissed or resolved, the attorney-general must report this to the Board, the subject, and the complainant. Subsection (d) allows the complainant to file comments concerning the resolution or dismissal with the Board within 15

days. Subsection (e) calls for the Board to review the summary filed by the attorney-general at its next meeting, allows the Board to compel attendance of the subject, complainant, and attorney-general, and to compel production of documents. Subsection (f) allows the Board to issue a report on the disposition of the complaint. Subsection (g) governs the confidentiality of its report if the summary filed by the attorney-general is confidential. Subsection (h) sets out the steps the Board may take if its recommendation is that the resolution or dismissal be made public.

SECTION 97: AS 39.52.340(a) CONFIDENTIALITY This section sets out that ethics proceedings are confidential as are complaints and all documents produced or disclosed in the course of an investigation. It mandates that the attorney-general transmit information obtained in the course of an investigation to appropriate enforcement authorities.

SECTION 98: AS 39.52.960(2) DEFINITION OF AGENCY This section adds the Alaska Railroad Corporation to the definition of 'agency' for the purposes of the Executive Branch Ethics Act.

SECTION 99: AS 39.52.960(4) DEFINITION OF BOARD OR COMMISSION This section adds the Alaska Railroad Corporation Board of Directors to the definition of 'board or commission' for the purposes of the Executive Branch Ethics Act.

SECTION 100: AS 39.52.960(11) DEFINITION OF IMMEDIATE FAMILY This section changes the general definition of immediate family member for the purposes of the Executive Branch Ethics Act.

SECTION 101: AS 42.40.230 ALASKA RAILROAD ETHICS CODE REPEALER This section repeals 42.40.230, no longer needed as the Railroad is brought under the Executive Branch Ethics Act by the bill.

SECTION 102: LATE FILING FOR INCUMBENTS This section allows current legislators to file an LFD thirty days after the 15th of March under the terms of 24.60.250 as set out in Section 61 of the bill. Section 61 permits a legislator to file an LFD thirty days after the filing deadline without facing the stringently punitive provisions of 24.60.250(a)(1) - (4) which apply to legislators who fail to file within 30 days of the filing deadline.

SECTION 103: POET RESERVES FOR INCUMBENTS This section allows current legislators to transfer unused campaign assets to a POET account reserve under the provisions of Sections 8 and 10 of the bill.

SECTION 104: RETROACTIVITY FOR POET ACCOUNT RESERVE This section makes Sections 8, 10, and 103 retroactive to the 31st of December 1996.

SECTION 105: RETROACTIVITY FOR LATE FILING FOR INCUMBENTS This section makes Sections 61 and 102 retroactive to the 15th of March 1998.

SECTION 106: PARTICULAR EFFECTIVE DATE This section makes Sections 1 - 10, 19, 61, and 102 - 105 effective immediately under 01.01.070(c).

SECTION 107: GENERAL EFFECTIVE DATE This section makes Sections 11 -18, 20 - 60, and 62 - 100 effective on the 1st of January 1999.

0-LS(0)74\R.1
Cramer
4/23/98

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AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

- 1 Page 1, following line 7:
- 2 Insert a new bill section to read:
- 3 **** Section 1.** AS 15.13.040 is amended by adding a new subsection to read:
- 4 (i) The permission of the owner of real or personal property to post political
- 5 signs, including bumper stickers, on property is not considered to be a contribution
- 6 under this chapter unless the owner customarily charges a fee or receives payment for
- 7 permitting the posting of political signs. The fact that the owner customarily charges
- 8 a fee or receives payment for posting signs that are not political signs is not
- 9 determinative of whether the owner customarily does so for political signs."

- 10 Page 1, line 8:
- 11 Delete "Section 1"
- 12 Insert "Sec. 2"

- 13 Renumber the following bill sections accordingly.

- 14 Page 56, line 5:
- 15 Delete "1, 2, 4, 5, 91, and 92"
- 16 Insert "1 - 3, 5, 6, 92, and 93"

- 17 Renumber internal references to bill sections in accordance with this amendment. Internal
- 18 bill section references occur at the following places:

- 19 Page 55, line 29
- 20 Page 56, line 2

0-LS0074R.1

- 1 Page 56, line 4
- 2 Page 56, line 5
- 3 Page 56, line 7

O-LS0074R.2
Cramer
4/23/98

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 6, following line 26:

2 Insert a new bill section to read:

3 **** Sec. 5.** AS 15.13.116(b) is amended to read:

4 (b) After a general, special, municipal, or municipal runoff election, a
5 candidate may retain the ownership of one computer and one printer and of personal
6 property, except money, that was acquired by and for use in the campaign. The
7 current fair market value of the property retained, exclusive of the computer and
8 printer, may not exceed \$2,500. All other property shall be disposed of, or sold and
9 the sale proceeds disposed of, in accordance with (a) or (c) of this section.
10 Notwithstanding any other provision of this chapter, a candidate may (1) retain
11 a bulk mailing permit that was paid for with campaign funds, and (2) use
12 personal funds, campaign funds, or unused campaign contributions transferred
13 to a public office expense term account under AS 15.13.116(a)(8) to pay the
14 continuing charges for the permit after the election. Money used to continue the
15 life of the permit is not considered to be a contribution under this chapter. In
16 addition to any other use permitted under this chapter, during the candidate's
17 term of office, the candidate may use the bulk mailing permit for mailings
18 associated with service in the office to which the candidate was elected. During
19 the candidate's term of office, if the candidate files a declaration of candidacy or
20 a letter of intent to become a candidate for the same or a different elective office,
21 the candidate may also use the bulk mailing permit in that election campaign."

22 Renumber the following bill section accordingly.

23 Page 20, line 16, following "AS 15.13.040(e)":

0-LS0074\R.2

1 Insert "The use of a bulk mailing permit owned by a legislator's campaign
2 committee or used in a legislator's election campaign is not a gift to that legislator under
3 this section"

4 Page 56, line 7:

5 Delete "Sections 3 and 6 - 90"

6 Insert "Sections 3, 5, and 7 - 91"

7 Renumber internal references to bill sections in accordance with this amendment. Internal
8 bill section references occur at the following places:

- 9 Page 55, line 29
- 10 Page 56, line 2
- 11 Page 56, line 4
- 12 Page 56, line 5
- 13 Page 56, line 7

0-1.S0074R.3
Cramer
4/23/98

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 1, following line 7:

2 Insert a new bill section to read:

3 **** Section 1.** AS 15.13.070 is amended by adding a new subsection to read:

4 (e) For purposes of the contribution limit in this section, it is not a campaign
5 contribution under this section for a candidate to use up to a total of \$1,000 from
6 campaign contributions in a year to pay the cost of

7 (1) attendance by a candidate or guests of the candidate at an event
8 or other function sponsored by a political party or by a subordinate unit of a political
9 party;

10 (2) membership in a political party, subordinate unit of a political
11 party, or other entity within a political party, or subscription to a publication from a
12 political party; or

13 (3) co-sponsorship of an event or other function sponsored by a
14 political party or by a subordinate unit of a political party."

15 Page 1, line 8:

16 Delete "Section 1"

17 Insert "Sec. 2"

18 Renumber the following bill sections accordingly.

19 Page 4, following line 17:

20 Insert a new bill section to read:

21 **** Sec. 5.** AS 15.13.112 is amended by adding a new subsection to read:

22 (c) A candidate may use up to a total of \$1,000 in campaign contributions in

0-I.S0074R.3

- 1 a year to pay the cost of
- 2 (1) attending, or paying the cost for guests of the candidate to attend,
- 3 an event or other function sponsored by a political party or subordinate unit of a
- 4 political party:
- 5 (2) membership in a political party, subordinate unit of a political
- 6 party, or other entity within a political party, or subscription to a publication from a
- 7 political party; and
- 8 (3) co-sponsorship of an event or other function sponsored by a
- 9 political party or by a subordinate unit of a political party."

10 Renumber the following bill sections accordingly.

11 Page 56, line 7:

- 12 Delete "3 and 6 - 90"
- 13 Insert "1, 4, 5, and 8 - 92"

14 Renumber internal references to bill sections in accordance with this amendment. Below are
15 all internal bill section references in this bill:

- 16 Page 55, line 29
- 17 Page 56, line 2
- 18 Page 56, line 4
- 19 Page 56, line 5
- 20 Page 56, line 7

0-LS0074\R.5
Cramer
4/23/98

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 36, lines 2 - 3:

2 Delete "legislator and a legislative director"

3 Insert "person required to file a disclosure statement under AS 24.60.200

4 [LEGISLATOR AND A LEGISLATIVE DIRECTOR]"

5 Page 36, following line 5:

6 Insert a new bill section to read:

7 **** Sec. 57.** AS 24.60.240 is amended to read:

8 **Sec. 24.60.240. Civil penalty for late filing.** A person required to file a
9 disclosure statement under AS 24.60.200 [LEGISLATOR OR A LEGISLATIVE
10 DIRECTOR] who fails to file a properly completed report under AS 24.60.200 is
11 subject to a civil penalty of not more than \$10 a day for each day the delinquency
12 continues as the Alaska Public Offices Commission determines, subject to appeal to
13 the superior court. An affidavit stating facts in mitigation may be submitted to the
14 Alaska Public Offices Commission by the person against whom the civil penalty is
15 assessed. However, the imposition of the penalties prescribed in this section does not
16 excuse the person from filing reports required by AS 24.60.200."

17 Renumber the following bill sections accordingly.

18 Page 36, line 7, following "candidate":

19 Insert "public member of the committee."

20 Page 36, lines 15 - 20:

21 Delete "In addition to the sanctions described in AS 24.60.260, if the Alaska

0-1.S0074\R.5

1 Public Offices Commission finds that a legislative director has failed or refused to file
 2 a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify the
 3 Alaska Legislative Council or the Legislative Budget and Audit Committee, as
 4 appropriate. For the ombudsman, the Alaska Legislative Council shall be notified."

5 Page 36, following line 20:

6 Insert a new bill section to read:

7 "* Sec. 59. AS 24.60.250 is amended by adding new subsections to read:

8 (b) In addition to the sanctions described in AS 24.60.260, if the Alaska
 9 Public Offices Commission finds that a member of the committee has failed or
 10 refused to file a report under AS 24.60.200 by a deadline established in AS 24.60.210,
 11 it shall notify the presiding officer of the appropriate legislative body. In the case of
 12 a public member of the committee, the commission shall notify both presiding
 13 officers.

14 (c) In addition to the sanctions described in AS 24.60.260, if the Alaska
 15 Public Offices Commission finds that a legislative director has failed or refused to file
 16 a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify
 17 the Alaska Legislative Council or the Legislative Budget and Audit Committee, as
 18 appropriate. For the ombudsman, the Alaska Legislative Council shall be notified."

19 Renumber the following bill sections accordingly.

20 Page 40, line 15:

21 Delete "or 15 days after the person files a federal income tax return in each following
 22 year, whichever comes first"

23 Insert "[OR 15 DAYS AFTER THE PERSON FILES A FEDERAL INCOME TAX
 24 RETURN] in each following year [, WHICHEVER COMES FIRST]"

25 Renumber internal references to bill sections in accordance with this amendment. Below are
 26 all internal bill section references in this bill:

27 Page 55, line 29

0-LS0074R.5

- 1 Page 56, line 2
- 2 Page 56, line 4
- 3 Page 56, line 5
- 4 Page 56, line 7

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 15, lines 15 - 17:

2 Delete all material and insert:

3 "(2) legislator, within 48 hours before the fund raising event, made one
4 or more trips at state expense to the place in which the fund raising event was to be
5 held, each time leaving the place, and then, within the 48 hours, made a final trip to
6 the place and the cost of the trip that immediately preceded the campaign fund raising
7 event was not paid for at state expense; or"

8 Page 15, line 24, following "asks":

9 Delete "for"

10 Insert "directly for financial"

11 Page 47, lines 29 - 31:

12 Delete all material and insert:

13 "(2) official, within 48 hours before the fund raising event, made one
14 or more trips at state expense to the place in which the fund raising event was to be
15 held, each time leaving the place, and then, within the 48 hours, made a final trip to
16 the place and the cost of the trip that immediately preceded the campaign fund raising
17 event was not paid for at state expense."

18 Page 48, line 5, following "asks":

19 Delete "for"

20 Insert "directly for financial"

0-1.S0074\R.7
Cramer
4/23/98

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 24, following line 1:

2 Insert a new bill section to read:

3 **** Sec. 36.** AS 24.60.130(g) is amended to read:

4 (g) Each legislative member serves for the duration of the legislature during
5 which the member is appointed. Each public member serves for a term that
6 commences on the date the member is ratified and ends on the first day of the third
7 regular session that follows the ratification. A public member whose term has expired
8 continues in office until a successor has been appointed and ratified or until the 30th
9 calendar day of the first legislative session that follows the successor's appointment,
10 whichever is earlier. A member of the committee may be removed from
11 membership on the committee for failure to carry out the person's duties as a
12 member of the committee. A legislator may be removed with the concurrence
13 by roll call vote of two-thirds of the full membership of the house of the
14 legislature to which the member belongs. A public member may be removed
15 with the concurrence by roll call vote of two-thirds of the full membership of
16 each house of the legislature."

17 Renumber the following bill sections accordingly.

18 Renumber internal references to bill sections in accordance with this amendment. Below are
19 all internal bill section references in this bill:

20 Page 55, line 29

21 Page 56, line 2

22 Page 56, line 4

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE MARTIN
TO: HCS CSSB 105(STA)

Page 1, line 3, following "officials":

Insert ", candidates for legislative office and nominees for certain positions as justice or judge or as a public official"

Page 10, lines 1 - 2:

Delete "; in this paragraph, "spousal equivalent" has the meaning given in AS 39.50.030(g)"

Insert ";

(8) the identification of a person to whom the lobbyist is married or who is the spousal equivalent of the lobbyist if the person files as a candidate for legislative office or has been nominated by the

(A) governor to fill a position that requires confirmation by the legislature; or

(B) judicial council to fill a vacancy on a court of this state"

Page 10, following line 10:

Insert a new bill section to read:

"* Sec. 10. AS 24.45.171 is amended by adding a new paragraph to read:

(13) "spousal equivalent" has the meaning given in AS 39.50.030(g)."

Renumber the following bill sections accordingly.

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 44, following line 18:

2 Insert a new bill section to read:

3 **** Sec. 70.** AS 39.50.200(a)(1) is amended to read:

4 (1) "assistant to the governor or lieutenant governor" includes any
5 executive, legislative, special, administrative, or press assistant to the governor or
6 lieutenant governor, and any person similarly employed in a policy-making
7 position."

8 Renumber the following bill sections accordingly.

9 Page 44, line 31, through page 45, line 18:

10 Delete all material and insert:

11 "(D) an assistant to the governor or lieutenant governor;"

12 Page 45, line 25:

13 Delete "and"

14 Page 45, line 26, following "(I)":

15 Insert "the executive director of the Alaska Human Resource Investment Council;
16 and

17 (J)"

18 Renumber internal references to bill sections in accordance with this amendment. Below are
19 all internal bill section references in this bill:



Official Business

Alaska State Legislature

Senate

State Capitol
Juneau, AK. 99801-1182

Rules Committee

MEMORANDUM.

TO: Representatives Hanley and Therriault, Co-Chairmen
House Finance Committee

FROM: Benjamin Brown, Legislative Aide to Senator Kelly

DATE: 23 April 1998

IN RE: revised sectional analysis of House CS for CS for SB 105 (StAff)
(version No. 0-LS0074\R)

"An Act relating to legislative and executive branch ethics; relating to campaign finances for candidates for state or municipal office; relating to the conduct of lobbyists with respect to public officials; relating to the filing of disclosures by state employees and officials; making a conforming amendment to the definition of 'public official' for employment security statutes; and providing for an effective date.

This memorandum is meant to summarise and analyse each section of the House State Affairs Committee Substitute for SB 105 (hereinafter referred to as the HCS). Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; the bill itself is the best statement of its specific effects.

SECTION 1: AS 15.13.072.(d) PROHIBITED SOLICITATION & ACCEPTANCE OF CONTRIBUTIONS. This section amends the State Elections Act to prohibit candidates for election or reelection to the Legislature from *soliciting or accepting* a campaign contribution while the legislature is in regular or special session. A change in the House State Affairs Committee (hereinafter referred to as 'State Affairs') provides for a 90-day exemption to this

session fundraising ban, to allow candidates to raise money in the period immediately preceding an election.

SECTION 2: AS 15.13.074(c) PROHIBITED CONTRIBUTIONS This section prohibits a person or group from *contributing* to a candidate for governor or lieutenant-governor before the date of a proclamation calling for a special election. It further prohibits a person or group from *contributing* to a candidate for the Legislature while the legislature is convened in regular or special session, but a change in State Affairs provides for a 90-day exemption to this session fundraising ban, to allow candidates to raise money in the period immediately preceding an election. Section 2 also lengthens the period of time after an election in which a candidate may continue to raise money to either 60 days after the election of the end of the calendar year, whichever comes first.

SECTION 3: AS 15.13.110(a) POET ACCOUNT REFERENCE IN REPORTING REQUIREMENTS This section changes the name of the account a successful legislative candidate can establish with unused campaign assets under AS 15.13.116, from legislative office account to Public Office Expense Term (POET) account.

SECTION 4: AS 15.13.116(a) DISBURSEMENT OF CAMPAIGN ASSETS This section allows a transfer of unused campaign contributions to a POET account, or to a POET account reserve in accordance with the new subsection which follows. Sections 93, 94, and 95 allow this section and Section 5 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 5: AS 15.13.116(d) DISBURSEMENT OF CAMPAIGN ASSETS This section adds a new subsection (d) which allows a legislator to transfer up to \$5000 per year from a POET account reserve to a POET account. It further allows a transfer of unused campaign assets of up to \$20,000 for senators and \$10,000 for representatives to a POET reserve. (AS 15.13.116 [9][D] currently allows a one time transfer of funds to an office account at \$5000 multiplied by the number of years in the term.) At the end of the legislator's term, a balance in a POET reserve must be disposed of as provided in (a)(3), (a)(5) of this section, which includes charitable donations and repaying contributors. Sections 93, 94, and 95 allow this section and Section 4 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 6: AS 23.20.526(d) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT This section makes a conforming amendment based on changes in this bill to the executive branch employment security statutes to ensure that the people who are not eligible for unemployment compensation remain ineligible. (Refer to Attachment 2 - Cramer memo of 13 February '98.)

SECTION 7: AS 24.25.010(e) SUBPOENA POWERS: The Legislative Ethics Code specifically grants the ethics committee the authority to subpoena witnesses under AS 24.60.150(b)(2). The statute to be amended by this bill sets out general authority for legislative subpoenas and includes a reference requiring the concurrence of the Senate President or Speaker of the House. Subsection (e) currently provides that the section does not apply to the Legislative Council or the Legislative Budget & Audit Committee. Like the ethics committee, both Leg Council and LB&A are permanent interim committees and both have express grants of authority to subpoena witnesses. It is the opinion of the ethics committee, and the committee's legal counsel, that not including the ethics committee in the AS 24.25.010(e) exemption was an oversight, given the specific grant of authority to subpoena witnesses in the ethics code itself.

