

HB

109

HOUSE COMMITTEE REPORT

(7)
Date Referred to Committee: March 7, 2007

FURTHER REFERRALS:

Date of Committee Action: 3/23/07

The JUDICIARY Committee considered:

HB 109

HOUSE BILL NO. 109

DISCLOSURES & ETHICS

"An Act relating to the requirement for candidates, groups, legislators, public officials, and other persons to submit reports electronically to the Alaska Public Offices Commission; relating to disclosures by legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and certain candidates for public office concerning services performed for compensation and concerning certain income, gifts, and other financial matters; requiring legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and municipal officers to make certain financial disclosures when they leave office; relating to insignificant ownership interest in a business and to gifts from lobbyists for purposes of the Alaska Executive Branch Ethics Act; relating to certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act; and providing for an effective date."

Recommends it be replaced with [] HCS or [] CS for HB109 (JDA)
For Senate Bills with new title: [] Technical Title [] New Title: HCR _____ [] Same Title [] New Title

- [] attach amendments
- [] add new referral to _____ Committee
- [] Letter of Intent _____ Committee

List of Abbrev for Depts:
ADM
CED
COR
CRT
EED
DF
DFG
GOV
HSS
LWF
LAW
LEG
MVA
DNR
DPS
REV
DOT
UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
ADM				✓
LAW				✓

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Ermentberg				✓
	LYNN	X			
	Lochell			✓	
	SAUNDERS	X			X n.o.
	Holmes				X
Chair:	RAMRAS	X			
Chair:					

Definitions:

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"administrative action" means the proposal, drafting, development, consideration, amendment, adoption, approval, promulgation, issuance, modification, rejection, or postponement by any state agency of any rule or regulation, or any other quasi-legislative or quasi-judicial action or proceeding whether or not governed by AS 44.62 (Administrative Procedure Act); "administrative action" does not include

(A) a proceeding or an action to determine the rights or duties of a person under existing statutes, regulations, or policies;

(B) the issuance, amendment, or revocation of a permit, license, or entitlement for use under existing statutes, regulations, or policies by the agency authorized to issue, amend, or revoke the permit, license, or entitlement for use;

(C) the enforcement of compliance with existing law or the imposition of sanctions for a violation of existing law;

(D) procurement activity, including the purchase or sale of property, goods, or services by the agency or the award of a grant contract;

(E) the issuance of, or ensuring compliance with, an opinion or activity related to a collective bargaining agreement including negotiating or enforcing the agreement; AS 24.45.171 (1).

"administrative action" means conduct related to the development, drafting, consideration, enactment, defeat, application, or interpretation of a rule, regulation, policy, or other action in a regulatory proceeding or a proceeding involving a license, permit, franchise, or entitlement for use; AS 24.60.990 (a)(1).

"agency" means a state department, division, commission, board, office, bureau, institution, corporation, authority, organization, committee, council or board in the executive branch, or independent of the executive branch, of state government; AS 24.45.171 (2).

"anything of value," "benefit," or "thing of value" includes all matters, whether tangible or intangible, that could reasonably be considered to be a material advantage, of material worth, use, or service to the person to whom it is conferred; the terms are intended to be interpreted broadly and encompass all matters that the recipient might find sufficiently desirable to do something in exchange for; "anything of value," "benefit," or "thing of value" does not include

(A) an item listed in AS 24.60.080 (c);

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(B) campaign contributions, pledges, political endorsements, support in a political campaign, or a promise of endorsement or support;

(C) contributions to a cause or organization, including a charity, made in response to a direct solicitation from a legislator or a person acting at the legislator's direction; or

(D) grants under AS 37.05.316 to named recipients; AS 24.60.990 (a)(2).

"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; AS 39.50.200 (a)(1).

"benefit" means anything that is to a person's advantage or self-interest, or from which a person profits, regardless of the financial gain, including any dividend, pension, salary, acquisition, agreement to purchase, transfer of money, deposit, loan or loan guarantee, promise to pay, grant, contract, lease, money, goods, service, privilege, exemption, patronage, advantage, advancement, or anything of value; AS 39.52.960 (3).

"child" includes a biological child, an adoptive child, and a stepchild; AS 39.50.200 (a)(2).

"commission" means the Alaska Public Offices Commission; AS 24.45.171 (3).

"commission" means the Alaska Public Offices Commission created under AS 15.13.020 (a); AS 39.50.200 (a)(3).

"committee" means the Select Committee on Legislative Ethics and includes, when appropriate, the senate or house subcommittee; AS 24.60.990 (a)(3).

"communicate directly" means to speak with a legislator, legislative employee, or public official;

(A) by telephone;

(B) by two-way electronic communication; or

(C) in person; AS 24.45.171 (4)

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"**compensation**" means remuneration for personal services rendered, including salary, fees, commissions, bonuses, and similar payments, but does not include reimbursement for actual expenses incurred by a person; AS 24.60.990 (a)(4).

"**compensation**" means any money, thing of value, or economic benefit conferred on or received by a person in return for services rendered or to be rendered by the person for another; AS 39.52.960 (7).

"**contribution**" means a cash donation, a purchase such as the purchase of a ticket, the purchase of goods or services offered for sale at a fund-raising activity, or a donation of goods or services for the fund-raising activity; AS 15.13.040 (A).

"**designated supervisor**" or "**supervisor**" means

(A) the commissioner of each department in the executive branch, for public employees within the department;

(B) the president of the University of Alaska, for university employees;

(C) the attorney general, for the governor and lieutenant governor;

(D) the executive director of a board or commission for the staff of the board or commission;

(E) the chair or acting chair of the board or commission, for the members and the executive director of a board or commission; and

(F) the governor, for commissioners and for other public officers not included in (A) - (E) of this paragraph; or

(G) a public officer designated by a commissioner, the university president, or the governor to act as the supervisor if the name and position of the officer designated has been reported to the attorney general; AS 39.52.960 (8).

"**domestic partner**" means a person who is cohabiting with another person in a relationship that is like a marriage but that is not a legal marriage. AS 24.60.990 (a)(5).

"**domestic partner**" means a person who is cohabiting with another person in a relationship that is like a marriage but that is not a legal marriage; AS 39.60.200 (a)(4).

Definitions:

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"financial interest" means

(A) an interest held by a public officer or an immediate family member, which includes an involvement or ownership of an interest in a business, including a property ownership, or a professional or private relationship, that is a source of income, or from which, or as a result of which, a person has received or expects to receive a financial benefit;

(B) holding a position in a business, such as an officer, director, trustee, partner, employee, or the like, or holding a position of management; AS 39.52.960 (a)(9).

"fund-raising activity" means an activity, event, or sale of goods undertaken by a candidate, group, or nongroup entity ... which contributions are \$50 a person or less in amount or value. AS 15.13.040 (B).

"gift"

(A) means any payment to the extent that consideration of equal or greater value is not received;

(B) includes but is not limited to

(i) a loan, loan guarantee, forgiveness of a loan, payment of a loan by a third party, or an enforceable promise to make a payment except when full and adequate consideration is received;

(ii) the purchase of tickets for travel or for entertainment events; and

(iii) the granting of discounts or rebates for goods or services not extended to the public generally;

(C) does not include

(i) informational or promotional materials, including but not limited to books, reports, pamphlets, calendars, or periodicals; however, payments for travel or reimbursement for expenses may not be considered "informational material";

(ii) food and beverages consumed in places of public accommodation; AS 24.45.171 (5).

"immediate family" means the spouse and dependent children of an individual; AS 24.45.171 (6).

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"immediate family" means

(A) the spouse or domestic partner of the person; or

(B) a parent, child, including a stepchild and an adoptive child, and sibling of a person if the parent, child, or sibling resides with the person, is financially dependent on the person, or shares a substantial financial interest with the person; AS 24.60.990 (a)(6).

"immediate family member" means

(A) the spouse of the person;

(B) another person cohabiting with the person in a conjugal relationship that is not a legal marriage;

(C) a child, including a stepchild and an adoptive child, of the person;

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

(E) a parent or sibling of the person's spouse; AS 39.52.960 (a)(11).

"individual" means a natural person; AS 24.45.171 (7).

"influencing legislative or administrative action" means to communicate directly for the purpose of introducing, promoting, advocating, supporting, modifying, opposing, or delaying or seeking to do the same with respect to any legislative or administrative action; AS 24.45.171 (8).

"judicial officer" means a person appointed as a justice to the supreme court or as a judge to the court of appeals, superior court, district court, or magistrate court; AS 39.50.200 (a)(6).

"legislative action" means the preparation, research, drafting, introduction, consideration, modification, amendment, approval, passage, enactment, defeat, or rejection of any bill, resolution, amendment, motion, report, nomination, appointment, or other matter by the legislature, or by a standing, interim, or special committee of the legislature, or by a member or employee of the legislature acting in an official capacity; it includes, but is not limited to, the action of the governor in approving or vetoing a bill or the action of the legislature in considering, overriding, or sustaining that veto and the action of the legislature in considering, confirming, or rejecting an executive appointment of the governor; AS 24.45.171 (9).

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"**legislative action**" means conduct relating to the development, drafting, consideration, sponsorship, enactment or defeat, support or opposition to or of a law, amendment, resolution, report, nomination, or other matter affected by legislative action or inaction; AS 24.60.990 (a)(9).

"**legislative director**" means the director of the legislative finance division, the legislative auditor, the director of the legislative research agency, the ombudsman, the victims' advocate, the executive director of the Legislative Affairs Agency, and the directors of the divisions within the Legislative Affairs Agency; AS 24.60.990 (a)(10).

"**legislative employee**" means a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services, regardless of the person's pay level or technical status as a full-time or part-time employee, independent contractor, or consultant; it includes public members and staff of the committee; it does not include individuals who perform functions that are incidental to legislative functions, including security, messenger, maintenance, and print shop employees, and other employees designated by the committee; AS 24.60.990 (a)(11).

"**lobbyist**" means a person who

(A) is employed and receives payments, or who contracts for economic consideration, including reimbursement for reasonable travel and living expenses, to communicate directly or through the person's agents with any public official for the purpose of influencing legislation or administrative action for more than 10 hours in any 30-day period in one calendar year; or

(B) represents oneself as engaging in the influencing of legislative or administrative action as a business, occupation, or profession; AS 24.45.171 (10).

"**lobbyist**" means a person who is required to register under AS 24.45.041 and is described under AS 24.45.171, but does not include a volunteer lobbyist described in AS 24.45.161 (a)(1) or a representational lobbyist as defined under regulations of the Alaska Public Offices Commission; AS 24 60.990 (a)(12).

"**municipal officer**" includes a borough or city mayor, borough assemblyman, city councilman, school board member, elected utility board member, city or borough manager, members of a city or borough planning or zoning commission within a home rule or general law city or borough, or a unified municipality; AS 39.50.200 (a)(8).

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"official action" means a recommendation, decision, approval, disapproval, vote, or other similar action, including inaction, by a public officer; AS 39.52.960 (a)(14).

"organization" includes a group, association, society, political party, or other entity made up of two or more persons, whether operated for profit or nonprofit; AS 39.52.960 (a)(15).

"payment" means the disbursement, distribution, transfer, loan, advance, deposit, gift, or other rendering or tendering of money, property, goods, or services or anything else of value; AS 24.45.171 (11).

"payment to influence legislative or administrative action" means any of the following:

(A) a direct or indirect payment to a lobbyist whether for salary, fee, compensation for expenses, or any other purpose, by a person employing, retaining, or contracting for the services of the lobbyist separately or jointly with other persons;

(B) a payment in support of or assistance to a lobbyist or the lobbyist's activities, including but not limited to the direct payment of expenses incurred at the request or suggestion of the lobbyist;

(C) a payment that directly benefits a public official or a member of the immediate family of that official;

(D) a payment, including compensation, payment, or reimbursement for the services, time, or expenses of an employee for or in connection with direct communication with a public official;

(E) a payment for or in connection with soliciting or urging other persons to enter into direct communication with a public official;

(F) a payment or reimbursement for expenses in the categories set out in AS 24.45.051(2); AS 24.45.171 (12).

"person", in addition to the terms set out in AS 01.10.060 includes a labor union; AS 24.45.171 (13).

(Sec. 01.10.060. Definitions. (a) In the laws of the state, unless the context otherwise requires, (8) "person" includes a corporation, company, partnership, firm, association, organization, business trust, or society, as well as a natural person;)

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"personal interest" means an interest held or involvement by a public officer, or the officer's immediate family member or parent, including membership, in any organization, whether fraternal, nonprofit, for profit, charitable, or political, from which, or as a result of which, a person or organization receives a benefit; AS 39.52.960 (a)(18).

"personnel board" or "board" means the personnel board established in AS 39.25.060; AS 39.52.960 (a)(19).

"political action" means conduct in which public officials, including legislators or legislative employees, use their official position or political contacts to exercise influence on state and local government employees or entities; it includes but is not limited to endorsing and pledging support or actively supporting a legislative matter, a nominee, or a candidate for public office; AS 24.60.990 (a)(13).

"public employee" or "employee" means a permanent, probationary, seasonal, temporary, provisional, or nonpermanent employee of an agency, whether in the classified, partially exempt, or exempt service; AS 39.52.960 (a)(20).

"public officer" or "officer" means

(A) a public employee;

(B) a member of a board or commission; and

(C) a state officer designated by the governor to act as trustee of the trust or a person to whom the trustee has delegated trust duties; in this paragraph, "trust" has the meaning given in AS 37.14.450; AS 39.52.960 (a)(21).

"public official" or "public officer" means a public official as defined in AS 39.50.200 (a), a member of the legislature, or a legislative director as defined in AS 24.60.990 (a); however, it does not include a judicial officer or an elected or appointed municipal officer. AS 24.45.171 (14).

"public official" means

(A) a judicial officer;

(B) the governor or the lieutenant governor;

(C) a person hired or appointed in a department in the executive branch as

(i) the head or deputy head of the department;

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- (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 chief procurement officer appointed under AS 36.30.010;
- (H) the executive director of the Alaska Workforce Investment Board;
- (I) each appointed or elected municipal officer; and
- (J) the members of the board of trustees, the executive director, and the investment officers of the Alaska Permanent Fund Corporation; AS 39.50.200 (a)(9).

"registered lobbyist" means a person who is required to register under AS 24.45.041; AS 24.60.990 (a)(14).

"representation" means action taken on behalf of another, whether for compensation or not, including but not limited to telephone calls and meetings and appearances at proceedings or meetings; AS 24.60.990 (a)(15).

"source of income" means the entity for which service is performed or that is otherwise the origin of payment; if the person whose income is being reported is employed by another, the employer is the source of income; but if the person is self-employed by means of a sole proprietorship, partnership, professional corporation, or a corporation in which the person, the person's spouse or domestic partner, or the person's dependent children, or a combination of them, hold a controlling interest, the "source" is the client or customer of the proprietorship, partnership, or corporation, but, if the entity that is the origin of payment is not the same as the client or customer for whom the service is performed, both are considered the source.

(b) In this chapter "state commission or board" means the

(1) *[Repealed, Sec. 30 ch 81 SLA 2000]*.

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- (2) Alaska State Council on the Arts (AS 44.27.040);
- (3) Alcoholic Beverage Control Board (AS 04.06.010);
- (4) State Assessment Review Board (AS 43.56.040);
- (5) *[Repealed, Sec. 1 ch 54 SLA 1981]*.
- (6) Board of Education and Early Development (AS 14.07.075);
- (7) Alaska Public Broadcasting Commission (AS 44.21.256);
- (8) Alaska Public Offices Commission (AS 15.13.020);
- (9) *[Repealed, Sec. 16 ch 61 SLA 1995]*.
- (10) Alaska Commercial Fisheries Entry Commission (AS 16.43.020);
- (11) Fishermen's Fund Advisory and Appeals Council (AS 23.35.010);
- (12) *[Repealed, Sec. 140 ch 4 FSSLA 1992]*.
- (13) State Commission for Human Rights (AS 18.80.010);
- (14) *[Repealed, Sec. 86 ch 59 SLA 1982]*.
- (15) Alaska Judicial Council (art. IV, Sec. 8, Alaska Constitution);
- (16) Commission on Judicial Conduct (art. IV, Sec. 10, Alaska Constitution);
- (17) *[Repealed, Sec. 24 ch 22 SLA 2001]*.
- (18) Local Boundary Commission (AS 44.33.810);
- (19) Occupational Safety and Health Review Board (AS 18.60.057);
- (20) Board of Parole (AS 33.16.020);
- (21) State Personnel Board (AS 39.25.060);
- (22) *[Repealed, Sec. 20 ch 110 SLA 1981]*.
- (23) *[Repealed, Sec. 132 ch 9 FSSLA 2005]*.

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- (24) Regulatory Commission of Alaska (AS 42.04.010);
- (25) University of Alaska Board of Regents (AS 14.40.120);
- (26) Alaska Royalty Oil and Gas Development Advisory Board (AS 38.06.020);
- (27), (28) *[Repealed, Sec. 86 ch 59 SLA 1982]*.
- (29) *[Repealed, Sec. 132 ch 9 FSSLA 2005]*.
- (30) *[Repealed, 1983 Initiative Proposal No. 2, Sec. 6]*.
- (31) Workers' Compensation Board (AS 23.30.005) and Workers' Compensation Appeals Commission (AS 23.30.007);
- (32) Alaska Commission on Postsecondary Education (AS 14.42.015);
- (33) Alaska Municipal Bond Bank Authority (AS 44.85.020);
- (34) *[Repealed, Sec. 1 ch 54 SLA 1981]*.
- (35) Alaska Medical Facility Authority (AS 18.26);
- (36) Alaska Oil and Gas Conservation Commission (AS 31.05);
- (37) Alaska Housing Finance Corporation (AS 18.56.010 - 18.56.900);
- (38) *[Repealed, Sec. 44 ch 24 SLA 2003]*.
- (39) *[Repealed, Sec. 4 ch 75 SLA 1979]*.
- (40) Board of Fisheries (AS 16.05.221(a));
- (41) Board of Game (AS 16.05.221(b));
- (42) Alaska Permanent Fund Corporation (AS 37.13.040);
- (43) *[Repealed, Sec. 69 ch 14 SLA 1987]*.
- (44) Alaska Seafood Marketing Institute (AS 16.51.010);
- (45) Council on Domestic Violence and Sexual Assault (AS 18.66.010);

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(46) *[Repealed, Sec. 27 ch 18 SLA 1993].*

(47) *[Repealed, Sec. 38 ch 168 SLA 1990].*

(48) *[Repealed, Sec. 16 ch 33 SLA 1996].*

(49) *[Repealed, Sec. 10 ch 29 SLA 1999].*

(50) *[Repealed, Sec. 9 E.O. No. 84 (1993)].*

(51) *[Repealed, Sec. 102 ch 21 SLA 2000].*

(52) *[Repealed, Sec. 10 ch 58 SLA 2006].*

(53) the board of directors and the executive director of the Alaska Aerospace Development Corporation (AS 14.40.821);

(54) Alaska Retirement Management Board (AS 37.10.210);

(55) Alaska Workforce Investment Board (AS 23.15.550);

(56) Board of Agriculture and Conservation (AS 03.09.010);

(57) the board of directors and chief executive officer of the Alaska Natural Gas Development Authority (AS 41.41.020);

(58) Big Game Commercial Services Board (AS 08.54.591). AS 39.50.200 (a)(10).

"source of income" means an entity for which service is performed for compensation or which is otherwise the origin of payment; if the person whose income is being reported is employed by another, the employer is the source of income; if the person is self-employed by means of a sole proprietorship, partnership, professional corporation, or a corporation in which the person, the person's spouse or child, or a combination of them, holds a controlling interest, the "source" is the client or customer of the proprietorship, partnership, or corporation; if the entity which is the origin of payment is not the same as the client or customer for whom the service is performed, both are considered the source. AS 39.52.960 (22).

"state office" includes the office of governor, lieutenant governor, member of the legislature, or similar state office. AS 24.60.990 (a)(16).

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Sec. 39.90.020. »Nepotism« prohibited.

It is unlawful for a person who is the spouse of or is related by blood within and including the second degree of kindred to the executive head of a principal state department or agency to be employed in that department or agency.

HB109 Amendments (3/23/07)

HJUD No.	Legal Code	Amendment substance	Offered by	Offered	Adopted
1	Concep	P.2, L15 & 16 Sec. 2, AS 15.13.040(m) Contributions, expenditures, and supplying of services to be reported – (removes planning commissioner and utility board member)	APOC	3/20/07	Adopted
2	O.2	P. 5, L.19 Sec.6. AS 24.45.121 Spousal lobbying, (inadvertently left out of HSTA version)	Ramras	3/20/07	Adopted
3	Concep	P.5, L 16-19 Sec. 6. AS 24.25.121 Spousal lobbying; (Clarifies language)	Coghill	3/20/07	Adopted
4	Concep	Sec. 24.60.080 Gifts – (Clarifies that legislators and legislative employees may not receive gifts over the interim. Brings gift language into one statute)	Dahlstrom	3/20/07	Adopted
5	O.8	P. 13, L. 12 Sec 24.60.100 Representation	Gruenberg	3/20/07	Failed (2-5)
6	O.5	P. 14, L. 29 & 30 Sec. 18 Legislative Disclosure (Clean-up language re: what must be included in the final report)	Ramras	3/20/07	Withdrawn
7	O.9	P. 15, L 23 & 26 (Clean up language, changes “part” to “a member”)	Gruenberg	3/20/07	Adopted
8	Concep	P. 15, Sec. 20. AS 60.130(p) Select committee on legislative ethics. (Adds organizational between majority and caucus)	Ethics	3/20/07	Adopted
9	Concep	Sec 31. AS 39.50.030(b) Contents of statements (lowers the amount of reportable income from \$5,000 to \$1,000)	Coghill	3/21/07	Adopted 4-2
10	O.10	P. 23, L.1 & 6 - Sec. 31 Statements by public	Gruenberg	3/20/07	Adopted

		officials (adds LLCs) P. 23, L. 9 Sec. 32 Blind trusts (adds LLCs)			
11	O.36	P.8, L. 25 Sec. 8 AS 24.60.030 Prohibitions related to conflicts of interest and unethical conduct. (Keeps the control over the legislature not on the spouse)	Gruenberg	3/21/07	Failed 1-5
12	O.31	P.9, L.10 Sec. 10. AS 24.60.040(a) Contracts and leases	Ramras/Ethics	3/21/07	Adopted
13	O.27	P.9, L. 27 Sec. 10 AS 24.60.050(c) State programs and loans (clean up language re: majority of committee members who are present)	Ramras/Ethics	3/21/07	Adopted as amended
14	O.30	P. 10, L.4 Sec. 11. AS 24.60.070(a) Disclosure of close economic association (Defines public official)	Ramras/Ethics	3/21/07	Adopted
15	O.17	P. 11, L. 18 AS 24.60.080(c)(9) Gifts (amends the prohibition of gifts of transportation between legislators and legislative employees, so that they may travel together for business)	Ramras/Ethics	3/21/07	Adopted
16	O.18	P.12, L.19 AS 24.60.080(d) Gifts (conforms timeline to 30-days after receipt of gift)	Ramras/Ethics	3/21/07	Adopted
17	O.19	P.13, L.30 Sec. 17 AS 24.60.105 (technical amendment)	Ramras/Ethics	3/21/07	Adopted
18	O.21	P.16, L. 17 Sec. 21 AS 24.60.150(a) Duties of the ethics committee (Clean up language)	Ramras/Ethics	3/21/07	Adopted
19	O.29	P.16, L.21 Secs. 21 and 22 AS 24.60.150 Duties of the ethics committee. (Conforming language sec. 21 and 22).	Ramras/Ethics	3/21/07	Adopted
20	O.15	P.16, L.23 Sec. 22 As 24.60.155 Legislative Ethics Course (Clean up language re: course)	Gruenberg	3/21/07	Withdrawn

21	O.34	P.25, L. 27 Sec. 34 AS 39.52.110 Scope of code (reinserts 1% of the total value of the business)	Gruenberg	3/21/07	Failed 2-5
22	Concep	P.25, L.27 Sec. 34 AS 39.52.110 Scope of code (change from value to the value of the stock or other ownership interest)	Coghill	3/21/07	Adopted
23	Concep	P.26, L. 22 AS 39.52.180(d) Restrictions on employment after leaving office. (Clarifies language re: policy-making position.)	Coghill	3/21/07	Adopted
24	O.24	P.27, L.26 AS 39.52.910 Applicability (Nepotism amendment)	Lynn	3/21/07 3/22/07	Tabled 3-4 Failed
25	O.6	Title, AS 14.25.37 Pension forfeiture	Ramras	3/21/07 3/23/07	Tabled 5-2 Adopted
26	O.42	P. 19 L. 20 Sec. 26 24.60.200 (2) Financial disclosure by legislators, public members of the committee, and legislative directors. (amends this section so that detailed information would only have to be reported if there is substantial interest in State business)	Ramras/Neuman	3/22/07	Withdrawn
27	Concep	P. 13, L. 12 Sec 24.60.100 Representation (Amended 3/23/07)	Holmes	3/22/07	Tabled
28	O.45	Sec. 32 Blind trusts	Ramras	3/23/07	Adopted
29	O.20	P. 15, L. 17 Sec. 20. AS 24.60.130(o) Select committee on legislative ethics (defines majority organizational caucus)	Ramras/Ethics	3/23/07	Adopted
30	O.40	P. 2 Sec. 3 AS 15.13.040 Contributions, expenditures, and supplying of services to be reported. (Municipal officials in towns more than 15,000 to file electronically, and municipals and legislators to take affect Jan. 2009	Gruenberg	3/23/07	Adopted

31	Concep	24.60.030 Newsletters	Ramras	3/23/07	Adopted
32	O.39	P. 26, following L. 7 insert new section 39.52.154 State contractor disclosure	Ramras	3/23/07	Withdrawn
33	O.41	P. 14, L. 29 AS 24.60.115 Disclosure required by a legislator, legislative employee, or public member of the committee after the final day of service (Clean-up language re: what must be included in the final report) P. 20, L.17 Sec. 27 AS 24.60.210(a) Deadlines for filing of disclosure statements (Conforms language to AS 24.60.115).	Ramras/Ethics	3/23/07	Adopted
34	O.46	Sec. 18 AS 24.60.105 Final disclosures	Ramras	3/23/07	Adopted
35	O.44	Spousal lobbying	Gruenberg	3/23/07	Failed/1-6
36	Concep	P. 13, L. 12-25 Representation	Samuels	3/23/07	Adopted
37	Concep	P.19, L. 18-26 Sec. 26 24.60.200 (2) Financial disclosures by legislators, public members of the committee, and legislative directors. (Amends income reporting requirements.)	Holmes	3/23/07	Adopted

Amendment # 1

Passed

Coshill

APOC

Page 2, Line 15 & 16

Delete

Planning & zoning commissioners are not candidates, they are appointed. Although they are subject to the financial disclosure laws (AS 39.50) they do not file campaign disclosure reports (AS 15.13).

The campaign disclosure laws apply only to municipalities with a population greater than 1000. No municipalities that are subject to the campaign disclosure law have utility boards.

Passed

AMENDMENT #2

OFFERED IN THE HOUSE BY REPRESENTATIVE RAMRAS
TO: CSHB 109(STA)

1 Page 4, lines 1 - 2:

2 Delete "in this paragraph, "domestic partner" has the meaning given in
3 AS 39.50.200(a);"
4

5 Page 4, line 8, following "commission":

6 Insert "[IN THIS PARAGRAPH, "DOMESTIC PARTNER" HAS THE MEANING
7 GIVEN IN AS 39.50.200(a)]"
8

9 Page 5, line 15:

10 Delete "a new subsection"

11 Insert "new subsections"
12

13 Page 5, following line 19:

14 Insert new material to read:

15 "(e) The spouse or domestic partner of a legislator may not engage in activity
16 as a lobbyist. This subsection does not prohibit the spouse or domestic partner from
17 acting as a volunteer lobbyist under AS 24.45.161(a)(1) or a representational lobbyist,
18 as defined in regulation by the commission.

19 * Sec. 7. AS 24.45.171 is amended by adding a new paragraph to read:

20 (15) "domestic partner" has the meaning given in AS 39.50.200(a)."
21

22 Renumber the following bill sections accordingly.
23

- 1 Page 27, line 29:
- 2 Delete "sec. 36"
- 3 Insert "sec. 37"
- 4
- 5 Page 27, line 30:
- 6 Delete "sec. 36"
- 7 Insert "sec. 37"
- 8
- 9 Page 27, line 31:
- 10 Delete "sec. 37"
- 11 Insert "sec. 38"
- 12
- 13 Page 28, line 3:
- 14 Delete "sec. 37"
- 15 Insert "sec. 38"
- 16
- 17 Page 28, line 4:
- 18 Delete "sec. 38"
- 19 Insert "sec. 39"
- 20
- 21 Page 28, line 8:
- 22 Delete "sec. 38"
- 23 Insert "sec. 39"
- 24
- 25 Page 28, line 9:
- 26 Delete "Section 28"
- 27 Insert "Section 29"
- 28
- 29 Page 28, line 10:
- 30 Delete "Section 33"
- 31 Insert "Section 34"

1

2 Page 28, line 11:

3 Delete "secs. 42 and 43"

4 Insert "secs. 43 and 44"

AMENDMENT

#30 Passed

OFFERED IN THE HOUSE

BY REPRESENTATIVE COGHILL

JUDICIARY COMMITTEE

TO: CSHB 109(STA) (25-GH1059\O; 3/7/07)

1 Page 5, lines 16 - 19:

2 Delete all material and insert:

3 “(d) An individual may not, at any time that AS 39.52 prohibits that
4 individual from engaging in activity as a lobbyist, register as a lobbyist under this
5 chapter or engage in any activity as a lobbyist. This subsection does not prohibit
6 registration or service as a volunteer lobbyist described in AS 24.45.161(a)(1) or a
7 representational lobbyist as defined in the regulations of the Alaska Public Offices
8 Commission.”

Intent / Explanation:

Prohibit legislators or legislative employees from receiving gifts from lobbyists at any time of the year. Also prohibit family members from receiving gifts from lobbyists. Family member as defined in AS 24.60.990(a)(6).

Brings together language in AS 24.60.080 regarding lobbyists and gifts into one section to provide clarity and ease of interpreting the gift statute.

Sec. 24.60.080. Gifts.

(a) Except as otherwise provided in this section, a legislator or legislative employee may not

(1) solicit, accept, or receive, directly or indirectly, a gift worth \$250 or more, whether in the form of money, services, a loan, travel, entertainment, hospitality, promise, or other form, or gifts from the same person worth less than \$250 that in a calendar year aggregate to \$250 or more in value[.];

(2) [EXCEPT FOR FOOD OR BEVERAGE FOR IMMEDIATE CONSUMPTION, A LEGISLATOR OR LEGISLATIVE EMPLOYEE MAY NOT SOLICIT,] accept, or receive [DURING A LEGISLATIVE SESSION] a gift with any monetary value from a lobbyist or, ~~or~~ an immediate family member of the lobbyist, or a person acting on behalf of a lobbyist except: [.]

(A) for food or beverage for immediate consumption; or

(B) tickets from a lobbyist for a charity event at any time, including during a legislative session, except that tickets to or gifts received at a charity event under this paragraph are subject to the calendar year limit on the value of gifts received by a legislator or legislative employee in (a) of this section; in this paragraph, "charity event" means an event the proceeds of which go to a charitable organization with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council has approved in advance; the tickets may entitle the bearer to admission to the event, to entertainment, to food or beverages, or to other gifts or services involved in the charity event.

(b) [Repealed, § 42 ch 127 SLA 1992.]

(c) Notwithstanding (a)(1) of this section, it is not a violation of this section for a legislator or legislative employee to accept

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

(A) with incidental transportation at the residence of a person; however, a vacation home located outside the state is not considered a residence for the purposes of this subparagraph; or

(B) at a social event or meal;

(2) discounts that are available

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

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

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

- (4) travel and hospitality primarily for the purpose of obtaining information on matters of legislative concern;
- (5) gifts from the immediate family of the person;
- (6) gifts that are not connected with the recipient's legislative status;
- (7) a discount for all or part of a legislative session, including time immediately preceding or following the session, or other gift to welcome a legislator or legislative employee who is employed on the personal staff of a legislator or by a standing or special committee in the capital city or in recognition of the beginning of a legislative session if the gift or discount is available generally to all legislators and the personal staff of legislators and staff of standing and special committees; this paragraph does not apply to legislative employees who are employed by the Legislative Affairs Agency, the office of the chief clerk, the office of the senate secretary, the legislative budget and audit committee, or the office of the ombudsman;
- (8) a gift of legal services in a matter of legislative concern and a gift of other services related to the provision of legal services in a matter of legislative concern;
- (9) a gift of transportation from a legislator to a legislator if the transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other means of transport owned or under the control of the donor; this paragraph does not apply to travel described in (4) of this subsection or travel for political campaign purposes;
- (10) [TICKETS FROM A LOBBYIST FOR A CHARITY EVENT AT ANY TIME, INCLUDING DURING A LEGISLATIVE SESSION, EXCEPT THAT TICKETS TO OR GIFTS RECEIVED AT A CHARITY EVENT UNDER THIS PARAGRAPH ARE SUBJECT TO THE CALENDAR YEAR LIMIT ON THE VALUE OF GIFTS RECEIVED BY A LEGISLATOR OR LEGISLATIVE EMPLOYEE IN (A) OF THIS SECTION; IN THIS PARAGRAPH, "CHARITY EVENT" MEANS AN EVENT THE PROCEEDS OF WHICH GO TO A CHARITABLE ORGANIZATION WITH TAX-FREE STATUS UNDER 26 U.S.C. 501(C)(3) AND THAT THE ALASKA LEGISLATIVE COUNCIL HAS APPROVED IN ADVANCE; THE TICKETS MAY ENTITLE THE BEARER TO ADMISSION TO THE EVENT, TO ENTERTAINMENT, TO FOOD OR BEVERAGES, OR TO OTHER GIFTS OR SERVICES INVOLVED IN THE CHARITY EVENT;] or
- (11) a contribution to a charity event from any person at any time; in this paragraph, "charity event" has the meaning given in [(10)] (a)(2)(B) of this subsection.

office of Victim's rights

(d) A legislator or legislative employee who accepts a gift under (c)(4) of this section that has a value of \$250 or more shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor and the approximate value of the gift. A legislator or legislative employee who accepts a gift under (c)(8) of this section that the recipient expects will have a value of \$250 or more in the calendar year shall disclose to the committee, within 30 days after receipt of the gift, the name and occupation of the donor, a general description of the matter of legislative concern with respect to which the gift is made, and the approximate value of the gift. The committee shall maintain a public record of the disclosures it receives relating to gifts under (c)(4) and (8) of this section and shall forward the disclosures to the appropriate house for inclusion in the journal. The committee shall forward to the Alaska Public Offices Commission copies of the disclosures concerning gifts under (c)(4) and (8) of this section that it receives from legislators and legislative directors. A legislator or legislative employee who accepts a gift under (c)(6) of this section that has a value of \$250 or more shall disclose to the committee ~~annually on or before March 15~~ the name and occupation of the donor and a description of the gift. The committee shall maintain disclosures relating to gifts under (c)(6) of this section as confidential records and may only use, or permit a committee employee or contractor to use, a disclosure

(c)(8) and (11)

*(c)(8) and (11)
w/in 30-days
of receipt of
the gift.*

under (c)(6) of this section in the investigation of a possible violation of this section or in a proceeding under AS 24.60.170 . If the disclosure under (c)(6) of this section becomes part of the record of a proceeding under AS 24.60.170, the confidentiality provisions of that section apply to the disclosure.

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

(f) Notwithstanding (a) of this section, a legislator or legislative employee may accept a gift of property worth \$250 or more, other than money, from another government or from an official of another government if the person accepts the gift on behalf of the legislature. The person shall, within 60 days after receiving the gift, deliver the gift to the legislative council, which 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.

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

(h) A legislator, a legislative committee other than the Select Committee on Legislative Ethics, or a legislative agency may accept

- (1) a gift of volunteer services for legislative purposes so long as the person making the gift of services is not receiving compensation from another source for the services; or
- (2) the services of a trainee who is participating in an educational program approved by the committee if the services are used for legislative purposes. The committee shall approve training under a program of the University of Alaska and training under 29 U.S.C. 2801 - 2945 (Workforce Investment Act of 1998). A legislative volunteer or educational trainee shall be considered to be a legislative employee for purposes of compliance with this section, AS 24.60.030 - 24.60.039, 24.60.060, 24.60.085, 24.60.158 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer or educational trainee has violated the provisions of one of those sections, the person may file a complaint under AS 24.60.170 . The provisions of AS 24.60.170 apply to the proceeding.

(i) A legislator or legislative employee who knows or reasonably should know that [A] an immediate family member as defined in AS 24.60.990(a)(6) has received a gift because of the family member's connection with the legislator or legislative employee shall report the receipt of the gift by the family member to the committee if the gift would have to be reported under this section if it had been received by the legislator or legislative employee. If receipt of the gift by a legislator or legislative employee would be prohibited under this section then receipt by an immediate family member is also prohibited.

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

(k) In [THIS] subsection (c)(6), "immediate family" [OR "FAMILY MEMBER"] means

- (1) the spouse of the person;
- (2) the person's domestic partner;

*disclose for publication
under (d) of this section
disclosed*

- (3) a child, including a stepchild and an adoptive child, of the person or of the person's domestic partner;
- (4) a parent, sibling, grandparent, aunt, or uncle of the person;
- (5) a parent, sibling, grandparent, aunt, or uncle of the person's spouse or the person's domestic partner; and
 - a stepparent, stepsister, stepbrother, step-grandparent, step-aunt, or step-uncle of the person, the person's spouse, or the person's domestic partner.

Amendment #5

2-5

FAILED

25-GH1059A0.8

Wayne

3/19/07

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(STA)

1 Page 1, lines 4 - 5:

2 Delete "restricting representation of others by legislators and legislative
3 employees;"

4

5 Page 13, lines 11 - 25:

6 Delete all material and insert:

7 "* Sec. 16. AS 24.60.100 is amended to read:

8 **Sec. 24.60.100. Representation.** A legislator or legislative employee who
9 represents another person for compensation before an agency, board, or commission of
10 the state shall disclose the name of the person represented, the subject matter of the
11 representation, and the body before which the representation is to take place to the
12 committee. The disclosure shall be made by the deadline [DEADLINES] set out in
13 AS 24.60.105. The committee shall maintain a public record of a disclosure under this
14 section and forward the disclosure to the respective house for inclusion in the journal.
15 A legislator or legislative employee may not represent another person for
16 compensation before an agency, committee, or other entity of the legislative branch."

AMENDMENT

#6

W/D

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

- 1 Page 14, line 29, following "a":
- 2 Insert "final"
- 3
- 4 Page 14, line 30, following "serving":
- 5 Insert ", unless the person previously disclosed the matter and, for that reason, the
- 6 matter is no longer subject to disclosure"

AMENDMENT

#7
Passed

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(STA)

1 Page 15, line 23:

2 Delete "part"

3 Insert "members"

4

5 Page 15, line 26:

6 Delete "part"

7 Insert "a member"

Passed

Amend # 8
"organizational" before caucus.

P.15.

