

HB

461



ALASKA STATE LEGISLATURE

Representative Berta Gardner

House District 24

SPONSOR STATEMENT

House Bill 461

"An Act relating to disclosure to the Alaska Public Offices Commission of information about certain income received as compensation for personal services"

HB 461 is a simple bill designed to clarify Alaska Public Office Commission reporting requirements for legislators and other public officials.

Under the current legislative ethics code a public official must disclose the nature of any work performed as personal services for which compensation greater than \$5000 is received. HB 461 simply adds language to the existing statute to require the filer to provide a substantive description of what was done for the contract, as well as the approximate number of hours spent.

The public has repeatedly appealed for more substantive disclosures, and HB 461 provides the increased degree of openness they are calling for. This will assure the public that the compensation public officials receive for outside work does not conflict in any way with their public duties, without unduly burdening citizen legislators who perform legitimate duties outside of the public realm.

The clarification the bill provides will also help APOC fulfill its mission of encouraging the public's confidence in their elected and appointed officials.

Please join me in support of this important ethics legislation.

24-LS1656 Y
Wayne
4/7/06

CS FOR HOUSE BILL NO. 461()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

**Offered:
Referred:**

**Sponsor(s): REPRESENTATIVES GARDNER, Gara, Kerttula, Salmon, Guttentberg, Crawford, Croft,
Berkowitz, Weyhrauch**

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure to the Alaska Public Offices Commission of information
2 about certain income received as compensation for personal services by legislators,
3 public members of the Select Committee on Legislative Ethics, and legislative directors
4 subject to the provisions of the Legislative Ethics Act; and providing for an effective
5 date."

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

7 * **Section 1.** AS 24.60.200(a) is amended to read:

8 (a) A legislator, a public member of the committee, and a legislative director
9 shall file a disclosure statement, under oath and on penalty of perjury, with the Alaska
10 Public Offices Commission giving the following information about the income
11 received by the discloser, the discloser's spouse or domestic partner, the discloser's
12 dependent children, and the discloser's nondependent children who are living with the
13 discloser:

1 (1) the information that a public official is required to report under
2 AS 39.50.030, other than information about gifts;

3 (2) as to income in excess of \$5,000 received as compensation for
4 personal services, and as to a dividend received from a limited liability company
5 as compensation for personal services, the name and address of the source of the
6 income, and a statement describing

7 (A) the nature of the services performed and, if those services
8 do not require the issuance of a state or federal professional license,
9 additional description sufficient to make clear to a person of ordinary
10 understanding the specific services performed;

11 (B) the approximate total number of hours that have been
12 spent or will be spent performing the services; and

13 (C) the amount of income received from the source, if the [
14 IF THE SOURCE OF INCOME IS KNOWN OR REASONABLY SHOULD
15 BE KNOWN TO HAVE A SUBSTANTIAL INTEREST IN LEGISLATIVE,
16 ADMINISTRATIVE, OR POLITICAL ACTION AND THE] recipient of the
17 income is a legislator or a legislative director [THE AMOUNT OF INCOME
18 RECEIVED FROM THE SOURCE SHALL BE DISCLOSED];

19 (3) as to each loan or loan guarantee over \$1,000 from a source with a
20 substantial interest in legislative, administrative, or political action, the name and
21 address of the person making the loan or guarantee, the amount of the loan, the terms
22 and conditions under which the loan or guarantee was given, the amount outstanding
23 at the time of filing, and whether or not a written loan agreement exists.

24 * Sec. 2. AS 24.60.990(a) is amended by adding a new paragraph to read:

25 (17) "professional license" means a license required for a profession
26 regulated by the federal government or by a state.

27 * Sec. 3. This Act takes effect July 1, 2006.

HOUSE BILL NO. 461

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES GARDNER, Gara, Keritula, Salmon, Guttentberg, Crawford, Croft, Berkowitz

Introduced: 2/13/06

Referred: State Affairs, Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure to the Alaska Public Offices Commission of information
2 about certain income received as compensation for personal services by legislators,
3 public members of the Select Committee on Legislative Ethics, and legislative directors
4 subject to the provisions of law setting standards of conduct for legislative branch
5 officers and employees; and providing for an effective date."

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

7 * Section 1. AS 24.60.200(a) is amended to read:

8 (a) A legislator, a public member of the committee, and a legislative director
9 shall file a disclosure statement, under oath and on penalty of perjury, with the Alaska
10 Public Offices Commission giving the following information about the income
11 received by the discloser, the discloser's spouse or domestic partner, the discloser's
12 dependent children, and the discloser's nondependent children who are living with the
13 discloser:

1 (1) the information that a public official is required to report under
2 AS 39.50.030, other than information about gifts;

3 (2) as to income in excess of \$5,000 received as compensation for
4 personal services, the name and address of the source of the income, and a statement
5 describing in detail the nature of the services performed and the approximate
6 number of hours that have been or will be spent performing the services; if the
7 source of income is known or reasonably should be known to have a substantial
8 interest in legislative, administrative, or political action and the recipient of the income
9 is a legislator or a legislative director, the amount of income received from the source
10 shall be disclosed;

11 (3) as to each loan or loan guarantee over \$1,000 from a source with a
12 substantial interest in legislative, administrative, or political action, the name and
13 address of the person making the loan or guarantee, the amount of the loan, the terms
14 and conditions under which the loan or guarantee was given, the amount outstanding
15 at the time of filing, and whether or not a written loan agreement exists.

16 * Sec. 2. This Act takes effect July 1, 2006.

*Attorney
Type of law*



Alaska State Legislature

Please enter into the record my testimony to the House State Affairs
committee name

Committee on HB 461, dated 4-13-06
bill # / subject public hearing date

Honorable Representatives

I would like to present my view on HB 461 that is before you today.