SECTION 8: AS 24.45.041(b) REPORTING SPOUSAL RELATIONSHIPS BY LOBBYISTS This section adds a new provision to the law requiring legislative lobbyists to disclose spousal relationships with legislators, legislative employees, and some public officials. The definition of spousal equivalent at 39.50.030(g) is also cited.

SECTION 9: AS 24.45.171(12) DEFINITIONS This section clarifies the definitions of public official and public officer in relation to the legislative lobbying law, excluding judicial and municipal officers, but including legislative directors.

SECTION 10: AS 24.60.030(a) LEGISLATIVE ETHICS CODE BEHAVIORAL RESTRICTIONS This section amends the Legislative Ethics Code to refine the restrictions on behavior by persons in the legislative branch. It specifically disallows the use of public resources for nonlegislative purposes or for partisan political purposes. It allows limited use of some resources if the cost is nominal or reimbursement is made, and permits facsimile use on the same terms as telephone use. Section 10 allows Leg Council to designate space for health and fitness purposes to allow the Capitol School gym to be designated for legislative use. It also allows legislators to use their private offices in the Capitol during session, and for a five-day window before and after session, for personal or political purposes if there is no cost and the use doesn't interfere with performance of public duties. Finally, Section 14 permits storing campaign records in legislative offices.

SECTION 11: AS 24.60.030(c) POLITICAL MASS MAILING This extends a current provision of the Legislative Ethics Code which prohibits use of state funds to print or distribute a mass mailing from or about a legislator who is a candidate for state office during the period 90 days before the primary and ending the day after the general election. The HCS prohibits such mailings by legislators and

legislative employees who are candidates for federal or municipal office, or to telephone and electric cooperative boards. While other sections of the ethics code clearly prohibit use of state funds for campaign purposes, this section highlights what are considered to be a critical periods and provides a guideline for those who issue mailings during those times. This prohibition does not apply to a legislator's LAA office allowance, and would therefore primarily restrict the use of committee or leadership funds for a political mass mailing.

SECTION 12: AS 24.60.030(d) CAMPAIGN LITERATURE This section adds fundraising notices to the list of current prohibitions on distributing or posting campaign literature in state facilities. The prohibitions currently apply only to legislators or someone acting on behalf of a legislator while the HCS expands that prohibition to include legislative employees. It allows a legislator to post materials related to a past election in his or her private legislative office.

SECTION 13: AS 24.60.030(f) BOARD MEMBERSHIP This section changes the board membership disclosure period from 30 days to 60 days and requires the committee to publish disclosures in the journal. It exempts legislators and legislative employees whose appointments are already published in the journal from disclosing redundantly.

SECTION 14: AS 24.60.030(g) CONFLICTS OF INTERESTS This section replaces the *prohibition* on taking legislative, administrative, or political action if a legislator or legislative employee has an equity or ownership interest, with a *ban* on a legislator voting on a question if the legislator has an interest.

SECTION 15: AS 24.60.030(h) POLITICAL ACTIVITY DURING THE WORK DAY This section adds a new subsection to the restrictions on legislative behavior, which requires an employee to take leave for the period of time the employee is engaged in political campaign activities, other than incidental campaign activities. It permits political campaign activities on government time if the activities are part of the normal legislative duties, including answering phone calls and handling incoming correspondence.

SECTION 16: AS 24.60.031(a) FUNDRAISING DURING SESSION This section clarifies that the restrictions on fundraising during session are in effect on a day when either the House or the Senate is in regular or special session. A legislator or legislative employee could not solicit or accept contributions for legislative campaigns during session, could not accept money from an event held for legislative political purposes during session, and could not expend money for a legislative campaign if the money was raised during session. State Affairs added an

exemption for contributions made in the 90 days preceding an election in which a legislator is a candidate.

SECTION 17: AS 24.60.031(c) BAN ON FUNDRAISING AFTER TRAVEL AT STATE EXPENSE This section adds new subsections to the fundraising restrictions in the Legislative Ethics Code. Subsection (c) prevents travel at State expense to a place where a fund-raiser is planned within 48 hours of the travel. It allows State-paid travel if the fund-raiser is at least 48 hours after the travel occurs, if a second trip is made between the two locations and is not paid for by the State, or if the travel was to convene or adjourn in legislative session in the capital city. Subsection (e) defines 'campaign fundraising event'.

SECTION 18: AS 24.60.039(b) EMPLOYMENT DISCRIMINATION This section reflects the ethics committee's shared jurisdiction with the State Commission for Human Rights on complaints filed against a legislator or legislative employee concerning violations of the employment discrimination statute, AS 18.80.220. Current law requires the committee to deal with a complaint alleging a violation of that statute in the same manner they would deal with any other complaint. The proposed language gives the committee the option to refer those who file a complaint of employment discrimination to the human rights commission and defer consideration of the complaint until after the commission has completed its proceedings.

SECTION 19: AS 24.60.040(a) CONTRACTS AND LEASES This section broadens contract and lease criteria beyond those currently in the Legislative Ethics Code which restrict a legislator or legislative employee from having a financial interest in a State contract or lease unless it is let through competitive bidding in accordance with the State Procurement Code, is worth \$1000 or less annually, or is standardised under publicly established guidelines and generally available to the public. This allows participation in contracts or leases that are let under AS 36.30, addressing a variety of award methods, including sole-source. It allows participation in contracts or leases let under procedures similar to these, addressing such agencies as the University, the Railroad and the Legislature. The threshold for being involved in a contract or lease is raised from \$1000 to \$5000. Section 19 also requires a legislator or legislative employee to disclose family members' interests in State contracts or leases if known or reasonably ought to be known.

SECTION 20: AS 24.60.040(c) CONTRACTS AND LEASES This section adds a new subsection that clarifies that a grant, contract, or lease that falls under one of the state loan or benefit programs in AS 24.60.050, is not subject to this section. The ethics committee annually publishes a list of programs that do not meet the criteria in AS 24.60.050(a) and requires disclosure of participation in any of the

listed programs. Section 20 clarifies that a grant that results in a contract is subject to this section.

SECTION 21: AS 24.60.050(c) REFRAINING FROM PUBLICATION This section mandates disclosure of involvement in State programs and loans by the deadline established in 24.60.105. It allows the ethics committee to protect an individual's right to privacy concerning participation in State loan or benefit program, following a decision by the committee in 1994 not to publish the name of a person who got a benefit from the Violent Crimes Compensation Board, only that a person covered by the ethics code had received a benefit.

SECTION 22: AS 24.60.060(b) PROTECTIVE ORDER This section adds a new subsection that sets out that the subject of an ethics complaint may not release information deemed confidential under a protective order issued under 24.60.170(i). This allows the committee to broaden discovery by the subject while still protecting any innocent, or 'not involved' parties.

SECTION 23: AS 24.60.070(b) DEADLINE FOR CLOSE ECONOMIC ASSOCIATION DISCLOSURE This section cites 24.60.105 as the deadline for disclosure of close economic associations, and adds a 60-day timeline for new associations.

SECTION 24: AS 24.60.070(d) SPOUSE/SPOUSAL EQUIVALENT LOBBYIST DISCLOSURE This section adds a new subsection which requires a legislator or legislative employee who is married to (or who is the spousal equivalent of) a lobbyist to disclose under close economic association the name and address of each of the lobbyist's clients, and the total monetary value received from each client annually. Changes to the list would have to be reported within 48 hours.

SECTION 25: AS 24.60.080(a) GIFT RESTRICTIONS This section increases the maximum cumulative annual gift limit in the Legislative Ethics Code from \$100 to \$250. It clarifies that the general prohibition on accepting gifts worth more than \$250 does not apply to types of gifts specifically exempted elsewhere in this part of the Code. Section 25 clearly states that the ban on solicitation, acceptance, or receipt of anything of monetary value from a lobbyist during session does not apply to food or beverage for immediate consumption.

SECTION 26: AS 24.60.080(c) GIFT RESTRICTION EXEMPTIONS This section clarifies that a stay in a vacation home located outside the State is not an exempted gift. It allows legislators and legislative employees to accept discounts while on State business if the discount benefits the State. It allows legislators and

their personal staff (but not other legislative employees) to accept discounts and welcoming gifts in the capital city during session.

SECTION 27: AS 24.60.080(d) GIFT REPORTING This section increases the reference to the maximum cumulative annual gift limit from \$100 to \$250. It mandates reporting of gifts of travel and hospitality within 30 days of receipt of the gift. It changes the reporting deadline for gifts not related to legislative status to the 15th of March of the following year, and specifies that the disclosure need include only a description of the gift and the giver's identity (not the actual value). Section 27 also calls for the ethics committee to forward gift disclosures by legislators and legislative directors to APOC.

SECTION 28: AS 24.60.080(e) 'LOW BUDGET' CAMPAIGNS This section makes a technical change to conform with the State Elections Act, to allow certain smaller campaign contributions to fall within the exemption from coverage by the Legislative Ethics Code.

SECTION 29: AS 24.60.080(f) GOVERNMENT GIFTS This section allows acceptance of a gift from a foreign government, the U.S. government, another state government, or a municipal government, on behalf of the Legislature. The gift must be delivered to Leg Council within 60 days. Section 29 also increases the reference to the maximum allowable gift from \$100 to \$250.

SECTION 30: AS 24.60.080(g) IMMEDIATE FAMILY This section expands the meaning of the terms 'immediate family' and 'family member' to include spousal equivalents; parents, siblings, grandparents, aunts, and uncles of a spouse or spousal equivalent; and, stepparents, stepsisters, stepbrothers, stepgrandparents, stepaunts, and stepuncles of a person, a person's spouse, or a person's spousal equivalent.

SECTION 31: AS 24.60.080 NEW GIFT RESTRICTION EXEMPTIONS This section adds new exempting subsections to the ban on receiving gifts. New subsection (h) permits soliciting and accepting gifts on behalf of charitable organizations, which is in accordance with advisory opinions issued by the ethics committee. New subsection (i) sets out that gifts of volunteer services for legislative purposes may be accepted by a legislator, legislative committee, or legislative agency as a gift to the State, so long as the person donating the services is not paid by another source. Subsection (i) further allows a legislator, legislative committee, or legislative agency to accept a University intern or Job Training Partnership Act trainee as well as any other educational trainee the committee approves. (To maintain confidentiality, the ethics committee is not permitted to accept volunteer services.) Subsection (i) also requires volunteers, interns, and educational trainees to comply generally with the Legislative Ethics Code, with the exceptions

of certain sections: contracts and leases, close economic associations, nepotism, and representation before state agencies and affords them the protection of the ethics complaint process under 24.60.170. New subsection (j) sets out that gifts from another source to a family member of a legislator or legislative employee fall within restrictions and reporting requirements. Subsection (j) further requires disclosure by a legislator or legislative employee who knows, or reasonably ought to know, that a family member has received a gift because of the family member's connection to the legislator or legislative employee. New subsection (k) states that the value of a gift is fair market value, to the extent that fair market value can be determined.

SECTION 32: AS 24.60.085(a) EARNED INCOME & HONORARIA This section would allow legislators and legislative employees to accept compensation that is less than fees generally charged, (E.G., allowing an attorney to do pro bono work or an engineer to charge a reduced rate for review of plans for a non-profit organization).

SECTION 33: AS 24.60.100 REPRESENTATION This section sets a deadline for reporting representation before a State agency, citing 24.60.105.

SECTION 34: AS 24.60.105 DEADLINE FOR FILING DISCLOSURES This section establishes a deadline of the 15th of March of the following year for most disclosures in the Legislative Ethics Code including board memberships, interests in state contracts or leases, participation in State programs and loans; close economic associations, and representation of clients. It mandates disclosure within 30 days of an interest begun or acquired during the regular session, except for session's final 30 days, which must be reported by the 15th of March of the following year.

SECTION 35: AS 24.60.130(f) COMMITTEE PER DIEM & TRAVEL This section authorizes the ethics committee's public members to receive per diem and travel compensation, as has been customary with legislative committees that have non-legislative members (E.G., the Code Revision Committee). Public members are not entitled to actual pay for their time. Rates and terms for per diem and travel for state boards and commissions (set in 39.20.180) apply to public members of the ethics committee.

SECTION 36: AS 24.60.130(h) MEMBER DISQUALIFICATION This section prohibits a legislative member of the ethics committee from participating in a complaint proceeding if the subject of the complaint is the member, or the subject supervised by the member. The process for designating a new member to serve on the ethics committee in the place of a disqualified member is in new subsection 24.60.130(o), added by Section 37 of the bill.

SECTION 37: AS 24.60.130(o) APPOINTMENT OF COMMITTEE

ALTERNATES This section adds a new subsection which sets out that each presiding officer appoints an alternate legislative member of the ethics committee when appointing regular members. Alternate members must have the same qualifications as regular members and must be confirmed just as a regular member is. If a regular member is disqualified from serving, the ethics committee chairman or subcommittee chairman confidentially designates the alternate to serve for the course of that proceeding.

SECTION 38: AS 24.60.134(a) RESTRICTIONS ON COMMITTEE

MEMBERS This section expands the restrictions on the ethics committee's public members, staff, and contractors by prohibiting participation in political management or political campaigns for federal, state and local office (regardless of whether the campaign is partisan or nonpartisan), or participation in campaigns for or against ballot measures. Section 38 further prohibits the ethics committees' public members, staff, and contractors from attending fund-raisers or contributing to political parties, to legislative candidates, to incumbent legislators or legislative employee running for other public office, or to a person running for another office against an incumbent legislator or legislative employee. Section 38 maintains the existing restriction on lobbying activities.

SECTION 39: AS 24.60.134(c) EXEMPTION FROM CODE OF SOME

CONTRACTORS This section permits a contractor with the ethics committee to request an exemption for some members of the corporation or partnership from compliance with some or all prohibitions against political activity. If the committee contracts for outside legal counsel with an attorney who is part of a large firm with branches Outside, a strict reading of current law might mandate that all employees of the firm comply with the Legislative Ethics Code. This section gives the committee the latitude to grant such request.

SECTION 40: AS 24.60.160 ADVISORY OPINIONS This section provides that the ethics committee must issue an advisory opinion to a newly elected legislator within 60 days of a request from such a person, doubling the current response deadline of 30 days. It further allows the committee to issue an advisory opinion to a person who anticipates becoming a legislative employee within 45 days.

SECTION 41: AS 24.60.170(a) INITIATION OF COMPLAINTS This section changes the statute of limitations for consideration of ethics complaints from five to two years, consistent with the time limit for the Executive Branch Ethics Act, and coterminous with the length of a single House term, and establishes that a

complaint against a legislator must be filed within a year of the legislator's departure from the Legislature. Section 41 prevents the ethics committee from considering complaints against all members of the legislature, all members of one its houses, or against former employees. It further allows the committee to reinstate a complaint closed upon an employee's termination if the employee is rehired within two years of the date the complaint was filed, and provides for the same procedure with a former legislator who resumes legislative service within two years of the date of the complaint, affecting former staffers who are elected to the legislature and former legislators who are hired as staffers.

SECTION 42: AS 24.60.170(b) REQUIREMENTS OF COMPLAINANT This section allows any person to file a written complaint under oath stating that the complainant has reason to believe a violation occurred and describing known facts in support of the complaint. It mandates that the ethics committee provide a complaint form, and advise complainants that they may be asked to testify in support of their complaints. Section 42 further sets out that the committee can only accept new complaints or release public information on pending complaints outside of campaign periods as defined in subsections (o) and (p), added by Section 49 of the bill. Section 42 provides that the committee must immediately provide subjects of complaints with copies.

SECTION 43: AS 24.60.170(c) PRELIMINARY TREATMENT OF COMPLAINTS This section allows the ethics committee to have staff preliminarily examine complaints for legal sufficiency and credibility of information, then recommend action to the committee based on information and evidence contained in the complaint. It explicitly allows the committee and staff to solicit additional information from the complainant and subject, though neither is obligated to provide information. Section 43 allows for dismissal of complaints that are frivolous, lack credible information, or fall outside the committee's jurisdiction. It further clarifies that proceedings under this subsection are confidential and that confidentiality may be waived by the subject in compliance with subsection (i).

SECTION 44: AS 24.60.170(f) LACK OF PROBABLE CAUSE This section states that if there is lack of probable cause that a violation of the ethics code occurred, the complaint must be dismissed, and that unsubstantiable portions may be dismissed. It mandates that the committee issue a decision explaining the dismissal, and establishes that deliberation and vote on the dismissal order and decision are not open to the public or to the subject of the complaint. It further calls for copies of a dismissal order and decision to be sent to the complainant and the subject.

SECTION 45: AS 24.60.170(g) CORRECTIVE ACTIONS This section allows the ethics committee to issue an opinion (which must go to both the complainant and the subject) recommending corrective action after finding probable cause that a violation occurred. It lets the subject comply with the opinion or request a hearing under subsection (j), and lets the committee amend or affirm the opinion after this hearing. Section 45 sets out that if a subject agrees to comply with an opinion but fails to do so in a timely manner, the committee may formally charge the person under subsection (h) or refer the matter to a supervisory authority. It empowers the supervisory authority to enforce corrective actions, or decline to do so and refer the matter back to the committee which retains the power formally to charge the person.

SECTION 46: AS 24.60.170(h) FORMAL CHARGES BEYOND CORRECTION ACTIONS This section conforms subsection (h) to the new language in subsection (g), empowering the committee formally to charge a person who fails to complete corrective actions, or if investigation reveals a violation requiring sanctions instead of, or in addition to, corrective actions.

SECTION 47: AS 24.60.170(i) DISCOVERY This section allows the subject of a complaint to engage in discovery under Alaska Rules of Civil Procedure, and lets the ethics committee adopt procedures concerning discovery, including allowing discovery at an earlier stage than formal charges and imposing reasonable restrictions on release of information to the subject of a complaint (to protect the privacy of persons not under investigation). It further prevents the committee from imposing restrictions on discovery by the subject unless the complainant agrees to be bound by similar restrictions concerning release of information, and has not made public the information in or about the complaint or the filing of the complaint.

SECTION 48: AS 24.60.170(l) CONFIDENTIALITY This section sets out that ethics committee proceedings are confidential until the determination of probable cause, and that complaints and all documents produced or disclosed in the course of an investigation are confidential as well. It mandates that the committee transmit information obtained in the course of an investigation to appropriate enforcement authorities. Section 48 clarifies that all meetings of the committee concerning complaints are closed to the public and non-members of the committee, though the committee may permit the subject of a complaint to attend a meeting other than deliberation on probable cause. It further limits a complainant's ability to waive confidentiality for others.

SECTION 49: AS 24.60.174(o) (p) (q) MORATORIA ON NEW COMPLAINTS/RELEASE OF PUBLIC INFORMATION This section adds

three new subsections which concern handling of complaints by the ethics committee during campaign periods. Subsection (o) provides that the committee shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. It provides that the committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (p) sets out that the committee may not proceed beyond the point of confidentiality on a complaint concerning a candidate that is pending when a campaign period begins, preventing action under subsections (f), (g), and (h), unless the subject waives the right to suspension of proceedings. Subsection (q) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 50: AS 24.60.174(a) TIMETABLE FOR COMPLIANCE/RECOMMENDED FINES This section sets out procedures for the Legislature and the ethics committee to follow concerning sanctions on legislators. It mandates that the committee include a suggested timetable for compliance reports when recommending sanctions on a legislator found in violation of the Code. Section 50 allows the committee to recommend fines that the legislative body may impose if the legislator does not comply in a timely manner.