Dan- This is the one
we discussed.
Jane

AMENDMENT

+9



9-2
Adopted

OFFERED IN THE HOUSE

BY REPRESENTATIVE COGHILL

JUDICIARY COMMITTEE

TO: CSHB 109(STA) (25-GH1059\O; 3/7/07)

1 Page 21, line 21:

2 Delete "\$5,000"

3 Insert "\$1,000"

4

5 Page 21, line 31:

6 Delete "if the income was earned by the hour,"

7

8 Page 22, line 1, following "worked":

9 Insert "to earn the income"

10

11 Page 22, line 10:

12 Delete "\$5,000"

13 Insert "\$1,000"

14

15 Page 22, line 17:

16 Delete "\$5,000"

17 Insert "\$1,000"

71

1 Page 22, line 20:

2 Delete "\$5,000"

3 Insert "\$1,000"

4

5 Page 22, line 24:

6 Delete "\$5,000"

7 Insert "\$1,000"

8

9 Page 22, line 27:

10 Delete "\$5,000"

11 Insert "\$1,000"

#10
Passed

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(STA)

1 Page 23, line 1, following "partnership":

2 Insert "limited liability company,"

3

4 Page 23, line 6, following "partnership":

5 Insert "limited liability company,"

6

7 Page 23, following line 9:

8 Insert a new bill section to read:

9 **** Sec. 32. AS 39.50.030(h) is amended to read:**

10 (h) In this section,

11 (1) [REPEALED

12 (2)] "close economic association" means a financial relationship that
13 exists between a public official required to disclose a close economic association
14 under (d) of this section and some other person or entity, including a relationship
15 where the public official serves as a consultant or advisor to, is a member or
16 representative of, or has a financial interest in an association, partnership, limited
17 liability company, business, or corporation;

18 (2) [(3)] "lobbyist" has the meaning given in AS 24.60.990(a);

19 (3) [(4)] "public officer" has the meaning given in AS 39.52.960. "

20

21 Renumber the following bill sections accordingly.

22

23 Page 25, following line 24:

1 Insert a new bill section to read:

2 **** Sec. 35. AS 39.50.200(a)(10) is amended to read:**

3 (10) "source of income" means the entity for which service is
4 performed or that is otherwise the origin of payment; if the person whose income is
5 being reported is employed by another, the employer is the source of income; but if
6 the person is self-employed by means of a sole proprietorship, partnership, limited
7 liability company, professional corporation, or a corporation in which the person, the
8 person's spouse or domestic partner, or the person's dependent children, or a
9 combination of them, hold a controlling interest, the "source" is the client or customer
10 of the proprietorship, partnership, limited liability company, or corporation, but, if
11 the entity that is the origin of payment is not the same as the client or customer for
12 whom the service is performed, both are considered the source."

13

14 Renumber the following bill sections accordingly.

15

16 Page 27, line 29:

17 Delete "sec. 36"

18 Insert "sec. 38"

19

20 Page 27, line 30:

21 Delete "sec. 36"

22 Insert "sec. 38"

23

24 Page 27, line 31:

25 Delete "sec. 37"

26 Insert "sec. 39"

27

28 Page 28, line 3:

29 Delete "sec. 37"

30 Insert "sec. 39"

31

- 1 Page 28, line 4:
- 2 Delete "sec. 38"
- 3 Insert "sec. 40"
- 4
- 5 Page 28, line 8:
- 6 Delete "sec. 38"
- 7 Insert "sec. 40"
- 8
- 9 Page 28, line 10:
- 10 Delete "sec. 33"
- 11 Insert "sec. 34"
- 12
- 13 Page 28, line 11:
- 14 Delete "secs. 42 and 43"
- 15 Insert "secs. 44 and 45"

11

1-5 failed

25-GH10590.36
Bullard\Wayne
3/21/67

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE GRUENBERG

1 Page 8, line 25, following "legislator":

2 Insert ";

3 (6) communicate directly with a spouse or domestic partner of a
4 legislator if the spouse or domestic partner is registered as a lobbyist under
5 AS 24.45.041 and the communication concerns legislative action; in this
6 paragraph, "legislative action" has the meaning given in AS 24.45.171"

#12

Adopted

25-GH1059A.31
Wayne
3/21/07

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 9, following line 10:

2 Insert a new bill section to read:

3 **** Sec. 10. AS 24.60.040(a) is amended to read:**

4 (a) A legislator or legislative employee, or a member of the immediate family
5 of a legislator or legislative employee, may not be a party to or have an interest in a
6 state contract or lease unless the contract or lease is let under AS 36.30 (State
7 Procurement Code) or, for agencies that are not subject to AS 36.30, under similar
8 procedures, or the total annual amount of the state contract or lease is \$5,000 or less,
9 or is a standardized contract or lease that was developed under publicly established
10 guidelines and is generally available to the public at large, members of a profession,
11 occupation, or group. A person has an interest in a state contract or lease under this
12 section if the person receives direct or indirect financial benefits. A legislator or
13 legislative employee who participates in, or who knows or reasonably should know
14 that a family member is participating in, a state contract or lease that has an annual
15 value of \$5,000 or more shall disclose the participation to the committee by the date
16 required under AS 24.60.105. The committee shall promptly forward the
17 disclosure to the appropriate house for inclusion in the journal, and the presiding
18 officer shall cause the disclosure to be published in the journal or in the
19 supplemental journal not later than the next regularly scheduled publication of
20 ethics disclosures. The legislator or legislative employee shall also disclose the
21 renegotiation of a state contract or lease if the original had to be disclosed under this
22 section or if, as a result of renegotiation, disclosure is required under this section. The
23 disclosure must state the amount of the contract or lease and the name of the state

1 agency issuing the contract or lease and must identify the procedures under which the
2 contract or lease was issued. If the disclosure concerns a contract or lease in which a
3 family member of the discloser is participating, the disclosure must identify the
4 relationship between the participant and the discloser."
5

6 Renumber the following bill sections accordingly.

7

8 Page 27, line 29:

9 Delete "sec. 36"

10 Insert "sec. 37"

11

12 Page 27, line 30:

13 Delete "sec. 36"

14 Insert "sec. 37"

15

16 Page 27, line 31:

17 Delete "sec. 37"

18 Insert "sec. 38"

19

20 Page 28, line 3:

21 Delete "sec. 37"

22 Insert "sec. 38"

23

24 Page 28, line 4:

25 Delete "sec. 38"

26 Insert "sec. 39"

27

28 Page 28, line 8:

29 Delete "sec. 38"

30 Insert "sec. 39"

31

- 1 Page 28, line 9:
- 2 Delete "Section 28"
- 3 Insert "Section 29"
- 4
- 5 Page 28, line 10:
- 6 Delete "Section 33"
- 7 Insert "Section 34"
- 8
- 9 Page 28, line 11:
- 10 Delete "secs. 42 and 43"
- 11 Insert "secs. 43 and 44"

AMENDMENT

#13 AS AMENDED
ADOPTED

OFFERED IN THE HOUSE

BY REPRESENTATIVE RAMRAS

TO: CSHB 109(STA)

1 Page 9, line 27, following "determines":

2 Insert "by vote of a majority of committee members who are present"

3

4 Page 17, line 31, following "determines":

5 Insert "by vote of a majority of committee members who are present that"

AMENDMENT

#14 Adopted

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 10, following line 4:

2 Insert a new bill section to read:

3 **"* Sec. 11. AS 24.60.070(a) is amended to read:**

4 (a) A legislator or legislative employee shall disclose to the committee, which
5 shall maintain a public record of the disclosure and forward the disclosure to the
6 respective house for inclusion in the journal, the formation or maintenance of a close
7 economic association involving a substantial financial matter with

8 (1) a supervisor who is not a member of the legislature who has
9 responsibility or authority, either directly or indirectly, over the person's employment,
10 including preparing or reviewing performance evaluations, or granting or approving
11 pay raises or promotions; this paragraph does not apply to a public member of the
12 committee;

13 (2) legislators;

14 (3) a public official as that term is defined in [WHO IS REQUIRED
15 TO FILE A FINANCIAL DISCLOSURE STATEMENT UNDER] AS 39.50 [AND
16 IS NOT AN APPOINTED MUNICIPAL OFFICER];

17 (4) a registered lobbyist; or

18 (5) a legislative employee if the person required to make the disclosure
19 is a legislator."

20

21 Renumber the following bill sections accordingly.

22

23 Page 27, line 29:

- 1 Delete "sec. 36"
- 2 Insert "sec. 37"
- 3
- 4 Page 27, line 30:
- 5 Delete "sec. 36"
- 6 Insert "sec. 37"
- 7
- 8 Page 27, line 31:
- 9 Delete "sec. 37"
- 10 Insert "sec. 38"
- 11
- 12 Page 28, line 3:
- 13 Delete "sec. 37"
- 14 Insert "sec. 38"
- 15
- 16 Page 28, line 4:
- 17 Delete "sec. 38"
- 18 Insert "sec. 39"
- 19
- 20 Page 28, line 8:
- 21 Delete "sec. 38"
- 22 Insert "sec. 39"
- 23
- 24 Page 28, line 9:
- 25 Delete "Section 28"
- 26 Insert "Section 29"
- 27
- 28 Page 28, line 10:
- 29 Delete "Section 33"
- 30 Insert "Section 34"
- 31

- 1 Page 28, line 11:
- 2 Delete "secs. 42 and 43"
- 3 Insert "secs. 43 and 44"

AMENDMENT

#15
Adopted

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

- 1 Page 11, line 18:
- 2 Following "from a legislator":
- 3 Insert "or a legislative employee"
- 4 Following "to a legislator":
- 5 Insert "or a legislative employee"

AMENDMENT # 16

Adopted

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 12, line 19:

2 Following "shall":

3 Insert "within 30 days after receiving the gift."

4 Following "committee":

5 Delete "annually on or before March 15"

6 Insert "[ANNUALLY ON OR BEFORE MARCH 15]"

25-GH1059A.19

Wayne
3/20/07

AMENDMENT

#17

Adopted

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

- 1 Page 13, line 30, following "filling":
- 2 Insert "the"

Adopted

25-GH1059\O.21
Wayne
3/21/07

AMENDMENT #18

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

- 1 Page 16, line 17:
- 2 Delete "in January of each year"
- 3 Insert "within 10 days of the first day of each regular session of the legislature"

AMENDMENT

19
Adopted

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

- 1 Page 16, line 23, following "complete":
- 2 Delete "the"
- 3 Insert "a"
- 4
- 5 Page 16, line 24:
- 6 Delete "AS 24.60.150(a)"
- 7 Insert "AS 24.60.150(a)(4)"
- 8
- 9 Page 16, line 28, following "service":
- 10 Insert "and, thereafter, as otherwise required by this section"

AMENDMENT 20 W/D

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(STA)

- 1 Page 16, line 23, following "complete":
- 2 Delete "the legislative ethics course administered by the committee under
- 3 AS 24.60.150(a) within 10 days of the first day of the first regular session of each legislature"
- 4 Insert ", within 10 days of the first day of the first regular session of each legislature, a
- 5 legislative ethics course administered by the committee under AS 24.60.150(a)"

2-5 FAILED

25-GH1059A0.34
Luckhaupt/Wayne
3/20/07

#21

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(STA)

- 1 Page 25, line 27, following "\$5,000":
- 2 Insert "and less than one percent of the total value of the business"

S- 2
 L- 1
 H- 2
 G- 1
 D- 2
 C- 2
 R- 2

AMENDMENT

22
Adopted

OFFERED IN THE HOUSE

BY REPRESENTATIVE COGHILL

JUDICIARY COMMITTEE

TO: CSHB 109(STA) (25-GH1059\O; 3/7/07)

- 1 Page 25, line 27:
- 2 Delete "its value"
- 3 Insert "the value of the stock or other ownership interest"

AMENDMENT

#23 Adopted

OFFERED IN THE HOUSE

BY REPRESENTATIVE COGHILL

JUDICIARY COMMITTEE

TO: CSHB 109(STA) (25-GH1059\O; 3/7/07)

1 Page 26, line 22:

2 Delete "who is required to file a statement under AS 39.50.020"

3 Insert "in a policy-making position"

4

5 Page 26, lines 25 - 26:

6 Delete "who is required to file a statement under AS 39.50.020"

7 Insert "in a policy-making position"

8

9 Page 27, line 4:

10 Delete "who is required to file a statement under AS 39.50.020"

11 Insert "in a policy-making position"

12

13 Page 27, following line 7:

14 Insert a new bill section to read:

15 **** Sec. 39. AS 39.52.180 is amended by adding a new subsection to read:**

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(f) In this section, 'employee of the Office of the Governor in a policy-making position' means an employee required, by virtue of his or her position in the Office of the Governor, to file a statement under AS 39.50.020."

Renumber the following bill sections accordingly.

Page 28, line 11:

Delete "secs. 42 and 43"

Insert "secs. 43 and 44"

24
tabled 3/21/07
3-4 failed

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE LYNN

1 Page 27, following line 26:

2 Insert a new bill section to read:

3 **** Sec. 41.** AS 39.52.910 is amended by adding a new subsection to read:

4 (d) Nothing in this chapter

5 (1) supersedes AS 39.90.020; or

6 (2) precludes a person from being in an employment relationship with
7 a member of the person's immediate family if the person

8 (A) does not supervise the immediate family member; or

9 (B) supervises the immediate family member but exercise of
10 the supervision is only routine; under this subparagraph, supervision is routine
11 only if, as to a decision that requires the person's exercise of independent
12 judgment, the person may not act or recommend the family member's

13 (i) appointment to employment, including hiring,
14 transferring, laying off, and rehiring;

15 (ii) discipline, including suspension, discharge,
16 demotion, and issuance of written warnings; or

17 (iii) grievance adjudication, including responding to a
18 first level grievance under a collective bargaining agreement."

19

20 Renumber the following bill sections accordingly.

21

22 Page 28, line 11:

23 Delete "secs. 42 and 43"

1

Insert "secs. 43 and 44"

AMENDMENT

#25
tabled
5/23/07
5-2
Passel

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 1, line 1, following "Act":

2 Insert "denying public employee retirement pension benefits to certain legislators,
3 legislative directors, and public officers who commit certain offenses, and adding to the
4 duties of the Alaska Retirement Management Board and to the list of matters governed
5 by the Administrative Procedure Act concerning that denial;"

6

7 Page 1, following line 7:

8 Insert new bill sections to read:

9 * Section 1. AS 14.25 is amended by adding a new section to read:

10 Sec. 14.25.212. Pension forfeiture. The provisions of AS 37.10.310 apply to
11 pension benefits under AS 14.25.009 - 14.25.220.

12 * Sec. 2. AS 14.25 is amended by adding a new section to read:

13 Sec. 14.25.532. Pension forfeiture. The provisions of AS 37.10.310 apply to
14 pension benefits under AS 14.25.310 - 14.25.590."

15

16 Page 1, line 8:

17 Delete "Section 1"

18 Insert "Sec. 3"

19

20 Renumber the following bill sections accordingly.

21

22 Page 2, following line 21:

23 Insert a new bill section to read:

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**** Sec. 5. AS 22.25 is amended by adding a new section to read:**

Sec. 22.25.800. Pension forfeiture. The provisions of AS 37.10.310 apply to pension benefits under this chapter."

Renumber the following bill sections accordingly.

Page 20, following line 21:

Insert new bill sections to read:

**** Sec. 33. AS 37.10.220(a) is amended by adding a new paragraph to read:**

(16) administer pension forfeitures required under AS 37.10.310 using the procedures of AS 44.62 (Administrative Procedure Act).

*** Sec. 34. AS 37.10 is amended by adding a new section to read:**

Sec. 37.10.310. Pension forfeiture to preserve public trust in government.

(a) A public officer, as defined in AS 39.52.960, a legislator, or a person employed as a legislative director, as that term is defined in AS 24.60.990, who is convicted of a federal or state felony offense of bribery, receiving a bribe, perjury, subornation of perjury, scheme to defraud, or fraud may not receive a state pension benefit if the offense was committed on or after the effective date of this section and was in connection with the person's official duties.

(b) Pension benefits and employee contributions that accrue to a person before the date of the person's commission of the offense described in (a) of this section are not diminished or impaired by that subsection.

(c) A state pension benefit under (a) of this section does not include

(1) insurance, voluntary wage reductions, involuntary wage reductions, or supplemental or health benefits under AS 39.30.090 - 39.30.495 or former AS 39.37.145;

(2) member or employee contributions under AS 14.25.050, 14.25.055, 14.25.075, 14.25.340, 14.25.360(a), AS 22.25.011, AS 39.35.160, 39.35.165(f), 39.35.180, 39.35.730, 39.35.760(a), or former AS 39.37.070.

(d) In a pension forfeiture matter under this section the board may award to a

1 spouse, dependent, or former spouse of the person governed by the limitations in (a) of
 2 this section some or all of the amount that, but for the forfeiture under (a) of this
 3 section, may otherwise be payable. In determining whether to make an award under
 4 this subsection, the board shall consider the totality of circumstances, including

5 (1) the role, if any, of the person's spouse, dependent, or former spouse
 6 in connection with the illegal conduct for which the person was criminally charged;

7 (2) the degree, if any, to which the person's spouse, dependent, or
 8 former spouse profited financially from the person's illegal conduct; and

9 (3) any restitution ordered by the court in the criminal case and the
 10 amount of restitution, if any, still owing.

11 * **Sec. 35.** AS 39.35 is amended by adding a new section to read:

12 **Sec. 39.35.672. Pension forfeiture.** The provisions of AS 37.10.310 apply to
 13 pension benefits under AS 39.35.095 - 39.35.680.

14 * **Sec. 36.** AS 39.35 is amended by adding a new section to read:

15 **Sec. 39.35.932. Pension forfeiture.** The provisions of AS 37.10.310 apply to
 16 pension benefits under AS 39.35.700 - 39.35.990."

17
 18 **Renumber the following bill sections accordingly.**

19
 20 **Page 27, following line 26:**

21 **Insert new bill sections to read:**

22 **** Sec. 48.** AS 44.62.330(a) is amended by adding a new paragraph to read:

23 (47) the Alaska Retirement Management Board for administration of
 24 pension forfeitures under AS 37.10.310.

25 * **Sec. 49.** The uncodified law of the State of Alaska is amended by adding a new section to
 26 read:

27 **APPLICABILITY TO ELECTED PUBLIC OFFICERS' RETIREMENT SYSTEM.**

28 The provisions of AS 37.10.310, added by sec. 34 of this Act, apply to benefits under former
 29 AS 39.37 (elected public officers' retirement system)."

30
 31 **Renumber the following bill sections accordingly.**

- 1
- 2 Page 27, line 29:
- 3 Delete "sec. 36"
- 4 Insert "sec. 43"
- 5
- 6 Page 27, line 30:
- 7 Delete "sec. 36"
- 8 Insert "sec. 43"
- 9
- 10 Page 27, line 31:
- 11 Delete "sec. 37"
- 12 Insert "sec. 44"
- 13
- 14 Page 28, line 3:
- 15 Delete "sec. 37"
- 16 Insert "sec. 44"
- 17
- 18 Page 28, line 4:
- 19 Delete "sec. 38"
- 20 Insert "sec. 45"
- 21
- 22 Page 28, line 8:
- 23 Delete "sec. 38"
- 24 Insert "sec. 45"
- 25
- 26 Page 28, line 9:
- 27 Delete "Section 28"
- 28 Insert "Section 31"
- 29
- 30 Page 28, line 10:
- 31 Delete "Section 33"

1 **Insert "Section 40"**

2

3 **Page 28, line 11:**

4 **Delete "secs. 42 and 43"**

5 **Insert "secs. 51 and 52"**

W/D

26

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE RAMRAS

TO: CSHB 109(STA)

1 Page 19, lines 18 - 26:

2 Delete all material and insert:

3 "(2) as to income in excess of \$1,000 received as compensation for
4 personal services if the source of the income is known or reasonably should be
5 known to have a substantial interest in legislative, administrative, or political
6 action and the recipient of the income is a legislator or legislative director, the
7 name and address of the source of the income, [AND] a statement describing in detail
8 the nature of the services performed, the amount of the income, and the
9 approximate number of hours of services performed to earn the income;
10 additional information regarding how the income was earned may [; IF THE
11 SOURCE OF INCOME IS KNOWN OR REASONABLY SHOULD BE KNOWN
12 TO HAVE A SUBSTANTIAL INTEREST IN LEGISLATIVE, ADMINISTRATIVE,
13 OR POLITICAL ACTION AND THE RECIPIENT OF THE INCOME IS A
14 LEGISLATOR OR LEGISLATIVE DIRECTOR, THE AMOUNT OF INCOME
15 RECEIVED FROM THE SOURCE SHALL] be disclosed;"

AMENDMENT

27 Amended
2-5 Failed

OFFERED IN THE HOUSE

BY REPRESENTATIVE LINDSEY HOLMES

JUDICIARY COMMITTEE

TO: CSHB 109 (STA) (25-GH1059\O)

1 Page 1, lines 4 -5:

2 Delete "restricting representation of others by legislators and legislative
3 employees;"

4
5 Page 13, lines 12 - 25:

6 Delete all material and insert:

7 Sec. 24.60.100. Representation. A legislator or legislative employee who
8 represents another person for compensation, other than compensation by the State
9 of Alaska, before a municipal, legislative, or executive branch agency, board, or
10 commission shall disclose to the committee the name of the person represented,
11 the subject matter of the representation, and the body before which the
12 representation takes place. The disclosure shall be made by the deadlines set out
13 in AS 24.60.105. The committee shall maintain a public record of a disclosure
14 under this section and forward the disclosure to the respective house for inclusion
15 in the journal. A legislator or legislative employee may not ~~also~~ represent another
16 person for compensation, other than compensation by the State of Alaska before
17 an agency, committee, or other entity of the legislative branch.

AMENDMENT

#28

As Amended.

Adopted

OFFERED IN THE HOUSE

BY REPRESENTATIVE RAMRAS

TO: CSHB 109(STA)

1 Page 23, line 24:

2 Delete "businesses,"

3 Delete "and"

4

5 Page 23, line 25, following "mortgages":

6 Insert ", and interests in closely held businesses"

7

8 Page 23, line 27, following "bank":

9 Insert ", trust company,"

10

11 Page 23, line 29, following "principles":

12 Insert "and, without exception under any circumstances, notwithstanding this
13 section, the prudent investment rule set out in AS 13.36.230 - 13.36.290"

14

15 Page 24, lines 6 - 13:

16 Delete all material and insert.

17 "(5) during the term of the trust, a trustor or other beneficiary of
18 the trust may not communicate with the trustee except in writing and only
19 regarding (A) a request for a distribution in cash or another unspecified asset of
20 the trust, (B) the general financial requirements regarding distributions from the
21 trust as a whole, (C) direction to the trustee that, because a law, executive order,
22 or regulation prohibits the trustor from holding an asset, the asset may not be
23 held by the trust, (D) direction to the trustee to sell all of an asset initially placed

1 in the trust because the trustor has determined the sale is necessary to avoid a
 2 conflict of interest, the appearance of impropriety, or an ethical violation:
 3 quarterly the trustee may provide to the trustor a written report of the aggregate
 4 market value of the trust's assets and property but may not disclose to the trustor
 5 or other beneficiary of the trust, or any other interested party, any information
 6 about the identity and nature of any of the assets in the trust, and the trustee shall
 7 be required to report any known breach of this confidentiality [OR THE
 8 TERMINATION OF THE TRUST TO THE OFFICE WHERE THE TRUSTOR IS
 9 REQUIRED TO FILE STATEMENTS UNDER THIS CHAPTER]; [AND]

10 (6) the trust shall terminate only upon order of the commission,
 11 the death or incompetence of the trustor, the termination of the trustor's status as
 12 a public official, or upon revocation, if approved in advance by the commission,
 13 and the trustee shall be required to promptly report any termination of the trust
 14 to the commission;"

15
 16 Page 24, lines 14 - 22:

17 Delete all material and insert.

18 (7) the trustee shall prepare the income tax return of the trust and
 19 may participate in the audit of the trust's returns with authority to compromise a
 20 tax liability of the trust, but may not disclose the return or information related to
 21 the return, except promptly after the close of each taxable year of the trust the
 22 trustee shall provide the trustor with an annual report summarizing information
 23 concerning the trust, including net income or loss, expenses, capital gains, and
 24 capital losses of the trust, as necessary to enable the trustor to prepare and file
 25 tax returns required by law; however, the summary may not directly or
 26 indirectly identify a security or other property that is an asset or former asset of
 27 the trust;"

28
 29 Page 24, line 26, following "(9)":

30 Insert "for the duration of the trust, a trustor or other beneficiary may not pledge,
 31 mortgage, or otherwise encumber a person's interests in an asset that is part of the

1 trust."

2

3 Page 25, following line 9:

4 Insert a new bill section to read:

5 **** Sec. 33. AS 39.50.040 is amended by adding new subsections to read:**

6 (c) A quarterly report of aggregate market value under this section may
7 include, in addition to the aggregate market value of the trust's assets and property, the
8 percentage of that aggregate market value attributable to the trustor and each
9 beneficiary, by name. Within 30 days after receipt from the trustee of the quarterly
10 report of aggregate market value, the trustor may, notwithstanding the limitations on a
11 communication's subject under (b) of this section, provide a written instruction to the
12 trustee that, with respect to the trust as a whole and not a particular asset or property of
13 the trust, the trustor prefers that the trustee adopt an investment approach that is
14 conservative, moderate, or aggressive.

15 (d) A person initiating a written communication under this section shall cause
16 a copy of the communication to be filed with the commission within five days after the
17 date of the communication.

18 (e) The trustee shall maintain and make available for inspection by the
19 commission at the commission's request the trust's tax returns, books of account, and
20 other records and, on or before May 15 of each year, shall file with the commission a
21 notarized document certifying compliance with this section for the preceding calendar
22 year.

23 (f) Except as permitted by this section, the trustee shall make no accounting to
24 the trustor until the date the trust terminates, and, following the termination, the trustee ~~or~~ ee
25 shall promptly make a full accounting to the trustor and turn over to the trustor all
26 assets remaining in the trust at termination.

27 (g) The trustee may not at any time be held liable for an act or omission of the
28 trustee or for any loss or depreciation of the value of an asset or property of the trust
29 unless the trustee fails to exercise good faith, due diligence, and the ordinary skill,
30 care, and judgment a prudent fiduciary would exercise."

31

1 Renumber the following bill sections accordingly.

2

3 Page 27, line 29:

4 Delete "sec. 36"

5 Insert "sec. 37"

6

7 Page 27, line 30:

8 Delete "sec. 36"

9 Insert "sec. 37"

10

11 Page 27, line 31:

12 Delete "sec. 37"

13 Insert "sec. 38"

14

15 Page 28, line 3:

16 Delete "sec. 37"

17 Insert "sec. 38"

18

19 Page 28, line 4:

20 Delete "sec. 38"

21 Insert "sec. 39"

22

23 Page 28, line 8:

24 Delete "sec. 38"

25 Insert "sec. 39"

26

27 Page 28, line 10:

28 Delete "Section 33"

29 Insert "Section 34"

30

31 Page 28, line 11:

- 1 Delete "secs. 42 and 43"
- 2 Insert "secs. 43 and 44"

29
Adopted.

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 15, following line 17:

2 Insert a new bill section to read:

3 ** Sec. 20. AS 24.60.130(o) is amended to read:

4 (o) In this section,

5 (1) "majority organizational caucus" means a group of legislators
6 who have organized and elected a majority leader and constitute more than 50
7 percent of the total membership of the house or senate, as appropriate;

8 (2) "minority organizational caucus" means a group of legislators who
9 have organized and elected a minority leader and constitute at least 25 percent of the
10 total membership of the house or senate, as appropriate."

11

12 Renumber the following bill sections accordingly.

13

14 Page 15, line 23, following "majority":

15 Insert "organizational"

16

17 Page 15, line 26, following "majority":

18 Insert "organizational"

19

20 Page 15, line 27, following "minority":

21 Insert "organizational"

22

23 Page 15, line 30, following "majority":

1 Insert "organizational"

2

3 Page 16, line 1, following "minority":

4 Insert "organizational"

5

6 Page 16, line 2, following "minority":

7 Insert "organizational"

8

9 Page 16, lines 3 - 5:

10 Delete "In this paragraph, "minority caucus" has the meaning given to the term
11 "minority organizational caucus" in (o) of this section."

12

13 Page 27, following line 26:

14 Insert a new bill section to read:

15 ** Sec. 41. AS 24.60.037(d) is repealed."

16

17 Renumber the following bill sections accordingly.

18

19 Page 27, line 29:

20 Delete "sec. 36"

21 Insert "sec. 37"

22

23 Page 27, line 30:

24 Delete "sec. 36"

25 Insert "sec. 37"

26

27 Page 27, line 31:

28 Delete "sec. 37"

29 Insert "sec. 38"

30

31 Page 28, line 3:

- 1 Delete "sec. 37"
- 2 Insert "sec. 38"
- 3
- 4 Page 28, line 4:
- 5 Delete "sec. 38"
- 6 Insert "sec. 39"
- 7
- 8 Page 28, line 8:
- 9 Delete "sec. 38"
- 10 Insert "sec. 39"
- 11
- 12 Page 28, line 9:
- 13 Delete "Section 28"
- 14 Insert "Section 29"
- 15
- 16 Page 28, line 10:
- 17 Delete "Section 33"
- 18 Insert "Section 34"
- 19
- 20 Page 28, line 11:
- 21 Delete "secs. 42 and 43"
- 22 Insert "secs. 44 and 45"

AMENDMENT # 30

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE GRUENBERG

1 Page 2, following line 21:

2 Insert a new bill section to read:

3 "§ Sec. 3. AS 15.13.040(m), as amended by sec. 2 of this Act, is amended to read:

4 (m) Information required under this chapter shall be submitted to the
5 commission electronically, except that the following information may be submitted in
6 clear and legible black typeface or hand-printed in dark ink on paper in a format
7 approved by the commission or on forms provided by the commission:

8 (1) information submitted by a candidate for municipal office for a
9 municipality with a population of less than 15,000; in this paragraph, "municipal
10 office" means the office of an elected borough or city

11 (A) mayor, or

12 (B) [PLANNING COMMISSIONER;

13 (C) UTILITY BOARD MEMBER; OR

14 (D)] assembly, council, or school board member;

15 (2) any information if the commission determines that circumstances
16 warrant an exception to the electronic submission requirement [;

17 (3) INFORMATION SUBMITTED BEFORE MAY 1, 2009, BY A
18 CANDIDATE FOR THE LEGISLATURE]."

19

20 Renumber the following bill sections accordingly.

21

22 Page 25, following line 24:

23 Insert a new bill section to read:

1 **"* Sec. 35. AS 39.50.050(a), as amended by sec. 34 of this Act, is amended to read:**

2 **(a) The Alaska Public Offices Commission created under AS 15.13.020(a)**
 3 **shall administer the provisions of this chapter. The commission shall prepare and keep**
 4 **available for distribution standardized forms on which the reports required by this**
 5 **chapter shall be filed. The commission shall print the forms provided under this**
 6 **section so that the front and back of each page have the same orientation when the**
 7 **page is rotated on the vertical axis of the page. The commission shall require that the**
 8 **information required under this chapter [, UNLESS IT IS INFORMATION**
 9 **REQUIRED OF A MUNICIPAL OFFICER,] be submitted electronically but may,**
 10 **when circumstances warrant an exception, accept any information required under this**
 11 **chapter that is typed in clear and legible black typeface or hand-printed in dark ink on**
 12 **paper in a format approved by the commission or on forms provided by the**
 13 **commission and that is filed with the commission. A municipal officer for a**
 14 **municipality with a population of less than 15,000 shall submit information**
 15 **required under this chapter either electronically or typed or hand-printed in the manner**
 16 **described in this subsection."**

17

18 **Renumber the following bill sections accordingly.**

19

20 **Page 27, line 29:**

21 **Delete "sec. 36"**

22 **Insert "sec. 38"**

23

24 **Page 27, line 30:**

25 **Delete "sec. 36"**

26 **Insert "sec. 38"**

27

28 **Page 27, line 31:**

29 **Delete "sec. 37"**

30 **Insert "sec. 39"**

31

1 Page 28, line 3:

2 Delete "sec. 37"

3 Insert "sec. 39"

4

5 Page 28, line 4:

6 Delete "sec. 38"

7 Insert "sec. 40"

8

9 Page 28, line 8:

10 Delete "sec. 38"

11 Insert "sec. 40"

12

13 Page 28, lines 9 - 10:

14 Delete all material and insert:

15 "* Sec. 44. Sections 3, 29, and 35 of this Act take effect January 1, 2009."

16

17 Renumber the following bill section accordingly.

18

19 Page 28, line 11:

20 Delete "secs. 42 and 43"

21 Insert "sec. 44"

Amendment # 31
Conceptual – Rep. Ramras

P. 7, L.16-18 Delete “unless the communication is
(i) sent during the 30-day period immediately preceding a state
election; or
(ii)”

P. 7, L. 18 after old (ii) insert “except”

Sec. 9. AS 24.60.030 is amended

(A) begins 60 [90] days before the date of an election to the board of an electric or telephone cooperative organized under AS 10.25, a municipal election, [OR] a primary election, a general election, or that begins on the date of the governor’s proclamation calling a special session election, and....

AMENDMENT

#32
W/A

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

Offered by: Rep. Ramvas

1 Page 26, following line 7:

2 Insert a new bill section to read:

3 ^{36.30} "Sec. 36. AS 39.52 is amended by adding a new section to read:

4 **Sec. 39.52.154. State contractor disclosure.** A person seeking to enter into a
5 contract with an agency, public corporation, or quasi-public corporation to provide
6 supplies, services, professional services, or public construction, or who enters into a
7 contract with an agency, public corporation, or quasi-public corporation for one or
8 more of these purposes, shall disclose to the representative of the agency, public
9 corporation, or quasi-public corporation that is responsible for administration of the
10 contract the relationship between the person and an association, partnership, business,
11 company, corporation, or limited liability company if the person making the disclosure
12 serves as a consultant or advisor to, is a member or representative of, or has a financial
13 interest of greater than \$5,000 in the association, partnership, business, company,
14 corporation, or limited liability corporation."

Company

15
16 Renumber the following bill sections accordingly.

17
18 Page 27, line 29:

19 Delete "sec. 36"

20 Insert "sec. 37"

21

22 Page 27, line 30:

23 Delete "sec. 36"

- 1 Insert "sec. 37"
- 2
- 3 Page 27, line 31:
- 4 Delete "sec. 37"
- 5 Insert "sec. 38"
- 6
- 7 Page 28, line 3:
- 8 Delete "sec. 37"
- 9 Insert "sec. 38"
- 10
- 11 Page 28, line 4:
- 12 Delete "sec. 38"
- 13 Insert "sec. 39"
- 14
- 15 Page 28, line 8:
- 16 Delete "sec. 38"
- 17 Insert "sec. 39"
- 18
- 19 Page 28, line 11:
- 20 Delete "secs. 42 and 43"
- 21 Insert "secs. 43 and 44"

33

Adopted
As Amend

Wayne
3/22/07

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 14, line 29:

2 Following "file a "

3 Insert "final"

4 Following "matter"

5 Insert "or interest, except for a matter or interest subject to disclosure under
6 AS 24.60.200,"

7

8 Page 14, line 30, following "serving":

9 Insert ", unless the person previously disclosed the matter or interest and, for that
10 reason, the matter or interest is no longer subject to disclosure. Nothing in this section excuses
11 the filing of a disclosure or report as may be required by another section of this chapter"

12

13 Page 20, line 7, following "appointment":

14 Insert "In addition, a person subject to this subsection

15 (1) shall, within 90 days after leaving service as a legislator,
16 legislative director, or public member of the committee, file a final report
17 containing the disclosures required of the person by AS 24.60.200 for the period
18 that begins on the last day of the last period for which the person filed a report
19 required by that section and ends on the date of the person's last day of service:

20 (2) who makes a disclosure required by AS 24.60.200 shall include
21 that disclosure in every subsequent report under this section unless the matter or
22 interest disclosed ceases to exist during a period for which a report has already
23 been filed"

AMENDMENT

#34
Adopted

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE RAMRAS

1 Page 14, line 10, following "interest":

2 Insert "or the date the legislator or legislative employee first becomes subject to
3 this chapter, whichever comes first"

4

5 Page 14, following line 23:

6 Insert a new bill section to read:

7 **"* Sec. 18. AS 24.60.105 is amended by adding a new subsection to read:**

8 (c) In addition to the filing requirements under (a) and (b) of this section, the
9 disclosures under (b) of this section shall be made annually, in a report filed with the
10 committee within 30 days after the first day of the regular legislative session."

11

12 Renumber the following bill sections accordingly.

13

14 Page 27, line 29:

15 Delete "sec. 36"

16 Insert "sec. 37"

17

18 Page 27, line 30:

19 Delete "sec. 36"

20 Insert "sec. 37"

21

22 Page 27, line 31:

23 Delete "sec. 37"

- 1 Insert "sec. 38"
- 2
- 3 Page 28, line 3:
- 4 Delete "sec. 37"
- 5 Insert "sec. 38"
- 6
- 7 Page 28, line 4:
- 8 Delete "sec. 38"
- 9 Insert "sec. 39"
- 10
- 11 Page 28, line 8:
- 12 Delete "sec. 38"
- 13 Insert "sec. 39"
- 14
- 15 Page 28, line 9:
- 16 Delete "Section 28"
- 17 Insert "Section 29"
- 18
- 19 Page 28, line 10:
- 20 Delete "Section 33"
- 21 Insert "Section 34"
- 22
- 23 Page 28, line 11:
- 24 Delete "secs. 42 and 43"
- 25 Insert "secs. 43 and 44"

AMENDMENT

35

1-6
FAILS

OFFERED IN THE HOUSE
TO: CSHB 109(STA)

BY REPRESENTATIVE GRUENBERG

1 Page 4, lines 1 - 2:

2 Delete "in this paragraph, "domestic partner" has the meaning given in
3 AS 39.50.200(a);"

4

5 Page 4, line 8, following "commission":

6 Insert "[IN THIS PARAGRAPH, "DOMESTIC PARTNER" HAS THE MEANING
7 GIVEN IN AS 39.50.200(a)]"

8

9 Page 4, following line 8:

10 Insert a new bill section to read:

11 "* Sec. 5. AS 24.45.041(b), as amended by sec. 4 of this Act, is amended to read:

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

13 (1) the lobbyist's full name and complete permanent residence and
14 business address and telephone number, as well as any temporary residential and
15 business address and telephone number in the state capital during a legislative session;

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

18 (3) whether the person from whom the lobbyist receives compensation
19 employs the person solely as a lobbyist or whether the person is a regular employee
20 performing other services for the employer that include but are not limited to the
21 influencing of legislative or administrative action;

22 (4) the nature or form of the lobbyist's compensation for engaging in
23 lobbying, including salary, fees, or reimbursement for expenses received in

1 consideration for, or directly in support of or in connection with, the influencing of
2 legislative or administrative action;

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

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

9 (7) the identification of a legislator, legislative employee, or public
10 official to whom the lobbyist is married or who is the domestic partner of the lobbyist;

11 (8) a sworn affirmation by the lobbyist that the lobbyist has completed
12 the training course administered by the commission under AS 24.45.031(a) within the
13 12-month period preceding the date of registration or registration renewal under this
14 chapter, except this paragraph does not apply to a person who is a representational
15 lobbyist as defined under regulations of the commission."
16

17 Renumber the following bill sections accordingly.

18

19 Page 5, line 15:

20 Delete "a new subsection"

21 Insert "new subsections"

22

23 Page 5, following line 19:

24 Insert new material to read:

25 "(e) The spouse or domestic partner of a legislator may not engage in activity
26 as a lobbyist. This subsection does not prohibit the spouse or domestic partner from
27 acting as a volunteer lobbyist under AS 24.45.161(a)(1) or a representational lobbyist,
28 as defined in regulation by the commission.