This bill represents a moderate view of transparency that would clarify the ethics of monies received by elected officials from sources who may have a vested interest in pushing for legislation or access to changes in legislation that would benefit the givers or those whom they represent. There has been so much said these days about transparency in governance. It has been my experience in the past few years, that information provided for an educated constituency has been sorely lacking if one is a working person with family obligations. I understand that it is difficult to be in a spotlight, but that comes with the territory our elected officials have chosen.

I would commend this bill for its forthrightness in developing the transparency that was the intent of our forefathers who gave us the Constitution. Clarity is important in providing legislation that affects our affairs every day. Money and other benefits that have been allocated for us, the ordinary citizen, should be offered to the ordinary citizen in the manner in which it was intended, not purchased by money or perks to a chosen few.

Signed: Mary J. Toutonghi
Testifier

Representing (optional)

PO Box 2244 Soldotna, AK. 99669
Address

Phone number

Iris Matthews

From: sara petty [pettyinak@hotmail.com]

Sent: Tuesday, April 04, 2006 1:00 PM

To: Rep. Beta Gardner

Subject: House Bill 461

Dear Rep. Gardner,

First I want thank you for introducing this bill, i think it's a very important step in the right direction. This bill is also introduced not a moment too late, many people are wary of the people who are representing us, full disclosure is the only way to keep politics honest, and if you check the words 'integrity' and 'ethics' were some of the top words looked up last year. If there is anything i can do to help you with this bill, please let me know.

much respect,

sara petty

anchorage

Be one of the first to try [Windows Live Mail](#)

Rep. Berta Gardner

From: tuckerman@gci.net
Sent: Friday, March 31, 2006 12:29 AM
To: Rep. Berta Gardner
Subject: Disclosing Consulting Income and Work Product

Dear Berta -

KTUU broadcast an article on the evening newscasts today (3/30/06) highlighting your work to increase disclosure of the sources of legislators' income. We want to encourage you in your efforts.

Dee and I both strongly feel that a legislator should disclose his or her income in sufficient detail so that the public - voters - can judge whether or not there is an apparent conflict of interest. The bare statement that a legislator's income resulted from providing consulting services for a specific company is not detailed enough for a voter to reach any conclusion. It seems to us that the matter under consultation should also be disclosed, especially as the legislator is working for private interests when they consult for pay.

A few legislators may feel that their public work is only part-time employment; we disagree. Legislators are officially representatives of the public all of the time, even though they may not work full time at their legislative duties.

Some legislators earn several hundreds of thousands of dollars providing consulting services. They are paid nowhere near that amount for their work as legislators. We would like to think that public duty comes first, whether it pays well or not.

Both of us were public employees, Dee for 20 years as a member of the military, and I for 30 years, 3 in the Army and 27 years in Federal civil service. We lived under very specific codes of conduct which included revealing all sources of outside income when asked to do so.

We both believe that public duty comes before private gain. We hope that all legislators believe that. Please continue your work to get better disclosure of all legislators' private income.

Dee and Jake Tuckerman

PS: The newscasts also had a clip featuring Rep. Harris saying that he didn't think that disclosure of consulting income got the public's attention. You can tell Rep. Harris that these voters do care about where and from whom and for what a legislator gets his or her money.

Full disclosure is the only way to keep special interests under control

So the Anchorage Baptist Temple doesn't want to pay taxes on properties occupied by teachers and a janitor. The treasurer of the Republican Party of Alaska, the top lieutenant of the Baptist Temple, visits his soldiers in Juneau. Suddenly, a bill to help poor people get a tax deferral becomes a free pass for the Anchorage Baptist Temple. Classic special-interest legislation.

But then, special interests and cozy deals are nothing new in Juneau. Think Randy Ruedrich and Gregg Renkes. And then there is Sen. Ben Stevens, with secret options for seafood companies that could reap millions. Failing to disclose chairmanship of a marketing board that has doled out millions of federal dollars to fishing interests that also happen to pay you for consulting work. Over a million dollars since taking office, I read. When pressed to tell us what was done to earn so much money, the answer was pretty much, "None of your business." And the way the law is written, the Alaska Public Offices Commission had to agree. It is past time to tighten Alaska's disclosure laws.

Rep. Berta Gardner's House Bill 461 provides a simple solution: Give us a detailed explanation of what you did to earn the money, and how much time you spent doing it. "I'm a consultant" isn't enough. Full disclosure is the only way to shine a light on these deals and prevent conflicts of interest.

---- Lynn Ruffing

ADN
letter to editor

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 461
 () Publish Date: 2/13/2006

Revision Date/Time (Note if correction): 3/28/06 5:30 p.m. Dept. Affected: Administration
 Title: An Act relating to disclosure to the Alaska Public RDU: AK Public Offices Commission
Offices Commission of information.... Component: AK Public Offices Commission
 Sponsor: Representative Gardner
 Requester: House State Affairs Committee Component No. 70

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

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 (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Commission is submitting an indeterminate fiscal note on HB 461. The legislation may require additional funds because it provides a new requirement that will likely attract third-party complaints. However, it is impossible to predict with any accuracy the actual fiscal impact.

Prepared by: Brooke Miles, Executive Director
 Division: Alaska Public Offices Commission
 Approved by: Michael Tibbles, Deputy Commissioner
 Agency: Administration

Phone (907) 334-1726
 Date/Time 3/28/2006/5:30 p.m.
 Date 3/29/2006

AMENDMENT #1

w/drawn for rework
by A/OC/legal

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: HB 461

- 1 Page 2, line 4, following "services,":
- 2 Insert "and, as to a dividend received from a limited liability corporation as
- 3 compensation for personal services,"

↑
 Greenberg audit (concur)
 check ↑

Call Dee Hubbard when
 bill returns