SECTION 51: AS 24.60.174(e) TIMETABLE FOR SANCTIONS This section adds a new subsection requiring a legislative body to report to the ethics committee the sanctions and timetable for compliance it has adopted. It further requires a legislator to report to the committee on compliance with the sanctions, in accordance with the timetable. Section 51 lets the committee determine if the legislator has failed to comply fully and in a timely manner, and recommend imposition of fines or additional sanctions.

SECTION 52: AS 24.60.176(a) RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE EMPLOYEE This section sets out that the ethics committee will recommend sanctions for a legislative employee to the employee's appointing authority, defined in 24.60.176(b) by Section 53 of this bill. It establishes that appointing authorities may impose the sanctions recommended by the committee or different sanctions, and that the appointing authority enforces the sanctions and reports to the committee on the employee's compliance.

SECTION 53: AS 24.60.176(b) APPOINTING AUTHORITY. This section adds a new subsection which defines which person or committee is the appointing authority for all legislative employees.

SECTION 54: AS 24.60.178 RECOMMENDED SANCTIONS This section adds a new section which lists sanctions the committee may recommend for violations of the Code, enumerated in subsection (b). Subsection (c) lets the committee recommend that the subject be required to pay all or some of the costs related to the investigation or adjudication of the complaint.

SECTION 55: AS 24.60.200 FINANCIAL DISCLOSURE BY LEGISLATORS, LEGISLATIVE DIRECTORS & PUBLIC MEMBERS This section adds public members of the ethics committee to the group of persons who must file Legislative Financial Disclosures (LFD). It adds spousal equivalents to the group of persons about whom income information must be disclosed, and deletes the requirement that gift information be included in the LFD.

SECTION 56: AS 24.60.210 DEADLINES FOR FILING This section changes the deadline for filing an LFD from the 15th of April to the 15th of March.

SECTION 57: AS 24.60.250 EFFECT OF FAILURE TO FILE This section sets out that APOC must notify the Lieutenant-Governor of a legislative candidate's failure to file an LFD, which results in that person's forfeiture of office. It calls for APOC to notify Leg Council or LB&A if a legislative director or the Ombudsman fails to file.

SECTION 58: AS 24.60.260(a) REFERENCE TO FINES This section prohibits false statements in disclosures, and establishes that filing after the deadline constitutes a violation of the Legislative Ethics Code.

SECTION 59: AS 24.60.260(c) FINES FOR FAILURE TO FILE This section permits the committee to impose fines for late disclosures, not to exceed \$2 per day, to a maximum of \$100 per late disclosure, unless the lateness was inadvertent which makes the maximum fine \$25.

SECTION 60: AS 24.60.990(a)(5) IMMEDIATE FAMILY This section expands the general definition of immediate family for the Code.

SECTION 61: AS 24.60.990(a)(15) & (a)(16) SPOUSAL EQUIVALENT/STATE OFFICE DEFINITIONS This section provides new general definitions of spousal equivalent and state office to the Code.

SECTION 62: AS 39.52.070 PERSONNEL BOARD POWERS AND DUTIES This section simplifies the reference to the Executive Branch Ethics Act (39.52 - hereinafter referred to as 'the Act') in the State Personnel Act (39.25).

SECTION 63: AS 39.25.160(e) BAN ON CANDIDACY OF EXEMPT EMPLOYEES This section adds extends the ban on candidacy for State or national elective political office by State employees to include the exempt service. It exempts some members of the exempts service from this ban.

SECTION 64: AS 39.25.160(j) PROHIBITION ON POLITICAL ACTIVITY ON GOVERNMENT TIME This section adds a news subsection to the State Personnel Act which explicitly prohibits State employees from engaging in campaign activities on behalf of political candidate on government time. It clarifies that Division of Election employees may carry out duties related to elections, and members and employees of the Commission on Judicial Conduct may carry out duties related to evaluation of judges, and exempts elected State officials from the ban.

SECTION 65: AS 39.50.020 REPORT OF FINANCIAL AND BUSINESS INTERESTS This section changes the requirements for Public Official Financial Disclosures, setting out that public officials listed in 39.50.200 must file reports within 30 days after taking office as a public official. It changes the filing deadline to the 15th of March, and specifies that all non-municipal officials file with APOC, while municipal officials file with appropriate local authorities.

SECTION 66: AS 39.50.030(a) CONTENTS OF FINANCIAL REPORTS This section lists that reports must contain information specified in subsections (b) and (d), and deletes the unnecessary reference to assets or liabilities under \$500, household goods, and personal effects.

SECTION 67: AS 39.50.030(b) CONTENTS OF FINANCIAL REPORTS This section changes the reporting requirements for executive branch public officials to include income sources over \$1000. It adds a requirement for public officials to report any income of over \$250 that is a *gift*. It changes the requirement to report trust or fiduciary relationships or loans *only* when they exceed \$1000. Section 67 mandates reporting state contracts held, bid, or offered by a partnership or professional corporation of which an official is a member; deletes a requirement for reporting a state contract or natural resource lease held, bid, or offered by an official's mother or father; and, adds an official's spouse to the group on whom an official must report if the spouse holds a natural resource lease.

SECTION 68: AS 39.50.030(d) CONTENTS OF FINANCIAL REPORTS. This section adds new subsections which alter requirements for Public Official Financial Disclosures. Subsection (d) calls for public officials to report close economic associations with legislators, other public officials, lobbyists, or any public officer for

the governor and lieutenant-governor. Subsection (e) sets out that new close economic associations must be reported within 60 days of their formation. Subsection (f) calls for disclosure of client information for lobbyists with whom the public official has a close economic association, and for updating of this information within 48 hours for new lobbying contracts. Subsection (g) defines several terms for the purposes of this section.

SECTION 69: AS 39.50.070 FAILURE TO REPORT BY CERTAIN STATE EMPLOYEES This section provides for penalties for most public officials who fail to file reports.

SECTION 70: AS 39.50.200(a)(8) DEFINITIONS This section redefines public official to include judicial officers, the governor, the lieutenant-governor, commissioners, directors, deputy directors, and many persons in the governor's office.

SECTION 71: AS 39.52.010(a) FINDINGS AND PURPOSE This section augments the preamble to the Executive Branch Ethics Act.

SECTION 72: AS 39.52.120(b) MISUSE OF OFFICIAL POSITION This section sets out what sorts of behavioral restrictions apply to executive branch employees. It explicitly bans coercion of subordinates and use of state resources for partisan political purposes, and defines partisan political purposes.

SECTION 73: AS 39.52.120(d) BAN ON FUNDRAISING AFTER TRAVEL AT STATE EXPENSE This section adds new subsections to the behavioral restrictions in the Act. Subsection (d) prevents travel at State expense to a place where a fund-raiser is planned within 48 hours of the travel. It allows State-paid travel if the fund-raiser is at least 48 hours after the travel occurs, if a subsequent trip is made between the two locations and is not paid for by the State, or if the travel was to the capital city. Subsection (e) defines campaign fundraising event. Subsection (f) adds criteria for determining whether or not a public officer is considered to be on government time, and mandates that leave be taken for political campaign activities that are not minor, inconsequential, and unavoidable.

SECTION 74: AS 39.52.130(b) GIFTS This section increases the value of a gift that may be received in the executive branch from \$50 to \$150. It requires disclosure of a gift received due to a public officer's governmental status whether or not the officer can take or withhold official action that affects the giver.

SECTION 75: AS 39.52.130(e) & (f) GOVERNMENT GIFTS This section adds new subsections, the first of which allows acceptance of a gift from a foreign

government, the U.S. government, another state government, or a municipal government, on behalf of the State. The recipient must notify the governor's office within 60 days for instructions on appropriate disposition of the gift.

SECTION 76: AS 39.52.170(c) OUTSIDE EMPLOYMENT This section adds a new subsection which bans commissioners from accepting outside employment for compensation.

SECTION 77: AS 39.52.180(d) RESTRICTIONS ON POST-OFFICE EMPLOYMENT This section adds a new subsection which restricts the governor, lieutenant-governor, and commissioners from lobbying for compensation for a year after leaving service.

SECTION 78: AS 39.52.210(a) DECLARATION OF POTENTIAL VIOLATIONS This section requires public employees to report potential violations to the attorney-general as well as to a supervisor.

SECTION 79: AS 39.52.210(b) DECLARATION OF POTENTIAL VIOLATIONS This section requires an employees supervisor to provide a written determination of whether or not a violation reported under subsection (a) exists, to both the employee and the attorney-general.

SECTION 80: AS 39.52.220(a) VIOLATIONS BY MEMBERS OF BOARDS AND COMMISSIONS This section requires members of boards or commissions to disclose a matter that may result in a violation on the public record and in writing to supervisor and to the attorney-general. It further requires board or commission member's ethics supervisor to provide a written determination of whether or not a violation exists, to both the member and the attorney-general.

SECTION 81: AS 39.52.230 REPORTING OF POTENTIAL VIOLATIONS This section requires a supervisor to provide a copy of a report of potential violation of the Act to the attorney-general.

SECTION 82: AS 39.52.260 SUBMISSION OF QUARTERLY REPORTS TO THE PERSONNEL BOARD This section requires the attorney-general to submit copies of quarterly reports from ethics supervisors, and the attorney-general's review of these reports, to the Personnel Board.

SECTION 83: AS 39.52.270 DISCLOSURE STATEMENTS This section adds a new section which makes filing of disclosure statements a provision of the Act. Subsection (a) calls for the statements to be true, correct, and complete. Subsection (b) sets out that ethics supervisors must review disclosures and report potential

violations disclosed therein to the attorney-general. Subsection (c) defines disclosure statement to include reports filed under 39.52.210 - 240.

SECTION 84: AS 39.52. 310(a) MORATORIUM ON INITIATION OF COMPLAINTS/RELEASE OF PUBLIC INFORMATION This section prevents the attorney-general from initiating a complaint against the governor or lieutenant-governor who is a candidate during a campaign period, defined in subsection (k).

SECTION 85: AS 39.52. 310(c) MORATORIUM ON RECEIPT OF COMPLAINTS This section prevents the Personnel Board from accepting a complaint against the governor or lieutenant-governor who is a candidate during a campaign period, defined in subsection (k). It further allows the Personnel Board to contract for or hire independent counsel without consulting the Department of Law.

SECTION 86: AS 39.52. 310(j) & (k) MORATORIUM ON CONSIDERATION OF COMPLAINTS This section adds new subsections. Subsection (j) provides that the Personnel Board shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. It provides that the committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (k) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 87: AS 39.52.320 DISMISSAL BEFORE FORMAL PROCEEDINGS This section sets out that the attorney-general must dismiss complaints if there is no probable cause that a violation occurred, and notify the complainant and the subject under the terms of 39.52.335(c).

SECTION 83: AS 39.52.335 SUMMARY OF DISPOSITION OF COMPLAINTS & REVIEW BY PERSONNEL BOARD This section adds a new section which expands the Personnel Board's oversight of the Executive Branch Ethics Act as enforced by the attorney-general. Subsection (a) mandates forwarding of all complaints received by the attorney-general to the Personnel Board. Subsection (b) requires monthly reporting of the status of pending complaints. Subsection (c) sets out that if a complaint is dismissed or resolved, the attorney-general must report this to the Board, the subject, and the complainant. Subsection (d) allows the complainant to file comments with the Board within 15

days. Subsection (e) calls for the Board to review the summary at its next meeting, allows the Board to compel attendance of the subject, complainant, and attorney-general, and to compel production of documents. Subsection (f) allows the Board to issue a report on the disposition of the complaint. Subsection (g) governs the confidentiality of its report if the summary filed by the attorney-general is confidential. Subsection (h) sets out the steps the Board may take if its recommendation is that the resolution or dismissal be made public.

SECTION 89: AS 39.52.340(a) CONFIDENTIALITY This section sets out that ethics proceedings are confidential and that complaints and all documents produced or disclosed in the course of an investigation are confidential as well. It mandates that the attorney-general transmit information obtained in the course of an investigation to appropriate enforcement authorities.

SECTION 90: AS 39.52.960(11) DEFINITION OF IMMEDIATE FAMILY This section changes the general definition of immediate family member for the Act.

SECTION 91: POET RESERVES FOR INCUMBENTS This section allows current legislators to transfer unused campaign assets to a POET account reserve under the provisions of Section 5 of this bill.

SECTION 92: RETROACTIVITY FOR POET ACCOUNT RESERVE This section makes Sections 4, 5, and 91 retroactive to the 31st of December 1996.

SECTION 93: PARTICULAR EFFECTIVE DATE This section makes Sections 1, 2, 4, 5, 91, and 92 effective immediately under 01.01.070(c).

SECTION 94: GENERAL EFFECTIVE DATE This section makes Sections 3 and 6 through 90 effective on the 1st of January 1999.

0-LS0074\C
Cramer
5/4/98

**HOUSE CS FOR CS FOR SENATE BILL NO. 105(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - SECOND SESSION**

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE SELECT COMMITTEE ON
LEGISLATIVE ETHICS**

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to legislative and executive branch ethics; relating to campaign**
2 **finances for candidates for state or municipal office; relating to the conduct and**
3 **regulation of lobbyists with respect to public officials; relating to the filing of**
4 **disclosures by certain state employees and officials; making a conforming**
5 **amendment to the definition of 'public official' for employment security statutes;**
6 **and providing for an effective date."**

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

8 *** Section 1. AS 15.13.040 is amended by adding a new subsection to read:**

9 (i) The permission of the owner of real or personal property to post political
10 signs, including bumper stickers, or to use space for an event or to store campaign-
11 related materials is not considered to be a contribution under this chapter unless the
12 owner customarily charges a fee or receives payment for that activity. The fact that
13 the owner customarily charges a fee or receives payment for posting signs that are not

1 political signs is not determinative of whether the owner customarily does so for
2 political signs.

3 * Sec. 2. AS 15.13.070 is amended by adding a new subsection to read:

4 (e) For purposes of the contribution limit in this section, it is not a campaign
5 contribution under this section for a candidate to use up to a total of \$1,000 from
6 campaign contributions in a year to pay the cost of

7 (1) attendance by a candidate or guests of the candidate at an event or
8 other function sponsored by a political party or by a subordinate unit of a political
9 party;

10 (2) membership in a political party, subordinate unit of a political party,
11 or other entity within a political party, or subscription to a publication from a political
12 party; or

13 (3) co-sponsorship of an event or other function sponsored by a
14 political party or by a subordinate unit of a political party.

15 * Sec. 3. AS 15.13.072(d) is amended to read:

16 (d) A candidate or an individual who has filed with the commission the
17 document necessary to permit that individual to incur election-related expenses under
18 AS 15.13.100 for election or reelection to the state legislature may not solicit or accept
19 a contribution while the legislature is convened in a regular or special legislative
20 session unless the solicitation or acceptance occurs

21 (1) during the 90 days immediately preceding an election in which the
22 candidate or individual is a candidate; and

23 (2) in a place other than the capital city.

24 * Sec. 4. AS 15.13.072 is amended by adding a new subsection to read:

25 (g) A candidate or an individual who has filed with the commission the
26 document necessary to permit that individual to incur election-related expenses under
27 AS 15.13.100 for election or reelection to the office of governor or lieutenant governor
28 may not solicit or accept a contribution in the capital city while the legislature is
29 convened in a regular or special legislative session.

30 * Sec. 5. AS 15.13.074(c) is amended to read:

31 (c) A person or group may not make a contribution

1 (1) to a candidate for governor or lieutenant governor or an individual
2 who files with the commission the document necessary to permit that individual to
3 incur certain election-related expenses as authorized by AS 15.13.100 for governor or
4 lieutenant governor [,] before the later of the following dates:

5 (A) the date the individual

6 (i) becomes a candidate; or

7 (ii) files with the commission the document necessary
8 to permit the individual to incur certain election-related expenses
9 as authorized by AS 15.13.100; or

10 (B) January 1 of the year of the election when the office is to
11 be filled at a general election; or

12 (C) the date of the proclamation when the office is to be
13 filled at a special election;

14 (2) to a candidate for the state legislature or an individual who files
15 with the commission the document necessary to permit that individual to incur certain
16 election-related expenses as authorized by AS 15.13.100 for the state legislature while
17 the legislature is convened in a regular or special legislative session, unless the
18 contribution is made in a place other than the capital city during the 90 days
19 immediately preceding an election in which the candidate or individual is a candidate,
20 or before the later of the following dates:

21 (A) the date the individual

22 (i) becomes a candidate; or

23 (ii) files with the commission the document necessary
24 to permit the individual to incur certain election-related expenses as
25 authorized by AS 15.13.100; or

26 (B) January 1 of the year of the election;

27 (3) to a candidate or an individual who files with the commission the
28 document necessary to permit that individual to incur certain election-related expenses
29 as authorized by AS 15.13.100 for an office that is to be filled at a municipal election
30 before the later of the following dates:

31 (A) the date the individual

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- (i) becomes a candidate; or
- (ii) files with the commission the document necessary to permit that individual to incur certain election-related expenses as authorized by AS 15.13.100;
- (B) the date that is nine months before the date of the municipal election; or
- (4) to any candidate after the earlier of December 31 of the year of the election or the 60th [LATER THAN THE 45TH] day
 - (A) after the date of a primary election if the candidate
 - (i) has been nominated at the primary election or is running as a write-in candidate; and
 - (ii) is not opposed at the general election;
 - (B) after the date of the primary election if the candidate was not nominated at the primary election; or
 - (C) after the date of the general election, or after the date of a municipal or municipal runoff election, if the candidate was opposed at the general, municipal, or municipal runoff election;
- (5) in the capital city to a candidate for governor or lieutenant governor or the state legislature when the legislature is convened in a regular or special legislative session.

* Sec. 6. AS 15.13.110(a) is amended to read:

(a) Each candidate and group shall make a full report in accordance with AS 15.13.040 for the period ending three days before the due date of the report and beginning on the last day covered by the most recent previous report. If the report is a first report, it shall cover the period from the beginning of the campaign to the date three days before the due date of the report. If the report is a report due February 15, it shall cover the period beginning on the last day covered by the most recent previous report or on the day that the campaign started, whichever is later, and ending on December 31 of the prior year. The report shall be filed

- (1) 30 days before the election; however, this report is not required if the deadline for filing a nominating petition or declaration of candidacy is within 30

1 days of the election;

2 (2) one week before the election;

3 (3) 10 days after the election; and

4 (4) February 15 for expenditures made and contributions received that
5 were not reported during the previous year, including, if applicable, all amounts
6 expended from a public [LEGISLATIVE] office expense term account established
7 under AS 15.13.116(a)(8) [AS 15.13.116(a)(9)] and all amounts expended from a
8 municipal office account under AS 15.13.116(a)(9) [AS 15.13.116(a)(10)], or when
9 expenditures were not made or contributions were not received during the previous
10 year.