29 * Sec. 8. AS 24.45.171 is amended by adding a new paragraph to read:

30 (15) "domestic partner" has the meaning given in AS 39.50.200(a)."
31

1 Renumber the following bill sections accordingly.

2

3 Page 8, following line 25:

4 Insert a new bill section to read:

5 **"* Sec. 11. AS 24.60.030(a), as amended by sec. 10 of this Act, is amended to read:**

6 (a) A legislator or legislative employee may not

7 (1) solicit, agree to accept, or accept a benefit other than official
8 compensation for the performance of public duties; this paragraph may not be
9 construed to prohibit lawful solicitation for and acceptance of campaign contributions,
10 solicitation or acceptance of contributions for a charity event, as defined in
11 AS 24.60.080(c)(10), or the acceptance of a lawful gratuity under AS 24.60.080;

12 (2) use public funds, facilities, equipment, services, or another
13 government asset or resource for a nonlegislative purpose, for involvement in or
14 support of or opposition to partisan political activity, or for the private benefit of either
15 the legislator, legislative employee, or another person; this paragraph does not prohibit

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

20 (B) the use of mailing lists, computer data, or other information
21 lawfully obtained from a government agency and available to the general
22 public for nonlegislative purposes;

23 (C) telephone or facsimile use that does not carry a special
24 charge;

25 (D) the legislative council, notwithstanding AS 24.05.190,
26 from designating a public facility for use by legislators and legislative
27 employees for health or fitness purposes; when the council designates a facility
28 to be used by legislators and legislative employees for health or fitness
29 purposes, it shall adopt guidelines governing access to and use of the facility;
30 the guidelines may establish times in which use of the facility is limited to
31 specific groups;

1 (E) a legislator from using the legislator's private office in the
2 capital city during a legislative session, and for the 10 days immediately before
3 and the 10 days immediately after a legislative session, for nonlegislative
4 purposes if the use does not interfere with the performance of public duties and
5 if there is no cost to the state for the use of the space and equipment, other than
6 utility costs and minimal wear and tear, or the legislator promptly reimburses
7 the state for the cost; an office is considered a legislator's private office under
8 this subparagraph if it is the primary space in the capital city reserved for use
9 by the legislator, whether or not it is shared with others;

10 (F) a legislator from use of legislative employees to prepare
11 and send out seasonal greeting cards;

12 (G) a legislator from using state resources to transport
13 computers or other office equipment owned by the legislator but primarily used
14 for a state function;

15 (H) use by a legislator of photographs of that legislator;

16 (I) reasonable use of the Internet by a legislator or a legislative
17 employee except if the use is for election campaign purposes;

18 (J) a legislator or legislative employee from soliciting,
19 accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable
20 organization in a state facility;

21 (K) a legislator from sending any communication in the form of
22 a newsletter to the legislator's constituents unless the communication is

23 (i) sent during the 30-day period immediately preceding
24 a state election; or

25 (ii) a communication expressly advocating the election
26 or defeat of a candidate or a newsletter or material in a newsletter that
27 is clearly only for the private benefit of a legislator or a legislative
28 employee; or

29 (L) full participation in a charity event approved in advance by
30 the Alaska Legislative Council;

31 (3) knowingly seek, accept, use, allocate, grant, or award public funds

1 for a purpose other than that approved by law, or make a false statement in connection
2 with a claim, request, or application for compensation, reimbursement, or travel
3 allowances from public funds;

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

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

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

17 (B) the use of mailing lists, computer data, or other information
18 lawfully obtained from a government agency and available to the general
19 public for nonlegislative purposes;

20 (C) telephone or facsimile use that does not carry a special
21 charge;

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

24 (E) a legislator from using the legislator's private office in the
25 capital city during a legislative session, and for the 10 days immediately before
26 and the 10 days immediately after a legislative session, for nonlegislative
27 purposes if the use does not interfere with the performance of public duties and
28 if there is no cost to the state for the use of the space and equipment, other than
29 utility costs and minimal wear and tear, or the legislator promptly reimburses
30 the state for the cost; an office is considered a legislator's private office under
31 this subparagraph if it is the primary space in the capital city reserved for use

1 by the legislator, whether or not it is shared with others; or

2 (F) use by a legislator of photographs of that legislator;

3 **(6) communicate directly with a spouse or domestic partner of a**
 4 **legislator if the spouse or domestic partner is registered as a lobbyist under**
 5 **AS 24.45.041 and the communication concerns legislative action; in this**
 6 **paragraph, "legislative action" has the meaning given in AS 24.45.171."**

7
 8 Renumber the following bill sections accordingly.

9
 10 Page 10, following line 15:

11 Insert a new bill section to read:

12 **"* Sec. 15. AS 24.60.070(c), as amended by sec. 14 of this Act, is amended to read:**

13 (c) When making a disclosure under (a) of this section concerning a
 14 relationship with a lobbyist to whom the legislator or legislative employee is married
 15 or who is the legislator's or legislative employee's domestic partner, the legislator or
 16 legislative employee shall also disclose the name and address of each employer of the
 17 lobbyist and the total monetary value received by the lobbyist from the lobbyist's
 18 employer. The legislator or legislative employee shall report changes in the employer
 19 of the spouse or domestic partner within 48 hours after the change. In this subsection,
 20 "employer of the lobbyist" means the person from whom the lobbyist received
 21 amounts or things of value for engaging in lobbying on behalf of the person."

22
 23 Renumber the following bill sections accordingly.

24
 25 Page 27, following line 26:

26 Insert a new bill section to read:

27 **"* Sec. 45. AS 24.45.121(e) is repealed."**

28
 29 Renumber the following bill sections accordingly.

30
 31 Page 27, line 29:

1 Delete "sec. 36"

2 Insert "sec. 40"

3

4 Page 27, line 30:

5 Delete "sec. 36"

6 Insert "sec. 40"

7

8 Page 27, line 31:

9 Delete "sec. 37"

10 Insert "sec. 41"

11

12 Page 28, line 3:

13 Delete "sec. 37"

14 Insert "sec. 41"

15

16 Page 28, line 4:

17 Delete "sec. 38"

18 Insert "sec. 42"

19

20 Page 28, line 8:

21 Delete "sec. 38"

22 Insert "sec. 42"

23

24 Page 28, following line 8:

25 Insert new bill sections to read:

26 **"* Sec. 47.** The uncodified law of the State of Alaska is amended by adding a new section to
27 read:

28 **CONDITIONAL EFFECT.** Sections 5, 11, 15, and 45 of this Act take effect only if a
29 court of competent jurisdiction enters a final judgment on the merits that is no longer subject
30 to appeal or petition for certiorari holding AS 24.45.121(e), as enacted by sec. 7 of this Act, to
31 be unconstitutional.

1 * Sec. 48. If secs. 5, 11, 15, and 45 of this Act take effect under sec. 47 of this Act, they take
2 effect on the day after the last day on which an appeal of or petition for certiorari for the
3 judgment described in sec. 47 of this Act could have been filed."

4

5 Renumber the following bill sections accordingly.

6

7 Page 28, line 9:

8 Delete "Section 28"

9 Insert "Section 29"

10

11 Page 28, line 10:

12 Delete "Section 33"

13 Insert "Section 37"

14

15 Page 28, line 11:

16 Delete "secs. 42 and 43"

17 Insert "secs. 48 - 50"

Amendment # 36
By Rep. Samuels

Offered in the House Judiciary Committee
AMENDED

5-2 Adopted

To: CSHB 109 (STA)

Page 13, lines 12-25;
Delete all materials and insert:

Sec. 24.60.100. Representation. A legislator or legislative employee who represents another person for compensation, unless that person is controlled by the legislator or legislative employee, other than compensation by the State of Alaska, before a municipal board or commission shall disclose to the committee the name of the person represented, the subject matter of the representation, and the body before which the representation takes place. The disclosure shall be made by the deadlines set out in AS 24.60.105. The committee shall maintain a public record of a disclosure under this section and forward the disclosure to the respective house for inclusion in the journal. A legislator or legislative employee may not represent another person for compensation, unless that person is controlled by the legislator or legislative employee, other than compensation by the State of Alaska, before an agency, committee, or other entity of the legislative or executive branches.

AMENDMENT

37

Adopted

OFFERED IN THE HOUSE

BY REPRESENTATIVE LINDSEY HOLMES

JUDICIARY COMMITTEE

TO: CSHB 109 (STA) (25-GH1059\O)

1 Page 19, Lines 18-26:
2 Delete all materials

3
4 Insert:

5 (2) as to income or deferred income in excess of \$1,000 earned or received as
6 compensation for personal services, and as to dividend income or deferred compensation
7 in excess of \$1,000 received from a limited liability company as compensation or
8 deferred compensation for personal services, a statement describing:

9 (A) name and address of the source of the income;

10 (B) the amount of the of the income;

11 (C) a brief statement describing whether the income was earned by commission,
12 by the job, by the hour, or by some other method;

13 (D) the dates and approximate number of hours worked to earn the income; and

14 (E) unless required by law to be kept confidential, a description sufficient to make
15 clear to a person of ordinary understanding the nature of each service performed
16 and the ~~ate~~ the service was performed.

date

(B) - The receipt of the income;

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number _____
Bill Version: LL07-59-LAW-OAE-1-24
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
Title: An Act relating to disclosures to the APOC and RDU: Civil Division
Legislative and Executive Branch ethics Component: Opinions, Appeals & Ethics
Sponsor: Rules Committee
Requester: Governor Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

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	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends the state's election campaign laws, legislative standards of conduct, public official financial disclosure laws, and the Executive Branch Ethics Act in an effort to require more detailed disclosures from current and former legislators and public officials, restrict public officers' receipt of gifts from lobbyists, and extend existing restrictions on public employees' employment after leaving state service. It is unclear whether these amendments will change the department's workload. The amendments may result in increased assistance to the APOC or executive branch client agencies, however, the budget impact is indeterminable since it is impossible to predict with any certainty how many complaints or questions will arise.

Prepared by: Robert Meiners, Acting Director Phone: 465-5427
Division: Administrative Services Division Date/Time: 1/24/07 1:29 PM
Approved by: Robert Meiners for Talis Colberg, Attorney General Date: 1/24/2007
Agency: Department of Law

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: 0059-DOA-APOC-1-23-07
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
Title: An Act relating to the requirement for candidates, RDU: AK Public Offices Commission
groups, legislators, public officials.. Component: AK Public Offices Commission
Sponsor: Rules by Request
Requester: Governor's Office Component No: 70

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill requires candidates, groups, legislators, public officials, and others to submit required reports electronically; requires legislators and public officials to file financial disclosures after leaving office; requires financial disclosure filers to provide a detailed description about services performed for compensation and about certain income, gifts, and other financial matters; establishes a presumption that an interest of less than \$5000 in a business is an "insignificant" interest for the purposes of the Executive Branch Ethics Act; prohibits gifts from lobbyists to public officers or the immediate family members of public officers; and tightens the restrictions on employment after leaving state service. It is not anticipated that this measure will add to the costs of the Public Offices Commission.

Prepared by: Brooke Miles, Executive Director Phone: 907-334-1726
Division: Alaska Public Offices Commission Date/Time: 1/23/07 12:00 AM
Approved by: Melanie Millhorn, Deputy Commissioner Date: 1/23/2007
Agency: Department of Administration

3/3/2007

From the HB 109 – K Version

Attached is everything that passed the STA Committee for HB 109. The amendments for the final CS was compiled by Title number, then Section number not necessarily by amendment number.

Title 15

- 1) Amendment #2 by the Governor 15.13.040(m)
- 2) Amendment 3 to Amendment #2 (K.49)

Title 24

- 1) Amendment #6 by the Governor 24.45.121(a)
- 2) New Amendment #9 (K.54). This was amended as follows: Page 1 line 6 – 8 after the word "entity", DELETE "that regularly has a substantial interest in the legislative activities of the legislator or employee"
- 3) Amendment #10 (K.40)
- 4) New Amendment #11 (Representative Gardner)
- 5) New Amendment #13 (Representative Gruenberg) Please note grammatical change in subsection (2) - the crossed out comma after the word "income" – see arrow
- 6) Amendment #14 (K.17). This was amended. Page 1 Line 10 DELETE the first three words, "or other entity"
- 7) Amendment #17 (K.45)
- 8) Amendment #3 by the Governor 24.60.210

Title 39

- 1) Amendment #4 by the Governor 39.50.050(a)
- 2) Amendment #22 (K.50)
- 3) Amendment #23 by the Governor 39.50.200(b)
- 4) Amendment #24 by the Governor 39.52.110
- 5) Amendment #35 (Representative Roses) Page 21 Line 21 after "position", ADD "who is required to file a financial disclosure with APOC"
- 6) Amendment #30 (K.28-A) (Please note the changes to K.28 on lines 8, 10 and 11)

HB 109 (Version K) Final Checklist (as of 3/3/07)

Amendment 1 (A.4)	Title 11	Failed
Amendment 2 (Gov.)	Title 15	Passed as Amended
Amend 1 to Amendment 2	Title 15	Failed
Amend 2 to Amendment 2 (K.42)	Title 15	Passed
Amend 3 to Amendment 2 (K.49)	Title 15	Passed
Amendment 3 (Gov.)	Title 24	Passed
Amend 1 to Amendment 3	Title 24	Failed
Amendment 4 (Gov.)	Title 39	Passed
Amendment 5 (K.6)	Title 15	Withdrawn, for Judiciary
Amendment 6 (Gov.)	Title 24	Passed
Amendment 7	Title 24	Withdrawn
Amendment 8 (K.14)	Title 24	Withdrawn
Amendment 9 (K.41)	Title 24	Tabled
New Amendment 9 (K.54)	Title 24	Passed as Amended
Amend 1 to Amendment 9	Title 24	Passed
Amendment 10 (K.40)	Title 24	Passed
Amendment 11	Title 24	Tabled
New Amendment 11	Title 24	Passed
Amendment 12 (Gov.)	Title 39	Failed
Amendment 13 (Gov.)	Title 24	Passed as Amended
Amend 1 to Amendment 13	Title 24	Withdrawn
Amend 2 to Amendment 13	Title 24	Failed
Amend 3 to Amendment 13	Title 24	Passed
New Amendment 13	Title 24	Passed
Amendment 14 (K.17)	Title 24	Passed as Amended
Amend 3 to Amendment 14	Title 24	Passed
Amendment 15 (K.20)	Title 24	Withdrawn
Amendment 16	Title 24	Not Offered
Amendment 17 (K.45)	Title 24	Passed
Amendment 18 (K.19)	Title 24	Withdrawn
Amendment 19	Title 24	Withdrawn
Amendment 20 (K.22)	Title 39	Not Offered
Amendment 21 (E.3)	Title 39	Not Offered
Amendment 22 (K.50)	Title 39	Passed
Amendment 23 (Gov.)	Title 39	Passed
Amendment 24 (Gov.)	Title 39	Passed
Amendment 25 (K.18)	Title 39	Not Offered
Amendment 26 (K.35)	Title 39	Not Offered
Amendment 27 (Gov.)	Title 39	Withdrawn
Amendment 28	Title 39	Not Offered
Amendment 29 (K.28)	Title 39	Not Offered
Amendment 30 (K.28-A)	Title 39	Passed
Amendment 31 (K.27)	Title 39	Not Offered
Amendment 32 (K.36)	Title 39	Not Offered
Amendment 33 (K.30)	Title 39	Withdrawn
Amendment 34	Title 39	Withdrawn
Amendment 35	Title 39	Passed

From the HB 109 – K Version

Attached is everything that passed the STA Committee for HB 109. We will compile the information by Title number, then Section number not necessarily by amendment number.

Title 15

- 1) Amendment #2 by the Governor 15.13.040(m)
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- 3) Amendment #10 (K.40)
- 4) New Amendment #11 (Representative Gardner)
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- 3) Amendment #23 by the Governor 39.50.200(b)
- 4) Amendment #24 by the Governor 39.52.110
- 5) Amendment #35 (Representative Roses) Page 21 Line 21 after "position", ADD "who is required to file a financial disclosure with APOC"
- 6) Amendment #30 (K.28-A) (Please note the changes to K.28 on lines 8, 10 and 11)

Amendment Passed as Amended

1 AS 15.13.040(m) Governor's Amendment #2 Electronic Campaign Filing - Title 15

2
3 OFFERED IN THE HOUSE BY THE GOVERNOR
4 STATE AFFAIRS COMMITTEE

5 TO: CSHB 109() (25-GH1059K; 2/21/07)

6 Page 2, line 5, following "commission":

7 Delete "may request"

8 Insert "shall require"

9
10 Page 2, line 6, following "chapter":

11 Insert " unless it is information required of a candidate for election to municipal
12 elective office,"

13
14 Page 2, line 6, following "but":

15 Delete "shall"

16 Insert "may, when circumstances warrant an exception or when the information is
17 required of a candidate for election to municipal elective office,"

18
19 Page 2, line 9, following "with the commission.", through line 15

20 Delete all material and insert:

21 "Candidates for election to municipal elective office must submit information
22 required under this chapter electronically or in the typed or hand-printed form described in
23 this subsection. In this subsection, 'municipal elective office' means the office of an

Passed as Amended

1 elected borough or city mayor, elected member of a city or borough planning commission,
2 elected utility board member, or elected member of a borough assembly, city council, or
3 school board.”

4

5 Page 22, following line 18:

6 Insert a new bill section to read:

7 **“* Sec. 33. Section 2 of this Act takes effect May 1, 2009.”**

8

9 Renumber the following bill sections accordingly.

10

11 Page 22, line 19, following “Sections”

12 Delete “2”

Cleaner Version - Title 15 Fix

25-GH1059\K.49

Wayne

2/28/07

Amendment 3 to Gov Amend 2

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(), Draft Version "K"

1 Page 2, lines 4 - 15:

2 Delete all material and insert:

3 *** Sec. 2.** AS 15.13.040(m) is repealed and reenacted to read:

4 (m) Information required under this chapter shall be submitted to the
5 commission electronically, except that the following information may be submitted in
6 clear and legible black typeface or hand-printed in dark ink on paper in a format
7 approved by the commission or on forms provided by the commission:

8 (1) information submitted by a candidate for municipal office; in this
9 paragraph, "municipal office" means the office of an elected borough or city

10 (A) mayor;

11 (B) planning commissioner;

12 (C) utility board member; or

13 (D) assembly, council, or school board member;

14 (2) any information if the commission determines that circumstances
15 warrant an exception to the electronic submission requirement;

16 (3) information submitted before May 1, 2009, by a candidate
17 for the legislature."

18

19 Page 22, line 19:

20 Delete "Sections 2, 22, and 26"

21 Insert "Sections 22 and 26"

Amendment Passed

Amend # 6

1 AS 24.45.121(a) Governor's Amendment ⁴⁵ (Parallel Positions for Lobbyists - Title 24)

2

3

OFFERED IN THE HOUSE

BY THE GOVERNOR

4

STATE AFFAIRS COMMITTEE

5

TO: CSHB 109() (25-GH1059K; 2/21/07)

6

Page 4, following line 2:

7

Insert new bill sections to read:

8

“* Sec. 3. AS 24.45.121(a) is amended to read:

9

(a) A lobbyist may not

10

(1) engage in any activity as a lobbyist before registering under

11

AS 24.45.041;

12

(2) do anything with the intent of placing a public official under personal

13

obligation to the lobbyist or to the lobbyist's employer;

14

(3) intentionally deceive or attempt to deceive any public official with

15

regard to any material fact pertinent to pending or proposed legislative or

16

administrative action;

17

(4) cause or influence the introduction of a legislative measure solely for

18

the purpose of thereafter being employed to secure its passage or its defeat;

19

(5) cause a communication to be sent to a public official in the name of

20

any fictitious person or in the name of any real person, except with the consent of

21

that person;

22

(6) accept or agree to accept any payment in any way contingent upon the

23

defeat, enactment, or outcome of any proposed legislative or administrative action;

1 (7) serve as a member of a state board or commission, if the lobbyist's
2 employer may receive direct economic benefit from a decision of that board or
3 commission;

4 (8) serve as a campaign manager or director, serve as a campaign
5 treasurer or deputy campaign treasurer on a finance or fund-raising committee,
6 host a fund-raising event, directly or indirectly collect contributions for, or deliver
7 contributions to, a candidate, or otherwise engage in the fund-raising activity of a
8 legislative campaign or campaign for governor or lieutenant governor if the
9 lobbyist has registered, or is required to register, as a lobbyist under this chapter,
10 during the calendar year; this paragraph does not apply to a representational
11 lobbyist as defined in the regulations of the Alaska Public Offices Commission,
12 and does not prohibit a lobbyist from making personal contributions to a candidate
13 as authorized by AS 15.13 or personally advocating on behalf of a candidate;

14 (9) offer, solicit, initiate, facilitate, or provide to or on behalf of a person
15 covered by AS 24.60, during a legislative session, a gift, other than food or
16 beverage for immediate consumption; however, this paragraph does not prohibit a
17 lobbyist from providing, during a legislative session or at any other time of the
18 year, tickets to a charity event described in AS 24.60.080(c)(10), or a contribution
19 to a charity event under AS 24.60.080(c)(11);

20 (10) make or offer a gift or a campaign contribution whose acceptance by
21 the person to whom it is offered would violate AS 24.60 or AS 39.52."

22 *** Sec. 6. AS 24.45.121 is amended by adding a new subsection to read:

1 (d) An individual may not engage in any activity as a lobbyist at any time
2 that AS 39.52 prohibits that individual from engaging in activity as a lobbyist. This
3 subsection does not prohibit service as a volunteer lobbyist described in
4 AS 24.45.161(a)(1) or a representational lobbyist as defined under regulations of the
5 Alaska Public Offices Commission.”

6

7 Renumber the following bill sections accordingly.

New Amend #9
AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(), Draft Version "K"

1 Page 7, following line 14:

2 Insert a new bill section to read:

3 **** Sec. 8.** AS 24.60.030(f) is amended to read:

4 (f) A legislative employee may not serve in a position that requires
5 confirmation by the legislature. A legislator or legislative employee who serves
6 [MAY SERVE] on a board of an organization, including a governmental entity, ~~that~~
7 ~~regularly has a substantial interest in the legislative activities of the legislator or~~
8 ~~employee~~ shall disclose [IF THE LEGISLATOR OR EMPLOYEE DISCLOSES] the
9 board membership to the committee. A person [A LEGISLATOR OR
10 LEGISLATIVE EMPLOYEE WHO IS] required to make a disclosure under this
11 subsection shall file the disclosure with the committee by the deadline [DEADLINES]
12 set out in AS 24.60.105 stating the name of each organization on whose board the
13 person serves. The committee shall maintain a public record of the disclosure and
14 forward the disclosure to the appropriate house for inclusion in the journal. This
15 subsection does not require a legislator or legislative employee who is appointed to a
16 board by the presiding officer to make a disclosure of the appointment to the
17 committee if the appointment has been published in the appropriate legislative journal
18 during the calendar year."

19

20 Renumber the following bill sections accordingly.

21

22 Page 22, line 9:

23 Delete "sec. 29"

- 1 Insert "sec. 30"
- 2
- 3 Page 22, line 10:
- 4 Delete "sec. 29"
- 5 Insert "sec. 30"
- 6
- 7 Page 22, line 11:
- 8 Delete "sec. 30"
- 9 Insert "sec. 31"
- 10
- 11 Page 22, line 14:
- 12 Delete "sec. 30"
- 13 Insert "sec. 31"
- 14
- 15 Page 22, line 15:
- 16 Delete "sec. 31"
- 17 Insert "sec. 32"
- 18
- 19 Page 22, line 18:
- 20 Delete "sec. 31"
- 21 Insert "sec. 32"
- 22
- 23 Page 22, line 19:
- 24 Delete "22, and 26"
- 25 Insert "23, and 27"
- 26
- 27 Page 22, line 20:
- 28 Delete "sec. 33"
- 29 Insert "sec. 34"

24.60.130 (Joyce-Ethics)

25-GH1059K.40
Wayne
2/23/07

Amendment Passed

AMENDMENT #10

OFFERED IN THE HOUSE

BY REPRESENTATIVE LYNN

TO: CSHB 109(). Draft Version "K"

Co-bill objects

1 Page 13, following line 9:

2 Insert a new bill section to read:

3 "* Sec. 17. AS 24.60.130 is amended by adding a new subsection to read:

4 (p) Notwithstanding (h) and (n) of this section, if a complaint before the
5 committee alleges a violation of this chapter by a group of legislators that includes a
6 legislative member of the committee and that member's alternate, the member and
7 alternate member are disqualified from serving on the committee with regard to the
8 complaint. If the two disqualified members of the committee are part of the majority
9 caucus, the presiding officer of the house in which the two disqualified members serve
10 shall appoint from that house an alternate to serve with regard to the complaint. If one
11 of the two disqualified legislative members of the committee is not part of the majority
12 caucus, the leader of the minority caucus with the greatest number of members shall
13 appoint from that house an alternate to serve with regard to the complaint. If a
14 complaint alleges a violation of this chapter that includes all legislative members of
15 the majority caucus of one house, the presiding officer of that house shall appoint from
16 the other house an alternate to serve with regard to the complaint. If the complaint
17 alleges a violation of this chapter that includes all legislative members of a minority
18 caucus of one house, the leader of that minority caucus shall appoint from the other
19 house an alternate to serve with regard to the complaint. In this paragraph, "caucus"
20 has the meaning given in AS ^{24.60.130 (o)}~~24.60.037.~~

21

22 Renumber the following bill sections accordingly.

23

1 Page 22, line 9:

2 Delete "sec. 29"

3 Insert "sec. 30"

4

5 Page 22, line 10:

6 Delete "sec. 29"

7 Insert "sec. 30"

8

9 Page 22, line 11:

10 Delete "sec. 30"

11 Insert "sec. 31"

12

13 Page 22, line 14:

14 Delete "sec. 30"

15 Insert "sec. 31"

16

17 Page 22, line 15:

18 Delete "sec. 31"

19 Insert "sec. 32"

20

21 Page 22, line 18:

22 Delete "sec. 31"

23 Insert "sec. 32"

24

25 Page 22, line 19:

26 Delete "22, and 26"

27 Insert "23, and 27"

28

29 Page 22, line 20:

30 Delete "sec. 33"

31 Insert "sec. 34"

(o) In this section, "minority organizational caucus" means a group of legislators who have organized and elected a minority leader and constitute at least 25 percent of the total membership of the house or senate, as appropriate.

AMENDMENT

New
Amendment # 11
Greenberg
~~_____~~

OFFERED IN THE HOUSE

BY REPRESENTATIVE Gardner

TO: CS HB 109

passed

1 Page 2, line 9, after the word "Sec. 2."

2 Insert:

3 AS 24.60.085 is amended by adding a new subsection to read:

4 (c) During the term for which elected or appointed ~~(and while so elected)~~ a
5 legislator may not, directly or by authorizing another to act on the legislator's behalf,
6 accept or agree to accept compensation, except from the State of Alaska, for work
7 associated with legislative action or administrative action, as those terms are defined
8 in AS 24.45.171, or political action as defined in AS 24.60.990.

9

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New
AMENDMENT #13

OFFERED IN THE HOUSE

TO: CSHB 109 (), Draft Version "K"

BY REPRESENTATIVE GRUENBERG

Amendment #__ .

Sec. 24.60.200. Financial disclosure by legislators, public members of the committee, and legislative directors.

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

(1) the information that a public official is required to report under AS 39.50.030, other than income received as compensation for personal services, loans or loan guarantees, and information about gifts;

(2) as to income in excess of \$1,000 received as compensation for personal services, the name and address of the source of the income, and a statement describing in detail the nature of the services performed; if the source of income is known or reasonably should be known to have a substantial interest in legislative, administrative, or political action and the recipient of the income is a legislator or legislative director, the amount of the income and the approximate number of hours of services performed to earn that income. [THE AMOUNT OF INCOME RECEIVED FROM THE SOURCE] shall be disclosed, and a statement explaining how the income was earned may be included;

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

24.60.100

not

25-GH1059AK.17
Cook/Wayne
2/21/07

Amendment should have been Offered

AMENDMENT

14

*Tan
Winant
Hans
Anesh*

OFFERED IN THE HOUSE

TO: CSHB 109(), Draft Version "K"

1 Page 1, line 4, following "government;":

2 Insert "restricting representation of others by legislators and legislative
3 employees;"

4
5 Page 11, lines 9 - 17:

*Amend 1 to Amend 14
- strike "a other entity"*

6 Delete all material and insert:

7 "Sec. 24.60.100. Representation. A legislator or legislative employee may
8 not represent [WHO REPRESENTS] another person for compensation before a
9 municipal, legislative, or executive branch [AN] agency, board, [OR] commission,
10 ~~or other entity~~ [OF THE STATE SHALL DISCLOSE THE NAME OF THE
11 PERSON REPRESENTED, THE SUBJECT MATTER OF THE
12 REPRESENTATION, AND THE BODY BEFORE WHICH THE
13 REPRESENTATION IS TO TAKE PLACE TO THE COMMITTEE. THE
14 DISCLOSURE SHALL BE MADE BY THE DEADLINES SET OUT IN
15 AS 24.60.105. THE COMMITTEE SHALL MAINTAIN A PUBLIC RECORD OF A
16 DISCLOSURE UNDER THIS SECTION AND FORWARD THE DISCLOSURE TO
17 THE RESPECTIVE HOUSE FOR INCLUSION IN THE JOURNAL. A
18 LEGISLATOR OR LEGISLATIVE EMPLOYEE MAY NOT REPRESENT
19 ANOTHER PERSON FOR COMPENSATION BEFORE AN AGENCY,
20 COMMITTEE, OR OTHER ENTITY OF THE LEGISLATIVE BRANCH]."

21
22 Page 12, line 2:

23 Delete "matter, interest, or representation"

1 Insert "matter or interest [OR REPRESENTATION]"

2

3 Page 12, lines 14 - 15:

4 Delete all material.

5 Insert "AS 24.60.070 [;

6 (5) REPRESENTATION OF A CLIENT UNDER AS 24.60.100]."

115 answer miles

25-GH1059K.45
Wayne
2/26/07

Amendment 17 Fix

AMENDMENT

Public Testimony Chair

OFFERED IN THE HOUSE

TO: CSHB 109(), Draft Version "K"

1 Page 16, following line 8:

2 Insert a new bill section to read:

3 **** Sec. 22. AS 24.60.210(a) is amended to read:**

4 (a) A person required to file a disclosure statement under AS 24.60.200 shall
5 file an annual report with the Alaska Public Offices Commission, covering the
6 previous calendar year, containing the disclosures required by AS 24.60.200, on or
7 before March 15 of each year, except that a person appointed as a legislator under
8 AS 15.40, a public member of the committee, or a legislative director must file
9 within 30 days after the person's appointment."

10

11 Renumber the following bill sections accordingly.

12

13 Page 22, line 9:

14 Delete "sec. 29"

15 Insert "sec. 30"

16

17 Page 22, line 10:

18 Delete "sec. 29"

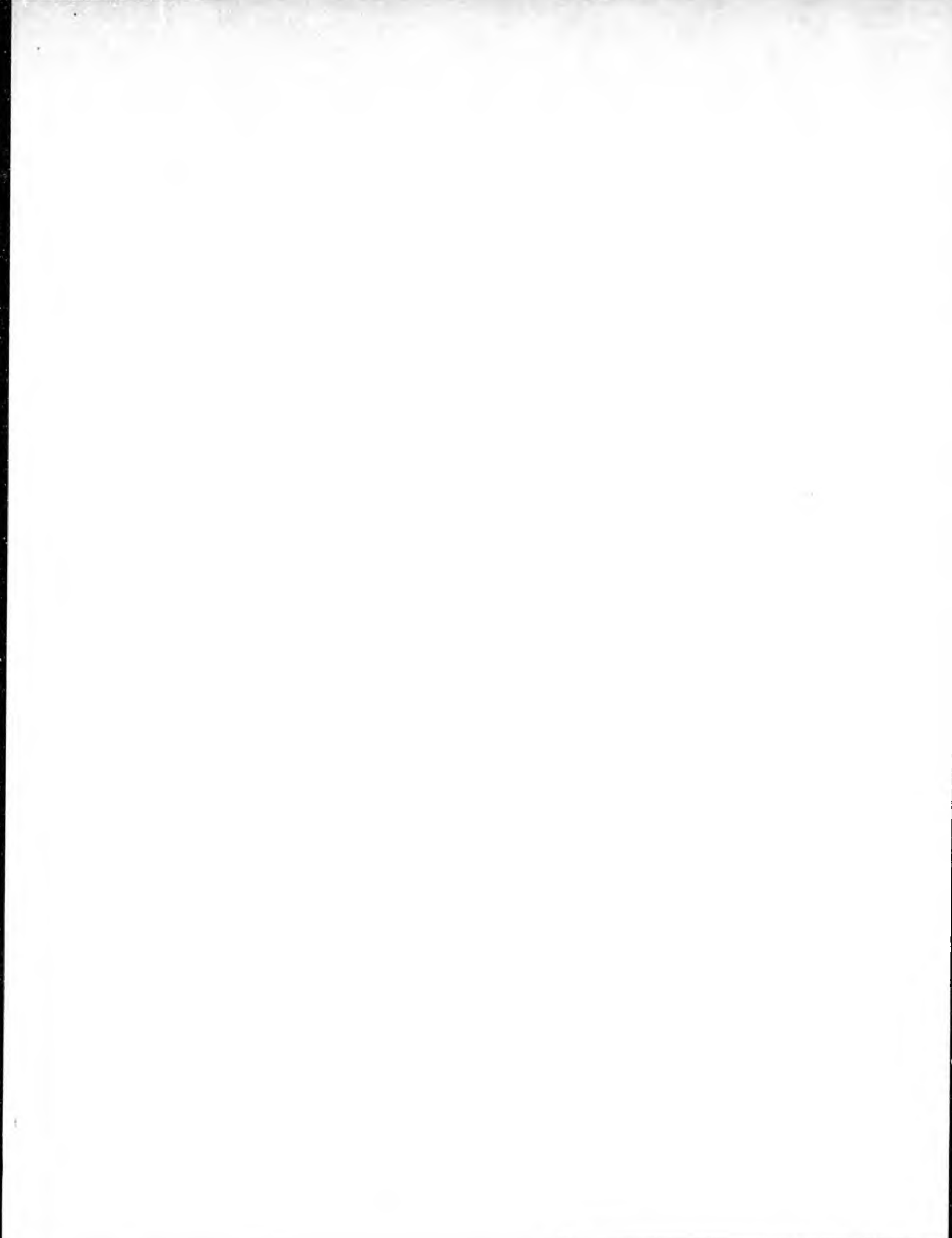
19 Insert "sec. 30"

20

21 Page 22, line 11:

22 Delete "sec. 30"

23 Insert "sec. 31"



1

2 Page 22, line 14:

3 Delete "sec. 30"

4 Insert "sec. 31"

5

6 Page 22, line 15:

7 Delete "sec. 31"

8 Insert "sec. 32"

9

10 Page 22, line 18:

11 Delete "sec. 31"

12 Insert "sec. 32"

13

14 Page 22, line 19:

15 Delete "Sections 2, 22, and 26"

16 Insert "Sections 2, 23, and 27"

17

18 Page 22, line 20:

19 Delete "sec. 33"

20 Insert "sec. 34"

Amendment Passed

1 AS 24.60.210 Governor's Amendment ^{#3} (Electronic Legislative Filing - Title 24)

2
3 OFFERED IN THE HOUSE

BY THE GOVERNOR

Passed

4 STATE AFFAIRS COMMITTEE

5 TO: CSHB 109() (25-GH1059\K; 2/21/07)

6 Page 16, line 10, following "Commission":

7 Delete "may request"

8 Insert "shall require"

*Bob's amend
is attached
filed*

9
10 Page 16, line 11, following "but":

11 Delete "shall"

12 Insert "may, when circumstances warrant an exception,"

13
14 Page 22, following line 18:

15 Insert a new bill section to read:

16 "** Sec. 33. Section 22 of this Act takes effect July 1, 2008."

17
18 Renumber the following bill sections accordingly.

19
20 Page 22, line 19, following "Sections 2,"

21 Delete "22"

Amendment Passed

1 AS 39.50.050(a) Governor's Amendment ^{#4} (Electronic Public Official Filing - Title 39)

2 *Passed*

3 OFFERED IN THE HOUSE

BY THE GOVERNOR

4 STATE AFFAIRS COMMITTEE

5 TO: CSHB 109() (25-GH1059\K; 2/21/07)

6 Page 19, line 16, following "commission":

7 Delete "may request"

8 Insert "shall require"

9
10 Page 19, line 17, following "chapter":

11 Insert ", unless it is information required of a municipal officer,"

12
13 Page 19, line 17, following "but":

14 Delete "shall"

15 Insert "may, when circumstances warrant an exception,"

16
17 Page 19, following line 20:

18 Insert "Municipal officers must submit information required under this chapter
19 electronically or in the typed or hand-printed form described in this subsection."
20

21 Page 19, lines 21 - 27:

22 Delete all material.

**Revised Version of
Amendment # 22 (K.43)**

25-GH1059K.50
Cook/Wayne
3/2/07

AMENDMENT

POOB

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: CSHB 109(), Draft Version "K"

1 Page 1, line 4, following "government;":

2 Insert "relating to blind trusts approved by the Alaska Public Offices
3 Commission;"

4

5 Page 19, following line 9:

6 Insert a new bill section to read:

7 "* Sec. 26. AS 39.50.040 is amended to read:

8 **Sec. 39.50.040. Blind trusts.** (a) A public official may transfer all or a portion
9 of the official's assets to a blind trust for the duration of service in public office. The
10 original assets placed in the blind trust shall be listed by the official in a [THE]
11 statement [REQUIRED TO BE] filed under this section, together with a description
12 of the actual or potential conflicts of interest, or appearance of conflict, that the
13 official seeks to avoid by the use of the trust. A copy of the [CHAPTER. THE]
14 instrument creating the blind trust must be included with the statement.

15 (b) For a blind trust to qualify under this section, the following conditions
16 must be met:

17 (1) the trust may not contain investments or assets in which the
18 ownership right or interest is required to be recorded in a public office other
19 than with the Alaska Public Offices Commission, or contain assets with
20 permanency that makes transfer by the trustee improbable or impractical,
21 including businesses, real estate, security interests in personal property, and
22 mortgages [ASSETS TRANSFERRED TO THE TRUST SHALL BE
23 MARKETABLE];

1 (2) the trustee shall be a bank or other institutional fiduciary;

2 (3) the trustee shall have full authority to manage the trust, including
3 the purchase, sale, and exchange of its assets in accordance with fiduciary principles;

4 (4) the trust instrument shall contain a clear statement that its
5 purpose is to remove from the trustor control and knowledge of investment of
6 trust assets so that conflicts between the trustor's responsibilities and duties as a
7 public official and the trustor's personal or financial interests will be eliminated
8 [INFORMATION REGARDING THE IDENTITY AND THE NATURE OF ITS
9 ASSETS SHALL BE CONFIDENTIAL FROM THE TRUSTOR FOR THE
10 DURATION OF THE TRUST];

11 (5) the trustee shall be directed not to disclose to the trustor any
12 information about the identity and nature of any of the assets in the trust, and the
13 trustee shall be required to report any known breach of this confidentiality or the
14 termination of the trust to the commission [OFFICE WHERE THE TRUSTOR IS
15 REQUIRED TO FILE STATEMENTS UNDER THIS CHAPTER]; [AND]

16 (6) the trust shall be irrevocable and shall be terminated only upon
17 the death of the trustor, upon termination of the trustor's status as a public
18 official, or upon order of the commission;

19 (7) the trustee shall be required to

20 (A) prepare and file the trustor's personal income tax
21 returns, withholding from distribution of the trust's net income amounts
22 sufficient to pay the trustor's tax; and to participate in the audit of the
23 trustor's returns during the period of the trust, with authority to
24 compromise the trustor's tax liability; or

25 (B) submit to the trustor, for income tax purposes, a
26 certification of income paid without identifying the assets producing the
27 income;

28 (8) the trustee shall be directed to avoid knowingly making any
29 investment in a corporation, business, or venture over which the trustor is likely
30 to take action by virtue of the trustor's official position;

31 (9) the trustor may not retain control over the trustee, and the

1 trustor is not permitted to make any recommendations or suggestions as to the
2 trust property;

3 (10) the trust instrument agreement must provide that the trustee
4 will give the attorney general or personnel board access to any records or
5 information related to the trust that is necessary when investigating or hearing
6 an accusation alleging a violation of AS 39.52;

7 (11) the trustee shall report to the commission the beginning and
8 ending value of the trust and, if the commission requests, the trustee shall
9 prepare under seal a detailed description of transactions and holdings of the
10 trust; the document prepared by the trustee under seal is not public information
11 unless an accusation under AS 39.52 relevant to the blind trust is filed by the
12 attorney general or the personnel board, and

13 (12) the trust may not become effective until the trust instrument
14 is submitted and approved by the commission [REPEALED]."

15

16 Renumber the following bill sections accordingly.

17

18 Page 22, line 9:

19 Delete "sec. 29"

20 Insert "sec. 30"

21

22 Page 22, line 10:

23 Delete "sec. 29"

24 Insert "sec. 30"

25

26 Page 22, line 11:

27 Delete "sec. 30"

28 Insert "sec. 31"

29

30 Page 22, line 14:

31 Delete "sec. 30"

- 1 Insert "sec. 31"
- 2
- 3 Page 22, line 15:
- 4 Delete "sec. 31"
- 5 Insert "sec. 32"
- 6
- 7 Page 22, line 18:
- 8 Delete "sec. 31"
- 9 Insert "sec. 32"
- 10
- 11 Page 22, line 19:
- 12 Delete "and 26"
- 13 Insert "26, and 27"
- 14
- 15 Page 22, line 20:
- 16 Delete "sec. 33"
- 17 Insert "sec. 34"

#23 *passed*

1 AS 39.50.200(b) Governor's Amendment (Beards - Title 39)

2

3

OFFERED IN THE HOUSE

BY THE GOVERNOR

4

STATE AFFAIRS COMMITTEE

5

TO: CSHB 109() (25-GH1059K; 2/21/07)

6

Page 19, following line 27:

7

Insert a new bill section to read:

8

“* Sec. 27. AS 39.50.200(b) is amended by adding new paragraphs to read:

9

(59) Alaska Industrial Development and Export Authority (AS 44.88);

10

(60) the board of directors of the Knik Arm Bridge and Toll Authority

11

(AS 19.75.031 and 19.75.041);

12

(61) Alaska labor relations agency (AS 23.05.360 – 23.05.390);

13

(62) the Board of Trustees of the Alaska Mental Health Trust Authority

14

(AS 47.30.016);

15

(63) the board of directors of the Alaska Railroad Corporation

16

(AS 42.40.020 – 42.40.060).”