11 * Sec. 7. AS 15.13.112 is amended by adding a new subsection to read:

12 (c) A candidate may use up to a total of \$1,000 in campaign contributions in
13 a year to pay the cost of

14 (1) attending, or paying the cost for guests of the candidate to attend,
15 an event or other function sponsored by a political party or subordinate unit of a
16 political party;

17 (2) membership in a political party, subordinate unit of a political party,
18 or other entity within a political party, or subscription to a publication from a political
19 party; and

20 (3) co-sponsorship of an event or other function sponsored by a
21 political party or by a subordinate unit of a political party.

22 * Sec. 8. AS 15.13.116(a) is amended to read:

23 (a) A candidate who, after the date of the general, special, municipal, or
24 municipal runoff election or after the date the candidate withdraws as a candidate,
25 whichever comes first, holds unused campaign contributions shall distribute the amount
26 held within 90 days. The distribution may only be made to

27 (1) pay bills incurred for expenditures reasonably related to the
28 campaign and the winding up of the affairs of the campaign, including a victory or
29 thank you party and thank you gifts to campaign employees and volunteers, and
30 to pay expenditures associated with post-election fund raising that may be needed to
31 raise funds to pay off campaign debts;

1 (2) [PAY FOR A VICTORY OR A THANK YOU PARTY COSTING
2 LESS THAN \$500, OR TO GIVE A THANK YOU GIFT OF A VALUE OF LESS
3 THAN \$50 TO A CAMPAIGN EMPLOYEE OR VOLUNTEER;

4 (3)] make donations, without condition, to

5 (A) a political party;

6 (B) the state's general fund;

7 (C) a municipality of the state; or

8 (D) the federal government;

9 (3) [(4)] make donations, without condition, to organizations qualified
10 as charitable organizations under 26 U.S.C. 501(c)(3), provided the organization is not
11 controlled by the candidate or a member of the candidate's immediate family;

12 (4) [(5)] repay loans from the candidate to the candidate's own
13 campaign under AS 15.13.078(b);

14 (5) [(6)] repay contributions to contributors, but only if repayment of
15 the contribution is made pro rata in approximate proportion to the contributions made
16 using one of the following, as the candidate determines:

17 (A) to all contributors;

18 (B) to contributors who have contributed most recently; or

19 (C) to contributors who have made larger contributions;

20 (6) [(7)] establish a fund for, and from that fund to pay, attorney fees
21 or costs incurred in the prosecution or defense of an administrative or civil judicial
22 action that directly concerns a challenge to the victory or defeat of the candidate in the
23 election;

24 (7) [(8)] transfer all or a portion of the unused campaign contributions
25 to an account for a future election campaign; a transfer under this paragraph is limited
26 to

27 (A) \$50,000, if the transfer is made by a candidate for governor
28 or lieutenant governor;

29 (B) \$10,000, if the transfer is made by a candidate for the state
30 senate;

31 (C) \$5,000, if the transfer is made by a candidate for the state

1 house of representatives; and

2 (D) \$5,000, if the transfer is made by a candidate for an office
3 not described in (A) - (C) of this paragraph;

4 (8) [(9)] transfer all or a portion of the unused campaign contributions
5 to a public [LEGISLATIVE] office expense term account or to a public office
6 expense term account reserve in accordance with (d) of this section; a transfer
7 under this paragraph is subject to the following:

8 (A) the authority to transfer is limited to candidates who are
9 elected to the state legislature;

10 (B) the public [LEGISLATIVE] office expense term account
11 established under this paragraph may be used only for expenses associated with
12 the candidate's serving as a member of the legislature;

13 (C) all amounts expended from the public [LEGISLATIVE]
14 office expense term account shall be annually accounted for under
15 AS 15.13.110(a)(4); and

16 (D) a transfer under this paragraph is limited to \$5,000
17 multiplied by the number of years in the term to which the candidate is elected;
18 and

19 (9) [(10)] transfer all or a portion of the unused campaign contributions
20 to a municipal office account; a transfer under this paragraph is subject to the
21 following:

22 (A) the authority to transfer is limited to candidates who are
23 elected to municipal office, including a municipal school board;

24 (B) the municipal office account established under this
25 paragraph may be used only for expenses associated with the candidate's
26 serving as mayor or as a member of the assembly, city council, or school
27 board;

28 (C) all amounts expended from the municipal office account
29 shall be annually accounted for under AS 15.13.110(a)(4); and

30 (D) a transfer under this paragraph is limited to \$5,000.

31 * Sec. 9. AS 15.13.116(b) is amended to read:

1 (b) After a general, special, municipal, or municipal runoff election, a
2 candidate may retain the ownership of one computer and one printer and of personal
3 property, except money, that was acquired by and for use in the campaign. The
4 current fair market value of the property retained, exclusive of the computer and
5 printer, may not exceed \$2,500. All other property shall be disposed of, or sold and
6 the sale proceeds disposed of, in accordance with (a) or (c) of this section.
7 Notwithstanding any other provision of this chapter, a candidate may (1) retain
8 a bulk mailing permit that was paid for with campaign funds, and (2) use
9 personal funds, campaign funds, or unused campaign contributions transferred
10 to a public office expense term account under (a)(8) of this section to pay the
11 continuing charges for the permit after the election. Money used to continue the
12 life of the permit is not considered to be a contribution under this chapter. In
13 addition to any other use permitted under this chapter, during the candidate's
14 term of office, the candidate may use the bulk mailing permit for mailings
15 associated with service in the office to which the candidate was elected. During
16 the candidate's term of office, if the candidate files a declaration of candidacy or
17 a letter of intent to become a candidate for the same or a different elective office,
18 the candidate may also use the bulk mailing permit in that election campaign.

19 * Sec. 10. AS 15.13.116 is amended by adding a new subsection to read:

20 (d) After a general or special election, a candidate for the state legislature who
21 has been elected to the state legislature in that election may, from the amount retained
22 in the public office expense term account reserve under this subsection, transfer to a
23 public office expense term account not more than \$5,000 each calendar year for use
24 only for expenses associated with the candidate's serving as a member of the
25 legislature. A candidate for the senate may transfer up to \$20,000 from unused
26 campaign contributions to a public office expense term account reserve. A candidate
27 for the house of representatives may transfer up to \$10,000 from unused campaign
28 contributions to a public office expense term account reserve. The public office
29 expense term account reserve may only be used to make transfers to the public office
30 expense term account. At the end of the candidate's term of office, a balance in the
31 public office expense term account reserve must be disposed of as provided in (a) of

1 this section but may not be disposed of as provided in (a)(1), (4), or (6) - (9) of this
2 section. All amounts expended under this subsection shall be annually accounted for
3 under AS 15.13.110(a)(4).

4 * **Sec. 11.** AS 23.20.526(d) is amended to read:

5 (d) For the purposes of AS 23.20.525(a)(4) - (6) and (14), the term
6 "employment" does not apply to service performed

7 (1) by a duly ordained, commissioned, or licensed minister of a church
8 in the exercise of the person's ministry or by a member of a religious order in the
9 exercise of duties required by the order;

10 (2) in a facility conducted for the purpose of carrying out a program
11 of rehabilitation for individuals whose earning capacity is impaired by age or physical
12 or mental deficiency or injury or providing remunerative work for individuals who,
13 because of their impaired physical or mental capacity, cannot be readily absorbed in
14 the competitive labor market by an individual receiving the rehabilitation or
15 remunerative work;

16 (3) as part of an unemployment work-relief or work-training program
17 assisted or financed in whole or in part by any federal agency or any agency of a state
18 or political subdivision of the state, by an individual receiving work relief or work
19 training;

20 (4) for a state hospital by an inmate of a prison or correctional
21 institution;

22 (5) in the employ of a school, college, or university [,] if the service
23 is performed by a student who is enrolled and is regularly attending classes at the
24 school, college, or university;

25 (6) by an individual under the age of 22 who is enrolled at a nonprofit
26 or public educational institution that [WHICH] normally maintains a regular faculty
27 and curriculum and normally has a regularly organized body of students in attendance
28 at the place where its educational activities are carried on as a student in a full-time
29 program, taken for credit at the institution, that [WHICH] combines academic
30 instruction with work experience, if the service is an integral part of the program, and
31 the institution has so certified to the employer, except that this paragraph does not

1 apply to service performed in a program established for or on behalf of an employer
2 or group of employers;

3 (7) in the employ of a hospital, if the service is performed by a patient
4 of the hospital, as defined in AS 23.20.520;

5 (8) in the employ of the state or a political subdivision of the state if
6 the service is performed by an individual in the exercise of duties

7 (A) as a judicial officer, the governor, the lieutenant
8 governor, a person hired or appointed as the head or deputy head of a
9 department in the executive branch, a person hired or appointed as the
10 director of a division of a department in the executive branch, an assistant
11 to the governor, a chair or member of a state commission or board, state
12 investment officers and the state comptroller in the Department of
13 Revenue, the executive director of the Alaska Tourism Marketing Council,
14 an appointed or elected municipal officer ["PUBLIC OFFICIAL"
15 AS DEFINED IN AS 39.50.200(a)], any other elected official, the fiscal analyst
16 of the legislative finance division, the legislative auditor of the legislative audit
17 division, the executive director of the Legislative Affairs Agency, and the
18 directors of the divisions within the Legislative Affairs Agency;

19 (B) as a member of the Alaska Army National Guard or Alaska
20 Air National Guard or Alaska Naval Militia; or

21 (C) as an employee serving on only a temporary basis in case
22 of fire, storm, snow, earthquake, flood, or similar emergency;

23 (9) in the employ of

24 (A) a church or a convention or association of churches; or

25 (B) an organization that [WHICH] is operated primarily for
26 religious purposes and that [WHICH] is operated, supervised, controlled, or
27 principally supported by a church or a convention or association of churches.

28 * Sec. 12. AS 24.45.041(b) is amended to read:

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

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

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

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

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

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

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

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

18 **(7) the identification of a legislator, legislative employee, or public**
19 **official to whom the lobbyist is married or who is the spousal equivalent of the**
20 **lobbyist; in this paragraph, "spousal equivalent" has the meaning given in**
21 **AS 39.50.030(g).**

22 * Sec. 13. AS 24.60.030(a) is amended to read:

23 (a) A legislator or legislative employee may not

24 (1) solicit, agree to accept, or accept a benefit other than official
25 compensation for the performance of public duties; this paragraph may not be
26 construed to prohibit lawful solicitation for and acceptance of campaign contributions
27 or the acceptance of a lawful gratuity under AS 24.60.080;

28 (2) use public funds, facilities, equipment, services, or another
29 government asset or resource for a nonlegislative [NONGOVERNMENTAL] purpose,
30 **for involvement in or support of or opposition to partisan political activity,** or for
31 the private benefit of either the legislator, legislative employee, or another person; this

1 paragraph does not prohibit

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

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

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

11 (D) the legislative council, notwithstanding AS 24.05.190,
12 from designating a public facility for use by legislators and legislative
13 employees for health or fitness purposes; when the council designates a
14 facility to be used by legislators and legislative employees for health or
15 fitness purposes, it shall adopt guidelines governing access to and use of
16 the facility; the guidelines may establish times in which use of the facility
17 is limited to specific groups; or

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

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

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

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

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

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

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

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

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

31 * Sec. 14. AS 24.60.030(c) is repealed and reenacted to read:

1 (c) Unless approved by the committee, during a campaign period for an
2 election in which the legislator or legislative employee is a candidate, a legislator or
3 legislative employee may not use or permit another to use state funds, other than funds
4 to which the legislator is entitled under AS 24.10.110, to print or distribute a political
5 mass mailing to individuals eligible to vote for the candidate. In this subsection,

6 (1) a "campaign period" is the period that

7 (A) begins 90 days before the date of an election to the board
8 of an electric or telephone cooperative organized under AS 10.25, a municipal
9 election, or a primary election, or that begins on the date of the governor's
10 proclamation calling a special election; and

11 (B) ends the day after the cooperative election, municipal
12 election, or general or special election;

13 (2) a mass mailing is considered to be political if it is from or about
14 a legislator, legislative employee, or another person who is a candidate for election or
15 reelection to the legislature or another federal, state, or municipal office or to the board
16 of an electric or telephone cooperative.

17 * Sec. 15. AS 24.60.030(d) is amended to read:

18 (d) A legislator, legislative employee, or another person on behalf of the
19 legislator or legislative employee, or a campaign committee of the legislator or
20 legislative employee, may not distribute or post campaign literature, placards, posters,
21 fund-raising notices, or other communications intended to influence the election of
22 a candidate in an election in public areas in a facility ordinarily used to conduct state
23 government business. This prohibition applies whether or not the election has been
24 concluded. However, a legislator may post, in the legislator's private office,
25 communications related to an election that has been concluded.

26 * Sec. 16. AS 24.60.030(f) is amended to read:

27 (f) A legislative employee may not serve in a position that requires
28 confirmation by the legislature. A legislator or legislative employee may serve on a
29 board of an organization, including a governmental entity, that regularly has a
30 substantial interest in the legislative activities of the legislator or employee [,] if the
31 legislator or employee discloses the board membership to the committee. A legislator

1 or legislative employee who is required to make a disclosure under this subsection
2 shall file the disclosure with the committee by the deadlines set out in
3 AS 24.60.105 stating the name of each organization on whose board the person
4 serves. The committee shall maintain a public record of the disclosure and
5 forward the disclosure to the appropriate house for inclusion in the journal. This
6 subsection does not require a legislator or legislative employee who is appointed
7 to a board by the presiding officer to make a disclosure of the appointment to the
8 committee if the appointment has been published in the appropriate legislative
9 journal during the calendar year.

10 * Sec. 17. AS 24.60.030(g) is amended to read:

11 (g) Unless required by the Uniform Rules of the Alaska State Legislature,
12 legislator [OR LEGISLATIVE EMPLOYEE] may not vote on a question
13 [PARTICIPATE IN LEGISLATIVE, ADMINISTRATIVE, OR POLITICAL ACTION]
14 if the legislator [OR LEGISLATIVE EMPLOYEE] has an equity or ownership interest
15 in a business, investment, real property, lease, or other enterprise if the interest is
16 substantial and the effect on that interest of the action to be voted on [THAT
17 INTEREST] is greater than the effect on a substantial class of persons to which the
18 legislator [OR LEGISLATIVE EMPLOYEE] belongs as a member of a profession,
19 occupation, industry, or region.

20 * Sec. 18. AS 24.60.030 is amended by adding a new subsection to read:

21 (h) An employee who engages in political campaign activities other than
22 incidental campaign activities during the employee's work day shall take leave for the
23 period of campaigning. Political campaign activities while on government time are
24 permissible if the activities are part of the normal legislative duties of the employee,
25 including answering telephone calls and handling incoming correspondence.

26 * Sec. 19. AS 24.60.031(a) is amended to read:

27 (a) A legislator or legislative employee may not

28 (1) on a day when either house of [WHILE] the legislature is in
29 regular or special session, solicit or accept a contribution or a promise or pledge to
30 make a contribution for a campaign for the state legislature; however, a legislator
31 or legislative employee may, except in the capital city, solicit or accept a

1 contribution, promise, or pledge for a campaign for the state legislature that
2 occurs during the 90 days immediately preceding an election [STATE
3 LEGISLATIVE CAMPAIGN];

4 (2) accept money from an event held on a day when either house of
5 the legislature is in regular or special [DURING A LEGISLATIVE] session if a
6 substantial purpose of the event is [EITHER] to raise money on behalf of the member
7 or legislative employee for [CAMPAIGN PURPOSES OR TO RAISE MONEY FOR]
8 state legislative political purposes; however, this paragraph does not prohibit a
9 legislator or legislative employee from accepting money from an event held in a
10 place other than the capital city during the 90 days immediately preceding an
11 election; or

12 (3) in a campaign for the state legislature, expend money that was
13 raised on a day when either house of the legislature was in a [STATE] legislative
14 session [CAMPAIGN THAT WAS RAISED] by or on behalf of a legislator [DURING
15 A LEGISLATIVE SESSION] under a declaration of candidacy or a general letter of
16 intent to become a candidate for public office; however, this paragraph does not
17 apply to money raised in a place other than the capital city during the 90 days
18 immediately preceding an election.

19 * Sec. 20. AS 24.60.039 is amended by adding a new subsection to read:

20 (b) If a person files a complaint with the committee under AS 24.60.170
21 alleging a violation of this section, the committee may refer the complainant to the
22 State Commission for Human Rights and may defer its consideration of the complaint
23 until after the complainant establishes to the satisfaction of the committee that the
24 commission has completed its proceedings in the matter.

25 * Sec. 21. AS 24.60.040(a) is amended to read:

26 (..) A legislator or legislative employee, or a member of the immediate family
27 of a legislator or legislative employee, may not be a party to or have an interest in a
28 state contract or lease unless the contract or lease is let [THROUGH COMPETITIVE
29 SEALED BIDDING] under AS 36.30 (State Procurement Code) or, for agencies that
30 are not subject to AS 36.30, under similar procedures, or the total annual amount
31 of the state contract or lease is \$5,000 [\$1,000] or less, or is a standardized contract

1 or lease that was developed under publicly established guidelines and is generally
2 available to the public at large, members of a profession, occupation, or group. A
3 person has an interest in a state contract or lease under this section if the person
4 receives direct or indirect financial benefits. A legislator or legislative employee who
5 participates in, or who knows or reasonably should know that a family member
6 is participating in, a state contract or lease that has an annual value of \$5,000 or
7 more shall disclose the participation to the committee by the date required under
8 AS 24.60.105. The legislator or legislative employee shall also disclose the
9 renegotiation of a state contract or lease if the original had to be disclosed under
10 this section or if, as a result of renegotiation, disclosure is required under this
11 section. The disclosure must state the amount of the contract or lease and the
12 name of the state agency issuing the contract or lease and must identify the
13 procedures under which the contract or lease was issued. If the disclosure
14 concerns a contract or lease in which a family member of the discloser is
15 participating, the disclosure must identify the relationship between the participant
16 and the discloser.

17 * Sec. 22. AS 24.60.040 is amended by adding a new subsection to read:

18 (c) This section does not apply to a contract or lease issued under a state
19 program or loan that is subject to AS 24.60.050. A grant that results in a contract but
20 that is not subject to AS 24.60.050 is subject to this section.

21 * Sec. 23. AS 24.60.050(c) is amended to read:

22 (c) A legislator or legislative employee who participates in a program or
23 receives a loan that is not exempt from disclosure under (a) of this section shall file
24 a written report with the committee by the date required under AS 24.60.105
25 [FEBRUARY 15 OF EACH YEAR] stating the amounts of the loans outstanding or
26 benefits received during the preceding calendar year from nonqualifying programs. If
27 the committee requests additional information necessary to determine the propriety of
28 participating in the program or receiving the loan, it shall be promptly provided. The
29 committee shall promptly compile a list of the statements indicating the loans and
30 programs and amounts and send it to the presiding officer of each house who shall
31 have it published in the supplemental journals within three weeks after [OF] the filing

1 date. A legislator or legislative employee who believes that disclosure of
2 participation in a program would be an invasion of the participant's right to
3 privacy under the state constitution may request the committee to keep the
4 disclosure confidential. If the committee finds that publication would constitute
5 an invasion of privacy, the committee shall publish only the fact that a person has
6 participated in the program and the amount of benefit that the unnamed person
7 received. The committee shall maintain the disclosure of the name of the person
8 as confidential and may only use the disclosure in a proceeding under
9 AS 24.60.170. If the disclosure becomes part of the record of a proceeding under
10 AS 24.60.170, the disclosure may be made public as provided in that section.