17

18

Renumber the following bill sections accordingly.

#24

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2
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AS 39.52.110 Governor's Amendment (Insignificant Business Interest - Title 39)

Also same to 39.52.110(d) from pg 9 of Master

OFFERED IN THE HOUSE BY THE GOVERNOR
STATE AFFAIRS COMMITTEE

TO: CSHB 109() (25-GH1059AK; 2/21/07)

Page 19, following line 27:

Insert a new bill section to read:

"* Sec. 27. AS 39.52.110 is amended by adding a new subsection to read:

(d) Stock or other ownership interest in a business is presumed to be insignificant if
the value of the stock or other ownership interest is less than \$5,000."

Page 19, line 28, through page 20, line 26:

Delete all material.

AMENDMENT 35

OFFERED IN THE HOUSE
TO: HB 109 (STA)

BY REPRESENTATIVE ROSES

1 Page 21, Line 21

2 After the word, "position," Add, "who is required to file a financial disclosure with

3 APOC"

4

39.52.225

25-GH1059K.28-A
Wayne
2/21/07

AMENDMENT

#30

[Handwritten signature]

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(), Draft Version 'K'

- 1 Page 22, following line 6:
- 2 Insert a new bill section to read:
- 3 **"* Sec. 32. AS 39.52 is amended by adding a new section to read:**
- 4 **Sec. 39.52.225. Disclosures in connection with executive clemency.** Before
- 5 granting executive clemency to an applicant for executive clemency, the governor
- 6 shall disclose in writing to the attorney general whether granting the clemency would
- 7 benefit a personal or financial interest of the governor. The attorney general shall
- 8 publish ~~and make public~~ a written determination whether granting executive clemency
- 9 to the applicant would violate AS 39.52.110 - 39.52.190. The written determination of
- 10 the attorney general ~~(under this section)~~ is not confidential, but information set out in
- 11 that determination identifying ^{person other than the applicant for clemency who is a} a victim or witness in a criminal matter may not be
- 12 made public."
- 13
- 14 Renumber the following bill sections accordingly.
- 15
- 16 Page 22, line 20:
- 17 Delete "33"
- 18 Insert "34"

AMENDMENT #34

OFFERED IN THE HOUSE

TO: CSHB 109 (), Draft Version "K"

BY REPRESENTATIVE GRUENBERG

Amendment #__

AS 39.50.200 (a)(10) is amended to read:

Insert after professional corporation, limited liability company.

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: January 25, 2007

FURTHER REFERRALS: Judiciary

Date of Committee Action: March 3, 2007

The STATE AFFAIRS Committee considered:

HB 109

HOUSE BILL NO. 109

DISCLOSURES & ETHICS

"An Act relating to the requirement for candidates, groups, legislators, public officials, and other persons to submit reports electronically to the Alaska Public Offices Commission; relating to disclosures by legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and certain candidates for public office concerning services performed for compensation and concerning certain income, gifts, and other financial matters; requiring legislators, public members of the Select Committee on Legislative Ethics, legislative directors, public officials, and municipal officers to make certain financial disclosures when they leave office; relating to insignificant ownership interest in a business and to gifts from lobbyists for purposes of the Alaska Executive Branch Ethics Act; relating to certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act; and providing for an effective date."

Recommends it be replaced with HCS or CS for HB 109 (STA)
 For Senate Bills with new title: Technical Title New Title: HCR _____ Same Title New Title

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts.:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 HSS
 LEG
 LAW
 LWF
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
<u>Admin</u>				<input checked="" type="checkbox"/>

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
<u>Admin</u>				<input checked="" type="checkbox"/>

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
	Johnson				<input checked="" type="checkbox"/>
	JOHANSEN			<input checked="" type="checkbox"/>	
	Roses	<input checked="" type="checkbox"/>			
	D. Oll	<input checked="" type="checkbox"/>			
	Cephill				<input checked="" type="checkbox"/>
	Greenberg				<input checked="" type="checkbox"/>
Chair:	LYNN	<input checked="" type="checkbox"/>			
Chair:					

CSHB 109(STA) VERSION "O"
SUBJECT SECTIONAL

REPORTING - LEGISLATORS - TITLE 15 & 24

Section 1. This section eliminates the \$5,000 exemption for all candidates for public office except delegates to a constitutional convention, a judge seeking electoral confirmation, or a candidate for a municipal office.

Section 2. Implements a May 1, 2009 deadline for mandatory electronic filing for all candidates except candidates for municipal office and for those candidates whose circumstances warrant an exception.

Sec. 5. Places a further prohibition for lobbyists on campaign contributions or gifts that would violate AS 39.52 the Alaska Executive Branch Ethics Act.

Sec. 6. Allows a person prohibited from lobbying because of family relationship with a legislator to engage in volunteer or representational lobbying, must register as a representational lobbyist, but is not required to pay the registration fee.

Sec. 7. Modifies language in the applicability section of the Legislative Ethics Act that has at times been misinterpreted as exempting legislators, legislative directors, legislative employees and public members of the committee from disclosure requirements related to the latter part of their time in service.

Sec. 9. Requires a legislator or legislative employee to report board memberships to the Ethics Committee.

Sec. 11. Eliminates legislator from close economic association with a lobbyist report to Ethics since legislators can no longer have a close economic relationship with a lobbyist. Legislative employees continue to be required to file the report.

Sec. 13. Adds gifts received by family members of legislators and legislative employees to the disclosures that are maintained for public record and forwarded to APOC.

Sec. 14. This language puts disclosers on notice that legislators and legislative employees must disclose gifts of family members' to the Ethics Committee. Also see Sec. 14 under APOC and Ethics Committee for further discussion of section 14.

Sec. 17. Streamlines reporting requirements so that unless otherwise provided for, Ethics disclosure deadlines for legislators, legislative employees, and committee members will be "30 days after the commencement of the matter or interest".

Sec. 18. New law requires a former legislator, legislative employee or public member of the Select Committee on Legislative Ethics to file disclosure information for all matters relevant to when that person was a legislator, legislative employee or public member of the Select Committee on Legislative Ethics even though they no longer hold that position. Need a rewrite of section for clarity (see Sec. 30)

Sec. 26. Revises list of financial information a legislator, public member of the committee, or a legislative director is required to disclose, by clarifying that disclosure of income received for personal services, or a loan or loan guarantee, are to be reported to APOC in the Annual Financial Disclosure in Title 24, not Title 39. It also requires that when personal income is reported the approximate numbers of hours worked must be reported along with any other information the earner wishes to report. (This amends the initiative language passed.)

Sec. 27. Requires a person who is appointed after the required annual report as a legislator, public member of the committee, or legislative director, must file a financial disclosure report with APOC within 30 days after the person is appointed.

Sec. 28. Requires mandatory electronic filing of financial disclosures to APOC for legislators, legislative directors, and ethics committee members by July 1, 2008 except in a case where APOC makes an exception.

REPORTING - PUBLIC OFFICIALS - TITLE 39

Sec. 30. Requires that within 30 days after leaving office a former public official shall file a final statement with APOC covering any period during the official's service for which the official did not already file a statement.

Sec. 31. Public officials and candidates will now be required to disclose to APOC in their financial statements all gifts with cumulative value over \$250, and the disclosure of income and gifts will include a description of the income's or gift's source, amount, the recipient and, regarding income, a description of how it was earned.

Sec. 32. This section would substantially amend blind trusts from their current form under AS 39.50.040. Blind trusts would remain optional and applies to public officials. APOC

Sec. 33. Requires information submitted to APOC under 39.50 (public officials and candidates for public office) to be submitted electronically started July 1, 2007 unless APOC makes an exception, but makes electronic filing optional for municipal officers.

Sec. 34. New subsection makes presumption that stock or other ownership valued at less than \$5,000 is insignificant for public officials in the Executive Branch. The value is based on the dollar value at the time the report is filed. **ATTORNEY GENERAL & PERSONNEL BOARD**

Sec. 40. Before a governor grants executive clemency the governor is required to disclose in writing to the attorney general whether granting clemency would benefit a personal or financial interest of the governor. **ATTORNEY GENERAL**

PROCEDURES OF APOC AND THE ETHICS COMMITTEE

Sec. 3. Requires APOC to administer an annually updated training course for lobbyists and employers of lobbyists to promote high ethical standards of professional conduct.

Sec. 4. Instructs APOC to obtain a sworn affirmation by a lobbyist to verify that the lobbyist has completed a training course within a 12-month period preceding the date of registering as a lobbyist.

Sec. 10. Streamlines the Ethics Committees reporting process for disclosures related to loans received or certain programs participated in by legislators or legislative employees changing the "within three weeks" to "next regularly scheduled report". Also allows staff to, upon request, edit information that if disclosed would cause unjustifiable invasion of personal privacy.

Sec. 14. Instructs the Ethics Committee to forward reports of gifts to legislators, legislative employees, and family members to the Alaska Public Offices Commission.

Sec. 19. Allows the chair of the Ethics Committee or a subcommittee to designate the alternate legislative member to attend a meeting if the regular member is unable to attend. Currently the chair can only appoint the alternate if the regular member has a conflict with an item on the meeting agenda.

Sec. 20. Allows the chair of the Ethics Committee or a subcommittee to designate an alternate member to attend a meeting if the regular member and the alternate member are both accused of a violation in the complaint the committee is hearing.

Sec. 21. Adds to duties of the Ethics Committee, requiring that it publish certain educational legislative ethics materials, and in January of each year administer an ethics course to help people covered by the ethics code understand and follow it.

Sec. 23. Adds APOC and Ethics Committee to the list of entities that may request an advisory opinion under AS 24.60.160 and adds the requirement that advisory opinions be redacted before publication to protect the identity of the person involved. It also makes the vote record of the committee a public record.

Sec. 24. Allows persons who have provided legal advice to the Ethics Committee in the past, but no longer do so, to be appointed by the committee to present the case against the person charged. It also grants authority to the committee to approve the change date of a hearing beyond the current 20 - 90 days limit. It also allows the committee to dismiss a complaint if the delay caused by the complainant in the case is not supported by a compelling reason or would result in the person charged being deprived of a fair hearing.

ENFORCEMENT STATUTES APOC AND ETHICS COMMITTEE

Sec. 8. Prohibits a legislator from sending out a constituent newsletter within 30 days of an election. APOC

Sec. 12. This amendment adds the office of victims' rights to the list of legislative employees that do not qualify for the discounts. Special discounts are given to legislators and their staff to make the stay during session more affordable. An example is reduced rates at a local athletic club. ETHICS

Sec. 15. A new section that prohibits serving legislators from "directly or by authorizing another to act on the legislator's behalf, accepting or agreeing to accept compensation from anyone but the state for services related to their work. ETHICS

Sec. 16. Prohibits a legislator or legislative employee from being compensation for representation before a "municipal, legislative, or executive branch" entity. ETHICS

Sec. 22. New section requires legislators, legislative employees, and public members of the Ethics Committee to complete the legislative ethics course offered by the committee. ETHICS

Sec. 25. Defines the victims' advocate as the "appointing authority" for the purpose of determining how to sanction an employee of the Office of Victims' Rights found by the Ethics Committee to have violated the Legislative Ethics Act; and similarly defines the legislature as the "appointing authority" where the question is how to sanction the victims' advocate. ETHICS

Sec. 29. Specifies that when APOC finds a person at the Office of Victims' Rights has failed or refused to file a financial disclosure when required, APOC will notify the Legislative Council. APOC

Sec. 35. Presumes a gift from a lobbyist to a public official or a family member of a public official, regardless of the value, is intended to influence a public official and is prohibited unless the gift is from an immediate family member. APOC

Sec. 36. Prohibits a public officer for two years after leaving position with the state from representing, advising, or assisting a person for compensation regarding a matter that was under consideration by the administrative unit served by that public officer, and in which that public officer participated personally and substantially through exercise of official action, including a case, proceeding, application, contract, determination proposal or consideration of a legislative bill, a resolution, constitutional amendment, or other legislative measures, or proposal, consideration, or adoption of an administrative regulation. ATTORNEY GENERAL

Sec. 37. Adds deputy heads to the list of the governor, lieutenant governor, or department head who are prohibited from lobbying for one year after leaving service. APOC

Sec. 38. Prohibits a public official who is required to file a financial disclosure with APOC from serving on a governing board of certain companies, organizations or other entities, for one year after leaving office, depending on the entity's connection with the person's work as a public officer. APOC

Sec. 39. Expands the definition of "public official" AIDEA, board of directors of the Knik Arm Bridge and Toll Authority, Alaska labor Relations Agency, the Board of Trustees of the Alaska Mental Health Trust Authority, and the Board of Director of the Alaska Railroad Corporation. APOC

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

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State Capitol
Juneau, Alaska 99801-1182
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MEMORANDUM

March 12, 2007

SUBJECT: Sectional Summary. (CSHB 109(STA), Draft Version "O";
Work Order No. 25-GH1059\O)

TO: Representative Jay Ramras
Chair of the House Judiciary Committee
Attn: Jane Pierson

FROM: Dan Wayne 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Expands the list of persons exempted, in AS 15.13.040(g), from requirements in AS 15.13.040(a) that candidates make a full report which, among other things, lists expenditures made, total contributions received, and, for contributions in excess of \$250 in the aggregate in a calendar year, the name and address of contributors, along with other information related to the contribution. The expanded list exempts constitutional convention delegates, judges, or candidates for municipal office.

Section 2. Requires, beginning with the effective date of the bill, persons, including the Governor, Lieutenant Governor, and proponents of ballot propositions or initiatives, to submit campaign information only in electronic form. It exempts municipal candidates from electronic filing requirements, and exempts legislative candidates from electronic filing requirements until May 1, 2009.¹

Section 3. Adds to the duties of the Alaska Public Office's Commission a duty to administer an annually updated training course for lobbyists and their employers.

¹ It also, on page 3, line 30, deletes the word "legislator," to conform the section to a prohibition on lobbying by legislative spouses that is no longer in the bill. If the spousal lobbying provision is not put back in the bill then in the next draft this conforming change should be reversed.

Section 4. Requires registered lobbyists and volunteer lobbyists to complete the APOC training course annually.

Section 5. On page 5, line 14, adds new limits on circumstances in which a lobbyist is allowed to make a gift to a person serving in the executive branch.

Section 6. Allows persons to engage in volunteer or representational lobbying in spite of limitations on lobbying activity in AS 39.52.²

Section 7. Modifies language in the applicability section of the Legislative Ethics Act that has at times been misinterpreted as exempting legislators, legislative directors, legislative employees and public members of the committee from disclosure requirements related to the latter part of their time in service.

Section 8. On page 7, lines 15 - 18, prohibits a legislator from sending a newsletter to constituents during a 30-day period immediately preceding a state election, if the

² Under this section a volunteer lobbyist is as described in AS 24.45.161(a)(1), which exempts from the requirements of chapter AS 24.45:

(1) an individual

(A) who lobbies without payment of compensation or other consideration and makes no disbursement or expenditure for or on behalf of a public official to influence legislative or administrative action other than to pay the individual's reasonable personal travel and living expenses; and,

(B) who limits lobbying activities to appearances before public sessions of the legislature, or its committees or subcommittees, or to public hearings or other public proceedings of state agencies;

A "representational lobbyist" is not defined in statute, only in regulation. 2 AAC 50.511 reads:

Registering and reporting by a representational lobbyist and his employer.

(a) An individual who attempts to influence legislative or administrative action, and receives only reimbursement for his travel and personal living expenses, is considered a representational lobbyist. "Representational lobbyist" means that the individual is not employed by the person or group on whose behalf he is lobbying and receives no salary, fee, retainer, or any economic consideration whatsoever, other than reimbursement of travel and personal living expenses, for his services as a lobbyist. A representational lobbyist need not submit reports pursuant to AS 24.45.051, but must register his representation on a form prescribed by the commission. "Personal living expenses" is considered to be an amount equal to the per diem currently allowed by the Administrative Manual of the State of Alaska. "Travel" means the cost of traveling to the capital city or the location of official proceedings of standing, interim, or special legislative or administrative committees or agencies.

Representative Jay Ramras

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newsletter is produced (as described on page 6, lines 5 - 8) with public funds, facilities, equipment, etc., for a nonlegislative purpose.

Section 9. Requires a legislator or legislative employee who serves on a board of any organization, including a government entity, to disclose the board membership to the committee.

Section 10. Changes the date of publication by the committee, of disclosures related to loans received or certain programs participated in by legislators or legislative employees, to the next regularly scheduled publication date instead of within three weeks of the date of the disclosure. Allows the committee to edit the information published, upon request, if the committee determines making the entire disclosure public would cause an unjustifiable invasion of personal privacy.

Section 11. Conforms AS 24.60.070 to a section no longer in the bill that would have banned most lobbying by spouses or domestic partners of legislators.

Section 12. Adds the persons employed by the Office of Victims' Rights, a legislative agency, to the list of persons not permitted to accept certain discounts and welcome gifts that legislators and their staff employees are permitted to accept during legislative sessions.

Section 13. Adds gifts to family members (made, by a third party, because of the family member's relationship to the legislator or legislative employee), and gifts of legal services, to the list of gift disclosures by legislators and legislative employees that the committee shall make public.

Section 14. Conforms AS 24.60.080(i) to the changes in sec. 13. Changes "reported" to "disclosed," for clarity.

Section 15. A new section that prohibits legislators, while serving, from, "directly or by authorizing another to act on the legislator's behalf," accepting or agreeing to accept compensation from anyone but the state for services related to their work.

Section 16. Changes current law allowing a legislator or legislative employee to be compensated for representing a person before an agency, board, or commission of the state as long as they disclose it to the committee. The new language would prohibit the representation for compensation, if the representation is before a "municipal, legislative, or executive branch."

Section 17. Establishes that, for legislative ethics disclosure deadlines not set elsewhere, AS 24.60.105 sets a uniform deadline of "30 days after the commencement of the matter or interest" that is to be disclosed.

Section 18. Codifies a recent opinion by the Select Committee on Legislative Ethics, interpreting the Legislative Ethics Act to require that persons covered by it do not have to

disclose conflicts and potential conflicts that arise after they leave service, but after they leave service they are still required to disclose every matter that was subject to disclosure by the Act while the person was still serving. The section would require the final disclosure to be filed within 90 days after the person's last day of service.

Section 19. Clarifies the role of the ethics committee in securing the attendance of a regular member's alternate at a meeting, or at a proceeding under the complaint procedure in AS 24.60.170, if the regular member is unable to attend.

Section 20. A new section establishing a procedure for selection of an alternate member of the committee to serve in a complaint proceeding where the regular member and the regular member's alternate are both accused of a violation in the complaint the committee is hearing. The procedure set out in this section is based on the procedure adopted under AS 24.60.037(d), regarding open meetings requirements.

Section 21. Adds to the duties of the ethics committee, requiring that it publish certain educational legislative ethics materials, and administer an ethics course to help people covered by the ethics code understand and follow it.

Section 22. Adds a new section requiring that legislators, legislative employees and public members of the ethics committee complete the legislative ethics course offered by the committee.

Section 23. Adds APOC and the Select Committee on Legislative Ethics to the list of entities that may request an advisory opinion under AS 24.60.160, and also adds language to that statute that requires advisory opinions to be redacted before publication, to protect the identity of persons involved. It adds language that would make the final vote by the committee (the name of the person voting and how they cast their vote) a public record.

Section 24. Amends AS 24.60.170(j), to allow persons who have provided legal advice to the committee in the past, but no longer do so, to be appointed by the committee to present the case against the person charged, if the complaint has reached the formal charge phase. It also adds new language that allows the committee to schedule the hearing on a formal charge to a date outside of the 20 - 90-day period in the statute, and allows the committee to dismiss a complaint or take other appropriate action if a delay caused by a the complainant in the case is not supported by a compelling reason or would result in the person charged being deprived of a fair hearing.

Section 25. Defines the victims' advocate as the "appointing authority" for the purpose of determining how to sanction an employee of the Office of Victims' Rights found by the committee to have violated the Legislative Ethics Act; and similarly defines the legislature as the "appointing authority" where the question is how to sanction the victims' advocate.

Section 26. Revises the list of financial information a legislator, public member of the committee, or a legislative director is required to disclose, by clarifying that disclosure of

Representative Jay Ramras

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income received for personal services, or a loan or loan guarantee, are to be reported under AS 24.60.200, not AS 39.50.030. The section adds language to AS 24.60.200 requiring that when personal income is reported the approximate hours worked to earn it must be reported as well, along with any other information the earner wishes to disclose.

Section 27. Says that, in addition to the required annual reporting to APOC regarding financial disclosures under AS 24.60.200, a person appointed as a legislator under AS 15.40, a public member of the committee, or a legislative director must also file a disclosure within 30 days after the person's appointment.

Section 28. A new subsection that would require financial disclosures under AS 24.60.210 to be made electronically starting July 1, 2008, except in a given case where APOC makes an exception. (AS 24.60.110 is the statute prescribing deadlines for disclosure, by legislators, legislative directors, and ethics committee members, of information described in AS 24.60.200).

Section 29. Specifies that when APOC finds a person at the Office of Victim's Rights has failed or refused to file a financial disclosure when required, APOC will notify the Legislative Council.

Section 30. Requires that within 90 days after leaving office a former public official shall file a final statement covering any period during the official's service for which the official did not already file a statement.

Section 31. Adds language to AS 39.50.030(b) including gifts as items public officials and candidates for public office must disclose to APOC in their financial statements, and requiring that disclosure of income and gifts also include a description of the income's or the gift's source, amount, recipient and, regarding income, a description of how it was earned.

Section 32. This section would substantially amend blind trusts from their current form under AS 39.50.040. Blind trusts would remain optional.

Section 33. Requires information submitted to APOC under AS 39.50 (public officials and candidates for public office) to be submitted electronically starting July 1, 2007, unless APOC makes an exception, but provides that municipal officers retain the option of submitting information to APOC on paper.

Section 34. Adds a new subsection to AS 39.52.110, in the Executive Branch Ethics Act, which says that stock or other ownership interest is presumed insignificant if its value is less than \$5,000. (By initiative, the public changed the threshold for financial reporting of outside income in the legislative branch from \$5,000 to \$1,000. The threshold here, in the executive branch, is still \$5,000).

Section 35. Adds language saying that a gift from a registered lobbyist to a public officer or public officer's family member is presumed to be intended to influence the

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public officer, unless the person giving the gift is also an immediate family member of the person receiving the gift.

Section 36. AS 39.52.180(a), which this section amends, prohibits public officers from taking some types of work, for two years after leaving office, and allows them to accept other types of work. This section moves a number of types of work from the "permitted" list to the "prohibited" list, by deleting the phrase "but does not include the," on page 26, lines 14 and 15.

Section 37. Adds deputy heads of departments and certain employees of the Office of the Governor to the list of persons already prohibited from lobbying for one year after leaving service.

Section 38. Prohibits heads of departments and certain employees of the Office of the Governor from serving on a governing board of certain companies, organizations or other entities, for one year after leaving office, depending on the entity's connection with the person's work as a public officer.

Section 39. Adds to the list of state commissions or boards in AS 39.50.200(b), which has the effect of expanding the definition of "public official" in AS 39.50.200(a), which, in turn, would make more board or commission members subject to the requirements of AS 39.50.

Section 40. Requires that the Governor make certain advance disclosures to the Attorney General in advance of granting a pardon, and requires that the Attorney General publish a written determination as to whether granting the pardon would be a violation, by the Governor, of the Executive Branch Ethics Act's Code of Ethics.

Section 41. Restricts applicability of the foregoing sections 36, 37, and 38 to persons leaving state service on or after the effective date of the Act.

Section 42. Effective date for section 28.

Section 43. Effective date for section 33.

Section 44. Immediate effective date for the Act, except for secs. 42 and 43.

DCW:ljw
07-129.ljw

cc: Representative Bob Lynn

CSHB 109(STA) Version K
Sectional

Sec. 1. Eliminates the exemption from disclosure for candidates raising less than and spending less than \$5,000, but retains exemption for delegates to a constitutional convention, a judge seeking electoral confirmations, or a municipal candidate.

Sec. 2. Requires candidates for governor and lieutenant governor to file campaign disclosure reports to APOC electronically.

Sec. 3. Requires the APOC Committee to administer annually updated ethics courses to teach lobbyists and employers of lobbyists how to comply with laws regulating lobbyists.

Sec. 4. When lobbyists register with APOC, they must sign a sworn affirmation that they have completed a training course on disclosure laws within the last 12 months.

Sec. 5. Prohibits a spouse or domestic partner of a legislator from lobbying for pay.

Sec. 6. Language clean up to clarify that this subsection applies to Chapter 60, Standards of Conduct.

Sec. 7. Adds a prohibition to a legislator preventing him from sending a newsletter to constituents within a 30-day window prior to a state election.

Sec. 8. Replaces it "written report" with "disclosure" to make language consistent with other sections of the statutes.

Allows a quorum of the committee to refrain from publishing disclosures that would be considered an invasion of the discloser's privacy. Currently a person who is a participant of the Violent Crimes Compensation program would have to disclose and the committee has determined they don't have the authority to withhold publication of a name.

Adds language requiring gift disclosures to be published in the journal along with other with other disclosures.

Sec. 9. Eliminates the requirement of a legislator to file a close economic relationship with a lobbyist. Section 5 prohibits a spouse or domestic partner of a legislator from lobbying, eliminating the ability for a legislator to have close economic relationship.

Sec. 10. Special discounts are given to legislators and their staff to make the stay during session more affordable. An example is reduced rates at a local athletic club.

This amendment adds the office of victims' rights to the list of legislative employees that do not qualify for the discounts.

Sec. 11. Adds gifts of legal services and gifts to family members because of their relationship with a legislator to the disclosures that are maintained for public record and forwarded to APOC.

Sec. 12. Requires a legislator or legislative employee to disclose to the Ethics Committee gifts received by family members because of their relationship with a legislator or legislative employee. The disclosure is to be maintained for public record by the Ethics Committee and forwarded to APOC for online public disclosure.

Sec. 13. Cleanup language

Sec. 14. This amendment requires all disclosures to be filed within 30 days of the association or interest. Filing dates for ethics disclosures are very confusing. Some disclosures are required within 30 days of association at certain times of the year, some annually, and no disclosure are required during the timeframe of 30 days prior to the end of the session.

Sec. 15. Under existing law, once a person leaves service, they no longer are bound by disclosure laws. This new section would require them to report all matters subject to disclosure under 24.60 while they were in public service regardless of the fact they are no longer in service. The ethics committee issued an advisory opinion on December 4, 2006 that sets policy consistent with this change in statute.

Sec. 16. Allows the chair of the committee or a subcommittee to designate the alternate legislative member to attend a meeting if the regular member is unable to attend. Currently the chair can only appoint the alternate if the regular member has a conflict with an with an item on the meeting agenda.

Sec. 17. Puts current practice into statute by deleting the requirement that summaries of public decisions and advisory opinions be published on a semi-annual basis. Public decisions have been published annually since 1999 and advisory opinions have been published annually since 1995.

Sec. 18. Makes ethics classes mandatory for legislators, legislative employees, and public members of the committee. Legislators, legislative employees, and public members of the ethics committee would be required to get the training within 10 days of the first day of the first regular session. If service begins after the tenth day, the legislator, legislative employee, or public member of the ethics committee would be required to get ethics training within 30 days of the first day of service.

Sec. 19. Extends the authority to request an advisory opinion to the ethics committee and APOC. It also requires the committee to make deletions to advisory

opinions that prevent the disclosure of the identity of the person requesting the opinion and any other persons named in the opinion. Finally, it clarifies that advisory opinions are confidential unless the person requesting the opinion waives confidentiality.

Sec. 20. This amendment grants authority to the committee to approve the change date of a hearing. Currently, if a complainant exercises his authority to change the date of a public hearing and requests a six-month extension, the committee cannot extend the hearing for more than 90 days. In addition, the committee may need to extend the hearing beyond the 90-day limit because they lacked a quorum.

Sec. 21. Adds to the list of "appointing authority" the victims' advocate for employees of the office of victims' rights and the legislature for the victims' advocate. When the ethics committee determines an employee has violated standards of conduct, the committee forwards its findings of fact to the employee's appointing authority" or supervisor to determine sanctions for the employee.

Sec. 22 Leaves electronic reporting for all reporters other than Governor and Lt. Governor as optional but adds some requirements for APOC to accept non-electronic disclosures. Candidates for governor and lieutenant governor will be required to file electronically.

Sec. 23. Adds language to address who will be notified if the director of the office of victim's rights fails to file an annual financial report. It requires the APOC to notify the Legislative Council if the director of the office of victim's rights fails to file a financial disclosure report with APOC.

Sec. 24. This makes it clear that former public officials have to file a final disclosure statement after leaving his/her position within 90 days of terminating service. Subsection (b) clarifies former public officials and former municipal officers must comply with disclosure requirements.

Sec. 25. Applies to public officials and candidates. This section would require more detail in the financial disclosures reporting of income and interests exceeding \$5,000 in value. The disclosures must describe the source of the income, the amount received, the number of hours spent to earn the income if reimbursed on an hourly basis, and details regarding the services provided. It also clarifies that the official or candidate must report the gift if the cumulative value over the course of a year is more than \$250.

Sec. 26. This section would provide for permissive electronic filing of candidates' and public officials' financial disclosures with APOC, but makes it mandatory to file electronically for candidates filing for the office of governor or lieutenant governor.

Sec. 27. This section allows action on what is defined as significant business interests where the effect of the action is insignificant or conjectural. It attempts to draw

a bright line for a public officer to know when he or she could be crossing the line in making decisions that could result in a financial gain for them or their immediate family.

Sec. 28. This applies to all state employees a presumption that all gifts from a lobbyist to a public officer or members of the officer's immediate family are improper unless the lobbyist is an immediate family member of the gift's recipient.

Sec. 29. This section would make the post-state employment limitation more restrictive by precluding former public officers from working on particular legislation or regulations, if they personally and substantially participated in work on the same legislation or regulations during their state service.

Sec. 30. Sec. 30 extends the existing one-year ban on lobbying to include deputy heads of principal departments and those holding policy-making positions in the Office of the Governor. Currently, the one-year lobbying ban applies only to the governor, lieutenant governor, and heads of principal departments.

Sec. 31. Prohibits for one-year after leaving a position as a former head of a department in the executive branch from serving on a board or other entity that was regulated by that department which the former department head worked.

Sec. 33. Applicability clause provides that new laws enacted in HB 109 would apply to elected officials and public officers who leave office after the effective date of HB 109.

Sec. 34. The sections of HB 109 that change reporting requirements with APOC have an effective date of July 1, 2007.

Sec. 35. The remainder of the bill becomes effective immediately.

25-GH1059K
Wayne
2/21/07

CS FOR HOUSE BILL NO. 109()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to campaign financing and ethics in state and municipal government,
2 to lobbying, and to employment, service on governing boards, and disclosures by certain
3 public officers and employees who leave state service or leave certain positions in state
4 government; and providing for an effective date."

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 * Section 1. AS 15.13.040(g) is amended to read:

7 (g) The provisions of (a) and (l) of this section do not apply to a delegate to a
8 constitutional convention, a judge seeking electoral confirmation, or a candidate
9 for election to a municipal office under AS 15.13.010, if that delegate, judge, or
10 [IF A] candidate

11 (1) indicates, on a form prescribed by the commission, an intent not to
12 raise and not to expend more than \$5,000 in seeking election to office, including both
13 the primary and general elections;

14 (2) accepts contributions totaling not more than \$5,000 in seeking

1 election to office, including both the primary and general elections; and

2 (3) makes expenditures totaling not more than \$5,000 in seeking
3 election to office, including both the primary and general elections.

4 * Sec. 2. AS 15.13.040(m) is amended to read:

5 (m) The commission may request that the information required under this
6 chapter be submitted electronically but shall accept any information required under
7 this chapter that is typed in clear and legible black typeface or hand-printed in dark ink
8 on paper in a format approved by the commission or on forms provided by the
9 commission and that is filed with the commission. However, a candidate for
10 governor or lieutenant governor shall submit the information required under this
11 chapter electronically, but the commission may, when extraordinary
12 circumstances warrant an exception, accept any information required from these
13 candidates under this chapter that is typed in clear and legible black typeface or
14 hand-printed in dark ink on paper in a format approved by the commission or on
15 forms provided by the commission and that is filed with the commission.

16 * Sec. 3. AS 24.45.031(a) is amended to read:

17 (a) In addition to its other duties under this chapter, the commission shall

18 (1) prescribe the forms for registration, reports, statements, notices,
19 and other documents required by this chapter;

20 (2) prepare and publish instructions setting out the methods of
21 accounting, bookkeeping, and preservation of records required to facilitate compliance
22 with and enforcement of this chapter and explaining the duties of persons subject to
23 the provisions of this chapter; the instructions shall be updated periodically;

24 (3) provide assistance to persons in complying with the provisions of
25 this chapter;

26 (4) prepare and publish a biennial report of its activities, findings, and
27 recommendations under this chapter, which shall be made available to the governor,
28 legislature, and to the public by February 1 of each odd-numbered calendar year; the
29 commission shall notify the legislature that the report is available;

30 (5) report suspected violations of this chapter to the attorney general;

31 (6) administer an annually updated training course that promotes

1 adherence to high ethical standards of professional conduct and teaches lobbyists
2 and employers of lobbyists how to comply with laws that regulate lobbyists.

3 * Sec. 4. AS 24.45.041(b) is amended to read:

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

5 (1) the lobbyist's full name and complete permanent residence and
6 business address and telephone number, as well as any temporary residential and
7 business address and telephone number in the state capital during a legislative session;

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

10 (3) whether the person from whom the lobbyist receives compensation
11 employs the person solely as a lobbyist or whether the person is a regular employee
12 performing other services for the employer that include but are not limited to the
13 influencing of legislative or administrative action;

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

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

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

24 (7) the identification of a [LEGISLATOR,] legislative employee [,] or
25 public official to whom the lobbyist is married or who is the domestic partner of the
26 lobbyist; in this paragraph, "domestic partner" has the meaning given in
27 AS 39.50.200(a);

28 (8) a sworn affirmation by the lobbyist that the lobbyist has
29 completed the training course administered by the commission under
30 AS 24.45.031(a) within the 12-month period preceding the date of registration or
31 registration renewal under this chapter, except this paragraph does not apply to

1 a person who is a representational lobbyist as defined under regulations of the
2 commission.

3 * Sec. 5. AS 24.45.121 is amended by adding a new subsection to read:

4 (d) The spouse or domestic partner of a legislator may not engage in an
5 activity as a lobbyist. This subsection does not prohibit the spouse or domestic partner
6 from acting as a volunteer lobbyist under AS 24.45.161 or a representational lobbyist
7 as defined under regulations of the commission.

8 * Sec. 6. AS 24.60.020(a) is amended to read:

9 (a) Except as otherwise provided in this subsection, this chapter applies to a
10 member of the legislature, to a legislative employee, and to public members of the
11 committee. This chapter does not apply to

12 (1) a former member of the legislature or to a person formerly
13 employed by the legislative branch of government unless a [T:IE] provision of this
14 chapter specifically states that it applies;

15 (2) a person elected to the legislature who at the time of election is not
16 a member of the legislature.

17 * Sec. 7. AS 24.60.030(a) is amended to read:

18 (a) A legislator or legislative employee may not

19 (1) solicit, agree to accept, or accept a benefit other than official
20 compensation for the performance of public duties; this paragraph may not be
21 construed to prohibit lawful solicitation for and acceptance of campaign contributions,
22 solicitation or acceptance of contributions for a charity event, as defined in
23 AS 24.60.080(c)(10), or the acceptance of a lawful gratuity under AS 24.60.080;

24 (2) use public funds, facilities, equipment, services, or another
25 government asset or resource for a nonlegislative purpose, for involvement in or
26 support of or opposition to partisan political activity, or for the private benefit of either
27 the legislator, legislative employee, or another person; this paragraph does not prohibit

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

1 (B) the use of mailing lists, computer data, or other information
2 lawfully obtained from a government agency and available to the general
3 public for nonlegislative purposes;

4 (C) telephone or facsimile use that does not carry a special
5 charge;

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

13 (E) a legislator from using the legislator's private office in the
14 capital city during a legislative session, and for the 10 days immediately before
15 and the 10 days immediately after a legislative session, for nonlegislative
16 purposes if the use does not interfere with the performance of public duties and
17 if there is no cost to the state for the use of the space and equipment, other than
18 utility costs and minimal wear and tear, or the legislator promptly reimburses
19 the state for the cost; an office is considered a legislator's private office under
20 this subparagraph if it is the primary space in the capital city reserved for use
21 by the legislator, whether or not it is shared with others;

22 (F) a legislator from use of legislative employees to prepare
23 and send out seasonal greeting cards;

24 (G) a legislator from using state resources to transport
25 computers or other office equipment owned by the legislator but primarily used
26 for a state function;

27 (H) use by a legislator of photographs of that legislator;

28 (I) reasonable use of the Internet by a legislator or a legislative
29 employee except if the use is for election campaign purposes;

30 (J) a legislator or legislative employee from soliciting,
31 accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable

1 organization in a state facility;

2 (K) a legislator from sending any communication in the form of
3 a newsletter to the legislator's constituents unless the communication is

4 (i) sent during the 30-day period immediately
5 preceding a state election; or

6 (ii) [, EXCEPT] a communication expressly advocating
7 the election or defeat of a candidate or a newsletter or material in a
8 newsletter that is clearly only for the private benefit of a legislator or a
9 legislative employee; or

10 (L) full participation in a charity event approved in advance by
11 the Alaska Legislative Council;

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

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

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

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

29 (B) the use of mailing lists, computer data, or other information
30 lawfully obtained from a government agency and available to the general
31 public for nonlegislative purposes;

1 (C) telephone or facsimile use that does not carry a special
2 charge;

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

5 (E) a legislator from using the legislator's private office in the
6 capital city during a legislative session, and for the 10 days immediately before
7 and the 10 days immediately after a legislative session, for nonlegislative
8 purposes if the use does not interfere with the performance of public duties and
9 if there is no cost to the state for the use of the space and equipment, other than
10 utility costs and minimal wear and tear, or the legislator promptly reimburses
11 the state for the cost; an office is considered a legislator's private office under
12 this subparagraph if it is the primary space in the capital city reserved for use
13 by the legislator, whether or not it is shared with others; or

14 (F) use by a legislator of photographs of that legislator.

15 * Sec. 8. AS 24.60.050(c) is amended to read:

16 (c) A legislator or legislative employee who participates in a program or
17 receives a loan that is not exempt from disclosure under (a) of this section shall file [A
18 WRITTEN REPORT] with the committee by the date required under AS 24.60.105 a
19 disclosure stating the amounts of the loans outstanding or benefits received during the
20 preceding calendar year from nonqualifying programs. If the committee requests
21 additional information necessary to determine the propriety of participating in the
22 program or receiving the loan, it shall be promptly provided. The committee shall
23 promptly compile a list of the statements indicating the loans and programs and
24 amounts and send it to the presiding officer of each house who shall have it published
25 in the supplemental journals on or before the next regularly scheduled publication
26 of ethics disclosures. If a [WITHIN THREE WEEKS AFTER THE FILING DATE.
27 A] legislator or legislative employee asks [WHO BELIEVES THAT DISCLOSURE
28 OF PARTICIPATION IN A PROGRAM WOULD BE AN INVASION OF THE
29 PARTICIPANT'S RIGHT TO PRIVACY UNDER THE STATE CONSTITUTION
30 MAY REQUEST] the committee to keep any part of the disclosure confidential and
31 a quorum of the committee determines that making the entire disclosure public

1 would cause an unjustifiable invasion of personal privacy, the committee may
2 elect to [. IF THE COMMITTEE FINDS THAT PUBLICATION WOULD
3 CONSTITUTE AN INVASION OF PRIVACY, THE COMMITTEE SHALL] publish
4 only the fact that a person has participated in the program and the amount of benefit
5 that the unnamed person received. The committee shall maintain the disclosure of the
6 name of the person as confidential and may only use the disclosure in a proceeding
7 under AS 24.60.170. If the disclosure becomes part of the record of a proceeding
8 under AS 24.60.170, the disclosure may be made public as provided in that section.

9 * **Sec. 9.** AS 24.60.070(c) is amended to read:

10 (c) When making a disclosure under (a) of this section concerning a
11 relationship with a lobbyist to whom the [LEGISLATOR OR] legislative employee is
12 married or who is the [LEGISLATOR'S OR] legislative employee's domestic partner,
13 the [LEGISLATOR OR] legislative employee shall also disclose the name and address
14 of each employer of the lobbyist and the total monetary value received by the lobbyist
15 from the lobbyist's employer. The [LEGISLATOR OR] legislative employee shall
16 report changes in the employer of the spouse or domestic partner within 48 hours after
17 the change. In this subsection, "employer of the lobbyist" means the person from
18 whom the lobbyist received amounts or things of value for engaging in lobbying on
19 behalf of the person.

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

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

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

25 (A) with incidental transportation at the residence of a person;
26 however, a vacation home located outside the state is not considered a
27 residence for the purposes of this subparagraph; or

28 (B) at a social event or meal;

29 (2) discounts that are available

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

- (
- 1 (B) when on official state business, but only if receipt of the
2 discount benefits the state;
- 3 (3) food or foodstuffs indigenous to the state that are shared generally
4 as a cultural or social norm;
- 5 (4) travel and hospitality primarily for the purpose of obtaining
6 information on matters of legislative concern;
- 7 (5) gifts from the immediate family of the person;
- 8 (6) gifts that are not connected with the recipient's legislative status;
- 9 (7) a discount for all or part of a legislative session, including time
10 immediately preceding or following the session, or other gift to welcome a legislator
11 or legislative employee who is employed on the personal staff of a legislator or by a
12 standing or special committee to the capital city or in recognition of the beginning of a
13 legislative session if the gift or discount is available generally to all legislators and the
14 personal staff of legislators and staff of standing and special committees; this
15 paragraph does not apply to legislative employees who are employed by the
16 Legislative Affairs Agency, the office of the chief clerk, the office of the senate
17 secretary, the legislative budget and audit committee, the office of victims' rights, or
18 the office of the ombudsman;
- 19 (8) a gift of legal services in a matter of legislative concern and a gift
20 of other services related to the provision of legal services in a matter of legislative
21 concern;
- 22 (9) a gift of transportation from a legislator to a legislator if the
23 transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other
24 means of transport owned or under the control of the donor; this paragraph does not
25 apply to travel described in (4) of this subsection or travel for political campaign
26 purposes;
- 27 (10) tickets from a lobbyist for a charity event at any time, including
28 during a legislative session, except that tickets to or gifts received at a charity event
29 under this paragraph are subject to the calendar year limit on the value of gifts
30 received by a legislator or legislative employee in (a) of this section; in this paragraph,
31 "charity event" means an event the proceeds of which go to a charitable organization

1 with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council
2 has approved in advance; the tickets may entitle the bearer to admission to the event,
3 to entertainment, to food or beverages, or to other gifts or services involved in the
4 charity event; or

5 (11) contribution to a charity event from any person at any time; in
6 this paragraph, "charity event" has the meaning given in (10) of this subsection.

7 * Sec. 11. AS 24.60.080(d) is amended to read:

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

31 * Sec. 12. AS 24.60.080(i) is amended to read:

1 (i) A legislator or legislative employee who knows or reasonably should know
2 that a family member has received a gift because of the family member's connection
3 with the legislator or legislative employee shall disclose for publication under (d) of
4 this section [REPORT] the receipt of the gift by the family member to the committee
5 if the gift would have to be disclosed [REPORTED] under this section if it had been
6 received by the legislator or legislative employee or if receipt of the gift by a legislator
7 or legislative employee would be prohibited under this section.

8 * Sec. 13. 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 of
11 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 deadline [DEADLINES] set out in
14 AS 24.60.105. The committee shall maintain a public record of a disclosure under this
15 section and forward the disclosure to the respective house for inclusion in the journal.
16 A legislator or legislative employee may not represent another person for
17 compensation before an agency, committee, or other entity of the legislative branch.

18 * Sec. 14. AS 24.60.105 is amended to read:

19 **Sec. 24.60.105. Deadline [DEADLINES] for filing disclosures.** (a) When a
20 legislator or legislative employee is required to file a disclosure under this chapter and
21 a date by which the disclosure must be filed is not otherwise set by statute, the
22 deadline for filing disclosure shall be 30 days [DEADLINES SET OUT IN THIS
23 SECTION SHALL APPLY. FOR DISCLOSURE OF A MATTER OR AN
24 INTEREST THAT BEGAN OR WAS ACQUIRED DURING THE INTERIM
25 BETWEEN REGULAR LEGISLATIVE SESSIONS, WHETHER OR NOT THE
26 REGULAR SESSION IS EXTENDED OR THERE IS A SPECIAL SESSION, OR
27 DURING THE LAST 30 DAYS OF A REGULAR SESSION, THE LEGISLATOR
28 OR LEGISLATIVE EMPLOYEE SHALL DISCLOSE THE MATTER BY MARCH
29 15. FOR DISCLOSURE OF A MATTER OR AN INTEREST THAT BEGAN OR
30 WAS ACQUIRED DURING A REGULAR LEGISLATIVE SESSION, BUT NOT
31 DURING THE LAST 30 DAYS OF THE REGULAR SESSION, THE

1 DISCLOSURE MUST BE MADE WITHIN 30 DAYS] after the commencement of
2 the matter, interest, or representation.

3 (b) Disclosures under the following statutes are subject to the deadline
4 [DEADLINES] set out in this section:

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

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

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

13 (4) formation or maintenance of a close economic association under
14 AS 24.60.070;

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

16 * Sec. 15. AS 24.60 is amended by adding a new section to article 2 to read:

17 **Sec. 24.60.115. Disclosure required of a legislator, legislative employee, or**
18 **public member of the committee after final day of service.** A person serving as a
19 legislator, legislative employee, or public member of the committee shall, not later
20 than 90 days after the person's final day of service as a legislator, legislative employee,
21 or public member, file a disclosure of every matter that was subject to disclosure under
22 this chapter while the person was serving.

23 * Sec. 16. AS 24.60.130(n) is amended to read:

24 (n) When appointing members of the legislature to serve on the committee, the
25 speaker of the house or the president of the senate, as appropriate, shall appoint an
26 alternate member for each regular member. An alternate must have the same
27 qualifications as the regular member for whom the alternate stands as alternate and is
28 subject to confirmation as required for the regular member. If a regular legislative
29 member of the committee or a subcommittee is unable to attend a meeting, the
30 chair of the committee or a subcommittee shall designate the regular member's
31 alternate to serve in place of the regular member at the meeting and the

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

10 * Sec. 17. AS 24.60.150(a) is amended to read:

11 (a) The committee shall

12 (1) adopt procedures to facilitate the receipt of inquiries and prompt
13 rendition of its opinions;

14 (2) publish semi-annual summaries of decisions and advisory opinions
15 with sufficient deletions in the summaries to prevent disclosing the identity of the
16 persons involved in the decisions or opinions that have remained confidential;

17 (3) publish legislative ethics materials, including an annually
18 updated handbook on standards of ethical conduct and a bimonthly legislative
19 newsletter, to help educate legislators, legislative employees, and public members
20 of the committee on the subject of legislative ethics;

21 (4) in January of each year and at other times determined by the
22 committee, administer a legislative ethics course that teaches means of
23 compliance with this chapter and an understanding of this chapter's purpose
24 under AS 24.60.010.

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

26 Sec. 24.60.155. A person who is a legislator, legislative employee, or public
27 member of the committee shall complete the legislative ethics course administered by
28 the committee under AS 24.60.150(a) within 10 days of the first day of the first
29 regular session of each legislature. However, a person who first takes office or begins
30 employment after the 10th day of the first regular session of a legislature shall
31 complete the course required by this section within 30 days after the person's first day

1 of service. The committee may grant a person additional time to complete the course
2 required by this section.

3 * Sec. 19. AS 24.60.160 is amended to read:

4 Sec. 24.60.160. Advisory opinions. (a) On the request of the committee, the
5 Alaska Public Offices Commission, a person to whom this chapter applies, or a
6 person who has been newly elected to the legislature, the committee shall issue an
7 advisory opinion within 60 days as to whether the facts and circumstances of a
8 particular case constitute a violation of ethical standards. If it finds that it is advisable
9 to do so, the committee may issue an opinion under this section on the request of a
10 person who reasonably expects to become subject to this chapter within the next 45
11 days. The 60-day period for issuing an opinion may be extended by the committee if
12 the person requesting the opinion consents.

13 (b) An opinion issued under this section is binding on the committee in any
14 subsequent proceedings concerning the facts and circumstances of the particular case
15 unless material facts were omitted or misstated in the request for the advisory opinion.
16 An opinion issued under this section must be issued with sufficient deletions to
17 prevent disclosing the identity of the person or persons involved. Advisory
18 opinion discussions and deliberations are confidential, unless the requester and
19 anyone else named in the request who is covered by this chapter waives
20 confidentiality. The committee's final vote on the advisory opinion is a public
21 record [EXCEPT AS PROVIDED IN THIS CHAPTER, AN ADVISORY OPINION
22 IS CONFIDENTIAL BUT SHALL BE MADE PUBLIC IF A WRITTEN REQUEST
23 BY THE PERSON WHO REQUESTED THE OPINION IS FILED WITH THE
24 COMMITTEE].

25 * Sec. 20. AS 24.60.170(j) is amended to read:

26 (j) If the committee has issued a formal charge under (h) of this section, and if
27 the person charged has not admitted the allegations of the charge, the committee shall
28 schedule a hearing on the charge. The committee may appoint an individual to present
29 the case against the person charged if that individual does not provide other [AND
30 HAS NOT PROVIDED] legal advice to the committee except in the course of
31 presenting cases under this subsection. The hearing shall be scheduled for a date more

1 than 20 and less than 90 days after service of the charge on the person charged, unless
2 the committee schedules [THE PERSON AGREES TO] a later hearing date. If the
3 complainant prevents the hearing from starting before the 90-day deadline passes
4 and a quorum of the committee determines the delay is not supported by a
5 compelling reason or will result in the person charged being deprived of a fair
6 hearing, the committee may dismiss the complaint with prejudice or enter some
7 other order the committee determines is appropriate. At the hearing, the person
8 charged shall have the right to appear personally before the committee, to subpoena
9 witnesses and require the production of books or papers relating to the proceedings, to
10 be represented by counsel, and to cross-examine witnesses. A witness shall testify
11 under oath. The committee is not bound by the rules of evidence, but the committee's
12 findings must be based upon clear and convincing evidence. Testimony taken at the
13 hearing shall be recorded, and evidence shall be maintained.

14 * Sec. 21. AS 24.60.176(b) is amended to read:

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

16 (1) the legislative council for employees of the Legislative Affairs
17 Agency and of the legislative council and for legislative employees not otherwise
18 covered under this subsection;

19 (2) the Legislative Budget and Audit Committee for the legislative
20 fiscal analyst and employees of the division of legislative finance, the legislative
21 auditor and employees of the division of legislative audit, and employees of the
22 Legislative Budget and Audit Committee;

23 (3) the appropriate finance committee for employees of the senate or
24 house finance committees;

25 (4) the appropriate rules committee for employees of

26 (A) standing committees of the legislature, other than the
27 finance committees;

28 (B) the senate secretary's office and the office of the chief clerk
29 of the house of representatives; and

30 (C) house records and senate records;

31 (5) the legislator who made the hiring decision for employees of

1 individual legislators; however, the legislator may request the appropriate rules
2 committee to act in the legislator's stead;

3 (6) the ombudsman for employees of the office of the ombudsman,
4 other than the ombudsman;

5 (7) the legislature for the ombudsman;

6 (8) the victims' advocate for employees of the office of victims'
7 rights, other than the victims' advocate;

8 (9) the legislature for the victims' advocate.

9 * Sec. 22. AS 24.60.210 is amended by adding a new subsection to read:

10 (c) The Alaska Public Offices Commission may request that the reports
11 required under this section be submitted electronically but shall accept any
12 information required under this section that is typed in clear and legible black typeface
13 or hand-printed in dark ink on paper in a format approved by the commission or on
14 forms provided by the commission and that is filed with the commission.

15 * Sec. 23. AS 24.60.250(c) is amended to read:

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

22 * Sec. 24. 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 shall file a statement giving
25 income sources and business interests, under oath and on penalty of perjury, within 30
26 days after taking office as a public official. Candidates for state elective office other
27 than a candidate who is subject to AS 24.60 shall file the statement with the director of
28 elections at the time of filing a declaration of candidacy or a nominating petition or
29 becoming a candidate by any other means. Candidates for elective municipal office
30 shall file the statement at the time of filing a nominating petition, declaration of
31 candidacy, or other required filing for the elective municipal office. Refusal or failure

1 to file within the time prescribed shall require that the candidate's filing fees, if any,
2 and filing for office be refused or that a previously accepted filing fee be returned and
3 the candidate's name removed from the filing records. A statement shall also be filed
4 by public officials no later than March 15 in each following year. On or before the
5 90th day after leaving office, a former public official shall file a final statement
6 covering any period during the official's service in that office for which the public
7 official has not already filed a statement. Persons who are members of boards or
8 commissions not named in AS 39.50.200(b) are not required to file financial
9 statements.

10 (b) A public official or former public official other than an elected or
11 appointed municipal officer shall file the statement with the Alaska Public Offices
12 Commission. Candidates for the office of governor and lieutenant governor and, if the
13 candidate is not subject to AS 24.60, the legislature shall file the statement under
14 AS 15.25.030 or 15.25.180. Municipal officers, former municipal officers, and
15 candidates for elective municipal office, shall file with the municipal clerk or other
16 municipal official designated to receive their filing for office. All statements required
17 to be filed under this chapter are public records.

18 * Sec. 25. AS 39.50.030(b) is amended to read:

19 (b) Each statement filed by a public official or candidate under this chapter
20 must include the following:

21 (1) for [THE SOURCE OF] all sources of income over \$5,000 during
22 the preceding calendar year, including taxable [AND NONTAXABLE] capital gains,
23 and for all gifts from a single source with a cumulative value exceeding \$250 in a
24 calendar year, received by the person, the person's spouse or domestic partner, or the
25 person's dependent child,

26 (A) each source of the income or gift;

27 (B) the recipient of the income or gift;

28 (C) the amount of the income or value of the gift;

29 (D) a brief statement describing whether the income was
30 earned by commission, by the job, by the hour, or by some other method;

31 (E) if the income was earned by the hour, the approximate

1 number of hours worked; and

2 (F) unless required by law to be kept confidential, a
3 description sufficient to make clear to a person of ordinary understanding
4 the nature of each service performed and the date the service was
5 performed [EXCEPT THAT A SOURCE OF INCOME THAT IS A GIFT
6 MUST BE INCLUDED IF THE VALUE OF THE GIFT EXCEEDS \$250];

7 (2) the identity, by name and address, of each business in which the
8 person, the person's spouse or domestic partner, or the person's dependent child has an
9 interest or was a stockholder, owner, officer, director, partner, proprietor, or employee
10 during the preceding calendar year, except that an interest of less than \$5,000 in the
11 stock of a publicly traded corporation need not be included;

12 (3) the identity and nature of each interest in real property, including
13 an option to buy, owned at any time during the preceding calendar year by the person,
14 the person's spouse or domestic partner, or the person's dependent child;

15 (4) the identity of each trust or other fiduciary relation in which the
16 person, the person's spouse or domestic partner, or the person's dependent child held a
17 beneficial interest exceeding \$5,000 during the preceding calendar year, a description
18 and identification of the property contained in each trust or relation, and the nature and
19 extent of the beneficial interest in it;

20 (5) any loan or loan guarantee of more than \$5,000 made to the person,
21 the person's spouse or domestic partner, or the person's dependent child, and the
22 identity of the maker of the loan or loan guarantor and the identity of each creditor to
23 whom the person, the person's spouse or domestic partner, or the person's dependent
24 child owed more than \$5,000; this paragraph requires disclosure of a loan, loan
25 guarantee, or indebtedness only if the loan or guarantee was made, or the indebtedness
26 incurred, during the preceding calendar year, or if the amount still owing on the loan,
27 loan guarantee, or indebtedness was more than \$5,000 at any time during the
28 preceding calendar year;

29 (6) a list of all contracts and offers to contract with the state or an
30 instrumentality of the state during the preceding calendar year held, bid, or offered by
31 the person, the person's spouse or domestic partner, or the person's dependent child, a

1 partnership or professional corporation of which the person is a member, or a
2 corporation in which the person or the person's spouse, domestic partner, or dependent
3 child [CHILDREN], or a combination of them, hold a controlling interest; and

4 (7) a list of all mineral, timber, oil, or any other natural resource lease
5 held, or lease offer made, during the preceding calendar year by the person, the
6 person's spouse or domestic partner, or the person's dependent child, a partnership or
7 professional corporation of which the person is a member, or a corporation in which
8 the person or the person's spouse, [OR] domestic partner, or dependent child
9 [CHILDREN], or a combination of them, holds a controlling interest.

10 * Sec. 26. AS 39.50.050(a) is amended to read:

11 (a) The Alaska Public Offices Commission created under AS 15.13.020(a)
12 shall administer the provisions of this chapter. The commission shall prepare and keep
13 available for distribution standardized forms on which the reports required by this
14 chapter shall be filed. The commission shall print the forms provided under this
15 section so that the front and back of each page have the same orientation when the
16 page is rotated on the vertical axis of the page. The commission may request that the
17 information required under this chapter be submitted electronically but shall accept
18 any information required under this chapter that is typed in clear and legible black
19 typeface or hand-printed in dark ink on paper in a format approved by the commission
20 or on forms provided by the commission and that is filed with the commission.
21 However, the governor or lieutenant governor shall submit the information
22 required under this chapter electronically, but the commission may, when
23 extraordinary circumstances warrant an exception, accept any information
24 required from these public officers under this chapter that is typed in clear and
25 legible black typeface or hand-printed in dark ink on paper in a format approved
26 by the commission or on forms provided by the commission and that is filed with
27 the commission.

28 * Sec. 27. AS 39.52.110(b) is repealed and reenacted to read:

29 (b) Notwithstanding (a) of this section, a public officer's action or influence
30 with respect to the officer's personal or financial interest in a specific matter is not a
31 violation of public trust or a violation of this chapter

1 (1) if the public officer's action or influence in the matter would have
2 only an insignificant or conjectural effect on the matter; or

3 (2) if the public officer's

4 (A) personal or financial interest is of a type that is possessed
5 generally by the public or a large class of persons to which the public officer
6 belongs;

7 (B) personal interest is insignificant; or

8 (C) financial interest is solely in regard to a business and
9 neither the public officer nor a member of the public officer's immediate
10 family

11 (i) owns a controlling interest in the business and the
12 controlling interest has a fair market value of \$5,000 or more;

13 (ii) owns stock or options to buy stock that, when
14 combined, equal more than one percent of the stock in the business or
15 have a total fair market value of more than \$5,000;

16 (iii) owns or has an option to buy an equity interest in
17 the business the fair market value of which is more than \$5,000 or one
18 percent of the total fair market value of the business, whichever is less;

19 (iv) is a member of the board of directors or another
20 governing body of the business;

21 (v) is an officer of the business;

22 (vi) provides or has an option to provide personal or
23 professional services to the business;

24 (vii) has a contract or an option for a contract with the
25 business; or

26 (viii) is an employee of the business.

27 * Sec. 28. AS 39.52.130(a) is amended to read:

28 (a) A public officer may not solicit, accept, or receive, directly or indirectly, a
29 gift, whether in the form of money, service, loan, travel, entertainment, hospitality,
30 employment, promise, or in any other form, that is a benefit to the officer's personal or
31 financial interests, under circumstances in which it could reasonably be inferred that

1 the gift is intended to influence the performance of official duties, actions, or
2 judgment. A gift from a person required to register as a lobbyist under
3 AS 24.45.041 to a public officer or a public officer's immediate family member is
4 presumed to be intended to influence the performance of official duties, actions,
5 or judgment unless the giver is an immediate family member of the person
6 receiving the gift.

7 * Sec. 29. AS 39.52.180(a) is amended to read:

8 (a) A public officer who leaves state service may not, for two years after
9 leaving state service, represent, advise, or assist a person for compensation regarding a
10 matter that was under consideration by the administrative unit served by that public
11 officer, and in which the officer participated personally and substantially through the
12 exercise of official action. For the purposes of this subsection, "matter" includes a
13 case, proceeding, application, contract, [OR] determination, [BUT DOES NOT
14 INCLUDE THE] proposal or consideration of a legislative bill [BILLS], a resolution,
15 a [RESOLUTIONS AND] constitutional amendment [AMENDMENTS], or other
16 legislative measure, [MEASURES;] or [THE] proposal, consideration, or adoption of
17 an administrative regulation [REGULATIONS].

18 * Sec. 30. AS 39.52.180(d) is amended to read:

19 (d) A former governor, lieutenant governor, [OR] head or deputy head of a
20 principal department in the executive branch, or employee of the Office of the
21 Governor in a policy-making position may not engage in activity as a lobbyist under
22 AS 24.45 for a period of one year after leaving service as the governor, lieutenant
23 governor, [OR] department head or deputy head, or employee of the Office of the
24 Governor in a policy-making position. as appropriate. This subsection does not
25 prohibit service as a volunteer lobbyist described in AS 24.45.161(a)(1) or a
26 representational lobbyist as defined under regulations of the Alaska Public Offices
27 Commission.

28 * Sec. 31. AS 39.52.180 is amended by adding a new subsection to read:

29 (e) A former head of a principal department in the executive branch may not,
30 for a period of one year after leaving service as the head of that department, serve on
31 the governing board of a company, organization, or other entity that was regulated by

1 that department or with which the former department head worked as part of an
2 official duty as the department head. A former employee of the Office of the Governor
3 in a policy-making position may not, for a period of one year after leaving
4 employment in that office, serve on the governing board of a company, organization,
5 or other entity with which the former employee worked as part of an official duty for
6 the Office of the Governor.

7 * Sec. 32. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 APPLICABILITY. (a) AS 39.52.180(a), as amended by sec. 29 of this Act, applies to
10 a person who leaves state service on or after the effective date of sec. 29 of this Act.

11 (b) AS 39.52.180(d), as amended by sec. 30 of this Act, applies to a person who
12 leaves service as governor, lieutenant governor, head or deputy head of a principal department
13 in the executive branch, or employee of the Office of the Governor in a policy-making
14 position on or after the effective date of sec. 30 of this Act.

15 (c) AS 39.52.180(e), as added by sec. 31 of this Act, applies to a department head or
16 employee of the Office of the Governor in a policy-making position who leaves employment
17 as a department head or employee of the Office of the Governor in a policy-making position
18 on or after the effective date of sec. 31 of this Act.

19 * Sec. 33. Sections 2, 22, and 26 of this Act take effect July 1, 2007.

20 * Sec. 34. Except as provided in sec. 33 of this Act, this Act takes effect immediately under
21 AS 01.10.070(c).

SARAH PALIN
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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January 24, 2007

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to reports to the Alaska Public Offices Commission and relating to the Alaska Executive Branch Ethics Act.

This bill would (1) generally require candidates, groups, legislators, public officials, and others to submit required reports electronically to the Alaska Public Offices Commission; (2) require legislators and other public officials to make financial disclosures when they leave office; (3) require candidates, legislators, and other public officials to disclose information about services performed for compensation and about certain income, gifts, and other financial matters; (4) establish a presumption that an interest of less than \$5,000 in a business is an "insignificant" interest for purposes of the Alaska Executive Branch Ethics Act; (5) establish a presumption that gifts from a lobbyist to a public officer and the public officer's immediate family members are prohibited under the Alaska Executive Branch Ethics Act, unless the lobbyist is an immediate family member of the gift recipient; and (6) tighten certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act.

The public's confidence in its government and governmental officials is essential. This bill would foster the openness in government that I have advocated and one means to increase that confidence.

In preparing this bill, I have taken into consideration the advice and counsel of numerous individual Alaskans. The issues addressed by the provisions within this bill have largely been publicly discussed, and may even be addressed in other bills currently pending in the Legislature. For example, provisions to establish a

The Honorable John Harris
January 24, 2007
Page 2

presumption regarding "insignificant" interests were addressed in legislation last year that passed the Senate and moved all the way to the House Rules Committee.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Sarah Palin". The signature is written in dark ink and is positioned above the printed name and title.

Sarah Palin
Governor

Analysis of Governor Palin's Ethics Bill

To help restore public trust in government and make governance more open and transparent, Governor Palin's ethics bill addresses six major areas:

1 – Filing political campaign reports electronically

The bill requires candidates, groups, legislators, and public officials to file disclosure forms electronically with the Alaska Public Offices Commission. At the same time, it would allow the agency to grant exceptions under extraordinary circumstances. (Sections 1, 4, and 7)

2 – Requiring more detail in financial disclosures

If lawmakers get more than \$1 000 for work, they must specify how much they got, how many hours they worked to earn it, and describe in detail the nature of their work. (Section 2)

If candidates and public officials get more than \$1,000 for work or receive gifts worth more than \$250, they must disclose the source and amount of the income or gift. They must also report the number of hours of services performed, if any, and a detailed description of the nature of the services performed. The bill requires more extensive reports by reducing the reporting threshold from \$5,000 to \$1,000 – the same threshold that legislators must follow now (Section 6)

3 – Disclosing financial and business interests promptly after leaving public office

The legislation requires lawmakers and other public officials who leave office to report financial and business interests within 90 days upon leaving office. (Sections 3 and 5)

4 – Conflict of interest

The measure helps clear up ambiguities about when public officials have a conflict of interest. Those who work for the executive branch would have standards defining when the value of their stock or an ownership interest in a business is significant. An official with an ownership interest worth \$5,000 or more would be presumed to have a disqualifying interest in any matter affecting that business. (Section 8)

5 – Banning gifts from lobbyists to public officials

The bill prohibits public officials from accepting gifts from a lobbyist unless the lobbyist is an immediate member of the family. (Section 9)

6 – Restricting lobbying and similar activities after leaving public office

The bill tightens restrictions that now apply for two years after leaving service in the executive branch by eliminating the existing exception to those restrictions for work on legislation or regulations. (Section 10)

It also extends the existing one-year ban on lobbying to apply to deputy heads of departments and to persons holding policy-making positions in the Office of the Governor. The lobbying ban now applies only to the governor, lieutenant governor, and heads of departments. (Section 11)

Sectional Analysis of Governor's Ethics Bill

Section 1: This section would amend AS 15.13.040(m) to require electronic filing of campaign disclosure reports that candidates, groups, and others file with the Alaska Public Offices Commission. The section would allow the APOC to grant an exception in extraordinary circumstances.

Section 2: This section would amend AS 24.60.200 to require more detail in the financial disclosures that legislators, public members of the Select Committee on Legislative Ethics, and legislative directors file with the APOC. It would require that, for all income exceeding \$1,000, the disclosures describe the amount received, the number of hours spent to earn the income, and details regarding the services provided.

Section 3: This section would amend AS 24.60.210 to require former legislators, former public members of the Select Committee on Legislative Ethics, and former legislative directors to file financial disclosures with the APOC within 90 days of leaving service in those positions.

Section 4: This section would amend AS 24.60.210 to require electronic filing of financial disclosures that legislators, public members of the Select Committee on Legislative Ethics, and legislative directors file with the APOC, but would allow the APOC to grant an exception in extraordinary circumstances.

Section 5: This section would amend AS 39.50.020 to require financial disclosures from former public officials within 90 days of leaving service in their official positions. This requirement would apply to the governor and other high-ranking executive branch officials, judges and other judicial officers, and certain municipal officers, as well as some others.

Section 6: This section would amend AS 39.50.030(b) to require more detail in the financial disclosures that candidates and public officials file with the APOC. The current law requires reporting of income and interests exceeding \$5,000 in value; this section would require more extensive reporting by reducing that reporting threshold to \$1,000. In addition, it would require that, for all income exceeding \$1,000, the disclosures describe the source of the income, the amount received, the number of hours spent to earn the income, and details regarding the services provided. It would also require disclosure of all stock holdings, trust or similar interests, loans, loan guarantees, and indebtedness exceeding \$1,000 in value.

Section 7: This section would amend AS 39.50.050(a) to require electronic filing of candidates' and public officials' financial disclosures with the APOC. The section would allow the APOC to grant an exception in extraordinary circumstances.

Section 8: This section would amend AS 39.52.110 by defining an "insignificant financial interest" for purposes of the Executive Branch Ethics Act. It would make stock or an ownership interest in a business presumptively insignificant if the value of the interest is less than \$5,000.

Section 9: This section would amend the Executive Branch Ethics Act (AS 39.52.130(a)) to establish a presumption that all gifts from a lobbyist to a public officer (or a member of the officer's immediate family) are improper unless the lobbyist is an immediate family member of the gift's recipient.

Section 10: This section would amend the Executive Branch Ethics Act (AS 39.52.180(a)) by deleting some of the language defining "matter" for purposes of the two-year restrictions that apply to employment after leaving state service. The deleted language excludes work on legislation and regulations from the definition of "matter." The effect of this section would be to make the post-state employment limitations more restrictive by precluding former public officials from working on particular legislation or regulations after leaving state service if they personally and substantially participated in work on the same legislation or regulations during their state service.

Section 11: This section would amend the Executive Branch Ethics Act (AS 39.52.180(d)) to extend the existing one-year ban on lobbying to include deputy heads of principal departments and those holding policy-making positions in the Office of the Governor. Currently, the one-year lobbying ban applies only to the governor, lieutenant governor, and heads of principal departments.

Section 12: This section would restrict application of sections 10 (deletion of the legislation and regulations language from the post-state employment restrictions) and 11 (extension of the lobbying restrictions) to those who leave state service on or after the effective date of this enactment.

Section 13: This section would make sections 1, 4, and 7 (the sections addressing electronic filing with the APOC) effective on July 1, 2007.

Section 14: This section would make the remaining sections of the enactment effective immediately.

To: Rep. Jay Ramras, Chair
House Judiciary Committee

From: Heidi Drygas, General Counsel
Alaska District Council of Laborers

Date: March 19, 2007

Re: HB 109

Thank you for the opportunity to provide comments on HB 109.

Alaska has a long-standing nepotism statute, AS 39.90.020, and regulations, 2 AAC 07.950, which prohibit family members from working together in a *supervisory* relationship.

But in August 2005, the Department of Administration promulgated a new policy, Alaska Administrative Manual (AAM) 100.050, which prohibits employees from being in an "*employment relationship*" with an immediate family member, including conjugal relationships, up to the second degree of kindred.

This provision was enacted in response to a Department of Law memorandum issued in March 2005 on how the Executive Branch Ethics Act (Ethics Act) applies when a supervisor and a subordinate are in a conjugal relationship. The AG's opinion was that the relationship violated the Ethics Act.

But the AG's opinion was just that--- the Ethics Act would prevent a **supervisor** and another employee from working together if they were family members or living in a conjugal relationship. The Dept. of Administration, in promulgating AAM 100.050, has taken that opinion and dramatically expanded its scope.

In defining an "*employment relationship*," the Department expanded it to include a vast number of actions typically completed by non-supervisory employees. As it stands, the Department's new policy, based on its interpretation of the Ethics Act and the March 2005 AG memorandum, has had devastating effects on Alaska's public employees, especially those living and working in rural and Native communities. The policy prohibits one family member from being hired, promoted, or transferred if it results in an employment relationship with another family member. This is true even if neither one of them is a supervisor, based solely on the minutest possibility that one family member may be promoted to a lead or foreman position even if only for a day. As most of you know, many Alaskan communities are so small that most individuals *are* related in some way. The impact on non-supervisory employees is substantial and unnecessary, as it

essentially prohibits both supervisory and non-supervisory relationships between family members.

The Department of Administration's policy is affecting everyday working Alaskans in such a way that was never intended by this legislation. Family members who seek to work together in a non-supervisory employment relationship are held to an even stricter standard than legislative branch employees.

Under long-standing state regulations promulgated by the Alaska Labor Relations Agency, a "supervisory employee" is essentially defined as an individual who has authority to act on behalf of the public employer in carrying out supervisory functions, if the exercise of that authority is not just routine but requires the exercise of independent judgment. "Supervisory functions" are defined as the ability to take action in the area of:

- Employment** (hiring, transfers, lay offs, recall),
- Discipline** (suspension, discharge, demotion, issuance of written warnings) or
- Grievance adjudication** (response to a first level grievance under a collective bargaining agreement)

The Department's new nepotism policy, however, prohibits far more than just supervisory relationships.

It bears mentioning that the Ethics Act, in AS 39.52.110(a)(3), was meant to "*distinguish between those minor and inconsequential conflicts that are unavoidable in a free society, and those conflicts of interests that are substantial and material.*"

It is noteworthy that AS 39.52.910(b) of the Ethics Act states: "*The provisions of this chapter supersede the common law on conflicts of interest that may apply to a public officer of an executive-branch agency and any personnel rules relating to conflicts of interests, excluding nepotism, adopted under AS 39.25.*" It is the Union's position that this means the Ethics Act does not and should not supersede the long-standing nepotism statute and regulations, which is the result of the Department of Administration's policy. However, the Union concedes that AS 39.52.910(b) is ambiguous.

The Union suggests an amendment which would limit the affect of the Ethics Act to what the legislature likely intended: to clarify that Ethics Act issues arise in *supervisory* relationships between family members.

This amendment would add a section "(d)" to the Ethics Act provision AS 39.52.910 which would read as follows:

"Nothing in this Act shall supersede the provisions of AS 39.90.020, nor preclude individuals from being in an employment relationship with an immediate family member where neither family member is a supervisor who has authority to act or to effectively recommend action in the interest of the public employer in one of the following

supervisory functions, if the exercise of that authority is not merely routine but requires the exercise of independent judgment:

- (a) employing, including hiring, transferring, laying off, or recalling;
- (b) discipline, including suspension, discharge, demotion, or issuance of written warnings; or
- (c) grievance adjudication, including responding to a first level grievance under a collective bargaining agreement.”

We believe that such an amendment would clarify the scope of the Ethics Act and protect working Alaskans, especially those working in small rural and native communities, yet also strike a balance by highlighting the ethical issues involved in familial supervisory relationships.

Thank you.

An Amendment to add a new section to AS 39.52.910 which would read as follows:

(d) Nothing in this Act shall supersede the provisions of AS 39.90.020, nor preclude individuals from being in an employment relationship with an immediate family member where neither family member is a supervisor who has authority to act or to effectively recommend action in the interest of the public employer in one of the following supervisory functions, if the exercise of that authority is not merely routine but requires the exercise of independent judgment:

(a) employing, including hiring, transferring, laying off, or recalling;

(b) discipline, including suspension, discharge, demotion, or issuance of written warnings; or

(c) grievance adjudication, including responding to a first level grievance under a collective bargaining agreement.

HB 109

Sec 8 – newsletters:

New language proposed in AS 24.60.030(a)(2)(K) prohibiting the mailing of a newsletter within 30 days of an election needs review in relation to the current 90 day prohibition in AS 24.60.030(c).

HB 109, Section 8, Page 7, Lines 14-20

AS 24.60.030(a)(2)(K)

- (a) A legislator or legislative employee may not
- (2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person; this paragraph does not prohibit
- (K) a legislator from sending any communication in the form of a newsletter to the legislator's constituents **unless the communication is**
- (i) sent during the 30-day period immediately preceding a state election; or**
- (ii) [, EXCEPT] a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee; or**

Current language in AS 24.60.030(c)

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

- (1) a "campaign period" is the period that
- (A) begins 90 days before the date of an election to the board of an electric or telephone cooperative organized under AS 10.25, a municipal election, or a primary election, or that begins on the date of the governor's proclamation calling a special election; and
- (B) ends the day after the cooperative election, municipal election, or general or special election;
- (2) a mass mailing is considered to be political if it is from or about a legislator, legislative employee, or another person who is a candidate for election or reelection to the legislature or another federal, state, or municipal office or to the board of an electric or telephone cooperative.

- STATE FUNDS: Include but are not limited to Finance Committee funds, other committee funds, leadership funds, and the use of the LAA print shop.
- Timeframe from 2006 campaign season with the 90 day prohibition:
 - May 9 – legislative session ends
 - May 24 – last day to use state funds to print a legislative newsletter
 - May 25 – 90 days prior to Primary Election (August 22) and start of ban on the use of state funds for a legislative newsletter
 - November 8 – ban on use of state funds for a legislative newsletter lifted (the day after the General Election)
- Timeframe from 2006 campaign season if the 30 day prohibition were in place:
 - May 9 – legislative session ends
 - July 22 – last day to use state funds to print a legislative newsletter
 - July 23 -90 days to Primary Election (August 22) and start of ban on the use of state funds for a legislative newsletter
 - November 8 – ban on use of state funds for a legislative newsletter lifted (the day after the General Election)

Legislators have used the following funds to send out a newsletter

- STATE FUNDS
- OFFICE ALLOWANCE ACCOUNT FUNDS under AS 24.10.110
- PUBLIC OFFICE EXPENSE TERM (POET) ACCOUNT FUNDS under AS 15.13.116

Back-up
Exhibit # 37

**SCHEDULE A
SOURCES OF INCOME OVER \$5000**

Self-Employment

If NONE reportable, check box

Self-employment results when the person whose income is being reported worked in any of the following: a corporation in which you, your spouse, domestic partner, dependent children, nondependent children living with you or a combination of them held a controlling interest, or a sole proprietorship, limited liability company, partnership, or professional corporation in which the person whose income is being reported has an ownership interest.

List the name, address, and nature of services provided for each self-employment source of income from whom more than \$5000 was received as compensation for personal services by you or a family member. Provide enough detail when describing the nature of services to tell a reader what work was performed for the compensation received.

If the business is non-retail, list the nature of services performed and the name and address of each client or customer who paid the business over \$5000 during calendar year 2005.

Report the amount of income you received from a client, patient or customer when the client, patient, or customer:

- Hired a lobbyist or was a lobbyist;
- Had or sought contracts with the legislature or agency of the state that exceeded \$10,000;
- Was a municipality or local government entity; or
- Was affected financially by an action of the legislature or any other state agency in an amount exceeding \$5,000 including actions concerning professional or occupational licenses, natural resource permits or quotas, rates of assessment or taxation, health, safety or environmental standards and insurance or business practices.

Use copies of this page if you need additional space to complete this section.
See pages 8-10 of the LFD manual for more help with this section.

Name of filer, spouse, domestic partner, or child: _____

Business Name: _____

Retail Non-Retail (If you check non-retail, list clients/customers and amounts if required, below.)

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

Assist with the development of construction-related projects, including arranging and conducting meetings, performing research, and developing plans and strategies.

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

MAR 15 2006

I

Legislator

**SCHEDULE A
SOURCES OF INCOME OVER \$5000**

Self-Employment

If NONE reportable, check box

Self-employment results when the person whose income is being reported worked in any of the following: a corporation in which you, your spouse, domestic partner, dependent children, nondependent children living with you or a combination of them held a controlling interest, or a sole proprietorship, limited liability company, partnership, or professional corporation in which the person whose income is being reported has an ownership interest.

List the name, address, and nature of services provided for each self-employment source of income from whom more than \$5000 was received as compensation for personal services by you or a family member. Provide enough detail when describing the nature of services to tell a reader what work was performed for the compensation received.

If the business is non-retail, list the nature of services performed and the name and address of each client or customer who paid the business over \$5000 during calendar year 2005.

Report the amount of income you received from a client, patient or customer when the client, patient, or customer:

- Hired a lobbyist or was a lobbyist;
- Had or sought contracts with the legislature or agency of the state that exceeded \$10,000;
- Was a municipality or local government entity; or
- Was affected financially by an action of the legislature or any other state agency in an amount exceeding \$5,000 including actions concerning professional or occupational licenses, natural resource permits or quotas, rates of assessment or taxation, health, safety or environmental standards and insurance or business practices.

Use copies of this page if you need additional space to complete this section.
See pages 8-10 of the LFD manual for more help with this section.

Name of filer, spouse, domestic partner, or child: _____

Business Name: _____

Retail Non-Retail (If you check non-retail, list clients/customers, and amounts if required, below.)