11 * Sec. 24. AS 24.60.060 is amended by adding a new subsection to read:

12 (b) A legislator or legislative employee who is the subject of a complaint
13 under AS 24.60.170 violates this section if the legislator or legislative employee
14 violates a protective order issued under AS 24.60.170(i).

15 * Sec. 25. AS 24.60.070(b) is amended to read:

16 (b) A legislator or legislative employee required to make a disclosure
17 under this section shall make a disclosure by the date set under AS 24.60.105 of
18 the legislator's or legislative employee's close economic associations then in
19 existence. A disclosure under this section must be sufficiently detailed that a reader
20 of the disclosure can ascertain the nature of the association.

21 * Sec. 26. AS 24.60.070 is amended by adding a new subsection to read:

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

31 * Sec. 27. AS 24.60.080(a) is amended to read:

1 (a) Except as otherwise provided in this section, a [A] legislator or
2 legislative employee may not solicit, accept, or receive, directly or indirectly, a gift
3 worth \$250 [\$100] or more, whether in the form of money, services, a loan, travel,
4 entertainment, hospitality, promise, or other form, or gifts from the same person worth
5 less than \$250 [\$100] that in a calendar year aggregate to \$250 [\$100] or more in
6 value. Except for food or beverage for immediate consumption, a legislator or
7 legislative employee [, AND] may not solicit, accept, or receive during a legislative
8 session a gift with any monetary value from a lobbyist or a person acting on behalf
9 of a lobbyist.

10 * Sec. 28. AS 24.60.080(c) is amended to read:

11 (c) Notwithstanding (a) of this section, it is not a violation of this section for
12 a legislator or legislative employee to accept

13 (1) hospitality, other than hospitality described in (4) of this subsection,

14 (A) with incidental transportation at the residence of a person;

15 however, a vacation home located outside the state is not considered a
16 residence for the purposes of this subparagraph; or

17 (B) at a social event or meal;

18 (2) discounts that are available

19 (A) generally to the public or to a large class of persons to
20 which the person belongs; or

21 (B) when on official state business, but only if receipt of the
22 discount benefits the state;

23 (3) food or foodstuffs indigenous to the state that are shared generally
24 as a cultural or social norm;

25 (4) travel and hospitality primarily for the purpose of obtaining
26 information on matters of legislative concern;

27 (5) gifts from the immediate family of the person; [OR]

28 (6) gifts that are not connected with the recipient's legislative status;

29 (7) a discount for all or part of a legislative session, including time
30 immediately preceding or following the session, or other gift to welcome a
31 legislator or legislative employee who is employed on the personal staff of a

1 legislator or by a standing or special committee to the capital city or in
2 recognition of the beginning of a legislative session if the gift or discount is
3 available generally to all legislators and the personal staff of legislators and staff
4 of standing and special committees; this paragraph does not apply to legislative
5 employees who are employed by the Legislative Affairs Agency, the office of the
6 chief clerk, the office of the senate secretary, the legislative budget and audit
7 committee, or the office of the ombudsman; or

8 (8) a gift of legal services in a matter of legislative concern and a
9 gift of other services related to the provision of legal services in a matter of
10 legislative concern.

11 * Sec. 29. AS 24.60.080(d) is repealed and reenacted to read:

12 (d) A legislator or legislative employee who accepts a gift under (c)(4) of this
13 section that has a value of \$250 or more shall disclose to the committee, within 30
14 days after receipt of the gift, the name and occupation of the donor and the
15 approximate value of the gift. A legislator or legislative employee who accepts a gift
16 under (c)(8) of this section that the recipient expects will have a value of \$250 or more
17 in the calendar year shall disclose to the committee, within 30 days after receipt of the
18 gift, the name and occupation of the donor, a general description of the matter of
19 legislative concern with respect to which the gift is made, and the approximate value
20 of the gift. The committee shall maintain a public record of the disclosures it receives
21 relating to gifts under (c)(4) and (8) of this section and shall forward the disclosures
22 to the appropriate house for inclusion in the journal. The committee shall forward to
23 the Alaska Public Offices Commission copies of the disclosures concerning gifts under
24 (c)(4) and (8) of this section that it receives from legislators and legislative directors.
25 A legislator or legislative employee who accepts a gift under (c)(6) of this section that
26 has a value of \$250 or more shall disclose to the committee annually on or before
27 March 15 the name and occupation of the donor and a description of the gift. The
28 committee shall maintain disclosures relating to gifts under (c)(6) of this section as
29 confidential records and may only use, or permit a committee employee or contractor
30 to use, a disclosure under (c)(6) of this section in the investigation of a possible
31 violation of this section or in a proceeding under AS 24.60.170. If the disclosure

1 under (c)(6) of this section becomes part of the record of a proceeding under
2 AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

3 * **Sec. 30.** AS 24.60.080(e) is amended to read:

4 (e) A political contribution [THAT IS REPORTED UNDER AS 15.13.040] is
5 not a gift under this section if it is reported under AS 15.13.040 or is exempt from
6 the reporting requirement under AS 15.13.040(g). The use of a bulk mailing
7 permit owned by a legislator's campaign committee or used in a legislator's
8 election campaign is not a gift to that legislator under this section.

9 * **Sec. 31.** AS 24.60.080(f) is amended to read:

10 (f) Notwithstanding (a) of this section, a legislator or legislative employee may
11 accept a gift of property worth \$250 [\$100] or more, other than money, from another
12 [A FOREIGN] government or from an official of another [A FOREIGN] government
13 if the person accepts the gift on behalf of the legislature. The person shall, within 60
14 days after [OF] receiving the gift, deliver the gift to the legislative council, which
15 shall determine the appropriate disposition of the gift. In this subsection, "another
16 government" means a foreign government or the government of the United States,
17 another state, a municipality, or another jurisdiction.

18 * **Sec. 32.** AS 24.60.080(g) is amended to read:

19 (g) In this section, "immediate family" or "family member" means

20 (1) the spouse of the person;

21 (2) the person's spousal equivalent;

22 (3) a child, including a stepchild and an adoptive child, of the
23 person or of the person's spousal equivalent;

24 (4) a parent, sibling, grandparent, aunt, or uncle of the person; and

25 (5) a parent, sibling, grandparent, aunt, or uncle of the person's
26 spouse or the person's spousal equivalent; and

27 (6) a stepparent, stepsister, stepbrother, step-grandparent, step-
28 aunt, or step-uncle of the person, the person's spouse, or the person's spousal
29 equivalent [HAS THE MEANING GIVEN IN AS 24.60.990(a)(5) AND INCLUDES
30 THE GRANDPARENTS, AUNTS, AND UNCLES OF A PERSON, ALSO
31 INCLUDES A PERSON DESCRIBED IN THIS SUBSECTION OR

1 AS 24.60.990(a)(5) WHO IS RELATED TO THE PERSON BY MARRIAGE].

2 * Sec. 33. AS 24.60.980 is amended by adding new subsections to read:

3 (h) Notwithstanding (a) of this section, a legislator or legislative employee may
4 solicit, accept, or receive a gift on behalf of a recognized, nonpolitical charitable
5 organization.

6 (i) A legislator, a legislative committee other than the Select Committee on
7 Legislative Ethics, or a legislative agency may accept (1) a gift of volunteer services
8 for legislative purposes so long as the person making the gift of services is not
9 receiving compensation from another source for the services or (2) a gift of the
10 services of a trainee who is participating in an educational program approved by the
11 committee if the services are used for legislative purposes. The committee shall
12 approve training under a program of the University of Alaska and training under 29
13 U.S.C. 1501 - 1792b (Job Training Partnership Act). A legislative volunteer or
14 educational trainee shall be considered to be a legislative employee for purposes of
15 compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.158
16 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer
17 or educational trainee has violated the provisions of one of those sections, the person
18 may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to
19 the proceeding.

20 (j) A legislator or legislative employee who knows or reasonably should know
21 that a family member has received a gift because of the family member's connection
22 with the legislator or legislative employee shall report the receipt of the gift by the
23 family member to the committee if the gift would have to be reported under this
24 section if it had been received by the legislator or legislative employee or if receipt of
25 the gift by a legislator or legislative employee would be prohibited under this section.

26 (k) In this section, the value of a gift shall be determined by the fair market
27 value of the gift to the extent that the fair market value can be determined.

28 * Sec. 34. AS 24.60.085(a) is amended to read:

29 (a) A legislator or legislative employee may not

30 (1) seek or accept compensation for personal services that is
31 significantly greater than the value of [INVOLVES PAYMENTS THAT ARE NOT

1 COMMENSURATE WITH] the services rendered taking into account the higher rates
2 generally charged by specialists in a profession; or

3 (2) accept a payment of anything of value, except for actual and
4 necessarily incurred travel expenses, for an appearance or speech by the legislator or
5 legislative employee; this paragraph does not apply to the salary paid to a legislator
6 or legislative employee for making an appearance or speech as part of the legislator's
7 or legislative employee's normal course of employment.

8 * **Sec. 35.** AS 24.60.100 is amended to read:

9 **Sec. 24.60.100. Representation.** A legislator or legislative employee who
10 represents another person for compensation before an agency, board, or commission
11 of the state shall disclose the name of the person represented, the subject matter of the
12 representation, and the body before which the representation is to take place to the
13 committee. The disclosure shall be made by the deadlines set out in AS 24.60.105.

14 The committee shall maintain a public record of a [THE] disclosure under this section
15 and forward the disclosure to the respective house for inclusion in the journal. A
16 legislator or legislative employee may not represent another person for compensation
17 before an agency, committee, or other entity of the legislative branch.

18 * **Sec. 36.** AS 24.60 is amended by adding a new section to read:

19 **Sec. 24.60.105. Deadlines for filing disclosures.** (a) When a legislator or
20 legislative employee is required to file a disclosure under this chapter and a date by
21 which the disclosure must be filed is not otherwise set by statute, the deadlines set out
22 in this section shall apply. For disclosure of a matter or an interest that began or was
23 acquired during the interim between regular legislative sessions, whether or not the
24 regular session is extended or there is a special session, or during the last 30 days of
25 a regular session, the legislator or legislative employee shall disclose the matter by
26 March 15. For disclosure of a matter or an interest that began or was acquired during
27 a regular legislative session, but not during the last 30 days of the regular session, the
28 disclosure must be made within 30 days after the commencement of the interest or
29 representation.

30 (b) Disclosures under the following statutes are subject to the deadlines set out
31 in this section:

1 (1) service on the board of an organization as set out in
2 AS 24.60.030(f);

3 (2) an interest in a state contract or lease under AS 24.60.040 and the
4 renegotiation of the terms of a state contract or lease that materially affect the
5 obligations of either party;

6 (3) participation in a state program or receipt of a state loan under
7 AS 24.60.050 and the renegotiation of the terms of the program or loan if the
8 renegotiation materially affects the obligations of either party;

9 (4) formation or maintenance of a close economic association under
10 AS 24.60.070;

11 (5) representation of a client under AS 24.60.100.

12 * Sec. 37. AS 24.60.130(f) is amended to read:

13 (f) The committee may contract for professional services and may employ staff
14 as it considers necessary. A committee employee, including a person who provides
15 personal services under a contract with the committee, may not be a legislator, an
16 elected or appointed official of a state or local governmental entity, an officer of a
17 political party, a candidate for public office, or a registered lobbyist. The legislative
18 council shall provide office space, equipment, and additional staff support for the
19 committee. The committee shall submit a budget for each fiscal year to the finance
20 committees of the legislature and shall annually submit an estimated budget to the
21 governor for information purposes in preparation of the state operating budget. **Public**
22 **members of the committee serve without compensation for their services, but are**
23 **entitled to per diem and travel expenses authorized for boards and commissions**
24 **under AS 39.20.180.**

25 * Sec. 38. AS 24.60.130(g) is amended to read:

26 (g) Each legislative member serves for the duration of the legislature during
27 which the member is appointed. Each public member serves for a term that
28 commences on the date the member is ratified and ends on the first day of the third
29 regular session that follows the ratification. A public member whose term has expired
30 continues in office until a successor has been appointed and ratified or until the 30th
31 calendar day of the first legislative session that follows the successor's appointment,

1 whichever is earlier. A member of the committee may be removed from
2 membership on the committee for failure to carry out the person's duties as a
3 member of the committee. A legislator may be removed with the concurrence by
4 roll call vote of two-thirds of the full membership of the house of the legislature
5 to which the member belongs. A public member may be removed with the
6 concurrence by roll call vote of two-thirds of the full membership of each house
7 of the legislature.

8 * Sec. 39. AS 24.60.130(h) is amended to read:

9 (h) A member is disqualified from participating as a member in any
10 proceeding before the committee involving a complaint against the member or an
11 employee whose work is supervised by the member or an advisory opinion
12 requested by the member. If a regular legislative member of the committee is
13 disqualified under this subsection from participating in a proceeding involving a
14 complaint, the member's alternate shall be designated under (o) of this section
15 [THE LEGISLATURE IS IN SESSION WHEN A LEGISLATIVE MEMBER IS
16 DISQUALIFIED UNDER THIS SUBSECTION, THE PRESIDING OFFICER OF
17 THAT MEMBER'S HOUSE SHALL, WITH THE CONCURRENCE BY ROLL
18 CALL VOTE OF TWO-THIRDS OF THE FULL MEMBERSHIP OF THAT HOUSE,
19 APPOINT ANOTHER MEMBER FROM THAT HOUSE TO ACT AS A MEMBER
20 OF THE COMMITTEE IN THE PROCEEDING. IF THE LEGISLATURE IS NOT
21 IN SESSION WHEN A LEGISLATIVE MEMBER IS DISQUALIFIED, THE
22 PRESIDING OFFICER OF THE HOUSE OF WHICH THE DISQUALIFIED
23 LEGISLATOR IS A MEMBER SHALL APPOINT ANOTHER MEMBER FROM
24 THAT HOUSE, WITH A RECORDED CONCURRENCE OF A MAJORITY VOTE
25 OF THE SUBCOMMITTEE OF THAT HOUSE, TO ACT AS A MEMBER OF THE
26 COMMITTEE IN THE PROCEEDING].

27 * Sec. 40. AS 24.60.130 is amended by adding a new subsection to read:

28 (o) When appointing members of the legislature to serve on the committee, the
29 speaker of the house or the president of the senate, as appropriate, shall appoint an
30 alternate member for each regular member. An alternate must have the same
31 qualifications as the regular member for whom the alternate stands as alternate and is

1 subject to confirmation as required for the regular member. If a regular legislative
2 member of the committee or a subcommittee is disqualified under (h) of this section
3 from serving on the committee or the subcommittee concerning a proceeding under
4 AS 24.60.170, the chair of the committee or a subcommittee shall designate the regular
5 member's alternate to serve in place of the regular member in the proceeding unless
6 the alternate is also disqualified from serving. The designation shall be treated as
7 confidential to the same extent that the identity of the subject of a complaint is
8 required to be kept confidential.

9 * Sec. 41. AS 24.60.134(a) is amended to read:

10 (a) Except as provided in (c) of this section, in [IN] addition to complying
11 with the other requirements of this chapter, a public member of the committee, an
12 employee of the committee, or a person under contract to provide personal services to
13 the committee may not, during the person's term of office or employment or
14 during the life of the contract, participate in

15 (1) [PARTICIPATE IN] political management or in a political
16 campaign for a candidate for election to federal, state, or local office, regardless
17 of whether the campaign is partisan or nonpartisan, or for passage or defeat of
18 a ballot measure of any type [DURING THE PERSON'S TERM OF OFFICE,
19 EMPLOYMENT, OR CONTRACT];

20 (2) [PARTICIPATE IN] the campaign of, attend campaign fund-raising
21 events for, or make a financial contribution to

22 (A) a candidate for the legislature;

23 (B) an incumbent legislator or legislative employee who is a
24 candidate for another public office; or

25 (C) a person running for another office against an incumbent
26 legislator or legislative employee; [OR]

27 (3) a fund-raising event held on behalf of a political party or attend
28 a political party fund-raising event; or

29 (4) [PARTICIPATE IN] lobbying activities that would require the
30 person to register as a lobbyist except as required to inform the legislature concerning
31 legislation requested by the committee or other matters related to the committee.

1 * **Sec. 42.** AS 24.60.134 is amended by adding a new subsection to read:

2 (c) A person under contract to provide personal services to the committee who
3 is part of a corporation or partnership that includes individuals who will not be
4 participating directly in the work performed by the entity for the committee may
5 request the committee to exclude members of the entity from some or all of the
6 provisions of this section. The committee may grant the request if it finds that doing
7 so will not lead to the appearance that the committee is subject to undue political
8 influence and if there is no appearance of impropriety.

9 * **Sec. 43.** AS 24.60.160 is amended to read:

10 **Sec. 24.60.160. Advisory opinions. (a) On the request of a person to**
11 **whom this chapter applies or who has been newly elected to the legislature, the**
12 [THE] committee shall issue an advisory opinion within 60 [30] days [ON THE
13 REQUEST OF A PERSON TO WHOM THE CHAPTER APPLIES OR A PERSON
14 ELECTED TO THE LEGISLATURE WHO AT THE TIME OF ELECTION IS NOT
15 A MEMBER OF THE LEGISLATURE] as to whether the facts and circumstances of
16 a particular case constitute a violation of ethical standards. **If it finds that it is**
17 **advisable to do so, the committee may issue an opinion under this section on the**
18 **request of a person who reasonably expects to become subject to this chapter**
19 **within the next 45 days.** The 60-day [30-DAY] period for issuing an opinion may
20 be extended by the committee if the person requesting the opinion consents.

21 (b) An [THE] opinion issued under this section is binding on the committee
22 in any subsequent proceedings concerning the facts and circumstances of the particular
23 case unless material facts were omitted or misstated in the request for the advisory
24 opinion. Except as provided in this chapter, an advisory opinion is confidential but
25 shall be made public if a written request by the person who requested the opinion is
26 filed with the committee.

27 * **Sec. 44.** AS 24.60.170(a) is amended to read:

28 (a) The committee shall consider a complaint alleging a violation of this
29 chapter if the alleged violation occurred within two [FIVE] years before [OF] the date
30 that the complaint is filed with the committee and, when the subject of the complaint
31 is a former member of the legislature, the complaint is filed within one year after [OF]

1 the subject's departure from the legislature. The committee may not consider a
2 complaint filed against all members of the legislature, against all members of one
3 house of the legislature, or against a person employed by the legislative branch of
4 government after the person has terminated legislative service. However, the
5 committee may reinstitute proceedings concerning a complaint that was closed
6 because a former employee terminated legislative service or because a legislator
7 left the legislature if the former employee or legislator resumes legislative service,
8 whether as an employee or a legislator, within two years after the alleged
9 violation. [THE COMMITTEE MAY ALSO INITIATE COMPLAINTS ON ITS
10 OWN MOTION, SUBJECT TO THE SAME TIME LIMITATIONS.] The time
11 limitations of this subsection do not bar proceedings against a person who intentionally
12 prevents discovery of a violation of this chapter.