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 33,600

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 24,000

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 50,000

250169
Legislator #2

SCHEDULE A
SOURCES OF INCOME OVER \$5000

Self-Employment

If NONE reportable, check box

Self-employment results when the person whose income is being reported worked in any of the following: a corporation in which you, your spouse, domestic partner, dependent children, nondependent children living with you or a combination of them held a controlling interest, or a sole proprietorship, limited liability company, partnership, or professional corporation in which the person whose income is being reported has an ownership interest.

List the name, address, and nature of services provided for each self-employment source of income from whom more than \$5000 was received as compensation for personal services by you or a family member. Provide enough detail when describing the nature of services to tell a reader what work was performed for the compensation received.

If the business is non-retail, list the nature of services performed and the name and address of each client or customer who paid the business over \$5000 during calendar year 2005.

Report the amount of income you received from a client, patient or customer when the client, patient, or customer:

- Hired a lobbyist or was a lobbyist;
- Had or sought contracts with the legislature or agency of the state that exceeded \$10,000;
- Was a municipality or local government entity; or
- Was affected financially by an action of the legislature or any other state agency in an amount exceeding \$5,000 including actions concerning professional or occupational licenses, natural resource permits or quotas, rates of assessment or taxation, health, safety or environmental standards and insurance or business practices.

Use copies of this page if you need additional space to complete this section.
See pages 8-10 of the LFD manual for more help with this section.

Name of filer, spouse, domestic partner, or child: _____

Business Name: _____

Retail Non-Retail (If you check non-retail, list clients/customers, and amounts if required, below.)

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 16,800

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 57,000

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

2
Pg 2 of 2

#2
Legislator

Emily Stancliff

From: Heidi Drygas [hdrygas@alaskalaborers.com]
Sent: Thursday, March 22, 2007 11:26 AM
To: Emily Stancliff
Subject: Re: HB 109

This is from Mary Coulman, who is the administrative manager at the Tok DOT station.

-----Original Message-----

From: Mary Coulman [mailto:mary_coulman@dot.state.ak.us]
Sent: Thursday, March 22, 2007 12:08 PM
To: hdrygas@alaskalaborers.com
Subject: Nepotism

I do not agree with how the nepotism waiver has been used in the hiring of clerical employees. A clerical employee in the district office can not be related to any maintenance worker in any station in that district. We do not have any supervisory duties over these employees, so I do not believe this should narrow our ability to get employment.

Also limiting any relative from being employed in a maintenance position in our district, which in this case is 7 maintenance stations. In small communities this greatly narrows a persons ability to find employment.

1

Originator - Paul D. Kendall = One mans contribution to a dialogue for better public servant conduct.

ETHICS - A ROUGHLY PROPOSED DRAFT
(throw down thoughts/wrinkled thinking)

Wednesday, January 4, 2007

NOTE: The following constitutional amendment, statue, law, regulation or what ever you call it, shall be invoked, used, or applied when the conduct of a public servant is called into question or review:

- a. Following a normal trial,
- b. During a normal trial (in parallel with),
- c. In addition to a trial,
- d. Or in a stand alone event where there is enough self evident in its nature: evidence, suspicion, events sufficiently suspect in their nature, indicatg
- e. Or other public concerns that would warrant its sole and immediate application so as to protect the publics interest or punish a self evident abuse of public service,
- f. Or where a contrived, conspired, or construct of a corrupted or "Less than Honorable Conduct" may exist,s,ed or will exist.....
- g. Also, all public servants should receive this declaration and sign for its understanding

----Public Service Conduct/Ethics Cont. next page

(Complete truths and individual free will are
fundamental requisites for a free and viable society)

1

----Public Service Conduct/Ethics Cont.----

Paul D. Kendall

January 4, 2007

A determination and findings of the Conduct of a public servant:

HONORABLE Conduct ---(OR)--- LESS than HONORABLE Conduct

Any and all public servants brought into review in regards to being "questionable, unethical, suspect, inappropriate or of other like concern actions" in reference to conducting the public's business shall be reviewed and judged by the following ruling or process:

Any and all public servants (1) conducting the public's business (1a) in anyway (2) shall conduct the public's business in an "open to the public's view"(3) and shall represent the public's business with "Honorable Conduct"; And, not in a "Less than Honorable Conduct" manner.

All conduct by public servants as mentioned above shall be judged (4) as either "Honorable Conduct" or "Less than Honorable Conduct"(5) and be subject to the mandatory sentencing, fines and actions attached to the determination of findings.

1. Elected, appointed, titled, employed, entrusted, assigned, contracted, represented, part time or full time, exempt or non-exempt, to, for, in.
- 1a. All public matters deemed to be the public's business --- matters of public assets, projects, financial and /or other matters.
2. Shape, or form, either directly, indirectly, implied, inferred, or on behalf of , or for the public's interests, or, at the direction of , etc..
3. Shall always be conducted in an open to the public manner and not just or only upon request from the public citizenry; With camera broadcast; And, all and any testimony shall be considered as under oath or sworn in testimony.
4. By a jury of their peers- standard jury – in a priority and expedited means
5. Once conduct determination or findings by the jury has been determined, the following sentences, penalties and actions shall apply as per each offence: as described in (a) thru (f) under the findings sections

FINDINGS of conduct by the jury ----- determinations, descriptions, sentences and actions

Finding #s -- findings ----descriptions -----sentencing and actions

- 1. **Honorable Conduct** --- ----- **self explanatory and self evident**
- 2. **Less than Honorable Conduct / with good intentions or ineptness only---**
 ---- well intended, bullied by duress,
 poor judgment, self evident in true
 conduct, conned, unsuspectingly
 conned,
 ---- verbal admonishment, probation, suspension,
 probation, and fine -- no jail time ?
- 3. **Less than Honorable Conduct / Inconclusive ----**
 ---- unable to detect confirmation of
 intent to do less than honorable
 conduct and is suspect at best , unable
 to determine collaboration or motive
 for the process or occurrence of less
 than honorable conduct
 ---- probation ??
- 4. **Less than Honorable Conduct --level \$ 0 to \$500.00 penalty is a) + b) + c) +**
- 5. **Les than Honorable Conduct --level\$501.00 ---to--\$1,000.00 a), b) - < 90 days**
 mandatory, c), d),
 e) - <\$2,000.00 fine
- 6. **Less than Honorable Conduct --\$1,001.00 --to---\$\$\$ any amount over -- a), b) + very**
 heavy fines and jail sentences; Again very large fines and jail time + other actions

Findings cont. nxt pg.

Findings cont.

Notes: the above findings of sentencing, fines, and actions are determined by assessments of or degrees of damage / impacts as listed below reflected by all of the conduct of the public official being reviewed.

- a) Immediate "loss of employment" and "not for hire" with any current or future public servant entity.
- b) Loss of all current and future retirement, medical, life or other benefit or compensation.
- *1c) Must pay fine in the minimum amount of \$1,000.00 (should go up !!)
- *2d) Immediate jail incarceration for a period of 30 days with no bail or parole
- e) Must repay all court costs, injuries, harms, damages, jail, and transport costs back within one year following completion of jail sentence
- f) Make it a felony and loss of voting for a 2 year period...???

*1 - Minimum fines shall be \$1,000.00 and then increase with severity with assessment determination from jury ---Then, go very large if over \$1,000.00 jury determination

*2 - Minimum mandatory jail shall increase in severity with assessment from \$0 to \$1,000.00 and up --i. e. \$0 to \$500 = 30 days, --- \$501.00 to \$1,000.00 = 90 days etc. Again, we must impose large and impacting sentences if determination or finding of impact is larger than \$1,000.00.—3 to 5 years mandatory.

**NOTES, THOUGHTS, VIEWS, CONSIDERATIONS AND SUPPORT
COMMENTALRY----**

It has become common knowledge to us, the general citizenry, that many of those to whom we have conveyed the "highest honor in the land"(*1), are failing us in their representations of our publics business affairs and matters; Thereby jeopardizing our general welfare, safety, well being and the pursuit of happiness.

The time has come for us citizens to impose a higher standard of expectations and performances from our public servants behaviors; And in order to achieve a greater degree of responsible, honest, fair, and truthful conduct we must declare, design and impose a higher magnitude of penalty;

And, in order to stop the continued skirting, eroding, dodging, and re-drafting of the laws we pass in hoping to curtail these ever continuing corrupted "Less than Honorable Conduct" actions by public servants and officials;

We must give our jury system the latitude (discretion?) to make the "final determination of a description of a public servants deeds" as either "Honorable Conduct or "Less than Honorable Conduct"(*2),

Along with the severest penalties, fines and actions so as to stop the continuing malaise of corrupted conduct by our public servants.

In constructing this long overdo procedure of punishing aberrant or corrupted public officials for their deceitful, deceptive, and self indulgent betrayal of the publics "full faith and trust";

We must try to use words other than transparency, ethics, etc.(*3); Rather, simple words with little misunderstandings.

If we do not protect and establish integrity and value for the fundamental laws that govern our society and hold accountable those who we elect to represent those values and us with "Honorable Conduct", then we have in essence undermined our entire legal system and the very fabric our society itself.

We must in all fairness, set a bar and a standard that gives a clear and obvious forewarning, and notification that any public servant who betrays the "full faith and trust" of the general citizenry will pay a heavy and just price with short and long term impacts and consequences in an expedient manner of trial and sentencing.(*4)

*1 The conveyance of our full faith and trust of the Alaskan/American people who comprise our families, loved ones, homes, communities, and states (the voting process and other)

- *2 We must maintain the capacity for the general citizenry to "by its own merits" via the jury system determine what is "Honorable Conduct" and what is "Less than Honorable Conduct"; Any vagueness here must be maintained so the jury can use a subjective and or objective means of determination because history has shown us that political bodies will attempt to circumvent a given specific law of exactness with their ability to draft legislation or warp its interpretations and applications.
- *3 It is time to use simple words with clear and common understandings, applications, and meanings, i.e. open, clear, simple, etc. (not lawyered up words)
- *4 Punishment of corrupted public servants, officials, etc. must exemplify sentencing and actions of the firmest, strongest, and severest application possible- as well as expediency in trial as a priority.

Words used as indicators of Conduct ??---

Advisement - arrangements - agreements -actions - discussions - directions -decisions -determinations - involvement - instructions - contributions - participations - understandings -communications -judgments—representations—presentations, etc.

In closing, I believe that time is of the essence, or at least at hand for us, today, to end this historical continuing and ongoing betrayal of the publics' conveyance of their "full faith and trust" in our public leadership.

I realize we have focused primarily on our need to and means of judgment and penalties here in this writing;

Because we have to begin our work on those foundational aspects to begin correcting our political representations, infrastructure, and process; Those foundational aspects being the establishment of clear and meaningful reward and punishment for ones actions.-

Considering the damage and / or the grave consequences we have suffered as a community, people, city, county, state, nation, family, species, environment, society, laws, happiness, loss of loved ones; Along with

The ability, if not the consequences of our elected and represented public officials to do harm to and on us and all of the most sacred things we hold to;
Is astronomical in its proportions.

The ability of our public servants to weave false hoods, irresponsible acts, omissions, false and misleading proclamations, combined with the full might and power of the assets of the collective peoples nation or community is just undeniably catastrophic on our entire lifes' realm of nearly the entire planet and all living creatures and good or GOD forces.

How can we hold to accountability the common criminal for an impact born out of an act of desperation while we let the those who represent the "highest law and honor of the land" go nearly scott free for an act of unmitigated greed and self indulgence with impacts far beyond what that individual criminal might do??

LET US HERE IN THE GREAT STATE OF ALASKS BEGIN TO RIGHT THE WRONG -
TO SET THE STANDARD.
THE BEGINNING OF OUR TRUE NEXT LEGACY FOR NOT JUST US , BUT THE REST OF OUR SOCIETY.
LET US MAKE THE HISTORY RATHER THAN WATCH HISTORY BEING MADE BY ANOTHER .

WE ALL KNOW THAT THE ABOVE MENTIONED WILL HAPPEN SOMEWHERE SOMETIME, SOMEPLACE BY SOMEONE ---

LET US LEAD this resolution in this matter of political corruption by public servants TO BE THAT MOMENT AND THAT EVENT IN THIS MATTER WHICH CRIES OUT TO BE RESOLVED AND HAVE JUSTICE SERVED—

Sincerely an^d Respectfully,

Paul D. Kendall _____

h 907-222-7882 cell 702-403-3656 (I know, vegas made me a deal on air time but lied on prefix change)

Dated: January, 4, 2007 _____

-----ADDITIONAL ANNEDOTAL VIEWS AND SUPOPORT -----
See next page

-----ADDITIONAL ANNECOTAL VIEWS AND SUPPORT -----

Look at the history of atrocities and wars alone by errant leaders and despots; By their use and abuse of the publics assets an might

A Magnitude of consequences
A Consensus of opinions

It is imperative we as a peoples determine a harsh and fearful consequence for those who commit public betrayal.

No doubt there some will attempt to belittle, demean, bemoan, minimize the need, mitigate, castigate, by calling this declaration mean spirited, vindictive, malevolent, ill willed, without foundation, ostracize, or in some other quasi-intellectual dialogue attempt to declare its foundation is too vague;

This proposed determination and findings of "Honorable or less Than Honorable" act does not deny or restrict; It simply says that the voting general public gets to make the determination as to the conduct of a public servant. The same elected or appointed official who ask for the publics trust should have faith that the public is quite capable of ferreting out the truth.

This conduct act is really an extension of the foundational values we use every day in our family lives, jury decisions, homes, and legal systems

And I would suggest to you that the foundation of this declaration is a reflection of the fundamental laws of the fabric of our society which are based on faith on trust in each other, as it is a relationship, in our families,

Cont.....

I realize I am a simple man without much education and there may be need for reconsideration of its declaration; But, it seems to me that someone has to begin the discussion;

That we are on the edge of a new society, a better society,

This is my contribution and I am eager, anxious and excited to hear the dialogue of our larger collective society in its review to obtain a greater degree of leadership

Selective enforcement or application on public servants ?? All societies have done this.

As we hold those of the police to hold a higher standard,

The soldier in the military – military code of conduct
 The reverend or priest in his faith and perseverance
 Matrimony ---- vows of marriage
 A doctor in practice
 Etc.....
 Based on a collective contribution of taxes from a society

Attached to the ALove Notes:
 Let it be known that I realize we need to address or redesign some of the political infrastructure used to elect our public officials..
 how they are accessible to us..
 their compensation terms...
 their time or terms spent in office..
 how in divisive times we can pole our general citizenry for resolution....
 the role of parties and their affects on the representation of issues...
 how we can terminate or remove them from office asap procedurally....
 And the influential power of the incumbency,
 as well as the penalties above such as :
 No doubt, others I have not mentioned.

- 1) declare a public state wide video channel as an official election channel and require the officials to be sworn in before their political commentary and other standards
- 2) It is necessary to establish a c-span type channel or channels for Alaska so that we as a state wide community may watch our public officials conduct business in an accessible manner of oversight.
- 3) and more is needed – I am time restricted !

Paul D. Kendall _____ date _____ 1-4-07

Look, I know its hard to be a public servant and / or a politician also; But. Something has to be done. We can't go on this way and remain a viable society. (We need to increase the salary a politician makes so he/she can support their loved ones and still serve a calling— that also, would encourage more persons to be involved enough to run for office, plus many other improvements ---)

We have to make a stand somewhere to set an example for the rest

END -----

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STATE OF ALASKA

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FAX (907) 465-2029
Mail Stop 3101

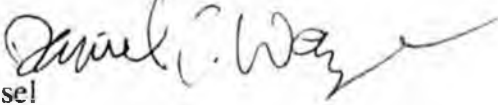
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 26, 2007

SUBJECT: Changes in CSHB 109(JUD) (Work Order No. 25-GH1059\V)

TO: Representative Jay Ramras
Chair of the House Judiciary Committee

FROM: Dan Wayne 
Legislative Counsel

Enclosed is the referenced CS.

1. We reworded amendment 36 (concerning AS 24.60.100) to try to make it clearer. You may want to check with the sponsor to make sure the draft is correct.
2. Amendment 4 (concerning AS 24.60.080) required extensive changes. You may want to show this memo to the sponsor of amendment 4.
 - A. Because of the deletion of AS 24.60.080(c)(10), we also had to amend AS 24.45.121(a)(9), AS 24.60.030(a)(1), and AS 24.60.990(a)(2)(A).
 - B. Because of the deletion of "during a legislative session" we also had to amend AS 24.45.121(a)(9).
 - C. We also modified the language in new AS 24.60.080(a)(2)(B) to reflect the fact that it is a subparagraph, not a paragraph, and to change the reference to "(a) of this section" to "(1) of this subsection". We did not delete "from a lobbyist" in new (a)(2)(B), although arguably this language should be changed to include family members and those acting on behalf of lobbyists.
 - D. We moved the material in AS 24.60.080(k) into AS 24.60.080(c)(5) and repealed AS 24.60.080(k) since it was now to apply only to (c)(5). We added "immediate" before "family member" in AS 24.60.080(i) but did not include a reference to AS 24.60.990 because that definition will automatically apply now that AS 24.60.080(k) is repealed.
 - E. As requested in amendment 4, we deleted "solicit" from AS 24.60.080(a)(2), but left it in AS 24.60.080(a)(1). Was that the sponsor's intent?

We concurred with the suggestion of Senior Assistant Attorney General Dave Jones and moved "information about" from line 14 to line 11 on page 24, and changed "electoral confirmation" to "judicial retention" on page 2, line 8. However, AS 15.13.010(a)(1) still uses "electoral confirmation," which should be changed as well.

Representative Jay Ramras

March 26, 2007

Page 2

Please note that amendment 31, adding "general election" to AS 24.60.030(c), makes it unclear whether the period starts 90 days before the primary election or 90 days before the general election. You may want to speak to the sponsor about this.

If you may be of further assistance please advise.

DCW:lmb
07-072.lmb

Enclosure

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Juneau, Alaska 99801-1182
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MEMORANDUM

March 23, 2007

SUBJECT: Constitutional issues concerning pension forfeiture as proposed by
AMENDMENT 25 to CSHB 109(STA)
(Work Order No. 25-GH1059\O.6)

TO: Representative Max Gruenberg
Attn: Norman Cohen

FROM: Dan Wayne 
Legislative Counsel

You have asked for a constitutional analysis of draft amendment 25-GH1059\O.6 which is before the House Judiciary Committee as AMENDMENT 25 to CSHB 109(STA). The amendment raises several constitutional issues. It is not possible to predict with certainty, but the court would probably resolve most of them in favor of the state if the amendment becomes law.

1. Accrued state retirement benefits shall not be diminished or impaired.

Article XII, sec. 7 of the Constitution of the State of Alaska says:

Membership in employee retirement systems of the State or its political subdivisions shall constitute a contractual relationship. Accrued benefits of these systems shall not be diminished or impaired.

A right to benefits under a state retirement system vests immediately upon the employee's enrollment in the system.¹ While the retirement system may be changed to permit the pension system to make adjustments, the modifications must be reasonable and any change that results in a disadvantage to employees must be offset by comparable new advantages.² Rights that are protected by the constitution include not only the amount of benefits, but also the requirements for eligibility.³ Both eligibility and amount are at issue in AMENDMENT 25.

¹ *Hammond v. Hoffbeck*, 627 P.2d 1052 (Alaska 1981).

² *Hoffbeck* at 1057.

³ *Hoffbeck* at 1058.

AMENDMENT 25 would diminish accrued benefits, but only those benefits accrued on or after the date of the criminal offense. An argument can be made that those after-acquired benefits are tainted by the offense, either directly or indirectly, depending on the facts of a case. A state employee, for example, can be terminated instantly upon the discovery of work-related felony conduct. If the employee's felony is undiscovered and the employee continues to work, it may be said that the benefits accrued from the work are not legitimately acquired because they were acquired by the employee's concealment of a work-related felony. The state's interest in maintaining the public's trust in government is substantial. In this type of case, and in others, the court may find that this substantial government interest outweighs a person's constitutional right to an undiminished benefit, particularly when the diminishment is limited as in AMENDMENT 25.

2. Equal rights are guaranteed.

Article I, sec. 1 of the Constitution of the State of Alaska says:

This constitution is dedicated to the principles that all persons have a natural right to life, liberty, the pursuit of happiness, and the enjoyment of the rewards of their own industry; that all persons are equal and entitled to equal rights, opportunities, and protection under the law; and that all persons have corresponding obligations to the people and to the State.

The court resolves constitutional issues by using a balancing test to weigh the state's interest against the interest of the person or persons impacted by the state's proposed action. The test used depends on the constitutional provision at issue.

[T]he Alaska Constitution's equal protection clause affords greater protection to individual rights than the United States Constitution's Fourteenth Amendment. To implement Alaska's more stringent equal protection standard, we have adopted a three-step, sliding-scale test that places a progressively greater or lesser burden on the state, depending on the importance of the individual right affected by the disputed classification and the nature of the governmental interests at stake: first, we determine the weight of the individual interest impaired by the classification; second, we examine the importance of the purposes underlying the government's action; and third, we evaluate the means employed to further those goals to determine the closeness of the means-to-end fit.⁴

⁴ *Malabed v. North Slope Borough*, 70 P.3d 416, 420 - 421 (Alaska 2003).

In this instance it can be argued that persons who may be subject to forfeiture if the bill becomes law -- legislators, legislative directors, and public officers⁵ -- are entitled as much as other persons to enjoy the rewards of their own industry, in this case a pension. AMENDMENT 25 creates a special class of person and denies them something all persons in the state are guaranteed; therefore, in order to survive a challenge if it becomes law, it will have to withstand the highest of the three levels of scrutiny in the three-part balancing test applied by the court.⁶

3. Cruel and unusual punishment is prohibited.

Article I, sec. 12 of the Constitution of the State of Alaska says:

Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted. Criminal administration shall be based upon the following: the need for protecting the public, community condemnation of the offender, the rights of victims of crimes, restitution from the offender, and the principle of reformation.

Our courts have found this section entitles a convicted offender to a fair sentence. In fashioning a fair sentence, judges are required to take into consideration a number of things, including the ones listed in this section, but also things like the offender's prior criminal history or lack of one, the need to deter others from offending, and the principle that sentences for like offenders should be similar. Our court is not likely to find that constitutional fairness requirements at sentencing can be relaxed because the state's interest in preserving public trust in government is so great as to outweigh the right of a legislator or public official to a fair sentence; however, in the civil case the person would arguably have less at stake than freedom from incarceration. The court could find that a person's right to a pension is outweighed, in the context of a felony-based pension forfeiture, by the governmental interest at stake.

In a criminal forfeiture, property is taken before conviction occurs and often not returned unless the state fails to prove the criminal case. In AMENDMENT 25 forfeiture is not automatic. For example, it will not occur unless a hearing officer hears evidence and argument in a new civil proceeding, separate from the criminal case, under the

⁵ In the bill, "public officer" means: a public employee, a member of a board or commission, or a state officer designated by the governor to act as trustee of the trust or a person to whom the trustee has delegated trust duties.

⁶ For example, the Alaska Supreme Court has said Alaska has a substantial governmental interest in campaign finance reform that justifies some restriction on First Amendment freedoms. *State v. Alaska Civil Liberties Union*, 978 P.2d 597 (Alaska 1999), cert. denied, 528 U.S. 1153, 120 S. Ct. 1156 (2000).

Administrative Procedure Act. The state will have to prove that the conduct upon which the conviction was based was "in connection with the person's official duties."⁷

4. No conviction shall work corruption of blood or forfeiture of estate.

Part of art. I, sec. 15 of the Constitution of the State of Alaska says, in part: "No conviction shall work corruption of blood or forfeiture of estate." This stands for the principle that the punishment for a crime should not reach beyond the offender, or affect the right to property that has been acquired legitimately. AMENDMENT 25 allows some or all of a pension that would otherwise be forfeited to be awarded to dependents of the convicted person, as the hearing officer determines.⁸ This partially addresses the constitutional issue concerning the forfeiture's reach beyond the convicted person, and AMENDMENT 25 would probably be upheld with regard to that issue. AMENDMENT 25 also protects from forfeiture benefits accrued before the date of the offense. This makes it less vulnerable to a constitutional challenge on the basis that legitimately acquired benefits are at stake.

You asked if the term "dependent," on page 2, line 23, includes a spouse. The terms "dependent" and "spouse," which appear in the bill in AS 37.10, are not defined in AMENDMENT 25, and therefore it would be up to the hearing officer or the court to interpret their meaning. Since AMENDMENT 25 relates to pension forfeiture, to the extent the legislature does not take the opportunity to clarify the term "dependent," a hearing officer or court would likely refer first to words and phrases applicable to the general pension provisions for public employees, codified in AS 39.35.010 - 39.35.680 (defined benefits) and AS 39.35.700 - 39.35.990 (defined contributions). In both instances, "dependent" appears as a modifier of "child" in the phrase, used throughout the chapter, "dependent child"; in the same body of material, AS 39.35, a "spouse" is referred to as a "surviving spouse." The differences between AS 39.35 and the bill's choice of the term "dependent" provides no definitive clue as to what the legislature is intending. At least arguably, it is more likely than not that the hearing officer or court would equate the rights of a "surviving spouse" as at least the equivalent of the rights accorded to a "former spouse" and make some provision for payment of a partial reward to a current spouse. If that is the outcome, then the administrative officer or court would in effect be extending to the "current spouse" the status of a "dependent," notwithstanding the absence of a clear statement on the point.

Rather than leave the outcome to chance, while the bill is under consideration, the legislature should step up and clarify direction on this point.

⁷ Under the evidence rules described in AS 44.62.460 of the Administrative Procedure Act, the state would have the burden of proving its case by a preponderance of the evidence.

⁸ AMENDMENT 25 could be clearer as to whether or not a dependent has the same right to a hearing or an appeal as the convicted legislator does.

Representative Max Grucnberg

March 23, 2007

Page 5

Finally, in reviewing the bill for this memo it occurred to me that the term "convicted," on page 2, line 7, might need to be defined in order to avoid confusion about its meaning in situations involving appeals, conviction reversals, plea-bargains, suspended imposition of sentences, and pardons. There might be a particular constitutional issue, and other legal and logistical problems, in connection with a forfeiture in any one of these situations. A definition might say: under this section a person is convicted if they have been sentenced and the time for filing of a merit appeal has expired; however, a person is not convicted if pardoned by an act of executive clemency or if the trial court order or judgment of conviction is reversed or expunged.

If I may be of further assistance, please advise.

DCW:ljw:med

07-204.med

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Juneau, Alaska 99801-1182
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MEMORANDUM

March 22, 2007

SUBJECT: Amendments relating to lobbying activities by a spouse or domestic partner of a legislator
CSHB 109(STA) (Work Order Nos. 25-GH1059\O.2 and \O.36)

TO: Representative Max Gruenberg
Attn: Norman Cohen

FROM: Alpheus Bullard *RAB*
Legislative Counsel

You have requested a legal opinion as to the differences between proposed amendments 25-GH1059\O.2 and 25-GH1059\O.36. In an earlier memorandum, dated February 26, 2007, I expressed my belief that a court might interpret the former (O.2) as unconstitutional. That amendment read in relevant part:

The spouse or domestic partner of a legislator may not engage in activity as a lobbyist. This subsection does not prohibit the spouse or domestic partner from acting as a volunteer lobbyist under AS 24.45.161(a)(1) or a representational lobbyist, as defined in regulation by the commission.

While the state has a legitimate interest in regulating lobbyists,¹ preventing corruption and any appearance of corruption, and while 25-GH1059\O.2 might be intended to promote public confidence in the integrity of legislators; "statutes attempting to restrict or burden the exercise of First Amendment rights must be narrowly drawn and represent a considered legislative judgment that a particular mode of expression has to give way to other compelling needs of society." Broadrick v. Oklahoma, 413 U.S. 601, 611 - 612 (1973) (citations omitted).

25-GH1059\O.2 is not narrowly tailored but disallows all paid lobbying by spouses and domestic partners of legislators; not lobbying on issues before committees on which a legislator's spouse or domestic partner might serve, a matter on which the legislator's spouse or domestic partner will vote, etc. In justifying any infringement on the personal liberty of legislators' spouses and domestic partners, the state would have to demonstrate a compelling interest in the purposes advanced by the restriction and an absence of less

¹ See McIntyre v. Ohio Elections Commission, 514 U.S. 334, 356 n. 20 (1995).

Representative Max Gruenberg

March 22, 2007

Page 2

restrictive alternatives in realizing these ends. It was my contention that there were less restrictive alternatives than the O.2 amendment.

The second amendment, 25-GH1059\O.36 reads in relevant part:

A legislator or legislative employee may not [] communicate directly with a spouse or domestic partner of a legislator if the spouse or domestic partner is registered as a lobbyist under AS 24.45.041 and the communication concerns legislative action; in this paragraph, "legislative action" has the meaning given it in AS 24.45.171.

This second amendment does not operate to prohibit the spouse or domestic partner of a legislator from lobbying municipalities or the executive branch, and it does not deny them the opportunity to engage in an economic endeavor within a particular industry (lobbying).² The amendment is better directed at the locus of possible impropriety, undue influence, and conflicts of interest; the possibly suspect relationship between legislators and the lobbyist spouses or domestic partners of legislators. It is my opinion that this second amendment, 25-GH1059\O.36 is more "narrowly drawn and represent[s] a considered legislative judgment that a particular mode of expression has to give way to other compelling needs of society." Broadrick v. Oklahoma, at 611 - 612.

If you have questions, or if I can be of further assistance, please do not hesitate to contact me.

TLAB:med

07-196.med

² See State v. Enserch Alaska Construction, Inc., 787 P.2d 624 (Alaska 1989) (The right to engage in an economic endeavor within a particular industry is an "important" right for state equal protection purposes) and Malabed v. N. Slope Borough, 70 P.3d 416 (Alaska 2003) (close scrutiny of enactments impairing the important right to engage in economic endeavor requires that the state's interest underlying the enactment be not only legitimate, but important, and that the nexus between the enactment and the important interest it serves be close).

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 21, 2007

SUBJECT: Prohibition on legislative constituent "newsletters"
(CSHB 109(STA); Work Order No. 25-GH1059\O.37)

TO: Representative Max Gruenberg
Attn: Norman Cohen

FROM: Alpheus Bullard *AB*
Legislative Counsel

The draft amendment relating to a prohibition on the sending of "newsletters" by legislators to constituents in the 60 day period preceding an election in which a legislator or legislative employee is a candidate is enclosed. I have two comments.

Constitutionality

As I have explained to Mr. Cohen of your staff, please be advised that the amendment's prohibition on the use of funds from a legislator's office account (AS 24.10.110) or Public Office Expense Term (POET) account may be challenged as (1) a violation of a legislator's right to engage in political speech as guaranteed by art. I, sec. 5 of the Alaska Constitution and the First and Fourteenth Amendments to the United States Constitution, (2) insufficiently tailored to a compelling governmental purpose (witness the multifold advantages of incumbency, i.e. press releases, appearances as a legislator at public meetings and on television and the radio, posting to a web page or electronic constituent newsletter, see generally Common Cause v. Bolger, 574 F. Supp. 672 (1981)), and more distantly (3) as a possible violation of the separation of powers in creating a role for the judiciary to interpose in the legislative department between the constituent and his representative, see United States v. Ford, 830 P.2d 596 (1981) and United States v. Brewster, 408 U.S. 501, 524 (1972).

Drafting Issue

I told Mr. Cohen that I believed that AS 24.60.030(c) operated to prohibit the state funding of the mailing of constituent newsletters during a campaign period. While this interpretation was based in part on an opinion found in the April 2006 edition of the Select Committee on Legislative Ethics' "The Advisor" (see "campaign related questions"), a closer reading of the statute reveals that general elections are absent from those elections included under AS 24.60.030(c)(1). In addition to your draft amendment requests, I have further amended AS 24.60.030(c) to resolve any such question as to its applicability by including the general election.

Representative Max Gruenberg

March 21, 2007

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If you have any questions or if I can be of further assistance, please do not hesitate to contact me.

TLAB:ljw
07-145.ljw

Enclosure

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
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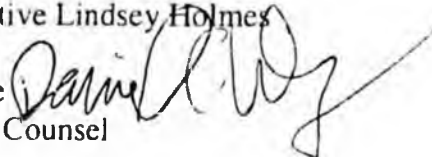
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 21, 2007

SUBJECT: Breadth and Scope of Sec. 16 of CSHB 109(STA)
(Work Order No. 25-GH1059\O)

TO: Representative Lindsey Holmes

FROM: Dan Wayne 
Legislative Counsel

You have asked for an analysis regarding the breadth and scope of the above-referenced bill section, particularly concerning to whom, and to what, it would apply to.

AS 24.60.100 currently reads:

A legislator or legislative employee who represents another person for compensation before an agency, board, or commission of the state shall disclose the name of the person represented, the subject matter of the representation, and the body before which the representation is to take place to the committee. The disclosure shall be made by the deadlines set out in AS 24.60.105. The committee shall maintain a public record of a disclosure under this section and forward the disclosure to the respective house for inclusion in the journal. A legislator or legislative employee may not represent another person for compensation before an agency, committee, or other entity of the legislative branch.

If amended as proposed by sec. 16, AS 24.60.100 would read:

A legislator or legislative employee may not represent another person for compensation before a municipal, legislative, or executive branch agency, board, or commission.

The main difference between the two versions is in the approach. The existing law allows compensated representation and requires disclosure of that representation, while the proposed new version prohibits compensated representation.

"Representation" is defined in AS 24.60.990 as

... action taken on behalf of another, whether for compensation or not, including but not limited to telephone calls and meetings and appearances at proceedings or meetings;

This means that if the amendment proposed in sec. 16 becomes law, a legislator-lawyer, or any other person who is a legislator or a legislative employee, would be prohibited from doing just about anything for a client in a state matter¹ unless or until the matter is before the judicial branch. For example, the legislator or legislative employee would be prohibited from offering any paid assistance to someone in a child support enforcement matter until it has gone from the initial investigation through the final decision of an administrative hearing officer and is on appeal in the court. I think a legislator or legislative employee would still be allowed to be an unpaid witness before the case gets to court, but the person would not be able to do much else, including offer private advice to another person, if the person receives compensation.²

Obviously the language goes beyond application only to legislators or legislative employees who are lawyers. Would it prohibit a legislator who is a building contractor, for example, from obtaining a municipal building permit for a customer? I think it might. I am not as certain, and perhaps it is just a question of how the Ethics Committee interprets the meaning of the language in the future, about whether sec. 16 would apply to a legislator or legislative employee who is, for example, a retail worker involved in a retail business's application for a state or municipal license, an accountant involved in preparing her employer's state or municipal compliance documents (i.e., tax forms, etc.), or a restaurant manager communicating with a DEC inspector about compliance issues. I think that many employees can think of at least one instance where they might be involved in "representing" their regular employer, and I don't know if a showing that the representation is simply part of the person's regular employee duties for which the person is already compensated would be enough to exempt the person from the prohibition in sec. 16.

If I may be of further assistance, please advise.

DCW:lhw
07-148.lhw

¹ In my opinion it would be an unreasonable stretch to interpret the statute as applicable to federal legislative and executive branches.

² According to the applicable definition in AS 24.60.990(4):

"compensation" means remuneration for personal services rendered, including salary, fees, commissions, bonuses, and similar payments, but does not include reimbursement for actual expenses incurred by a person;

Westlaw.

AK ST § 24.60.990

Page 1

AS 24.60.990



ALASKA STATUTES

Title 24. Legislature.

Chapter 60. Standards of Conduct.

Article 5. Miscellaneous and General Provisions.

→Sec. 24.60.990 Definitions.

(a) In this chapter,

(1) "administrative action" means conduct related to the development, drafting, consideration, enactment, defeat, application, or interpretation of a rule, regulation, policy, or other action in a regulatory proceeding or a proceeding involving a license, permit, franchise, or entitlement for use;

(2) "anything of value," "benefit," or "thing of value" includes all matters, whether tangible or intangible, that could reasonably be considered to be a material advantage, of material worth, use, or service to the person to whom it is conferred; the terms are intended to be interpreted broadly and encompass all matters that the recipient might find sufficiently desirable to do something in exchange for; "anything of value," "benefit," or "thing of value" does not include

(A) an item listed in AS 24.60.080(c);

(B) campaign contributions, pledges, political endorsements, support in a political campaign, or a promise of endorsement or support;

(C) contributions to a cause or organization, including a charity, made in response to a direct solicitation from a legislator or a person acting at the legislator's direction; or

(D) grants under AS 37.05.316 to named recipients;

(3) "committee" means the Select Committee on Legislative Ethics and includes, when appropriate, the senate or house subcommittee,

(4) "compensation" means remuneration for personal services rendered, including salary, fees, commissions, bonuses, and similar payments, but does not include reimbursement for actual expenses incurred by a person;

(5) "domestic partner" means a person who is cohabiting with another person in a relationship that is like a marriage but that is not a legal marriage.

(6) "immediate family" means

(A) the spouse or domestic partner of the person; or

(B) a parent, child, including a stepchild and an adoptive child, and sibling of a person if the parent, child, or sibling resides with the person, is financially dependent on the person, or shares a substantial financial interest with the person;

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AK ST § 24.60.990

Page 2

AS 24.60.990

- (7) "income" means assets that are received, regardless of whether they are earned or unearned; inheritances and other gifts are not income;
- (8) "knowingly" has the meaning given in AS 11.81.900;
- (9) "legislative action" means conduct relating to the development, drafting, consideration, sponsorship, enactment or defeat, support or opposition to or of a law, amendment, resolution, report, nomination, or other matter affected by legislative action or inaction;
- (10) "legislative director" means the director of the legislative finance division, the legislative auditor, the director of the legislative research agency, the ombudsman, the victims' advocate, the executive director of the Legislative Affairs Agency, and the directors of the divisions within the Legislative Affairs Agency;
- (11) "legislative employee" means a person, other than a legislator, who is compensated by the legislative branch in return for regular or substantial personal services, regardless of the person's pay level or technical status as a full-time or part-time employee, independent contractor, or consultant; it includes public members and staff of the committee; it does not include individuals who perform functions that are incidental to legislative functions, including security, messenger, maintenance, and print shop employees, and other employees designated by the committee;
- (12) "lobbyist" means a person who is required to register under AS 24.45.041 and is described under AS 24.45.171, but does not include a volunteer lobbyist described in AS 24.45.161(a)(1) or a representational lobbyist as defined under regulations of the Alaska Public Offices Commission;
- (13) "political action" means conduct in which public officials, including legislators or legislative employees, use their official position or political contacts to exercise influence on state and local government employees or entities; it includes but is not limited to endorsing and pledging support or actively supporting a legislative matter, a nominee, or a candidate for public office;
- (14) "registered lobbyist" means a person who is required to register under AS 24.45.041;
- (15) "representation" means action taken on behalf of another, whether for compensation or not, including but not limited to telephone calls and meetings and appearances at proceedings or meetings;
- (16) "state office" includes the office of governor, lieutenant governor, member of the legislature, or similar state office.
- (b) A person has a substantial interest in legislative, administrative, or political action if the person (1) is not a natural person and will be directly and substantially affected financially by a legislative, administrative, or political action; (2) is a natural person and will be directly and substantially affected financially by a legislative, administrative, or political action in a way that is greater than the effect on a substantial class of persons to which the person belongs as a member of a profession, occupation, industry, or region; (3) has or seeks contracts in excess of \$10,000 annually for goods or services with the legislature or with an agency of the state; or (4) is a lobbyist. For the purpose of this subsection, the state, the federal government, and an agency, corporation, or other entity of or owned by the state or federal government do not have a substantial interest in legislative, administrative, or political action.

Current through all 2006 Legislation, Annotations current through Opinions
Decided as of July 1, 2006.

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STATE OF ALASKA

DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

Sarah Palin, Governor

P.O. BOX 110300
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PHONE: (907)465-3600
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February 26, 2007

The Honorable Bill Stoltze
State House of Representatives
State Capitol, Room 501
Juneau, AK 99801

Re: Amendment of Laws Enacted by Initiative

Dear Representative Stoltze:

During a budget hearing on February 15, 2007, you requested that our office provide you with an analysis on two matters related to voter initiatives. You asked, first, for a summary of the case law on the legislature's authority to amend a law enacted by voter initiative within two years of enactment. and second, for a history of the legislature's amendments to initiatives during those first two years. The reason to examine the legislature's authority to change an initiated law during the first two years that the law is effective is the prohibition in the Alaska Constitution against the repeal of an initiative during those years. Alaska Const., art. XI, sec. 6. This limit on repeal has been interpreted to restrict the legislature's power to amend an initiated law during its first two years even though the Constitution expressly permits amendments to initiated laws at any time.

1. Summary of the case law

The Alaska Supreme Court has addressed the legislature's authority to amend an initiated law in three cases, although it has reviewed the actual exercise of this authority in only one case. The first case in which the Court discussed the subject is *Warren v. Boucher*, 543 P.2d. 731, 737 (Alaska 1975), a case reviewing the legislature's exercise of its authority to void an initiative petition by enacting substantially the same measure in legislation. Alaska Const. art. XI, sec. 4. The power to amend was described as "broad" and "a check or balance against the initiative process." 543 P.2d. at 737.

The Court speculated that the purpose of the power to amend was

* { to assure that initiatives which were ill-advised, which might seriously cripple or frustrate the sound workings of government, or which might be impracticable, could be *altered or corrected* rapidly by the legislature. It was obviously intended by the framers that the initiative process should not be permitted to disrupt vital governmental functions or to impose intolerable burdens upon established administrative systems. [*Id.* (emphasis added).]

Two years later, in *Warren v. Thomas*, 568 P.2d 400, 402-03 (Alaska 1977), the Court considered a challenge to the legislature's amendment of laws adopted by initiative. The initiated laws concerned public official financial disclosure, and the legislature amended them soon after they became effective. The amendments moved the deadline for filing financial disclosure reports from February to April of 1975 and excused public officials leaving office from the obligation to file. Although the amended laws differed in many respects from the initiative measure, the Court found that the amendments did not amount to a repeal. "[t]here are considerable language changes, but, these clarify and render the law more precise. The fines for violations of the law have been reduced but the penalties are still significant," and "the amended law still imposes substantial disclosure requirements on public officials and effectuates the intent of the electorate that those in a position of public trust be held to a high standard of financial disclosure." *Id.* at 402. The changes were not found to so vitiate the regulatory scheme "as to 'constitute its repeal.'" *Id.* (quoting *Boucher*, 543 P.2d. at 737). Although it upheld the amendments under review in *Thomas*, the Court clearly viewed the prohibition against repeal as a limitation on the legislature's authority to amend an initiative. For an amendment to be authorized during the first two years of an initiative, it must continue to further the intent of the voters.

The third case in which the Court discussed the legislature's power to amend an initiative was *State v. Trust the People*, 113 P.3d 613, 623 (Alaska 2005). That case concerned the legislature's exercise of its power to supplant an initiative measure by passing a substantially similar law, rather than its power to amend after an initiative is enacted by the voters. Although the Court recognized that the power to supplant is somewhat narrower than the power to amend, the Court relied in part upon its earlier decision in *Thomas*. The Court characterized *Thomas* as holding that "amendments to popularly-initiated legislation must still 'effectuate the intent of the electorate,' and an amendment that 'so vitiates an act passed by initiative as to constitute its repeal' is not acceptable." *Id.* at 623 (quoting *Thomas*, 568 P.2d at 403).

In *Trust the People* the Court identified three factors relevant to determining whether a proposed initiative and legislation were substantially the same. Although this

3 prong test
re: supplant

test was developed with regard to the power to supplant, rather than the somewhat broader power to amend, the test may also be helpful in determining whether proposed changes would continue to promote the same goals of the electorate in enacting the initiative. First, the scope of the subject matter is important: "The broader the reach of the subject matter, the more latitude must be allowed the legislature to vary from the particular features of the initiative," *Id.* at 620-21 (quoting *Boucher*, 543 P.2d. at 736), and conversely, "the simpler and more focused a law is, the fewer details that can be adjusted without effecting a fundamental change in the measure's purpose and effect." *Id.* at 621. (Second), whether the general purpose of the amended initiative would be the same as the original is important. Clues to the purpose of the initiative can be found in the text of the initiative measure, the ballot summary for the measure, and the arguments published in connection with it, such as the supporters' statement in the voter's pamphlet. *Id.* at 622. (Third), the Court examines whether the initiative and proposed legislation employ the same means to accomplish its purpose. The means can be similar, rather than identical, so long as they truly accomplish the goals of the initiative measure. *Id.*

In *Trust the People*, the Court applied the test to determine whether a proposed initiative restricting the governor's power to appoint a temporary United States Senator should be supplanted by legislation retaining that authority temporarily until the results of a special election to fill the vacancy could be certified. The Court found that the scope of the initiative was narrow, filling a vacancy, and that its purpose, to eliminate the governor's appointment power, was significantly different from the purpose of the legislation, which provided for the governor to retain this authority. In addition, the means chosen to fill the vacancy, particularly with regard to the role of the governor, were dissimilar. The Court concluded that the proposed initiative and the legislation were not substantially the same and held that the legislation did not supplant the proposed initiative.

2. History of legislative amendments during the first two years of an initiative measure's enactment

Our research discovered few amendments to initiated laws during the first two years of their enactment. We found two, in addition to the 1974 public official financial disclosure initiative enacted in 1974 and examined in *Thomas*, 568 P.2d 400, that was discussed previously. The legislature adopted a number of amendments to a 1998 initiative on the medical use of marijuana. A copy of 1999 Inf. Op. Att'y Gen. (May 24; 883-99-0037) (providing an analysis of the bill amending the initiated law) is attached for your information.

The legislature also amended the gas line initiative enacted in 2000 by changing the definition of "project." An analysis of that bill is also attached. In addition, various

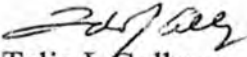
Representative Bill Stoltze
Re: Amendment of Laws Enacted by Initiative

February 26, 2007
Page 4

“housekeeping” amendments to sections enacted by the gas line initiative were made by the 2003 “revisor’s bill.” CSSB49(STA) (secs. 54, 55, 56, 57 & 58, ch. 35, SLA 2003). These amendments are by definition minor and corrective and do not change the meaning of any law. AS 01.05.031.

If you have additional questions or further assistance is required, please do not hesitate to contact me.

Sincerely,


Talis J. Colberg
Attorney General

Enclosures

cc w/enc: John Bitney, Legislative Liaison, Office of the Governor
AAG D. Behr, Legislation & Regulations, Acting Legislative Liaison,
Office of the Attorney General

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-2075

May 24, 1999

The Honorable Tony Knowles
Governor
P. O. Box 110001
Juneau, AK 99811-0001

Re: HCS CSSSSB 94(FIN) -- Relating to the
Medical Use of Marijuana
A.G. file no: 883-99-0037

Dear Governor Knowles:

At the request of your legislative director, Pat Pourchoi, we have reviewed HCS CSSSSB 94(FIN), relating to the medical use of marijuana.

The medical marijuana law enacted by voter initiative in the 1998 general election contained ambiguous language, and as a result contained a large number of provisions that make the law difficult to administer, difficult to enforce, and difficult to interpret. These problems could not have been envisioned by the voters.

The goal of this Administration was to fix the problems in the voter initiative in order to make the law work, that is, to give effect to the intent of the voters to allow marijuana to be used to address debilitating medical conditions under appropriate controls.

In assessing HCS CSSSSB 94(FIN) (hereafter referred to as SB 94), it is helpful to bear in mind that the legislature heard a great deal of testimony about the potency and profitability of marijuana. In addition to consistent police testimony that marijuana grown in Alaska is among the most potent grown anywhere in the world, the legislature took testimony from medical marijuana users. In particular, the House Judiciary Committee heard very compelling testimony from a user who described how, in the last few months, he was able to stop using prescription narcotic pain medications by substituting marijuana. This individual testified that he had been taking an amount of narcotics that would likely kill an ordinary person who had not built up a level of tolerance to the drugs. He also indicated that marijuana of this quality sells for \$500-600 per ounce, which was supported by police testimony that Alaska-grown marijuana often sells for \$4,000-5,000 per pound, or more. Thus the testimony showed that marijuana is a powerful drug capable of producing similar pain-killing effects as narcotics, and creating an enormous profit potential, all of which supported the

legislature's desire that medical use of marijuana remain under appropriate controls and not be subject to abuse.

Legal Standard

Under art. XI, sec. 6. of the Alaska Constitution, a voter initiative cannot be repealed for two years, but may be amended at any time. Alaska case law holds that the legislature has broad authority to "substitute its judgment for that of the proponents of an initiative." *Warren v. Boucher*, 543 P.2d 731, 737 (Alaska 1975). There seems to be a sliding scale analysis, such that "[t]he broader the reach of the subject matter, the more latitude must be allowed the legislature to vary from the particular features of the initiative." Medical use of marijuana is a fairly narrow topic, so we should assume for purposes of this analysis that a court will look more closely at any amendments than they would if the subject matter were broader. Nevertheless, the legislature can amend an initiative if the amendments "preserve its basic structure and purpose . . ." *Warren v. Thomas*, 568 P.2d 400, 404 (Alaska 1977). As discussed more fully below, we believe that the amendments to the initiative made by this bill are valid because a court will find that they are certainly much more than a "hollow gesture" toward medical use of marijuana. 543 P.2d at 739.

Moreover, much of the original initiative still remains. For example, the proponents of the initiative specifically did not require a prescription by the physician, so as to avoid what they characterized as the practice in other states in which the federal authorities threatened action against doctors writing such prescriptions. SB 94 retains this provision and requires only that the physician consider other approved medications and treatments. By not requiring a formal prescription, SB 94 avoids an argument that the amendment is simply a "subterfuge to frustrate the ability of the public to obtain consideration and enactment" of a law allowing use marijuana for medical purposes. *Id.*

Main Changes made to the Initiative

The Department of Health and Social Services, Department of Public Safety, and Department of Law identified several changes needed to make the medical marijuana law work, and SB 94 addressed most of these issues. The issues that were important to this Administration were:

- ▶ Recognize that marijuana, like other prescription drugs, should be a controlled substance, regardless of how it is used.
- ▶ Prohibit patients from selling or distributing marijuana.
- ▶ Limit the number of patients who can be supplied marijuana by the same person.
- ▶ Require mandatory registration with the Department of Health and Social Services.

- ▶ Limit possession to one ounce and six plants.
- ▶ Allow police to take action in medical marijuana cases just as with misuse of a prescription for a narcotic drug, and make the legal burden of proof for medical marijuana consistent with that applied to other drugs.
- ▶ Allow access to the registry in criminal investigations.

Each of these points is discussed below and analyzed in terms of the legal standard set out above.

Marijuana Should Be a Controlled Substance, Regardless of How It Is Used. The medical marijuana initiative provides that marijuana used for medical purposes is not a "controlled substance." AS 11.71.190(b). This seemingly insignificant change has serious legal consequences because many other state laws depend on the phrase "controlled substance." For example, it is a crime to possess a firearm while under the influence of alcohol or a controlled substance. AS 11.61.210(a)(1). Thus, because medical marijuana is no longer a "controlled substance," a patient intoxicated on marijuana could lawfully possess and use a firearm. Although the laws relating to driving while intoxicated use a different definition of controlled substance, and thus we believe that a patient can be convicted for driving after using marijuana, an attorney for the legislature has written an opinion that suggests that it is possible a court would not allow prosecution or conviction for driving while intoxicated.

By continuing to treat marijuana as a "controlled substance," SB 94 takes into consideration the potential for abuse of the drug, while at the same time allowing it to be used to address debilitating conditions. This change does not repeal the initiative.

Prohibit Patients from Selling or Distributing Marijuana. The medical marijuana initiative contains an oddly worded provision that would allow registered patients to sell or give marijuana to anyone else, as long as the registered patient did not know that the buyer was not eligible to be registered. AS 17.37.040(a)(3). The legislature heard testimony that this could lead to the problem encountered in California, where retail outlets, euphemistically called "marijuana clubs," sprung up after the medical marijuana initiative was enacted in that state.

There was legislative testimony that the price of marijuana in California clubs ranged from \$20 to \$120 for one-eighth of an ounce, thus offering a product selling for nearly \$1,000 per ounce. One large marijuana club in San Francisco had profits of \$1 million per month before it was shut down. Although California authorities were able to close that business, it appears that the Alaska medical marijuana initiative would allow selling by patients.

SB 94 takes into consideration the potential for abuse of the drug and making a profit on its use, while at the same time allowing it to be used to address debilitating conditions. This change does not repeal the initiative.

Limit the Number of Patients Who Can Be Supplied Marijuana by the Same Person.

The initiative is silent as to the number of patients who can be supplied marijuana by a single caregiver. If one person is allowed to supply marijuana to multiple patients, at least two problems are created. First, the designated caregiver would be allowed to possess one ounce plus six plants for each patient, thus allowing large growing operations, and the caregiver could transport and distribute multiple ounces of marijuana. Second, the caregiver would almost certainly have a large profit-making incentive and could easily take advantage of patients, as was done in the California marijuana club selling marijuana for triple the price of gold. SB 94 also prohibits convicted felony drug offenders from being caregivers and raises the minimum age for caregivers to 21, which is consistent with laws relating to possession of alcohol.

SB 94 also changed the definition of "primary caregiver," so as to give patients a broader choice of persons to assist them in obtaining marijuana. Moreover, the bill also eases a restriction in the initiative by allowing each patient to have a primary caregiver, as well as an alternate caregiver who can take the place of the primary caregiver in that person's absence. Thus, while SB 94 imposes some different requirements on caregivers in light of the potential for abusing the drug and making a profit on its use, at the same time the bill allows patients additional flexibility to designate "caregivers."

The changes to the laws on caregivers do not repeal the initiative.

Mandatory Registration. The marijuana initiative allows patients to register with the Department of Health and Social Services, but does not require it. From a quick reading of the initiative, it is not immediately apparent that persons are allowed to use marijuana for medical purposes even if they have not registered with the Department of Health of Social Services. Yet a careful legal review discloses that this is the result. AS 17.37.030(a).

The optional registration was described in testimony by many police administrators as a serious practical problem for the police. If a person tells a police officer that he or she is possessing marijuana for medical purposes, but is not registered, the officer has two choices, neither of which is acceptable: the officer can seize the marijuana and arrest the person, thus possibly depriving someone of a substance the person legitimately needs for medical care, or the officer can let the person go on his or her way, thus in essence overlooking a criminal act if the person cannot legally use the substance.

The prime sponsor of the initiative testified that some persons with debilitating conditions may choose not to register because they believe it is a violation of their privacy. However,

those fears should be allayed because the application process for registration does not require the patient to disclose the nature or symptoms of their condition. Moreover, the police will not have access to the registry for general investigative purposes and will be allowed access only to confirm that a person who claims to be registered is in fact registered. Mandatory registration is a protection for patients, because the police will be able to determine immediately that they can lawfully use marijuana for medical purposes.

Mandatory registration also cures unintended problems that arise because the initiative treats registered users differently from unregistered users in several ways. One of the examples of this different treatment is that registered patients cannot use marijuana in public. AS 17.37.040(a)(2). Yet there is no similar restriction for unregistered users. Unregistered persons who uses marijuana in public can therefore do so freely, as long as they can show they have a medical need to use marijuana. This difference in treatment is hard to justify, and thus a registered patient is likely to be able to convince a court that it is a denial of equal protection of the laws, and a restriction on their right to use marijuana, that a registered patient is prohibited from doing in public what an unregistered person can do. Without mandatory registration, the initiative would allow marijuana to be openly used in public, which could lead to a backlash against the law.

Even though SB 94 requires registration for all marijuana users, whereas the initiative makes registration optional, we do not believe this change can be characterized as a repeal of the initiative as lawful medical use of marijuana is still permitted under the bill.

Limit Possession to One Ounce and Six Plants. SB 94 limits patients to possessing one ounce plus six plants of marijuana. The one-ounce-plus-six-plants limit is contained in the original ballot initiative that enacted the medical marijuana provisions, and thus is current Alaska law. AS 17.37.020(a). As such, it is presumptively valid. Because SB 94 adopts that same limit, it would also be presumed to be valid by the courts.

The ballot proposition goes on to provide, however, that patients can possess more than one ounce and six plants if they can prove by a preponderance of the evidence that a greater amount is "medically justified." AS 17.37.020(b). SB 94 does not adopt this exception.

Although the prime sponsor of the ballot initiative testified that some patients want to have more than one ounce plus six plants, there was no testimony before any committee that explained why that is so from a medical perspective. One medical marijuana user who testified in House Judiciary Committee did not register any objection to the one-ounce-plus-six-plants limit. Indeed, there was evidence presented that this is a large amount of marijuana for personal use for medical purposes.

There was testimony in committee hearings that the *average* mature marijuana plant seized by the Alaska State Troopers in 1998 provided four ounces of dried and usable marijuana, that

is, the dried leaves, buds and seeds, with roots and stalks removed. There was also testimony in the House HESS Committee from a Fairbanks police officer who participated in the investigation of one of the largest marijuana growing operations, where plants tended by a skilled grower were up to 10 feet tall and yielded up to two pounds of marijuana each.

The three mature marijuana plants allowed by SB 94 provide an average of 12 ounces of usable marijuana. The committee testimony showed that the three other plants provide an average of three more ounces, for a total of 15 ounces of usable marijuana in plant form. Thus the testimony establishes that one ounce plus six plants, on average, yields one pound of usable marijuana.

The House Judiciary Committee heard testimony from a user of marijuana for medical purposes, who indicated that his medical needs required one ounce of marijuana every 10 days. The House HESS Committee heard testimony from a federal official who indicated that each marijuana cigarette uses about one-half gram of marijuana, thus yielding 56 cigarettes per ounce. The federal official's testimony assumed a duration of effectiveness lasting only two hours per cigarette, which means a person would need eight cigarettes per day to stay under the influence of marijuana for 16 hours, or essentially all their waking hours. Even at this unrealistically high rate of consumption of low-grade marijuana, one ounce would last a week for a heavy user of marijuana for medical purposes.

The testimony before the legislature thus shows that a patient with one ounce plus six plants has, on average, access to 16 ounces of marijuana, which provides a constantly regenerating 16-week supply, even if they use it at a rate that keeps them intoxicated all the time. There was no evidence, and no testimony, that this amount is not adequate for patients for medical purposes.

The portion of the ballot initiative that allows more marijuana if the patient proves it is "medically justified" raises two primary issues. The first issue is the practical difficulty created for police officers if every patient is allowed to possess a different amount of marijuana, depending upon what the patient can later show in court. Testimony by police officials showed that the best approach for both police officers and patients is a clear "bright line" rule that establishes a set amount that can be possessed. This was a matter of policy for the legislature to consider.

The second issue revolves around the "medical justification" that would authorize more than one ounce plus six plants. While this can be characterized as a question of medical care, it appears that this, too, was a policy matter for the legislature.

In terms of actual *medical* justification, a patient needs only enough marijuana for his or her immediate use. Anything more than that is not a matter of medical *need*, but a matter of convenience for the patient or the patient's caregivers.

It may very well be the case that possessing four ounces of usable marijuana, or eight ounces, or possessing 12 plants or 24 plants is more convenient for the patient than one ounce plus six plants. But there was no testimony in any committee that there is any possible *medical* justification for greater amounts than one ounce plus six plants. The issue for the legislature, then, was whether the increase in convenience outweighs the risks in allowing greater amounts of marijuana to be freely possessed, grown, and transported by patients and caregivers. Whether to allow more marijuana than one ounce plus six plants therefore appears to be a pure policy question for the legislature, rather than a medical one.

Given the testimony before the legislature about the potency and profitability associated with marijuana, we believe that a court would find that the one-ounce-plus-six-plants limit in SB 94, with no provision for possession of greater amounts, is a proper exercise of the legislature's authority to amend the medical marijuana law.

Allow Police to Take Action in Medical Marijuana Cases Just As with Misuse of a Prescription for a Narcotic Drug, and Make the Legal Burden of Proof for Medical Marijuana Consistent with That Applied to Other Drugs. The medical marijuana initiative gave registered patients immunity from arrest, prosecution, and conviction for any offense related to medical use of marijuana, even if the patient possessed more than the legal limit of marijuana. AS 17.37.030(b). Even if the state had evidence that the person possessed a large amount of marijuana, police and prosecutors could take no action. Although the prime sponsor of the initiative has indicated that this was not the intent of the initiative, it is certainly the plain meaning of the initiative. SB 94 removes this provision, and thus allows the police to make arrests just as they would with any other misused prescription drug: if it a felony offense, they can arrest if there is probable cause to believe that a crime has been committed, and if it is a misdemeanor offense the offense must also have been committed in the officer's presence. SB 94 also removes similar restrictions on the authority of police to seize and forfeit evidence, thus allowing general Alaska law to control those actions.

SB 94 brings the medical marijuana law into conformity with other laws that make it an "affirmative defense" if a person seeks to rely on a statutory exemption to otherwise illegal conduct. For example, the concealed handgun law requires the registered person to prove he or she is registered and that the carrying of the handgun conformed to the law. More directly to the point, however, Alaska law for many years has required that users and dispensers of controlled substances have the burden of proving by a preponderance of the evidence that they are entitled to any exemption or exception in the controlled substances laws. AS 11.71.350. Thus SB 94 puts medical users of marijuana in exactly the same position as users of prescription drugs.

Given that this allocation of burden of proof does not appear to unduly restrict access to prescription drugs, it is not a repeal of the marijuana initiative. Similarly, it is not a repeal to remove the practical impediments to police officers, by allowing them to use general laws relating to arrests and forfeiture actions, just as they can with any other prescription drug.

Allow Access to the Registry in Criminal Investigations. This Administration favored a provision allowing police access to the registry in the course of a criminal investigation. SB 94, however, retains the language in the initiative that allows access only if a person claims to be a registered patient or caregiver. We believe that this level of confidentiality will interfere with some police investigations, and make police investigative efforts more difficult. The Administration may wish to consider requesting amendments in the future if this proves to be unworkable or not in the state's best interest.

Other Changes. SB 94 changes the medical standard for a physician to recommend marijuana to a patient, by requiring the doctor to consider other approved medications and treatments. With new pain killers coming on the market all the time, as well as the availability of new nausea medications and FDA-approved synthetic THC (delta-9-tetrahydrocannabinol, the active ingredient in marijuana), it would seem to be sound medical practice to consider these other approved alternatives before advising a patient to use an unregulated substance of unknown purity and potency.

Although SB 94 does change the medical standard, by requiring doctors to consider other approved medications before recommending marijuana, this is certainly a much more flexible standard than expressed in a recent report by the Institute of Medicine of the National Academy of Sciences, and it does not constitute a repeal. The sponsor of SB 94 circulated information to legislative committees about the report, which stated that, given the health risks associated with smoked marijuana, short-term use of marijuana by certain patients was justified only if the "failure of all approved medication to provide relief has been documented." *Marijuana & Medicine: Assessing the Science Base* (Recommendation 6), National Academy Press, Washington, D.C., 1999.

A long-time Alaska physician testified in the House HESS Committee and stated that in his experience almost all requests for marijuana for medical purposes come not from patients with terminal illnesses, but from patients with chronic conditions who will be using marijuana indefinitely. The physician testified that research showed marijuana has seven times the amount of tar and other potentially cancer-causing substances as cigarettes and that there was therefore the potential (although specific research had not been done) that marijuana presented seven times the cancer risk of cigarettes. Thus the legislature certainly had an adequate record upon which to make a change in the standard to be applied by physicians, and the change in the medical standard does not repeal the initiative.

In addition to tightening up the medical marijuana law, SB 94 relaxed some requirements of the initiative. First, it allowed marijuana to be transported by patients and caregivers. The marijuana initiative defined medical use of marijuana to include transportation of marijuana. The initiative went on to say that registered patients could not "engage in medical use of marijuana" in public. This meant that marijuana could not be transported. Although this provision might have been struck down as unconstitutional (as discussed above), the law might very well have imposed a practical burden on patients and caregivers. Second, as discussed above, although SB 94 limits each

The Honorable Tony Knowles, Governor
A.G. file no: 883-99-0037

May 24, 1999
Page 9

caregiver to supplying marijuana to only one patient (except in unusual circumstances), the bill also eases restriction in the initiative by allowing each patient to have a broader range of persons from which to choose caregivers and to designate a primary caregiver as well as an alternate caregiver who can take the place of the primary caregiver in that person's absence. These relaxed requirements also do not repeal the initiative.

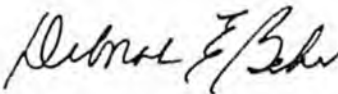
In conclusion, in our opinion the changes to the initiative do not violate the constitution, either singly or in their totality, because they do not constitute a repeal of the initiative. Instead, the amendments appear to be a proper exercise of the legislature's broad authority to "substitute its judgment for that of the proponents of an initiative." *Warren v. Boucher*, 543 P.2d 731, 737 (Alaska 1975). The amendments to the initiative, though numerous, still "preserve its basic structure and purpose . . ." *Warren v. Thomas*, 568 P.2d 400, 404 (Alaska 1977).

SB 94 has an immediate effective date if it is enacted into law.

Conclusion

The bill addresses legal concerns raised by law enforcement and the Department of Health and Social Services.

Sincerely,


for Bruce M. Botelho
Attorney General

BMB:DJG:jf

STATE OF ALASKA

DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

FRANK H. MURKOWSKI, GOVERNOR

P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
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May 19, 2004

The Honorable Frank H. Murkowski
Governor
State of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Re: HB 417 -- amending the definition of
"project" in the act establishing the
Alaska Natural Gas Development
Authority
Our File: 883-04-0044

Dear Governor Murkowski:

At the request of your legislative director, we have reviewed HB 417, which expands the definition of "project" in the act establishing the Alaska Gas Development Authority ("ANGDA") to include a possible gas pipeline terminus at tidewater at a point on Cook Inlet. Before this addition, the definition of "project" included only a terminus at tidewater at a point on Prince William Sound and a spur line from Glennallen to the Southcentral gas distribution grid. This bill has an immediate effective date under AS 01.10.070(c) so, if you sign the bill into law, it would become effective at 12:01 a.m. Alaska Standard Time on the day after you took that action.

The Alaska Natural Gas Development Authority is a public corporation housed in the Department of Revenue. ANGDA was created by public initiative when voters passed Proposition 3 during the November 5, 2002 election. The establishing legislation is codified at AS 41.41.010 - AS 41.41.990. This bill amends the definition of project in AS 41.41.990(3) to read:

(3) "project" means the gas transmission pipeline, together with all related property and facilities, to extend from the Prudhoe Bay area on the North Slope of Alaska either to tidewater at a point on Prince William Sound and the spur line from Glennallen to the South Central gas distribution grid or to tidewater at a point on Cook Inlet and includes

Hon. Frank H. Murkowski, Governor
Our file: 883-04-0044

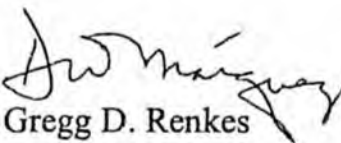
May 19, 2004
Page 2

planning, design, and construction of the pipeline and facilities as described in AS 41.41.010(a)(1)-(5). [Language in bold added by this bill.]

The Alaska Constitution art. XI, sec. 1 provides that the people may propose and enact laws by initiative. Although an initiated law may not be repealed by the legislature within two years of its effective date, Alaska Const. art. XI, sec. 7 provides that an initiated law may be amended at any time. The Alaska Supreme Court has stated that the legislature has broad authority to vary the terms of an initiated law after its adoption. See *Warren v. Boucher*, 543 P.2d 731, 737 (Alaska 1975). The addition of a new project for ANGDA to consider is a proper exercise of that broad authority and does not constitute a repeal of the initiated legislation.

In summary, we see no legal or constitutional problems presented by this bill.

Sincerely,


for Gregg D. Renkes
Attorney General

GDR:LHH:tag

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MEMORANDUM

March 6, 2007

SUBJECT: Comments by Drafter regarding CSHB 109(STA)
(Work Order No. 25-GH1059\O)

TO: Representative Bob Lynn
Chair of the House State Affairs Committee
Attn: Mike Sica

FROM: Dan Wayne 
Legislative Counsel

Attached is the above-referenced bill draft for your review. In particular please note the following:

1. On page 28, line 10, I removed sec. 2 from the list of sections that would become effective July 1, 2007. In drafting the amendment that eventually was adopted and became sec. 2, I was permitted to discuss it with your staff, Representative Gruenberg's staff, and David Jones of the Department of Law. In those discussions I think it was generally understood that the effective date of the section, except as specifically noted otherwise in the language of the section itself, would be the same as the general effective date of the bill. Therefore, instead of giving a specific May 1, 2007, effective date for persons campaigning for or against a ballot proposition or initiative, as in the previous draft adopted by the committee (which was later rescinded for other reasons), I was able to accomplish the same thing but in leaner and simpler language. By removing sec. 2 from the list of sections that become effective July 1, 2007, sec. 2 becomes effective at the time as I believe the committee intended.
2. Regarding the section amending AS 39.52.180(d) (page 26, lines 19 - 28), I modified the language of oral amendment 35 (by Representative Bob Roses) to conform with drafting requirements. I conformed the language of new subsection 39.52.180(e) (page 26, line 29, through page 27, line 7) and corresponding applicability sections as well, by adding the amended language.
3. The next committee of referral may want to consider two changes to sec. 20 of the bill, to better define the term "caucus" in AS 24.60.130(p). I recommend adding the word "organizational" following the word majority on page 15, lines 24, 27, and 31, the word minority, on page 15, line 28, and page 16, lines 2 and 3. With that change the sentence on page 16, line 4 that begins "In this paragraph," should be deleted because "minority organizational caucus" is already defined in the section and the extra reference

Representative Bob Lynn
March 6, 2007
Page 2

would not be needed.¹ In my opinion, the meaning of "majority organizational caucus" in this context is self-evident, and needs no further definition in the bill.

DCW:lmb
07-045.lmb

Enclosure

¹ Rule number 1(e) of the Alaska State Legislature Uniform Rules says, in part:

For purposes of this subsection "minority" means a group of members who have organized and elected a minority leader and who constitute at least 25 percent of the total house membership.

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Deliveries to: 129 6th St., Rm. 329**MEMORANDUM**

February 26, 2007

SUBJECT: Prohibition on lobbying by legislator spouses and domestic partners in CSHB 109() (Work Order No. 25-GH1059\K)

TO: Representative Max Gruenberg
Attn: Norman Cohen

FROM: Alpheus Bullard ⁷⁴⁹³
Legislative Counsel

You have requested a legal opinion as to the constitutionality of the proposed statutory change that would prohibit the spouse or domestic partner of a legislator from being a lobbyist as is proposed in sec. 5 of the Committee Substitute for House Bill 109, draft version "K". It is my opinion that the prohibition as it is currently structured may be interpreted by a court as unconstitutional.

The First Amendment provides that "Congress shall make no law . . . abridging . . . the right of the people peaceably to assemble, and to petition the Government for a redress of grievances", art. I, sec. 1 of the Alaska Constitution provides that ". . . all persons have a natural right to life, liberty, . . . equal rights, opportunities, and protection under the law . . .", and art. 1, sec. 5 of the Alaska Constitution provides that "[e]very person may freely speak, write, and publish on all subjects . . .". Lobbying involves both the petitioning of government agencies and core political speech concerns that "implicates First Amendment guarantees of petition, expression, and assembly." Kimball v. Hooper, 665 A.2d 44, 46 (Vt. 1995); United States v. Sawyer, 85 F.3d 713, 731 n. 15 (1st Cir. 1996) (paid lobbyist's employment goal of attempting to persuade and influence legislators was guaranteed by the First Amendment); Findanque v. Oregon Government Standards and Practices Commission, 969 P.2d 376, 379 (Ore. 1998) ("Lobbying is political speech, and being a lobbyist is the act of being a communicator to the legislature on political subjects."); Liberty Lobby, Inc. v. Person, 390 F.2d 489, 491 (D.C. Cir. 1968) ("While the term 'lobbyist' has become encrusted with invidious connotations, every person or group engaged . . . in trying to persuade Congressional action is exercising the First Amendment right of petition."); and United States v. Harris, 347 U.S. 612, 625 (1954).

The fact that the proposed prohibition applies only to paid lobbyists ("volunteer" and "representational" lobbyists being excluded, see 25-GH1059\K p. 4. lines 5 - 7) does not shield the proposed prohibition from constitutional analysis. "The mere fact . . . that one earns a living by exercising First Amendment rights does not vitiate the ability to assert those rights." Moffett v. Killian, 360 F. Supp. 228, 231 (D. Conn. 1973) citing Follett v.

Representative Max Gruenberg
February 26, 2007
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McCormick, 321 U.S. 573 (1944). Additionally, the individual rights afforded by the Alaska Constitution, art. I, sec. 1, include the right to make certain contracts for personal employment. see State v. Enserch Alaska Construction, Inc., 787 P.2d 624 (Alaska 1989) (The right to engage in an economic endeavor within a particular industry is an "important" right for state equal protection purposes) and Malabed v. N. Slope Borough, 70 P.3d 416 (Alaska 2003) (close scrutiny of enactments impairing the important right to engage in economic endeavor requires that the state's interest underlying the enactment be not only legitimate, but important, and that the nexus between the enactment and the important interest it serves be close.) In justifying such an infringement on the personal liberty of legislators' spouses and domestic partners, the state would have to demonstrate a compelling interest in the purposes advanced by the restriction and an absence of less restrictive alternatives in realizing these ends. While the United States Supreme Court has acknowledged that governments have a legitimate interest in regulating lobbyists, see McIntyre v. Ohio Elections Commission, 514 U.S. 334, 356 n. 20 (1995) ("The activities of lobbyists who have direct access to elected representatives, if undisclosed, may well present the appearance of corruption"), "statutes attempting to restrict or burden the exercise of First Amendment rights must be narrowly drawn and represent a considered legislative judgment that a particular mode of expression has to give way to other compelling needs of society." Broadrick v. Oklahoma, 413 U.S. 601, 611 - 612 (1973) (citations omitted).

While the United States Supreme Court has recognized that governments have a "sufficiently important" interest in preventing political corruption and the appearance of corruption that justifies limits on campaign contributions and a standard of review below that of strict scrutiny, see McConnell v. Federal Election Commission, 540 U.S. 93 (2003), I am not aware of any court that has recognized this rationale as a basis for such a broad prohibition on paid lobbying. While the ban may be intended to promote public confidence in the integrity of legislators and to prevent corruption and any appearance of corruption, the prohibition as it is currently structured disallows all paid lobbying by spouses and domestic partners of legislators; not lobbying on issues before committees on which a legislator spouse or domestic partner might serve, a matter on which the legislator spouse or domestic partner will vote, etc. Therefore, a court might conclude that the ban as structured is not sufficiently narrow to further a compelling state interest and is an unconstitutional infringement on the First Amendment rights of the spouses and domestic partners to whom it applies.

It is my opinion that the state may be unable to meet its burden of demonstrating that no less restrictive alternatives exist to eliminate impropriety, undue influence, and conflicts-of-interest, and that this restriction might be invalidated.

TLAB:mcd
07-127.med

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MEMORANDUM

February 28, 2007

SUBJECT: Constitutionality of statutes similar to sec. 5 of CSHB 109(), draft version "K" (Work Order No. 25-GH1059\K)

TO: Representative Max Gruenberg
Attn: Norman Cohen

FROM: Alpheus Bullard *AB*
Legislative Counsel

In a response to an earlier memorandum, you have requested that I augment my efforts by searching for and examining any existing judicial interpretation of statutes similar to sec. 5 of the proposed Committee Substitute for House Bill 109, draft version "K."

My research for the earlier memorandum began with such an effort, but I did not, and have not, unearthed any judicial examination of a statutory prohibitions on lobbying by a legislative spouse or domestic partner as broad as that found in sec. 5.

While decidedly second best, what I was able to find, was circumstantial evidence of state legislative and congressional consideration of similar provisions. The common thread or denominator discovered, is that while such broad prohibitions have been considered, they are absent from the final enactments of the legislation in which the provisions were to be included. For one example, see the ethics opinion draft concerning the history of Kentucky Senate Bill No. 7, 1993 at "www.lrc.ky.gov/ethics/Opinions/02-04.doc."

The most similar provision to sec. 5 that I found, is "S.1, Commission to Strengthen Confidence in Congress Act of 2007" passed by the United States Senate on January 18, 2007. The bill addresses statutory changes affecting lobbyists under the federal Lobbying Disclosure Act and other laws. The bill includes a prohibition on "official contacts" by a senator's spouse or immediate family member with the personal, committee, and leadership staff of that senator if the spouse or immediate family member is a registered lobbyist or retained or employed by a registered lobbyist. If it becomes law, a provision in the bill also would prohibit a senator's spouse from having any "official contacts" with any senator or staff if the spouse is a registered lobbyist or retained or employed by a registered lobbyist. The provision in full reads:

SEC. 113. PROHIBIT OFFICIAL CONTACT WITH SPOUSE OR IMMEDIATE FAMILY MEMBER OF MEMBER WHO IS A REGISTERED LOBBYIST.

Rule XXXVII of the Standing Rules of the Senate is amended by--

(1) redesignating paragraphs 10 through 12 as paragraphs 11 through 13, respectively; and

(2) inserting after paragraph 9, the following:

10. (a) If a Member's spouse or immediate family member is a registered lobbyist under the Lobbying Disclosure Act of 1995, or is employed or retained by such a registered lobbyist for the purpose of influencing legislation, the Member shall prohibit all staff employed by that Member (including staff in personal, committee, and leadership offices) from having any official contact with the Member's spouse or immediate family member.

(b) Members and employees on the staff of a Member (including staff in personal, committee, and leadership offices) shall be prohibited from having any official contact with any spouse of a Member who is a registered lobbyist under the Lobbying Disclosure Act of 1995, or is employed or retained by such a registered lobbyist.

(c) The prohibition in subparagraph (a) shall not apply to the spouse of a Member who was serving as a registered lobbyist at least 1 year prior to the election of that Member to office or at least 1 year prior to their marriage to that Member.

(d) In this paragraph, the term 'immediate family member' means the son, daughter, stepson, stepdaughter, son-in-law, daughter-in-law, mother, father, stepmother, stepfather, mother-in-law, father-in-law, brother, sister, stepbrother, or stepsister of the Member.
(www.govtrack.us/congress/billtext.xpd?bill=s110-1)

This is as similar a provision as I have been able to find.

If you have any questions, or if I can be of further assistance, please do not hesitate to contact me.

TLAB:med
07-0132.med

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MEMORANDUM

February 14, 2007

SUBJECT: Constitutionality of Amending AS 15.13.040(b); CSHB 6()
(Work Order No. 25-LS0055K)

TO: Representative John Harris
Speaker of the House
Attn: Tom Wright

FROM: Alpheus Bullard *TRAB*
Legislative Counsel

You have requested a legal opinion on whether the referenced Committee Substitute for House Bill 6 is constitutional. The potential constitutional violation arises in secs. 2 and 5 of the Committee Substitute for House Bill 6. These two sections amend AS 15.13.040(b) and AS 15.13.070(c), statutory sections that were changed by 2006 Ballot Measure No. 1 initiative. I believe that the bill may be constitutional, but that it is a close question. In this instance, my opinion is without the benefit of a bright-line rule or clear precedent, therefore a review of the relevant legal and historical information is a necessary element in providing a complete answer to your question. Allow me to provide a summary.

Constitutionality of Amending an Initiated Law

Two Alaska court decisions are implicated.

In early 1974, two related initiative petitions were filed with the lieutenant governor. One dealt with conflict of interest, and the other election campaign disclosure. Both petitions were certified as having sufficient signatures and were scheduled for inclusion on a statewide election ballot. The 1974 Legislature considered both matters. The legislature did not take any action on the conflict of interest petition, but did adopt legislation, approved as ch. 76, SLA 1974, on campaign disclosures.

The lieutenant governor concluded that the campaign disclosure enactment was substantially the same as the campaign disclosure petition and voided the initiative. That decision was challenged. The challenger, Cliff Warren, an initiative sponsor, contended that the legislature had short-circuited the initiative process by passing a law determined to be substantially the same as the proposed initiative. In its decision upholding the lieutenant governor's conclusion, the Alaska Supreme Court observed that the legislature enjoys broad authority to amend an initiative:

Representative John Harris
Speaker of the House
February 14, 2007
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The final constitutional provision states in pertinent part:

An initiated law . . . is not subject to veto, and may not be repealed by the legislature within two years of its effective date. It may be amended at any time

The constitution thus vests broad authority in the legislature to vary the terms of an initiated law, after its adoption, by the process of amendment. This power amounts to a check or balance against the initiative process. No doubt the legislature was given this power to assure that initiatives which were ill-advised, which might seriously cripple or frustrate the sound workings of government, or which might be impracticable, could be altered or corrected rapidly by the legislature. It was obviously intended by the framers that the initiative process should not be permitted to disrupt vital government functions or to impose intolerable burdens upon established administrative systems. To this end the legislature was given the ability to substitute its judgment for that of the proponents of an initiative.