13 * Sec. 45. AS 24.60.170(b) is amended to read:

14 (b) A complaint may be initiated by any person. The complaint must be in
15 writing and signed under oath by the person making the complaint and must contain
16 a statement that the complainant has reason to believe that a violation of this
17 chapter has occurred and describe any facts known to the complainant to support
18 that belief. The committee shall upon request provide a form for a complaint to a
19 person wishing to file a complaint. Upon receiving a complaint, the committee shall
20 advise the complainant that the committee or the subject of the complaint may
21 ask the complainant to testify at any stage of the proceeding as to the
22 complainant's belief that the subject of the complaint has violated this chapter.
23 The committee shall respond to a complaint concerning the conduct of a
24 candidate for election to state office received during the campaign period in
25 accordance with (o) of this section. The committee shall treat a complaint
26 concerning the conduct of a candidate for election to state office that is pending
27 at the beginning of a campaign period in accordance with (p) of this section. The
28 committee shall immediately provide a copy of the complaint to the person who is the
29 subject of the complaint.

30 * Sec. 46. AS 24.60.170(c) is amended to read:

31 (c) When the committee receives a complaint under (a) of this section, it may

1 assign the complaint to a staff person. The staff person shall conduct a
2 preliminary examination of the complaint and advise the committee whether the
3 allegations of the complaint, if true, constitute a violation of this chapter and
4 whether there is credible information to indicate that a further investigation and
5 proceeding is warranted. The staff recommendation shall be based on the
6 information and evidence contained in the complaint as supplemented by the
7 complainant and by the subject of the complaint, if requested to do so by the staff
8 member. The committee shall consider the recommendation of the staff member,
9 if any, and shall determine whether the allegations of the complaint, if true, constitute
10 a violation of this chapter. If the committee determines that the allegations, if proven,
11 would not give rise to a violation, that the complaint is frivolous on its face, that
12 there is insufficient credible information that can be uncovered to warrant further
13 investigation by the committee, or that [IF] the committee's lack of jurisdiction is
14 apparent on the face of the complaint, the committee shall dismiss the complaint [,]
15 and shall notify the complainant and the subject of the complaint of the dismissal.
16 The committee may ask the complainant to provide clarification or additional
17 information before it makes a decision under this subsection and may request
18 information concerning the matter from the subject of the complaint. Neither the
19 complainant nor the subject of a complaint is obligated to provide the
20 information. A proceeding conducted under this subsection, documents that are
21 part of a proceeding, and a dismissal under this subsection are confidential as
22 provided in (l) of this section unless the subject of the complaint waives
23 confidentiality as provided in that subsection.

24 * Sec. 47. AS 24.60.170(f) is amended to read:

25 (f) If the committee determines after investigation that there is not probable
26 cause to believe that the subject of the complaint has violated this chapter, the
27 committee shall dismiss the complaint. The committee may also dismiss portions of
28 a complaint if it finds no probable cause to believe that the subject of the complaint
29 has violated this chapter as alleged in those portions. The committee shall issue a
30 decision explaining its dismissal. Committee deliberations and vote on the
31 dismissal order and decision are not open to the public or to the subject of the

1 complaint. A copy of the dismissal order and decision shall be sent to the
2 complainant and to the subject of the complaint. Notwithstanding (l) of this section,
3 a dismissal order and decision is open to inspection and copying by the public.

4 * Sec. 48. AS 24.60.170(g) is amended to read:

5 (g) If the committee investigation determines that a probable violation of this
6 chapter exists that may be corrected by action of the subject of the complaint and that
7 does not warrant sanctions other than correction, the committee may issue an opinion
8 recommending corrective action. This opinion shall be provided to the complainant
9 and to the subject of the complaint, and is open to inspection by the public. Within
10 20 days after receiving the opinion, the subject of the complaint may request a
11 confidential meeting with the committee at which meeting the committee shall
12 explain the reasons for its recommendations. The committee may divulge
13 confidential information to the subject of the complaint. The information remains
14 confidential. The subject of the complaint may comply with the opinion or may
15 request a hearing before the committee under (j) of this section. After the hearing, the
16 committee may amend or affirm the opinion. If the subject of the complaint agrees
17 to comply with the opinion but later fails to complete the corrective action in a
18 timely manner, the committee may formally charge the person as provided in (h)
19 of this section or may refer the matter to the appropriate house of the legislature,
20 in the case of a legislator, or, in the case of a legislative employee, to the
21 employee's appointing authority. The appropriate house of the legislature or the
22 appointing authority, as appropriate, may take action to enforce the corrective
23 action or may decline to take action and refer the matter to the committee. In
24 either case, the committee may formally charge the person under (h) of this
25 section.

26 * Sec. 49. AS 24.60.170(h) is amended to read:

27 (h) If the subject of a complaint fails to comply with an opinion and the
28 committee decides [ISSUED] under (g) of this section to charge the person, or if the
29 committee determines after investigation that there is probable cause to believe that the
30 subject of the complaint has committed a violation of this chapter that may require
31 sanctions instead of or in addition to corrective action, the committee shall formally

1 charge the person. The charge shall be served on the person charged, in a manner
2 consistent with the service of summons under the rules of civil procedure, and a copy
3 of the charge shall be sent to the complainant. The person charged may file a
4 responsive pleading to the committee admitting or denying some or all of the
5 allegations of the charge.

6 * Sec. 50. AS 24.60.170(i) is amended to read:

7 (i) A person charged under (h) [(b)] of this section may engage in discovery
8 in a manner consistent with the Alaska Rules of Civil Procedure. The committee may
9 adopt procedures that

10 (1) impose reasonable restrictions on the time for this discovery and on
11 the materials that may be discovered;

12 (2) permit a person who is the subject of a complaint to engage in
13 discovery at an earlier stage of the proceedings;

14 (3) impose reasonable restrictions on the release of information that
15 the subject of a complaint acquires from the committee in the course of discovery,
16 or on information obtained by use of the committee's authority, in order to
17 protect the privacy of persons not under investigation to whom the information
18 pertains; however, the committee may not impose restrictions on the release of
19 information by the subject of the complaint unless the complainant has agreed to
20 be bound by similar restrictions and has not made public the information
21 contained in the complaint, information about the complaint, or the fact of filing
22 the complaint.

23 * Sec. 51. AS 24.60.170(l) is amended to read:

24 (l) Proceedings of the committee relating to complaints before it are
25 confidential until the committee determines that there is probable cause to believe that
26 a violation of this chapter has occurred. The complaint and all documents produced
27 or disclosed as a result of the committee investigation are confidential and not subject
28 to inspection by the public. If in the course of an investigation or probable cause
29 determination the committee finds evidence of probable criminal activity, the
30 committee shall transmit a statement and factual findings limited to that activity to the
31 appropriate law enforcement agency. If the committee finds evidence of a probable

1 violation of AS 15.13, the committee shall transmit a statement to that effect and
2 factual findings limited to the probable violation to the Alaska Public Offices
3 Commission. All meetings of the committee before the determination of probable
4 cause are closed to the public and to legislators who are not members of the
5 committee. However, the committee may permit the subject of the complaint to
6 attend a meeting other than the deliberations on probable cause. The
7 confidentiality provisions of this subsection may be waived by the subject of the
8 complaint.

9 * Sec. 52. AS 24.60.170 is amended by adding new subsections to read:

10 (o) The committee shall return a complaint concerning the conduct of a
11 candidate for state office received during a campaign period to the complainant unless
12 the subject of the complaint permits the committee to assume jurisdiction under this
13 subsection. If the committee receives a complaint concerning the conduct of a
14 candidate during the campaign period, the committee shall immediately notify the
15 subject of the complaint of the receipt of the complaint, of the suspension of the
16 committee's jurisdiction during the campaign period, and of the candidate's right to
17 waive the suspension of jurisdiction under this subsection. The candidate may, within
18 11 days after the committee mails or otherwise sends notice of the complaint to the
19 candidate, notify the committee that the candidate chooses to have the committee
20 proceed with the complaint under this section. If the candidate does not act within that
21 time or if the candidate notifies the committee that the candidate is not waiving the
22 suspension of committee jurisdiction, the committee shall return the complaint to the
23 complainant with notice of the suspension of jurisdiction under this subsection and of
24 the right of the complainant to file the complaint after the end of the campaign period.

25 (p) When the committee has a complaint concerning the conduct of a candidate
26 for state office pending before it at the beginning of a campaign period that has not
27 resulted in the issuance of formal charges under (h) of this section, the committee may
28 proceed with its consideration of the complaint only to the extent that the committee's
29 actions are confidential under this section. The committee may not, during a campaign
30 period, issue a dismissal order or decision under (f) of this section, issue an opinion
31 under (g) of this section, or formally charge a person under (h) of this section. If the

1 committee has formally charged a person under (h) of this section and the charge is
2 still pending when a campaign period begins, the committee shall suspend any public
3 hearings on the matter until after the campaign period ends. The parties to the hearing
4 may continue with discovery during the campaign period. If a hearing has been
5 completed before the beginning of a campaign period but the committee has not yet
6 issued its decision, the committee may not issue the decision until after the end of the
7 campaign period. Notwithstanding the suspension of public proceedings provided for
8 in this subsection, a candidate who is the subject of a complaint may notify the
9 committee in writing that the candidate chooses to have the committee proceed with
10 the complaint under this section.

11 (q) A campaign period under this section begins on the later of 45 days before
12 a primary election in which the legislator or legislative employee is a candidate for
13 state office or the day on which the individual files as a candidate for state office and
14 ends at the close of election day for the general or special election in which the
15 individual is a candidate or on the day that the candidate withdraws from the election,
16 if earlier. For a candidate who loses in the primary election, the campaign period ends
17 on the day that results of the primary election showing that another individual won the
18 election are certified.

19 * Sec. 53. AS 24.60.174(a) is amended to read:

20 (a) If the person found to have violated this chapter is or was a member of the
21 legislature, the committee's recommendations shall be forwarded by the chair of the
22 committee to the presiding officer of the appropriate house of the legislature. If the
23 committee recommends sanctions other than expulsion from the legislature, the
24 committee recommendation

25 (1) must include a suggested timetable for the compliance reports
26 required under (e) of this section, if any; and

27 (2) may include recommended fines that the legislature may impose
28 if the legislator who was found to have violated this chapter does not comply with
29 the sanctions imposed by the legislature in a timely manner.

30 * Sec. 54. AS 24.60.174 is amended by adding a new subsection to read:

31 (e) When a house of the legislature imposes a sanction other than expulsion

1 on a member or former member, it shall advise the committee at the time of imposing
2 the sanction of the terms it has imposed and of the timetable for compliance adopted
3 with the sanctions. A legislator or former legislator on whom sanctions other than
4 expulsion have been imposed shall report to the committee as required by the
5 timetable. If the committee determines that the legislator or former legislator has not
6 complied fully and in a timely manner with the sanctions imposed by the legislature,
7 the committee may recommend that the legislature impose a fine or additional
8 sanctions.

9 * Sec. 55. AS 24.60.176 is amended to read:

10 **Sec. 24.60.176. Recommendations where violator is a legislative employee.**

11 If the person found to have violated this chapter is or was a legislative employee, the
12 committee's recommendations shall be forwarded to the appropriate appointing
13 authority which shall, as soon as is reasonably possible, determine the sanctions, if
14 any, to be imposed. The appointing authority may not question the committee's
15 findings of fact. The appointing authority shall assume the validity of the committee's
16 findings [,] and determine and impose the appropriate sanctions. **The appointing**
17 **authority has the power to impose a sanction recommended by the committee or**
18 **to impose a different sanction. The appointing authority shall enforce the**
19 **sanction and shall report to the committee at a time specified by the committee**
20 **concerning the employee's compliance with the sanction.**

21 * Sec. 56. AS 24.60.176 is amended by adding a new subsection to read:

22 (b) In this section, "appointing authority" means

23 (1) the legislative council for employees of the Legislative Affairs
24 Agency and of the legislative council and for legislative employees not otherwise
25 covered under this subsection;

26 (2) the Legislative Budget and Audit Committee for the legislative
27 fiscal analyst and employees of the division of legislative finance, the legislative
28 auditor and employees of the division of legislative audit, and employees of the
29 Legislative Budget and Audit Committee;

30 (3) the appropriate finance committee for employees of the senate or
31 house finance committees;

- 1 (4) the appropriate rules committee for employees of
2 (A) standing committees of the legislature, other than the
3 finance committees;
4 (B) the senate secretary's office and the office of the chief clerk
5 of the house of representatives; and
6 (C) house records and senate records;
7 (5) the legislator who made the hiring decision for employees of
8 individual legislators; however, the legislator may request the appropriate rules
9 committee to act in the legislator's stead;
10 (6) the ombudsman for employees of the office of the ombudsman,
11 other than the ombudsman;
12 (7) the legislature for the ombudsman.
- 13 * Sec. 57. AS 24.60 is amended by adding a new section to read:
14 **Sec. 24.60.178. Recommended sanctions.** (a) When the committee finds that
15 a person has violated this chapter, the committee may recommend appropriate
16 sanctions, including sanctions set out in (b) of this section.
17 (b) The sanctions that the committee may recommend include
18 (1) imposition of a civil penalty of not more than \$5,000 for each
19 offense or twice the amount improperly gained, whichever is greater;
20 (2) divestiture of specified assets or withdrawal from specified
21 associations;
22 (3) additional, detailed disclosure, either as a public disclosure or as a
23 confidential disclosure to the committee;
24 (4) in the case of a legislative employee, suspension of employment
25 with or without pay for a stated period of time or until stated conditions are met, or
26 termination from legislative employment;
27 (5) restitution of property or reimbursement of improperly received
28 benefits;
29 (6) public or private written reprimand;
30 (7) censure, including, in the case of a legislator, removal from a
31 leadership position or committee membership and a determination that the legislator

1 will not be appointed to serve in a leadership position or on a committee during the
2 remainder of that legislature;

3 (8) placing the person on probationary status;

4 (9) in the case of a legislator, expulsion from the house of the
5 legislature;

6 (10) any other appropriate measure.

7 (c) In addition to or in place of a sanction recommended under (b) of this
8 section, the committee may recommend that the subject of a complaint be required to
9 pay all or a portion of the costs related to the investigation and adjudication of a
10 complaint.

11 * Sec. 58. AS 24.60.200 is amended to read:

12 **Sec. 24.60.200. Financial disclosure by legislators, public members of the**
13 **committee, and legislative directors.** A legislator, **a public member of the**
14 **committee,** and a legislative director shall file a disclosure statement, under oath and
15 on penalty of perjury, with the Alaska Public Offices Commission giving the following
16 information about the income received by **the discloser, the discloser's spouse or**
17 **spousal equivalent, the discloser's** [THEM, THEIR SPOUSES, THEIR] dependent
18 children, and **the discloser's** [THEIR] nondependent children who are living with **the**
19 **discloser** [THEM]:

20 (1) the information that a public official is required to report under
21 AS 39.50.030, **other than information about gifts** [EXCEPT THAT SOURCES OF
22 INCOME OTHER THAN GIFTS OF \$1,000 OR LESS, AND LOANS OF \$1,000 OR
23 LESS NEED NOT BE REPORTED];

24 (2) as to income in excess of \$1,000 received as compensation for
25 personal services, the name and address of the source of the income, and a statement
26 describing the nature of the services performed; if the source of income is known or
27 reasonably should be known to have a substantial interest in legislative, administrative,
28 or political action and the recipient of the income is a legislator or a legislative
29 director, the amount of income received from the source shall be disclosed;

30 (3) as to each loan or loan guarantee over \$1,000 from a source with
31 a substantial interest in legislative, administrative, or political action, the name and

1 address of the person making the loan or guarantee, the amount of the loan, the terms
2 and conditions under which the loan or guarantee was given, the amount outstanding
3 at the time of filing, and whether or not a written loan agreement exists [;

4 (4) THE SOURCE OF A GIFT, OTHER THAN AN INHERITANCE,
5 RECEIVED DURING THE PRECEDING CALENDAR YEAR BY THE PERSON,
6 THE PERSON'S SPOUSE OR DEPENDENT CHILD, OR A NONDEPENDENT
7 CHILD OF THE PERSON WHO IS LIVING WITH THE PERSON, IF THE
8 AMOUNT OF THE GIFT EXCEEDS \$100 AND IS RECEIVED FROM A PERSON
9 WHO IS NOT A MEMBER OF THE RECIPIENT'S FAMILY].

10 * Sec. 59. AS 24.60.210 is amended to read:

11 **Sec. 24.60.210. Deadlines for filing of disclosure statements.** A person
12 required to file a disclosure statement under AS 24.60.200 [LEGISLATOR AND
13 A LEGISLATIVE DIRECTOR] shall file an annual report with the Alaska Public
14 Offices Commission, covering the previous calendar year, containing the disclosures
15 required by AS 24.60.200, on or before March [APRIL] 15 of each year.

16 * Sec. 60. AS 24.60.240 is amended to read:

17 **Sec. 24.60.240. Civil penalty for late filing.** A person required to file a
18 disclosure statement under AS 24.60.200 [LEGISLATOR OR A LEGISLATIVE
19 DIRECTOR] who fails to file a properly completed report under AS 24.60.200 is
20 subject to a civil penalty of not more than \$10 a day for each day the delinquency
21 continues as the Alaska Public Offices Commission determines, subject to appeal to
22 the superior court. An affidavit stating facts in mitigation may be submitted to the
23 Alaska Public Offices Commission by the person against whom the civil penalty is
24 assessed. However, the imposition of the penalties prescribed in this section does not
25 excuse the person from filing reports required by AS 24.60.200.

26 * Sec. 61. AS 24.60.250 is repealed and reenacted to read:

27 **Sec. 24.60.250. Effect of failure to file.** (a) In addition to the sanctions
28 described in AS 24.60.260, if the Alaska Public Offices Commission finds that a
29 candidate for the legislature who is an incumbent legislator has failed to file a report
30 under AS 24.60.200 by March 15, the commission shall notify the candidate that the
31 report is late. If the candidate fails to file the report by April 15,

- 1 (1) the commission shall notify the lieutenant governor;
- 2 (2) the candidate shall forfeit nomination to office and may not be
- 3 seated in office;
- 4 (3) the lieutenant governor may not certify the person's nomination for
- 5 office or election to office; and
- 6 (4) nomination to the office shall be certified as provided in
- 7 AS 39.50.060(b).

8 (b) In addition to the sanctions described in AS 24.60.260, if the Alaska Public

9 Offices Commission finds that a member of the committee has failed or refused to file

10 a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify

11 the presiding officer of the appropriate legislative body. In the case of a public

12 member of the committee, the commission shall notify both presiding officers.

13 (c) In addition to the sanctions described in AS 24.60.260, if the Alaska Public

14 Offices Commission finds that a legislative director has failed or refused to file a

15 report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify

16 the Alaska Legislative Council or the Legislative Budget and Audit Committee, as

17 appropriate. For the ombudsman, the Alaska Legislative Council shall be notified.

18 * Sec. 62. AS 24.60.260(a) is amended to read:

19 (a) A person required to make a disclosure under this chapter may not

20 knowingly make a false or deliberately misleading or incomplete disclosure to the

21 committee or to the Alaska Public Offices Commission. A person who files [, OR

22 FILE] a disclosure after a deadline set by this chapter or by a regulation adopted by

23 the committee or by the Alaska Public Offices Commission **has violated this chapter**

24 **and may be subject to imposition of a fine as provided in (c) of this section or**

25 **AS 24.60.240.**

26 * Sec. 63. AS 24.60.260 is amended by adding a new subsection to read:

27 (c) The committee may impose a fine on a person who files a disclosure after

28 a deadline set by this chapter. The amount of the fine imposed under this subsection

29 may not exceed \$2 for each day to a maximum of \$100 for each disclosure for a late

30 disclosure. However, if the committee finds that a late filing was inadvertent, the

31 maximum fine the committee may impose under this subsection is \$25.

1 * **Sec. 64.** AS 24.60.990(a)(5) is amended to read:

2 (5) "immediate family" means

3 (A) the spouse or spousal equivalent of the person; or

4 (B) a parent, child [, PARENTS, CHILDREN], including a
5 stepchild and an adoptive child, and sibling [SIBLINGS] of a person if the
6 parent, child, or sibling resides with the person, is financially dependent
7 on the person, or shares a substantial financial interest with the person;

8 * **Sec. 65.** AS 24.60.990(a) is amended by adding new paragraphs to read:

9 (15) "spousal equivalent" means a person who is cohabiting with
10 another person in a relationship that is like a marriage but that is not a legal marriage;

11 (16) "state office" includes the office of governor, lieutenant governor,
12 member of the legislature, or similar state office.

13 * **Sec. 66.** AS 39.25.070 is amended to read:

14 **Sec. 39.25.070. Powers and duties of personnel board.** In addition to the
15 other duties imposed by this chapter, the personnel board shall

16 (1) approve or disapprove amendments to the personnel rules in
17 accordance with AS 39.25.140;

18 (2) consider and act upon recommendations for the extension of the
19 partially exempt service and the classified service as provided in AS 39.25.130;

20 (3) hear and determine appeals by employees in the classified service
21 as provided in AS 39.25.170;

22 (4) establish its own rules of procedure; two members constitute a
23 quorum for the transaction of business and two affirmative votes are required for final
24 action on matters acted upon by the board;

25 (5) elect a chair [CHAIRMAN] from its membership;

26 (6) have the power to administer oaths, subpoena witnesses, and compel
27 the production of books and papers pertinent to a hearing authorized by this chapter;

28 (7) employ staff members, who shall be in the classified service;

29 (8) carry out its powers and duties under AS 39.52 [RETAIN
30 INDEPENDENT COUNSEL IN ACCORDANCE WITH AS 39.52.310(c);

31 (9) APPOINT, AND REVIEW THE FINDINGS, CONCLUSIONS,

1 AND RECOMMENDATIONS OF, HEARING OFFICERS IN ACCORDANCE WITH
2 AS 39.52.350(c), 39.52.360, AND 39.52.370;

3 (10) ISSUE FINDINGS, CONCLUSIONS, AND DECISIONS
4 REGARDING VIOLATIONS OF THE CODE OF ETHICS IN AS 39.52.110 -
5 39.52.190; AND

6 (11) IMPOSE THE PENALTIES DESCRIBED IN AS 39.52.410,
7 39.52.440, AND 39.52.450].

8 * Sec. 67. AS 39.25.160(e) is amended to read:

9 (e) An employee in the classified, [OR] partially exempt, or exempt service
10 who seeks nomination or becomes a candidate for state or national elective political
11 office shall immediately resign any position held in the state service. The employee's
12 position becomes vacant on the date the employee files a declaration of candidacy for
13 state or national elective office. This subsection applies to employees in the exempt
14 service, except those listed below, notwithstanding AS 39.25.110. This subsection
15 does not apply to

16 (1) a justice, judges, magistrates, and employees of the judicial
17 branch, including employees of the judicial council;

18 (2) the governor or the lieutenant governor;

19 (3) a member of the legislature;

20 (4) an employee seeking election as a delegate to a constitutional
21 convention;

22 (5) officers and employees of the University of Alaska;

23 (6) certificated teachers and noncertificated employees employed
24 by a regional educational attendance area established and organized under
25 AS 14.08.031 - 14.08.041 to teach in, administer, or operate schools under the
26 control of a regional educational attendance area school board;

27 (7) certificated teachers employed by the Department of Education
28 as correspondence teachers, teachers in skill centers operated by the Department
29 of Education, or teachers at Mt. Edgecumbe School;

30 (8) members of boards and commissions and authorities if the
31 member is not entitled to compensation other than per diem and travel for service

1 on the board, commission, or authority;

2 (9) emergency fire-fighting personnel employed by the Department
3 of Natural Resources for a fire emergency or for fire prevention and related
4 activities conducted under AS 41.15.030;

5 (10) youth employed by the Department of Natural Resources
6 under the Youth Employment and Student Intern programs;

7 (11) students employed by the state institutions in which the
8 students are enrolled;

9 (12) persons engaged in employment or pre-employment training
10 programs operated by the Department of Military and Veterans' Affairs;

11 (13) a participant in the Alaska temporary assistance program
12 under AS 47.27 who holds a temporary position with the state in order to obtain
13 job training or experience.

14 * Sec. 68. AS 39.25.160 is amended by adding a new subsection to read:

15 (j) A state employee, whether in the classified, partially exempt, or exempt
16 service, may not campaign on behalf of a political candidate on government time.
17 This subsection does not prohibit the employees of the division of elections from
18 carrying out duties related to elections or the members and employees of the
19 commission on judicial conduct from carrying out duties relating to the evaluation of
20 justices and judges. This subsection does not apply to the governor and lieutenant
21 governor and members of the legislature.

22 * Sec. 69. AS 39.50.020 is amended to read:

23 **Sec. 39.50.020. Report of financial and business interests.** (a) A **public**
24 **official other than the governor or the lieutenant governor** [JUDICIAL OFFICER,
25 COMMISSIONER, CHAIR OR MEMBER OF A STATE COMMISSION OR BOARD
26 SPECIFIED IN AS 39.50.200(b), A PERSON HIRED OR APPOINTED AS HEAD
27 OR DEPUTY HEAD OF, OR DIRECTOR OF A DIVISION WITHIN, A
28 DEPARTMENT IN THE EXECUTIVE BRANCH, A PERSON APPOINTED
29 AS ASSISTANT TO THE GOVERNOR, A STATE INVESTMENT OFFICER AND
30 THE STATE COMPTROLLER IN THE DEPARTMENT OF REVENUE, AND A
31 MUNICIPAL OFFICER] shall file a statement giving income sources and business

1 interests, under oath and on penalty of perjury, within 30 days after taking office as
2 a public official. Candidates for state elective office other than a candidate who is
3 subject to AS 24.60 shall file the [SUCH A] statement with the director of elections
4 at the time of filing a declaration of candidacy or a nominating petition [,] or
5 [WITHIN 30 DAYS OF] becoming a candidate by any other means. Candidates for
6 elective municipal office shall file the [SUCH A] statement at the time of filing a
7 nominating petition, declaration of candidacy, or other required filing for the elective
8 municipal office. Refusal or failure to file within the time prescribed shall require that
9 the candidate's filing fees, if any, and filing for office be refused or that a previously
10 accepted filing fee be returned and the candidate's name removed from the filing
11 records. A statement shall also be filed by public officials no later than March
12 [APRIL] 15 [OR 15 DAYS AFTER THE PERSON FILES A FEDERAL INCOME
13 TAX RETURN] in each following year [, WHICHEVER COMES FIRST]. Persons
14 who are members of boards or commissions not named in AS 39.50.200(b) are not
15 required to file financial statements.

16 (b) A public official other than an elected or appointed municipal officer
17 [THE GOVERNOR, LIEUTENANT GOVERNOR, JUDICIAL OFFICERS, EACH
18 COMMISSIONER, HEAD OR DEPUTY HEAD OF, OR DIRECTOR OF A
19 DIVISION WITHIN, A DEPARTMENT IN THE EXECUTIVE BRANCH,
20 ASSISTANT TO THE GOVERNOR, STATE INVESTMENT OFFICERS AND THE
21 STATE COMPTROLLER IN THE DEPARTMENT OF REVENUE, OR CHAIR OR
22 MEMBER OF A COMMISSION OR BOARD REQUIRED TO REPORT UNDER
23 THIS CHAPTER,] shall file the statement with the Alaska Public Offices Commission.
24 Candidates for the office of governor and lieutenant governor and, if the candidate is
25 not subject to AS 24.60, the legislature shall file the statement under AS 15.25.030 or
26 15.25.180. Municipal officers, and candidates for elective municipal office, shall file
27 with the municipal clerk or other municipal official designated to receive their filing
28 for office. All statements required to be filed under this chapter are public records.

29 * Sec. 70. AS 39.50.030(a) is amended to read:

30 (a) Each statement must [SHALL] be an accurate representation of the
31 financial affairs of the public official or candidate and must [SHALL] contain the

1 same information for each member of the person's family, as specified in (b) **and (d)**
2 of this section, to the extent that it is ascertainable by the public official or candidate.
3 [AN ASSET OR LIABILITY UNDER \$500, HOUSEHOLD GOODS, AND
4 PERSONAL EFFECTS NEED NOT BE IDENTIFIED.]

5 * Sec. 71. AS 39.50.030(b) is amended to read:

6 (b) Except as provided in (g) of this section, each [EACH] statement filed
7 by a public official or candidate under this chapter **must** [SHALL] include the
8 following:

9 (1) the source of all income over \$1,000 [\$100] during the preceding
10 calendar year, including taxable and nontaxable capital gains, received by the person,
11 the person's spouse or spousal equivalent, or the person's [DEPENDENT] child,
12 except that a source of income that is a gift must be included if the value of the
13 gift exceeds \$250 [OR A NONDEPENDENT CHILD OF THE PERSON WHO IS
14 LIVING WITH THAT PERSON];

15 (2) the identity, by name and address, of each business in which the
16 person, the person's spouse or spousal equivalent, or the person's [DEPENDENT]
17 child [, OR A NONDEPENDENT CHILD OF THE PERSON WHO IS LIVING
18 WITH THAT PERSON] was a stockholder, owner, officer, director, partner, proprietor,
19 or employee during the preceding calendar year;

20 (3) the identity and nature of each interest owned in any business
21 during the preceding calendar year by the person, the person's spouse or spousal
22 equivalent, or the person's [DEPENDENT] child [, OR A NONDEPENDENT
23 CHILD OF THE PERSON WHO IS LIVING WITH THAT PERSON];

24 (4) the identity and nature of each interest in real property, including
25 an option to buy, owned at any time during the preceding calendar year by the person,
26 the person's spouse or spousal equivalent, or the person's [DEPENDENT] child [,
27 OR A NONDEPENDENT CHILD OF THE PERSON WHO IS LIVING WITH THAT
28 PERSON];

29 (5) the identity of each trust or other fiduciary relation in which the
30 person, the person's spouse or spousal equivalent, or the person's [DEPENDENT]
31 child [, OR A NONDEPENDENT CHILD OF THE PERSON WHO IS LIVING

1 WITH THAT PERSON] held a beneficial interest exceeding \$1,000 during the
2 preceding calendar year, a description and identification of the property contained in
3 each trust or relation, and the nature and extent of the beneficial interest in it;

4 (6) any loan or loan guarantee of more than \$1,000 made to the
5 person, the person's spouse or spousal equivalent, or the person's [DEPENDENT]
6 child [, OR A NONDEPENDENT CHILD OF THE PERSON WHO IS LIVING
7 WITH THAT PERSON], and the identity of the maker of the loan or loan guarantor
8 and the identity of each creditor to whom the person, the person's spouse or spousal
9 equivalent, or the person's [DEPENDENT] child [, OR A NONDEPENDENT
10 CHILD OF THE PERSON WHO LIVES WITH THAT PERSON] owed more than
11 \$1,000; this paragraph requires disclosure of a loan, loan guarantee, or
12 indebtedness only if the loan or guarantee was made, or the indebtedness
13 incurred, during the preceding calendar year, or if the amount still owing on the
14 loan, loan guarantee, or indebtedness was more than \$1,000 at any time during
15 the preceding calendar year [\$500 OR MORE];

16 (7) a list of all contracts and offers to contract with the state or an
17 instrumentality of the state during the preceding calendar year held, bid, or offered by
18 the person, the person's spouse or spousal equivalent, or the person's
19 [DEPENDENT] child, a partnership or professional corporation of which the
20 person is a member [A NONDEPENDENT CHILD OF THE PERSON WHO IS
21 LIVING WITH THAT PERSON, THE PERSON'S MOTHER OR FATHER], or a
22 corporation in which the person or the person's spouse, spousal equivalent, or
23 children, or a combination of them, hold a controlling interest; and

24 (8) a list of all mineral, timber, oil, or any other natural resource lease
25 held, or lease offer made, during the preceding calendar year by the person, the
26 person's spouse or spousal equivalent, or the person's [DEPENDENT] child, [A
27 NONDEPENDENT CHILD OF THE PERSON WHO IS LIVING WITH THAT
28 PERSON, THE PERSON'S MOTHER OR FATHER,] a partnership or professional
29 corporation of which the person is a member, or a corporation in which the person or
30 the person's spouse or spousal equivalent or children, or a combination of them,
31 holds a controlling interest.

1 * Sec. 72. AS 39.50.030 is amended by adding new subsections to read:

2 (d) In addition to the requirements of (b) of this section, each statement filed
3 under this chapter by a public official in the executive branch of state government
4 other than the chair or a member of a state commission or board must include a
5 disclosure of the formation or maintenance of a close economic association involving
6 a substantial financial matter as required by this subsection. The disclosure must be
7 sufficiently detailed so that a reader can ascertain the nature of the association. A
8 public official shall disclose a close economic association with

9 (1) a legislator;

10 (2) a public official who is not an elected or appointed municipal
11 officer;

12 (3) a lobbyist; or

13 (4) a public officer if the person required to make the disclosure is the
14 governor or the lieutenant governor.

15 (e) If a public official required to disclose a close economic association under
16 (d) of this section forms a close economic association after the date on which the
17 public official files the financial disclosure statement required by (a) of this section.
18 disclosure of the association must be made to the commission within 60 days after the
19 formation of the association.

20 (f) When making a disclosure under (d) of this section concerning a
21 relationship with a lobbyist to whom the public official is married or who is the public
22 official's spousal equivalent, the public official shall also disclose the name and
23 address of each employer of the lobbyist and the total monetary value received from
24 the lobbyist's employer. The public official shall report changes in the employers of
25 the spouse or spousal equivalent within 48 hours after the change. In this subsection,
26 "employer of the lobbyist" means the person from whom the lobbyist received money,
27 or goods or services having a monetary value, for engaging in lobbying on behalf of
28 the person.

29 (g) The requirements in this section for disclosures related to a person's
30 spousal equivalent do not apply to an elected or appointed municipal officer.

31 (h) In this section,

1 (1) "child" means a person's dependent child or a person's
2 nondependent child who is living with the person;

3 (2) "close economic association" means a financial relationship that
4 exists between a public official required to disclose a close economic association under
5 (d) of this section and some other person or entity, including a relationship where the
6 public official serves as a consultant or advisor to, is a member or representative of,
7 or has a financial interest in an association, partnership, business, or corporation;

8 (3) "lobbyist" has the meaning given in AS 24.60.990(a);

9 (4) "public officer" has the meaning given in AS 39.52.960.

10 * Sec. 73. AS 39.50.070 is amended to read:

11 **Sec. 39.50.070. Failure to report by certain public officials**
12 **[DEPARTMENT, DIVISION, OR DEPUTY DEPARTMENT HEADS]. A public**
13 **official [PERSON HIRED OR APPOINTED AS THE HEAD OR DEPUTY HEAD**
14 **OF, OR DIRECTOR OF A DIVISION WITHIN, A DEPARTMENT] in the executive**
15 **branch of state government, other than the governor or lieutenant governor or a**
16 **chair or member of a state board or commission, who refuses or fails to file a**
17 **report of financial interests required under this chapter when due may not hold office,**
18 **and the person's name may not be submitted to the legislature for confirmation, until**
19 **the person complies. The person may not be confirmed, hired, or appointed, and the**
20 **person forfeits and may not be paid any salary, per diem, or travel expenses, until the**
21 **person complies. If, after installation in office or beginning employment in the**
22 **position [AS THE HEAD OR DEPUTY HEAD OF, OR DIRECTOR OF A**
23 **DIVISION WITHIN, A DEPARTMENT], the person refuses or fails to file the**
24 **required statement when due, the person is guilty of a misdemeanor and upon**
25 **conviction is punishable by a fine of not less than \$100 nor more than \$1,000 and**
26 **shall be removed from office if compliance is not made within 30 days after the due**
27 **date of the report.**

28 * Sec. 74. AS 39.50.090(a) is amended to read:

29 (a) A public official may not use the official position or office for the primary
30 purpose of obtaining personal financial gain or financial gain for a spouse, child,
31 mother, father, or business with which the official is associated or in which the official

owns stock. A public official other than an elected or appointed municipal official may not use the official's position or office for the primary purpose of obtaining financial gain for the official's spousal equivalent.

* Sec. 75. AS 39.50.200(a)(1) is amended to read:

(1) "assistant to the governor or the lieutenant governor" includes any executive, legislative, special, administrative, or press assistant to the governor or lieutenant governor, and any person similarly employed in a policy-making position;

* Sec. 76. AS 39.50.200(a)(8) is amended to read:

(8) "public official" means

(A) a judicial officer;

(B) [,] the governor or [,] the lieutenant governor;

(C) [,] a person hired or appointed in [AS THE HEAD OR DEPUTY HEAD OF, OR DIRECTOR OF A DIVISION,] a department in the executive branch as

(i) the head or deputy head of the department;

(ii) the director or deputy director of a division;

(iii) a special assistant to the head of the department;

(iv) a person serving as the legislative liaison for the

department;

(D) [,] an assistant to the governor or the lieutenant governor;

(E) the [,] chair or a member of a state commission or board;

(F) [,] state investment officers and the state comptroller in the Department of Revenue;

(G) [,] the executive director of the Alaska Tourism Marketing Council;

(H) the chief procurement officer appointed under AS 36.30.010;

(I) the executive director of the Alaska Human Resource Investment Council; and

(J) [, AND] each appointed or elected municipal officer;

* Sec. 77. AS 39.50.200(a)(9) is amended to read:

1 (9) "source of income" means the entity for which service is performed
2 or which is otherwise the origin of payment; if the person whose income is being
3 reported is employed by another, the employer is the source of income; but if the
4 person is self-employed by means of a sole proprietorship, partnership, professional
5 corporation, or a corporation in which the person, the person's spouse or spousal
6 equivalent, or the person's children, or a combination of them, hold a controlling
7 interest, the "source" is the client or customer of the proprietorship, partnership, or
8 corporation, but, if the entity which is the origin of payment is not the same as the
9 client or customer for whom the service is performed, both are considered the source.

10 * Sec. 78. AS 39.50.200(a) is amended by adding a new paragraph to read:

11 (10) "spousal equivalent" means a person who is cohabiting with
12 another person in a relationship that is like a marriage but that is not a legal marriage.

13 * Sec. 79. AS 39.52.010(a) is amended to read:

14 (a) It is declared that

15 (1) [THAT] high moral and ethical standards among public officers in
16 the executive branch are essential to assure the trust, respect, and confidence of the
17 people of this state; [TO THE CONDUCT OF FREE GOVERNMENT; AND]

18 (2) [THAT THE LEGISLATURE BELIEVES THAT] a code of ethics
19 for the guidance of public officers will

20 (A) discourage those officers from acting upon personal or
21 financial interests in the performance of their public responsibilities;

22 (B) [, WILL] improve standards of public service; and

23 (C) [, AND WILL] promote and strengthen the faith and
24 confidence of the people of this state in their public officers;

25 (3) [. IT IS FURTHER DECLARED THAT] holding public office or
26 employment is a public trust and that as one safeguard of that trust, the people require
27 public officers to adhere to a code of ethics;

28 (4) a fair and open government requires that executive branch
29 public officers conduct the public's business in a manner that preserves the
30 integrity of the governmental process and avoids conflicts of interest;

31 (5) in order for the rules governing conduct to be respected both

1 during and after leaving public service, the code of ethics must be administered
2 fairly without bias or favoritism;

3 (6) no code of conduct, however comprehensive, can anticipate all
4 situations in which violations may occur nor can it prescribe behaviors that are
5 appropriate to every situation; in addition, laws and regulations regarding ethical
6 responsibilities cannot legislate morality, eradicate corruption, or eliminate bad
7 judgment; and

8 (7) compliance with a code of ethics is an individual responsibility;
9 thus all who serve the state have a solemn responsibility to avoid improper
10 conduct and prevent improper behavior by colleagues and subordinates.

11 * Sec. 80. AS 39.52.120(b) is amended to read:

12 (b) A public officer may not

13 (1) seek other employment or contracts through the use or attempted
14 use of official position;

15 (2) accept, receive, or solicit compensation for the performance of
16 official duties or responsibilities from a person other than the state:

17 (3) use state time, property, equipment, or other facilities to benefit
18 personal or financial interests;

19 (4) take or withhold official action in order to affect a matter in which
20 the public officer has a personal or financial interest; or

21 (5) attempt to benefit a personal or financial interest through coercion
22 of a subordinate or require another public officer to perform services for the
23 private benefit of the public officer at any time;

24 (6) use or authorize the use of state funds, facilities, equipment,
25 services, or another government asset or resource for partisan political purposes;
26 this paragraph does not prohibit use of the governor's residence for meetings to
27 discuss political strategy and does not prohibit use of the communications
28 equipment in the governor's residence so long as there is no special charge to the
29 state for the use; in this paragraph, "for partisan political purposes"

30 (A) means having the intent to differentially benefit or harm

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(i) candidate or potential candidate for elective office;

or

(ii) political party or group;

(B) but does not include having the intent to benefit the public interest at large through the normal performance of official duties.

* Sec. 81. AS 39.52.120 is amended by adding a new subsection to read:

(d) In this section, when determining whether a public officer is considered to be performing a task on government time, the attorney general and personnel board shall consider the public officer's work schedule as set by the public officer's immediate supervisor, if any. A public officer other than the governor and lieutenant governor who, during the work days, engages in political campaign activities other than minor, inconsequential, and unavoidable campaign activities shall take approved leave for the period of campaigning.

* Sec. 82. AS 39.52.130(b) is amended to read:

(b) Notice of the receipt by a public officer of a gift with a value in excess of \$150 [\$50], including the name of the giver and a description of the gift and its approximate value, must be provided to the designated supervisor within 30 days after the date of its receipt

(1) if the public officer may take or withhold official action that affects the giver; or

(2) if the gift is connected to the public officer's governmental status.

* Sec. 83. AS 39.52.130 is amended by adding new subsections to read:

(e) A public officer who, on behalf of the state, accepts a gift from another government or from an official of another government shall, within 60 days after its receipt, notify the Office of the Governor in writing. The Office of the Governor shall determine the appropriate disposition of the gift. In this subsection, "another government" means a foreign government or the government of the United States, another state, a municipality, or another jurisdiction.

(f) A public officer who knows or reasonably ought to know that a family member has received a gift because of the family member's connection with the public

1 office held by the public officer shall report the receipt of the gift by the family
2 member to the public officer's designated supervisor if the gift would have to be
3 reported under this section if it had been received by the public officer or if receipt of
4 the gift by a public officer would be prohibited under this section.

5 * Sec. 84. AS 39.52.170 is amended by adding a new subsection to read:

6 (c) The head of a principal executive department of the state may not accept
7 employment for compensation outside the agency that the executive head serves.

8 * Sec. 85. AS 39.52.180 is amended by adding a new subsection to read:

9 (d) A former governor, lieutenant governor, or head of a principal department
10 in the executive branch may not engage in activity as a lobbyist under AS 24.45 for
11 a period of one year after leaving service as the governor, lieutenant governor, or
12 department head, as appropriate. This subsection does not prohibit service as a
13 volunteer lobbyist described in AS 24.45.161(a)(1) or a representational lobbyist as
14 defined under regulations of the Alaska Public Offices Commission.

15 * Sec. 86. AS 39.52.210(a) is amended to read:

16 (a) A public employee who is involved in a matter that may result in a
17 violation of AS 39.52.110 - 39.52.190 shall

18 (1) refrain from taking any official action relating to the matter until
19 a determination is made under this section; and

20 (2) immediately disclose the matter in writing to the designated
21 supervisor **and the attorney general**.

22 * Sec. 87. AS 39.52.210(b) is amended to read:

23 (b) A public employee's designated supervisor shall make a written
24 determination whether an employee's involvement violates AS 39.52.110 - 39.52.190
25 **and shall provide a copy of the written determination to the public employee and**
26 **to the attorney general**. If the supervisor determines that a violation could exist or
27 will occur, the supervisor shall,

28 (1) reassign duties to cure the employee's potential violation, if feasible;

29 or

30 (2) direct the divestiture or removal by the employee of the personal
31 or financial interests that give rise to the potential violation.

1 * **Sec. 88.** AS 39.52.220(a) is amended to read:

2 (a) A member of a board or commission who is involved in a matter that may
3 result in a violation of AS 39.52.110 - 39.52.190 shall disclose the matter on the public
4 record and in writing to the designated supervisor and to the attorney general. The
5 supervisor shall determine whether the member's involvement violates AS 39.52.110 -
6 39.52.190 and shall provide a copy of the written determination to the board or
7 commission member and to the attorney general. If a member of the board or
8 commission objects to the ruling of the supervisor, or if the supervisor discloses an
9 involvement requiring a determination, the members present at a meeting, excluding
10 the involved member, shall vote on the matter. If the supervisor or a majority of the
11 members voting determine that a violation will exist if the member continues to
12 participate, the member shall refrain from voting, deliberating, or participating in the
13 matter.

14 * **Sec. 89.** AS 39.52.230 is amended to read:

15 **Sec. 39.52.230. Reporting of potential violations.** A person may report to
16 a public officer's designated supervisor, under oath and in writing, a potential violation
17 of AS 39.52.110 - 39.52.190 by the public officer. The supervisor shall provide a
18 copy of the report to the officer who is the subject of the report and to the attorney
19 general, and shall review the report to determine whether a violation may exist. The
20 supervisor shall act in accordance with AS 39.52.210 or 39.52.220 if the supervisor
21 determines that the matter may result in a violation of AS 39.52.110 - 39.52.190.

22 * **Sec. 90.** AS 39.52.260 is amended by adding a new subsection to read:

23 (d) The attorney general shall submit to the personnel board a copy of the
24 quarterly reports received from designated supervisors under (a) of this section together
25 with a report on the attorney general's review conducted under (b) of this section.

26 * **Sec. 91.** AS 39.52 is amended by adding a new section to article 3 to read:

27 **Sec. 39.52.270. Disclosure statements.** (a) A public officer required to file
28 a disclosure statement under this chapter shall meet the requirements of this subsection
29 in making the disclosure. When the public officer files a disclosure statement under
30 this chapter, the public officer signing the disclosure shall certify that, to the best of
31 the public officer's knowledge, the statement is true, correct, and complete. The

1 disclosure must state that, in addition to any other penalty or punishment that may
2 apply, a person who submits a false statement that the person does not believe to be
3 true is punishable under AS 11.56.200 - 11.56.240.

4 (b) A designated supervisor who receives a disclosure statement under
5 AS 39.52.110 - 39.52.220 shall review it. If the designated supervisor believes that
6 there is a possibility that the activity or situation reported in a disclosure statement
7 filed under AS 39.52.110 - 39.52.190 may result in a violation of this chapter, the
8 designated supervisor shall take appropriate steps under AS 39.52.210 - 39.52.240.
9 Failure of the designated supervisor to proceed under AS 39.52.210 - 39.52.240 does
10 not relieve the public officer of the public officer's obligations under those statutes.

11 (c) In this section, "disclosure statement" means a report or written notice filed
12 under AS 39.52.110 - 39.52.220.

13 * Sec. 92. AS 39.52.310(a) is amended to read:

14 (a) The attorney general may initiate a complaint, or elect to treat as a
15 complaint, any matter disclosed under AS 39.52.210, 39.52.220, 39.52.250, or
16 39.52.260. The attorney general may not, during a campaign period, initiate a
17 complaint concerning the conduct of the governor or lieutenant governor who is
18 a candidate for election to state office.

19 * Sec. 93. AS 39.52.310(c) is amended to read:

20 (c) If a complaint alleges a violation of AS 39.52.110 - 39.52.190 by the
21 governor, lieutenant governor, or the attorney general, the matter shall be referred to
22 the personnel board. The personnel board shall return a complaint concerning the
23 conduct of the governor or lieutenant governor who is a candidate for election to
24 state office as provided in (j) of this section if the complaint is initiated during a
25 campaign period. The personnel board shall retain independent counsel who shall act
26 in the place of the attorney general under (d) - (i) of this section, AS 39.52.320 -
27 39.52.350, and 39.52.360(c) and (d). Notwithstanding AS 36.30.015(d), the
28 personnel board may contact for or hire independent counsel under this
29 subsection without notifying or securing the approval of the Department of Law.

30 * Sec. 94. AS 39.52.310 is amended by adding new subsections to read:

31 (j) The personnel board shall return a complaint concerning the conduct of the

1 governor or lieutenant governor who is a candidate for state office received during a
2 campaign period to the complainant unless the governor or lieutenant governor, as
3 appropriate, permits the personnel board to assume jurisdiction under this subsection.
4 If the personnel board receives a complaint concerning the conduct of the governor or
5 lieutenant governor who is a candidate during the campaign period, the personnel
6 board shall immediately notify the subject of the complaint of the receipt of the
7 complaint, of the suspension of the personnel board's jurisdiction during the campaign
8 period, and of the candidate's right to waive the suspension of jurisdiction under this
9 subsection. The candidate may, within 11 days after the personnel board mails or
10 otherwise sends notice of the complaint to the candidate, notify the personnel board
11 that the candidate chooses to have the personnel board proceed with the complaint
12 under this section. If the candidate does not act within that time or if the candidate
13 notifies the personnel board that the candidate is not waiving the suspension of
14 jurisdiction, the personnel board shall return the complaint to the complainant with
15 notice of the suspension of jurisdiction under this subsection and of the right of the
16 complainant to file the complaint after the end of the campaign period.

17 (k) A campaign period under this section begins on the later of 45 days before
18 a primary election in which the governor or lieutenant governor is a candidate for state
19 office or the day on which the individual files as a candidate for state office and ends
20 at the close of election day for the general or special election in which the individual
21 is a candidate or on the day that the candidate withdraws from the election, if earlier.
22 For a candidate who loses in the primary election, the campaign period ends on the
23 day that results of the primary election showing that another individual won the
24 election are certified.

25 * **Sec. 95.** AS 39.52.320 is amended to read:

26 **Sec. 39.52.320. Dismissal before formal proceedings.** If, after investigation,
27 it appears that there is no probable cause to believe that a violation of this chapter has
28 occurred, the attorney general shall dismiss the complaint [AND PREPARE AND
29 FILE A CONFIDENTIAL SUMMARY WITH THE PERSONNEL BOARD]. The
30 attorney general shall communicate disposition of the matter promptly to the
31 complainant under AS 39.52.335(c) and to the subject of the complaint.

1 * **Sec. 96.** AS 39.52 is amended by adding a new section to read:

2 **Sec. 39.52.335. Summary of disposition of complaints and review by**
3 **personnel board.** (a) When the attorney general initiates or receives a complaint
4 under AS 39.52.310, the attorney general shall immediately forward a copy of the
5 complaint to the personnel board.

6 (b) Each month, the attorney general shall file a report with the personnel
7 board concerning the status of each pending complaint and the resolution of
8 complaints that have been closed since the previous report.

9 (c) If a complaint is dismissed under AS 39.52.320 or resolved under
10 AS 39.52.330, the attorney general shall promptly prepare a summary of the matter
11 and provide a copy of the summary to the personnel board and the complainant. The
12 summary is confidential unless the

13 (1) dismissal or resolution agreed to under AS 39.52.320 or 39.52.330
14 is public; or

15 (2) superior court makes the matter public under (h) of this section.

16 (d) Within 15 days after receipt of a summary under this section, a
17 complainant may file comments with the personnel board regarding the disposition of
18 the complaint.

19 (e) At its next regular meeting that begins more than 15 days after receipt of
20 a summary under this section, the personnel board shall review the summary and
21 comments, if any, filed by the complainant. The personnel board may compel the
22 attendance of the subject of the complaint or the complainant at the meeting and may
23 compel the production of documents. Attendance may be by teleconference. The
24 attorney general or the attorney general's designee shall be available to respond to
25 questions from the personnel board concerning the disposition of the complaint.

26 (f) After review of the summary, the personnel board may issue a report on
27 the disposition of the complaint. If the matter is confidential and the board determines
28 that publication of the name of the subject is in the public interest, the report may
29 include a recommendation that the matter be made public.

30 (g) If the summary is confidential under (c) of this section,

31 (1) comments filed by the complainant, if any, are confidential;

1 (2) the personnel board shall conduct the review of the summary in
2 executive session; and

3 (3) the personnel board report, if any, is confidential; the personnel
4 board shall make available to the public an expurgated copy of a confidential report
5 with sufficient deletions and editing to prevent disclosure of the identity of the persons
6 involved in the matter.

7 (h) If the disposition of a complaint is not made public and the personnel
8 board report under (f) of this section includes a recommendation that the matter be
9 made public, an interested party may file an action against the state in superior court
10 requesting that the court make public the complaint, the attorney general's disposition
11 of the complaint, and the personnel board report. The court may order the matter or
12 portions of the matter made public if the court determines that

13 (1) the dismissal or resolution of the complaint was clearly contrary to
14 the requirements of this chapter;

15 (2) one or more of the allegations in the information to be released is
16 supported by substantial evidence;

17 (3) the matter concerns the public interest; and

18 (4) release of the information will not infringe on any protected rights
19 or liberties of the subject.

20 * Sec. 97. AS 39.52.340(a) is amended to read:

21 (a) Except as provided in AS 39.52.335, before [BEFORE] the initiation of
22 formal proceedings under AS 39.52.350, the complaint and all other documents and
23 information regarding an investigation conducted under this chapter [,] or obtained by
24 the attorney general during the investigation are [, IS] confidential and not subject
25 to inspection by the public. In the case of a complaint concerning the governor,
26 lieutenant governor, or attorney general, all meetings of the personnel board
27 concerning the complaint and investigation before the determination of probable
28 cause are closed to the public. If, in the course of an investigation or probable
29 cause determination, the attorney general finds evidence of probable criminal
30 activity, the attorney general shall transmit a statement and factual findings
31 limited to that activity to the appropriate law enforcement agency. If the attorney

1 general finds evidence of a probable violation of AS 15.13. the attorney general
2 shall transmit a statement to that effect and factual findings limited to the
3 probable violation to the Alaska Public Offices Commission. The attorney general
4 and all persons contacted during the course of an investigation shall maintain
5 confidentiality regarding the existence of the investigation. [A PERSON WHO
6 VIOLATES THIS SECTION IS GUILTY OF A CLASS A MISDEMEANOR.]

7 * Sec. 98. AS 39.52.960(2) is amended to read:

8 (2) "agency" means a department, office of the governor, or entity in
9 the executive branch, including but not limited to the University of Alaska, public or
10 quasi-public corporations, [AND] boards , commissions, and [BUT EXCLUDING]
11 the Alaska Railroad Corporation;

12 * Sec. 99. AS 39.52.960(4) is amended to read:

13 (4) "board or commission" means a board, commission, authority, or
14 board of directors of a public or quasi-public corporation, established by statute in the
15 executive branch, including [BUT EXCLUDING] the Alaska Railroad;

16 * Sec. 100. AS 39.52.960(11) is amended to read:

17 (11) "immediate family member" means

18 (A) the spouse of the person;

19 (B) another person cohabiting with the person in a conjugal
20 relationship that is not a legal marriage;

21 (C) a child, including a stepchild and an adoptive child, of
22 the person;

23 (D) a parent, sibling, grandparent, aunt, or uncle of the
24 person; and

25 (E) a parent or sibling of the person's spouse [A PUBLIC
26 OFFICER'S SPOUSE, A RELATION BY BLOOD WITHIN AND
27 INCLUDING THE SECOND DEGREE OF KINDRED, AND A REGULAR
28 MEMBER OF THE OFFICER'S HOUSEHOLD];

29 * Sec. 101. AS 42.40.230 is repealed.

30 * Sec. 102. LEGISLATIVE FINANCIAL DISCLOSURE GRACE PERIOD
31 RETROACTIVITY. Notwithstanding any other provision of AS 24.60.250 as it exists on the

1 day before the effective date of this section or as it exists after amendment by sec. 61 of this
2 Act, a candidate for the legislature who failed to file a report under AS 24.60.200 by April 15,
3 1998, but who filed the report by May 15, 1998, is subject to civil penalty for late filing under
4 AS 24.60.240 but may not be made subject to any penalty or consequence imposed under
5 AS 24.60.250, including forfeiture of nomination to office, denial of seating in office, or
6 denial of certification for office or election to office.

7 * **Sec. 103. PROVISIONS MADE SPECIFICALLY APPLICABLE TO INCUMBENT**
8 **LEGISLATORS.** Notwithstanding any other provision of AS 15.13, the provisions of
9 AS 15.13.116(d), added by sec. 10 of this Act, apply to authorize a legislator holding office
10 in the legislature during the First Regular Session of the Twentieth Alaska State Legislature
11 who, under sec. 32, ch. 48, SLA 1996, retains unused campaign contributions in the
12 candidate's election campaign account, to transfer to a public office expense term account
13 reserve as permitted under AS 15.13.116(d), enacted by sec. 10 of this Act. All amounts
14 expended under this section shall be annually accounted for under AS 15.13.110(a)(4).

15 * **Sec. 104.** Sections 8, 10, and 103 of this Act are retroactive to December 31, 1996.

16 * **Sec. 105.** Sections 61 and 102 of this Act are retroactive to March 15, 1998.

17 * **Sec. 106.** Sections 1 - 10, 19, 61, and 102 - 105 of this Act take effect immediately
18 under AS 01.10.070(c).

19 * **Sec. 107.** Sections 11 - 18, 20 - 60, and 62 - 100 of this Act take effect January 1, 1999.