Warren v. Boucher, 543 P.2d 731, 737 (Alaska 1975).

But the legislature's authority to amend is not without limits. At the August 1974 primary election, the voters approved the second initiative petition, the conflict of interest proposal, and it was certified and became law on December 11, 1974. The 1975 Legislature amended the law to change deadlines and to exclude certain former officials, who under the initiative were required to file disclosures, from having to file. Ch. 2, SLA 1975. The law was amended again that session by adding a further delay to the filing deadline. Ch. 25, SLA 1975. Mr. Warren challenged the amendments, contending that the changes were beyond the authority of the legislature to approve and amounted to a "repeal" of the initiated law.

The court rejected his contentions in its decision in Warren v. Thomas, 568 P.2d 400 (Alaska 1977):

The central issue in the case at bar is whether the legislature has exceeded the broad power by passing an amendment which so vitiates the initiative as to "constitute its repeal." [Warren v. Boucher, 543 P.2d 731,] at 737. Warren argues that the changes are so drastic that they make a mockery of the law, that the trial court erred in concluding the legislation was merely "housekeeping," and that the amendments . . . amount to a repeal of the law. We disagree. "[A]n amendment of an act operates as a repeal of its provisions to the extent that they are materially changed by, and rendered repugnant to, the amendatory act." Meyers v. Board of Supervisors of Los Angeles County, . . . 243 P.2d 38, 42 (Cal. 1952); see also W.R. Grasle

Representative John Harris
Speaker of the House
February 14, 2007
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Company v. Alaska Workmen's Comp. Board, 517 P.2d 999 (Alaska 1974)

[T]here remains the question whether the amendments so emasculate the law that it is effectively repealed. We conclude that they do not. There are considerable language changes, but these clarify and render the law more precise. The fines for violations of the law have been reduced but the penalties are still significant Finally, the amended law still imposes substantial disclosure requirements on public officials and effectuates the intent of the electorate that those in a position of public trust be held to a high standard of financial disclosure.

For the purposes of this appeal it is unnecessary for us to decide at what point an amendment might be so drastic as to constitute a repeal of an initiated law in violation of the Alaska Constitution. In this case the amendments only reduced the penalties for violation of the law and clarified some of the language. We are of the opinion that such an amendment did not constitute a repeal of an initiated law.

Warren v. Thomas, 568 P.2d 400, 402 - 404.

This pair of cases has not been the court's last word. In Yute Air Alaska, Inc. v. McAlpine, 698 P.2d 1173 (Alaska 1985), the court decided an appeal by setting out the full text of the trial court opinion, "which explains the questions presented and, in our view, properly resolves them." Id. at 1175. The trial court opinion, which the Supreme Court acknowledged, declared that "[t]he two Warren cases establish the proposition that the provisions of section 6 of article XI on amendment of adopted initiatives and on voiding pending initiatives vest the legislature with broad powers to protect the state against the untoward effects of initiatives." Id. at 1179.

AS 15.13.040(b)

AS 15.13.040(b) was most recently amended by the 2006 Initiative entitled "An Initiative Relating to contribution limits, lobbyists, and disclosure; and providing for an effective date." The initiative repealed and reenacted AS 15.13.040(b) to provide that groups need only report the "the name, address, principal occupation, and employer of the contributor, and the date and amount contributed by each contributor. . ." for contributions exceeding \$100 in the aggregate a year. At that time AS 15.13.040(b) provided that the name, address, date, and amount contributed by each contributor be reported in all instances, and that for contributions in excess of \$250 in the aggregate during a calendar year, that the principal occupation and employer of the contributor also be provided. The effect of this section (section three of six) of the initiated law was to dispense with reporting requirements for contributions of \$100 or less in the aggregate a year (name, address,

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date, and amount up contributed up to \$100) and require the additional information of the principal occupation and employer of the contributor for contributions of \$100.01 - \$250.00 (the principal occupation and employer of the contributor was already required contributor information for contributions in excess of \$250).

In a paragraph summarizing the entirety of the initiative, the August 22, 2006 Ballot¹ encapsulated the effect of sec. 3 as "requir[ing] groups to disclose the name, address, occupation, employer, date and amount given by each contributor for contributions more than \$100 during a calendar year". The Legislative Affairs Agency Summary in the 2006 Official Primary Election Voter Pamphlet was marginally more informative; "[g]roups would have to report more about donors. For gifts over \$100 to a group, the group would have to provide the true source of the gift. The group would also have to report the donor's job and the donor's employer." In the voter pamphlet, in the "Ballot Measure 1, Statement In Support" and "Ballot Measure 1, Statement In Opposition" pages, the lifting of the disclosure requirements for contributions of up to \$100 dollars to groups received mention only in the text of the "Statement in Opposition" page as a "change eliminat[ing] the disclosure of some names and addresses". It received no mention in the "Statement of Support." This was the sum of information provided to the electorate about sec. 3 of the initiative.

Conspicuous in its absence from the ballot language and Legislative Affairs Summary of the 2006 Official Primary Election Voter Pamphlet is any mention of how sec. 3 of the initiative would operate to dispense with the required disclosure of the name, address, date, and amount contributed by each contributor for contributions of up to \$100 during a calendar year. The change was not reflected in the title of the initiative nor in the summaries provided to the voters. The change, which dispenses with the disclosure of previously required contributor information, is arguably less than consistent with the reduced contribution limits, limitations on lobbying, and more stringent disclosure requirements that made up the other 5/6 of the initiative.

If this initiative is understood as "effectuat[ing] the intent of the electorate" Warren v. Thomas, the operation of the initiative's sec. 3, unexplained to voters, to dispense with the required disclosure of the name, address, date, and amount contributed by each contributor for contributions of up to \$100 during a calendar year could be interpreted by the court as effecting something less than the intent or will of the electorate. While sec. 3 of the initiative is the best statement of its contents, the section did not appear on the ballot itself, and where it was printed in the voter pamphlet, the text appeared as it would after enactment. The voter did not have the benefit of comparing the proposed amendment with the existing statutory text. While ignorance of the law may not be an excuse, this was a ballot measure labeled by the "Statement In Support" in the voter pamphlet as the "Take Our State Back" initiative, a measure that would limit campaign

¹ See State of Alaska Primary Election August 22, 2006, Official Primary Election Voter Pamphlet.

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contributions and "close the soft money loophole" . . . words and phrases poorly reconciled with sec. 3 of the initiative.

AS 15.13.070(c)

AS 15.13.070(c) was also amended by the 2006 Initiative entitled "An Initiative Relating to contribution limits, lobbyists, and disclosure; and providing for an effective date." The initiative repealed and reenacted AS 15.13.070(b) to provide that "[a] group that is not a political party may contribute not more than \$1,000 per year" to a candidate, an individual conducting a write-in campaign as a candidate, another group, a nongroup entity, or to a political party. Previous to the passage of the initiative AS 15.13.070(c) had provided that "[a] group that is not a political party may contribute not more than \$2,000 per year." The Committee Substitute for House Bill 6 now proposes to further limit such contributions to \$500 per year.

The central issue for a court in interpreting the effect of the legislature's amendment to the initiated law is whether the legislature has exceeded their "broad power" by passing an amendment which "so vitiates the initiative as to "constitute its repeal," Warren v. Boucher, at 737. The changes to AS 15.13.070(c) are not drastic, and do not work against the initiative, but further the stated goals of the initiative by further limiting campaign contributions. I don't believe that this amendment, which changes the statute to further the aims endorsed in the initiative itself, would be interpreted by a court to amount to a repeal of the law.

"[A]n amendment of an act operates as a repeal of its provisions to the extent that they are materially changed by, and rendered repugnant to, the amendatory act." Meyers, at 42.

The amended law imposes substantial campaign contribution restrictions and effectuates the intent of the electorate that campaign contributions from groups be further restricted. If the initiative is understood as "effectuat[ing] the intent of the electorate" Warren v. Thomas, it is my opinion that the Committee Substitute's amendment to this section is constitutional.

Conclusions

It is my opinion that the Committee Substitute's changes to AS 15.13.040(b) and 15.13.070(c) could be interpreted by a court as a constitutional modification. While a court could decide that these sections were key features to the initiative, and the Committee Substitute's changes are unconstitutional, I believe that the "broad power" of the legislature to amend adopted initiatives recognized by the courts is sufficient in this instance to prevent the present amendment from offending art XI, sec. 6 of the Alaska Constitution. The Committee Substitute's amendment to AS 15.13.040(b) and 15.13.070(c) is in keeping with stated goals and rationales of the initiative, and operates

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to modify an element of AS 15.13.040(b) that is arguably inconsistent with the initiative's other provisions. For these reasons, I believe a court could find that the present amendment does not operate as a repeal of the initiative's provisions "to the extent that they are materially changed by, and rendered repugnant to, the amendatory act." Meyers, at 42.

If you have questions, or if I can be of further assistance, please do not hesitate to contact me.

TLAB:ljw
07-082.ljw

CS FOR SENATE BILL NO. 13(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 3/14/07

Referred: State Affairs

Sponsor(s): SENATOR STEVENS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to ethics in state government and to activities of former legislators; and
2 providing for an effective date."

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

4 * **Section 1.** AS 24.60.030(a) is amended to read:

5 (a) A legislator or legislative employee may not

6 (1) solicit, agree to accept, or accept a benefit other than official
7 compensation for the performance of public duties; this paragraph may not be
8 construed to prohibit lawful solicitation for and acceptance of campaign contributions,
9 solicitation or acceptance of contributions for a charity event, as defined in
10 AS 24.60.080(c)(10), or the acceptance of a lawful gratuity under AS 24.60.080;

11 (2) use public funds, facilities, equipment, services, or another
12 government asset or resource for a nonlegislative purpose, for involvement in or
13 support of or opposition to partisan political activity, or for the private benefit of either
14 the legislator, legislative employee, or another person; this paragraph does not prohibit

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

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

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

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

17 (E) a legislator from using the legislator's private office in the
18 capital city during a legislative session, and for the 10 days immediately before
19 and the 10 days immediately after a legislative session, for nonlegislative
20 purposes if the use does not interfere with the performance of public duties and
21 if there is no cost to the state for the use of the space and equipment, other than
22 utility costs and minimal wear and tear, or the legislator promptly reimburses
23 the state for the cost; an office is considered a legislator's private office under
24 this subparagraph if it is the primary space in the capital city reserved for use
25 by the legislator, whether or not it is shared with others;

26 (F) a legislator from use of legislative employees to prepare
27 and send out seasonal greeting cards;

28 (G) a legislator from using state resources to transport
29 computers or other office equipment owned by the legislator but primarily used
30 for a state function;

31 (H) use by a legislator of photographs of that legislator;

1 (I) reasonable use of the Internet by a legislator or a legislative
2 employee except if the use is for election campaign purposes;

3 (J) a legislator or legislative employee from soliciting,
4 accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable
5 organization in a state facility;

6 (K) a legislator from sending any communication in the form of
7 a newsletter to the legislator's constituents, unless

8 (i) the communication is sent during the 30-day
9 period immediately preceding a state election; or

10 (ii) it is [EXCEPT] a communication expressly
11 advocating the election or defeat of a candidate or a newsletter or
12 material in a newsletter that is clearly only for the private benefit of a
13 legislator or a legislative employee; or

14 (L) full participation in a charity event approved in advance by
15 the Alaska Legislative Council;

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

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

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

29 (A) limited use of state property and resources for personal
30 purposes if the use does not interfere with the performance of public duties and
31 either the cost or value related to the use is nominal or the legislator or

1 legislative employee reimburses the state for the cost of the use;

2 (B) the use of mailing lists, computer data, or other information
3 lawfully obtained from a government agency and available to the general
4 public for nonlegislative purposes;

5 (C) telephone or facsimile use that does not carry a special
6 charge;

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

9 (E) a legislator from using the legislator's private office in the
10 capital city during a legislative session, and for the 10 days immediately before
11 and the 10 days immediately after a legislative session, for nonlegislative
12 purposes if the use does not interfere with the performance of public duties and
13 if there is no cost to the state for the use of the space and equipment, other than
14 utility costs and minimal wear and tear, or the legislator promptly reimburses
15 the state for the cost; an office is considered a legislator's private office under
16 this subparagraph if it is the primary space in the capital city reserved for use
17 by the legislator, whether or not it is shared with others; or

18 (F) use by a legislator of photographs of that legislator.

19 * **Sec. 2.** AS 24.60.040 is amended by adding a new subsection to read:

20 (d) Disclosure by a legislator or legislative employee under this section shall
21 be made in writing to the committee, which shall maintain a public record of the
22 disclosure and forward the disclosure to the respective house for inclusion in the
23 journal.

24 * **Sec. 3.** AS 24.60.050(c) is amended to read:

25 (c) A legislator or legislative employee who participates in a program or
26 receives a loan that is not exempt from disclosure under (a) of this section shall **make**
27 **written disclosure to** [FILE A WRITTEN REPORT WITH] the committee by the
28 date required under AS 24.60.105 stating the amounts of the loans outstanding or
29 benefits received during the preceding calendar year from nonqualifying programs. If
30 the committee requests additional information necessary to determine the propriety of
31 participating in the program or receiving the loan, it shall be promptly provided. The

1 committee shall promptly compile a list of the statements indicating the loans and
 2 programs and amounts and send it to the presiding officer of each house who shall
 3 have it published in the supplemental journals with the next regular publication, by
 4 the senate secretary and the house chief clerk, of disclosures under this chapter
 5 [WITHIN THREE WEEKS AFTER THE FILING DATE]. A legislator or legislative
 6 employee who believes that disclosure of participation in a program would be an
 7 invasion of the participant's right to privacy under the state constitution may request
 8 the committee to keep the disclosure confidential. If the committee finds that
 9 publication would constitute an invasion of privacy, the committee shall publish only
 10 the fact that a person has participated in the program and the amount of benefit that the
 11 unnamed person received. The committee shall maintain the disclosure of the name of
 12 the person as confidential and may only use the disclosure in a proceeding under
 13 AS 24.60.170. If the disclosure becomes part of the record of a proceeding under
 14 AS 24.60.170, the disclosure may be made public as provided in that section.

15 * **Sec. 4.** AS 24.60.080(c) is amended to read:

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

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

20 (A) with incidental transportation at the residence of a person;
 21 however, a vacation home located outside the state is not considered a
 22 residence for the purposes of this subparagraph; or

23 (B) at a social event or meal;

24 (2) discounts that are available

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

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

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

31 (4) travel and hospitality primarily for the purpose of obtaining

1 information on matters of legislative concern;

2 (5) gifts from the immediate family of the person;

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

4 (7) a discount for all or part of a legislative session, including time
5 immediately preceding or following the session, or other gift to welcome a legislator
6 or legislative employee who is employed on the personal staff of a legislator or by a
7 standing or special committee to the capital city or in recognition of the beginning of a
8 legislative session in which the gift or discount is available generally to all legislators and the
9 personal staff of legislators and staff of standing and special committees; this
10 paragraph does not apply to legislative employees who are employed by the
11 Legislative Affairs Agency, the office of the chief clerk, the office of the senate
12 secretary, the legislative budget and audit committee, the office of victims' rights, or
13 the office of the ombudsman;

14 (8) a gift of legal services in a matter of legislative concern and a gift
15 of other services related to the provision of legal services in a matter of legislative
16 concern;

17 (9) a gift of transportation from a legislator to a legislator if the
18 transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other
19 means of transport owned or under the control of the donor; this paragraph does not
20 apply to travel described in (4) of this subsection or travel for political campaign
21 purposes;

22 (10) tickets from a lobbyist for a charity event at any time, including
23 during a legislative session, except that tickets to or gifts received at a charity event
24 under this paragraph are subject to the calendar year limit on the value of gifts
25 received by a legislator or legislative employee in (a) of this section; in this paragraph,
26 "charity event" means an event the proceeds of which go to a charitable organization
27 with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council
28 has approved in advance; the tickets may entitle the bearer to admission to the event,
29 to entertainment, to food or beverages, or to other gifts or services involved in the
30 charity event; or

31 (11) a contribution to a charity event from any person at any time; in

1 this paragraph, "charity event" has the meaning given in (10) of this subsection.

2 * **Sec. 5.** AS 24.60.080(i) is amended to read:

3 (i) A legislator or legislative employee who knows or reasonably should know
4 that a family member has received a gift because of the family member's connection
5 with the legislator or legislative employee shall make written disclosure to the
6 committee regarding the gift [REPORT THE RECEIPT OF THE GIFT BY THE
7 FAMILY MEMBER TO THE COMMITTEE] if the gift would have to be reported
8 under this section if it had been received by the legislator or legislative employee or if
9 receipt of the gift by a legislator or legislative employee would be prohibited under
10 this section. The committee shall maintain a public record of the disclosure and
11 forward the disclosure to the respective house for inclusion in the journal.

12 * **Sec. 6.** AS 24.60.085 is amended by adding a new subsection to read:

13 (c) During the term for which elected or appointed a legislator may not,
14 directly or by authorizing another to act on the legislator's behalf, accept or agree to
15 accept compensation, except from the State of Alaska, for work associated with
16 legislative action, administrative action, or political action. Notwithstanding
17 AS 24.60.990, in this subsection "administrative action" and "legislative action" have
18 the meanings given in AS 24.45.171.

19 * **Sec. 7.** AS 24.60.105(a) is amended to read:

20 (a) When a legislator or legislative employee is required to file a disclosure
21 under this chapter and a date by which the disclosure must be filed is not otherwise set
22 by statute, the deadline for filing disclosure shall be 30 days [DEADLINES SET
23 OUT IN THIS SECTION SHALL APPLY. FOR DISCLOSURE OF A MATTER OR
24 AN INTEREST THAT BEGAN OR WAS ACQUIRED DURING THE INTERIM
25 BETWEEN REGULAR LEGISLATIVE SESSIONS, WHETHER OR NOT THE
26 REGULAR SESSION IS EXTENDED OR THERE IS A SPECIAL SESSION, OR
27 DURING THE LAST 30 DAYS OF A REGULAR SESSION, THE LEGISLATOR
28 OR LEGISLATIVE EMPLOYEE SHALL DISCLOSE THE MATTER BY MARCH
29 15. FOR DISCLOSURE OF A MATTER OR AN INTEREST THAT BEGAN OR
30 WAS ACQUIRED DURING A REGULAR LEGISLATIVE SESSION, BUT NOT
31 DURING THE LAST 30 DAYS OF THE REGULAR SESSION, THE

1 DISCLOSURE MUST BE MADE WITHIN 30 DAYS] after the commencement of
2 the interest or representation.

3 * **Sec. 8.** AS 24.60.130(n) is amended to read:

4 (n) When appointing members of the legislature to serve on the committee, the
5 speaker of the house or the president of the senate, as appropriate, shall appoint an
6 alternate member for each regular member. An alternate must have the same
7 qualifications as the regular member for whom the alternate stands as alternate and is
8 subject to confirmation as required for the regular member. **If a regular legislative**
9 **member of the committee or a subcommittee is unable to attend a meeting, the**
10 **chair of the committee or a subcommittee shall designate the regular member's**
11 **alternate to serve in place of the regular member at the meeting and the**
12 **designated alternate shall serve unless unable to serve for any reason.** If a regular
13 legislative member of the committee or a subcommittee is disqualified under (h) of
14 this section from serving on the committee or the subcommittee concerning a
15 proceeding under AS 24.60.170 **or if the regular member is unable to attend,** the
16 chair of the committee or a subcommittee shall designate the regular member's
17 alternate to serve in place of the regular member in the proceeding unless the alternate
18 is also disqualified from serving. The designation shall be treated as confidential to the
19 same extent that the identity of the subject of a complaint is required to be kept
20 confidential.

21 * **Sec. 9.** AS 24.60.150(a) is amended to read:

22 (a) The committee shall

23 (1) adopt procedures to facilitate the receipt of inquiries and prompt
24 rendition of its opinions;

25 (2) **publish advisory opinions annually;**

26 (3) publish **annual** [SEMI-ANNUAL] summaries of decisions [AND
27 ADVISORY OPINIONS] with sufficient deletions in the summaries to prevent
28 disclosing the identity of the persons involved in the decisions [OR OPINIONS] that
29 have remained confidential.

30 * **Sec. 10.** AS 24.60.160(b) is amended to read:

31 (b) An opinion issued under this section is binding on the committee in any

1 subsequent proceedings concerning the facts and circumstances of the particular case
 2 unless material facts were omitted or misstated in the request for the advisory opinion.
 3 All advisory opinions shall be issued with sufficient deletions to prevent
 4 disclosing the identity of the persons involved. Advisory opinion discussions and
 5 deliberations are confidential, unless the requester and anyone else named in the
 6 request who is covered by the ethics code waives confidentiality. The committee
 7 vote shall be a public record [EXCEPT AS PROVIDED IN THIS CHAPTER, AN
 8 ADVISORY OPINION IS CONFIDENTIAL BUT SHALL BE MADE PUBLIC IF A
 9 WRITTEN REQUEST BY THE PERSON WHO REQUESTED THE OPINION IS
 10 FILED WITH THE COMMITTEE].

11 * Sec. 11. AS 24.60.176(b) is amended to read:

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

13 (1) the legislative council for employees of the Legislative Affairs
 14 Agency and of the legislative council and for legislative employees not otherwise
 15 covered under this subsection;

16 (2) the Legislative Budget and Audit Committee for the legislative
 17 fiscal analyst and employees of the division of legislative finance, the legislative
 18 auditor and employees of the division of legislative audit, and employees of the
 19 Legislative Budget and Audit Committee;

20 (3) the appropriate finance committee for employees of the senate or
 21 house finance committees;

22 (4) the appropriate rules committee for employees of

23 (A) standing committees of the legislature, other than the
 24 finance committees;

25 (B) the senate secretary's office and the office of the chief clerk
 26 of the house of representatives; and

27 (C) house records and senate records;

28 (5) the legislator who made the hiring decision for employees of
 29 individual legislators; however, the legislator may request the appropriate rules
 30 committee to act in the legislator's stead:

31 (6) the ombudsman for employees of the office of the ombudsman.

1 other than the ombudsman;

2 (7) the legislature for the ombudsman;

3 **(8) the victims' advocate for the employees, other than the victims'**
4 **advocate, of the office of victims' rights;**

5 **(9) the legislative council for the victims' advocate.**

6 * Sec. 12. AS 24.60.210(a) is amended to read:

7 (a) A person required to file a disclosure statement under AS 24.60.200 shall
8 file an annual report with the Alaska Public Offices Commission, covering the
9 previous calendar year, containing the disclosures required by AS 24.60.200, on or
10 before March 15 of each year, **except that a legislator appointed under**
11 **AS 15.40.320 - 15.40.350, a public member of the committee, and a legislative**
12 **director must file within 30 days after the person's initial appointment.**

13 * Sec. 13. AS 24.60.250(c) is amended to read:

14 (c) In addition to the sanctions described in AS 24.60.260, if the Alaska Public
15 Offices Commission finds that a legislative director has failed or refused to file a
16 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 **and for the victims' advocate**, the Alaska
19 Legislative Council shall be notified.

20 * Sec. 14. This Act takes effect immediately under AS 01.10.070(c).

CS FOR SENATE BILL NO. 19(FIN) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 3/2/07

Offered: 2/14/07

Sponsor(s): SENATORS FRENCH, ELTON, MCGUIRE, WIELECHOWSKI, THOMAS AND HUGGINS, Ellis, Stevens, Green, Kookesh, Davis, Olson, Hoffman, Cowdery, Stedman, Wilken, Dyson, Wagoner, Therriault

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a public officer's taking official action regarding, or influencing, a
2 matter in which the public officer has a personal or financial interest; relating to
3 restrictions on employment after leaving state service; prohibiting certain persons from
4 engaging in activity as lobbyists; relating to financial disclosures from former public
5 officials; and defining 'official action' under the Alaska Executive Branch Ethics Act
6 and related law."

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

8 * **Section 1.** AS 24.45.121 is amended by adding a new subsection to read:

9 (d) A former public official in the executive branch may not engage in
10 activities as a lobbyist to the extent prohibited under AS 39.52.180(d).

11 * **Sec. 2.** AS 39.50.020 is amended to read:

12 **Sec. 39.50.020. Report of financial and business interests.** (a) A public
13 official other than the governor or the lieutenant governor shall file a statement giving

1 income sources and business interests, under oath and on penalty of perjury, within 30
 2 days after taking office as a public official. Candidates for state elective office other
 3 than a candidate who is subject to AS 24.60 shall file the statement with the director of
 4 elections at the time of filing a declaration of candidacy or a nominating petition or
 5 becoming a candidate by any other means. Candidates for elective municipal office
 6 shall file the statement at the time of filing a nominating petition, declaration of
 7 candidacy, or other required filing for the elective municipal office. Refusal or failure
 8 to file within the time prescribed shall require that the candidate's filing fees, if any,
 9 and filing for office be refused or that a previously accepted filing fee be returned and
 10 the candidate's name removed from the filing records. A statement shall also be filed
 11 by public officials no later than March 15 in each following year. **On or before the**
 12 **90th day after leaving office, a former public official shall file a statement**
 13 **covering any period during the official's service in that office for which the public**
 14 **official has not already filed a statement.** Persons who are members of boards or
 15 commissions not named in AS 39.50.200(b) are not required to file financial
 16 statements.

17 (b) A public official **or former public official** other than an elected or
 18 appointed municipal officer shall file the statement with the Alaska Public Offices
 19 Commission. Candidates for the office of governor and lieutenant governor and, if the
 20 candidate is not subject to AS 24.60, the legislature shall file the statement under
 21 AS 15.25.030 or 15.25.180. Municipal officers, **former municipal officers,** and
 22 candidates for elective municipal office, shall file with the municipal clerk or other
 23 municipal official designated to receive their filing for office. All statements required
 24 to be filed under this chapter are public records.

25 * **Sec. 3.** AS 39.52.110(b) is repealed and reenacted to read:

26 (b) Notwithstanding (a) of this section, a public officer's action or influence
 27 with respect to the officer's personal or financial interest in a specific matter is not a
 28 violation of public trust or a violation of this chapter

29 (1) if the public officer's action or influence in the matter would have
 30 only an insignificant or conjectural effect on the matter; or

31 (2) if the public officer's

1 (A) personal or financial interest is of a type that is possessed
2 generally by the public or a large class of persons to which the public officer
3 belongs;

4 (B) personal interest is insignificant; or

5 (C) financial interest is solely in regard to a business and
6 neither the public officer nor a member of the public officer's immediate
7 family

8 (i) owns a controlling interest in the business and the
9 controlling interest has a fair market value of \$5,000 or more;

10 (ii) owns stock or options to buy stock that, when
11 combined, equal more than one percent of the stock in the business or
12 have a total fair market value of more than \$5,000;

13 (iii) owns or has an option to buy an equity interest in
14 the business the fair market value of which is more than \$5,000 or one
15 percent of the total fair market value of the business, whichever is less;

16 (iv) is a member of the board of directors or another
17 governing body of the business;

18 (v) is an officer of the business;

19 (vi) provides or has an option to provide personal or
20 professional services to the business;

21 (vii) has a contract or an option for a contract with the
22 business; or

23 (viii) is an employee of the business.

24 * **Sec. 4.** AS 39.52.110 is amended by adding a new subsection to read:

25 (d) Stock or other ownership interest in a business is presumed to be
26 insignificant if the value of the stock or other ownership interest is less than \$5,000.

27 * **Sec. 5.** AS 39.52.180(a) is amended to read:

28 (a) A public officer who leaves state service may not, for two years after
29 leaving state service, represent, advise, or assist a person for compensation regarding a
30 matter that was under consideration by the administrative unit served by that public
31 officer, and in which the officer participated personally and substantially through the

1 exercise of official action. For the purposes of this subsection, "matter" includes a
 2 case, proceeding, application, contract, [OR] determination, [BUT DOES NOT
 3 INCLUDE THE] proposal or consideration of legislative bills, resolutions and
 4 constitutional amendments, or other legislative measures, [;] or [THE] proposal,
 5 consideration, or adoption of administrative regulations.

6 * Sec. 6. AS 39.52.180(d) is amended to read:

7 (d) An individual who formerly held a position listed in this subsection [A
 8 FORMER GOVERNOR, LIEUTENANT GOVERNOR, OR HEAD OF A
 9 PRINCIPAL DEPARTMENT IN THE EXECUTIVE BRANCH] may not engage in
 10 activity as a lobbyist under AS 24.45 for a period of one year after leaving that
 11 position [SERVICE AS THE GOVERNOR, LIEUTENANT GOVERNOR, OR
 12 DEPARTMENT HEAD, AS APPROPRIATE]. This subsection does not prohibit
 13 service as a volunteer lobbyist described in AS 24.45.161(a)(1) or a representational
 14 lobbyist as defined under regulations of the Alaska Public Offices Commission. This
 15 subsection applies to the position of

16 (1) governor;

17 (2) lieutenant governor;

18 (3) head or deputy head of a principal department in the executive
 19 branch;

20 (4) director of a division or legislative liaison within a principal
 21 department in the executive branch;

22 (5) legislative liaison, administrative assistant, or other employee
 23 of the Office of the Governor or Office of the Lieutenant Governor in a policy-
 24 making position;

25 (6) member of a state board or commission that has the authority
 26 to adopt regulations, other than a board or commission named in AS 08.01.010;

27 (7) member of the governing board and executive officer of a state
 28 public corporation.

29 * Sec. 7. AS 39.52.960(14) is amended to read:

30 (14) "official action" means performance of any duties in the course
 31 and scope of a public officer's employment, including review, advice,

1 participation, assistance, or another kind of involvement regarding a matter,
2 such as a recommendation, decision, approval, disapproval, vote, or other similar
3 action, including inaction, by a public officer;

4 * **Sec. 8.** AS 39.52.180(c) is repealed.

5 * **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

7 APPLICABILITY. Sections 5, 6, and 8 of this Act apply to a person who leaves state
8 service on or after the effective date of secs. 5 and 6 of this Act.

CS FOR SENATE BILL NO. 20(STA) am(efd fld)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Amended: 3/5/07

Offered: 2/2/07

Sponsor(s): SENATORS FRENCH, ELTON, MCGUIRE, WIELECHOWSKI, THOMAS AND HUGGINS,
Ellis, Stevens, Cowdery, Olson, Hoffman, Kookesh, Davis, Green, Stedman, Wilken, Therriault, Wagoner,
Dyson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosures by legislators, legislative employees, public members of
2 the Select Committee on Legislative Ethics, and legislative directors subject to the
3 Legislative Ethics Act; and relating to the applicability of the Legislative Ethics Act."

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

5 * **Section 1.** AS 24.60.020(a) is amended to read:

6 (a) Except as otherwise provided in this subsection, this chapter applies to a
7 member of the legislature, to a legislative employee, and to public members of the
8 committee. This chapter does not apply to

9 (1) a former member of the legislature or to a person formerly
10 employed by the legislative branch of government unless a [THE] provision of this
11 chapter specifically states that it applies;

12 (2) a person elected to the legislature who at the time of election is not
13 a member of the legislature.

14 * **Sec. 2.** AS 24.60 is amended by adding a new section to article 2 to read:

1 **Sec. 24.60.115. Disclosure required of a legislator, legislative employee or**
 2 **public member of the committee after final day of service.** A person serving as a
 3 legislator, legislative employee, or public member of the committee shall, not later
 4 than 90 days after the person's final day of service, file a disclosure of every matter
 5 that was subject to disclosure under this chapter while the person was serving.

6 * **Sec. 3.** AS 24.60.200 is amended to read:

7 **Sec. 24.60.200. Financial disclosure by legislators, public members of the**
 8 **committee, and legislative directors.** A legislator, a public member of the committee,
 9 and a legislative director shall file a disclosure statement, under oath and on penalty of
 10 perjury, with the Alaska Public Offices Commission giving the following information
 11 about the income received or deferred income to be received by the discloser, the
 12 discloser's spouse or domestic partner, the discloser's dependent children, and the
 13 discloser's nondependent children who are living with the discloser:

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

16 (2) as to income or deferred income in excess of \$1,000 earned or
 17 received as compensation for personal services, and as to dividend income or
 18 deferred compensation in excess of \$1,000 received from a limited liability
 19 company as compensation or deferred compensation for personal services, the
 20 name and address of the source of the income, and a statement describing

21 (A) the nature of the services performed, with sufficient
 22 description to make clear to a person of ordinary understanding the
 23 specific services performed;

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

26 (C) the amount of income received and the amount of
 27 income deferred from the source, if the [; IF THE SOURCE OF INCOME
 28 IS KNOWN OR REASONABLY SHOULD BE KNOWN TO HAVE A
 29 SUBSTANTIAL INTEREST IN LEGISLATIVE, ADMINISTRATIVE, OR
 30 POLITICAL ACTION AND THE] recipient of the income is a legislator or
 31 legislative director [, THE AMOUNT OF INCOME RECEIVED FROM THE

1 SOURCE SHALL BE DISCLOSED];

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

7 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 APPLICABILITY. (a) Section 2 of this Act applies to a person serving as a legislator
10 who leaves service on or after the effective date of this Act, and to a person who is not a
11 legislator but served as a legislator between April 9, 2006, and the effective date of this Act.

12 (b) A person who is not a legislator on the effective date of this Act but who served as
13 a legislator between April 9, 2006, and the effective date of this Act shall make the disclosure
14 required by AS 24.60.115, added by sec. 2 of this Act, within 90 days after the effective date
15 of this Act.

SENATE BILL NO. 63

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY SENATOR BUNDE

Introduced: 1/22/07

Referred: Judiciary, State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to disclosure of political campaign contributions."

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

3 * **Section 1.** AS 15.13.040(a) is amended to read:

4 (a) Each [EXCEPT AS PROVIDED IN (g) AND (j) OF THIS SECTION,
5 EACH] candidate shall make a full report, upon a form prescribed by the commission,

6 (1) listing

7 (A) the date and amount of all expenditures made by the
8 candidate;

9 (B) the total amount of all contributions, including all funds
10 contributed by the candidate;

11 (C) the name, address, date, and amount contributed by each
12 contributor; and

13 (D) for contributions in excess of \$250 in the aggregate during
14 a calendar year, the principal occupation and employer of the contributor; and

15 (2) filed in accordance with AS 15.13.110 and certified correct by the

1 candidate or campaign treasurer.

2 * **Sec. 2.** AS 15.13.040(b) is amended to read:

3 (b) Each group shall make a full report upon a form prescribed by the
4 commission, listing

5 (1) the name and address of each officer and director;

6 (2) the aggregate amount of all contributions made to it; and, for **each**
7 **contribution** [ALL CONTRIBUTIONS IN EXCESS OF \$100 IN THE
8 AGGREGATE A YEAR], the name, address, principal occupation, and employer of
9 the contributor, and the date and amount contributed by each contributor; for purposes
10 of this paragraph, "contributor" means the true source of the funds, property, or
11 services being contributed; and

12 (3) the date and amount of all contributions made by it and all
13 expenditures made, incurred, or authorized by it.

14 * **Sec. 3.** AS 15.13.040(j) is amended to read:

15 (j) **Each** [EXCEPT AS PROVIDED IN (I) OF THIS SECTION, EACH]
16 nongroup entity shall make a full report in accordance with AS 15.13.110 upon a form
17 prescribed by the commission and certified by the nongroup entity's treasurer, listing

18 (1) the name and address of each officer and director of the nongroup
19 entity;

20 (2) the aggregate amount of all contributions made to the nongroup
21 entity for the purpose of influencing the outcome of an election;

22 (3) for all contributions described in (2) of this subsection, the name,
23 address, date, and amount contributed by each contributor and, for all contributions
24 described in (2) of this subsection in excess of \$250 in the aggregate during a calendar
25 year, the principal occupation and employer of the contributor; and

26 (4) the date and amount of all contributions made by the nongroup
27 entity, and, except as provided for certain independent expenditures in
28 AS 15.13.135(a), all expenditures made, incurred, or authorized by the nongroup
29 entity, for the purpose of influencing the outcome of an election; a nongroup entity
30 shall report contributions made to a different nongroup entity for the purpose of
31 influencing the outcome of an election and expenditures made on behalf of a different

1 nongroup entity for the purpose of influencing the outcome of an election as soon as
2 the total contributions and expenditures to that nongroup entity for the purpose of
3 influencing the outcome of an election reach \$500 in a year and for all subsequent
4 contributions and expenditures to that nongroup entity in a year whenever the total
5 contributions and expenditures to that nongroup entity for the purpose of influencing
6 the outcome of an election that have not been reported under this paragraph reach
7 \$500.

8 * **Sec. 4.** AS 24.60.080(e) is amended to read:

9 (e) A political contribution is not a gift under this section if it is reported under
10 AS 15.13.040 [OR IS EXEMPT FROM THE REPORTING REQUIREMENT
11 UNDER AS 15.13.040(g)]. The use of a bulk mailing permit owned by a legislator's
12 campaign committee or used in a legislator's election campaign is not a gift to that
13 legislator under this section.

14 * **Sec. 5.** AS 15.13.040(g) and 15.13.040(i) are repealed.

25-GS1059\M
Wayne
3/14/07

CS FOR SENATE BILL NO. 64(JUD)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to bribery, receiving a bribe, and receiving unlawful gratuities;
2 relating to the requirement for candidates, groups, legislators, public officials, and other
3 persons to submit reports electronically to the Alaska Public Offices Commission;
4 relating to the use of state government assets and resources when there is no charge to
5 the state for their use, and to the use of state aircraft for partisan political purposes;
6 relating to disclosures by public officials and certain candidates for public office
7 concerning services performed for compensation and concerning certain income, gifts,
8 and other financial matters; relating to gifts received by a public officer or a public
9 officer's immediate family; expanding the number of boards and commissions whose
10 members and chairs are required to disclose certain financial information to the Alaska
11 Public Offices Commission; and providing for an effective date."

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

1 * **Section 1.** AS 11.56.130 is amended to read:

2 **Sec. 11.56.130. Definition.** In AS 11.56.100 - 11.56.130, "benefit" has the
3 meaning ascribed to it in AS 11.81.900 but does not include

4 (1) political campaign contributions reported in accordance with
5 AS 15.13 unless the contribution is made or received in exchange for an
6 agreement to alter an elected official's or candidate's vote or position on a state
7 administrative matter or a legislative or municipal matter;

8 (2) concurrence in official action in the cause of legitimate
9 compromise between public servants; or

10 (3) support, including a vote, solicited by a public servant or offered by
11 any person in an election.

12 * **Sec. 2.** AS 15.13.040(m) is repealed and reenacted to read:

13 (m) Information required under this chapter shall be submitted to the
14 commission electronically. However, the following information may be submitted in
15 clear and legible black typeface or hand-printed in dark ink on paper in a format
16 approved by the commission or on forms provided by the commission:

17 (1) information submitted by a candidate for municipal office; in this
18 paragraph, "municipal office" means the office of an elected borough or city

19 (A) mayor;

20 (B) planning commissioner;

21 (C) utility board member; or

22 (D) assembly, council, or school board member;

23 (2) any information if the commission determines that circumstances
24 warrant an exception to the electronic submission requirement;

25 (3) information submitted before May 1, 2009, by a candidate for the
26 legislature.

27 * **Sec. 3.** AS 24.60.210 is amended by adding a new subsection to read:

28 (c) The Alaska Public Offices Commission shall require that the reports
29 required under this section be submitted electronically but may, when circumstances
30 warrant an exception, accept any information required under this section that is typed
31 in clear and legible black typeface or hand-printed in dark ink on paper in a format

1 approved by the commission or on forms provided by the commission and that is filed
2 with the commission.

3 * Sec. 4. AS 39.50.030(b) is amended to read:

4 (b) Each statement filed by a public official, candidate under this chapter
5 must include the following:

6 (1) for [THE SOURCE OF] all income over \$1,000 [\$5,000] during
7 the preceding calendar year, including taxable and nontaxable capital gains, and each
8 gift with a value exceeding \$250, received by the person, the person's spouse or
9 domestic partner, or the person's dependent child,

10 (A) the source of the income or gift;

11 (B) the receipt of the income or gift;

12 (C) the amount of the income or value of the gift;

13 (D) the number of hours of services performed, if any, to
14 earn the income or for which the gift was given; and

15 (E) a detailed description of the nature of the services
16 performed [EXCEPT THAT A SOURCE OF INCOME THAT IS A GIFT
17 MUST BE INCLUDED IF THE VALUE OF THE GIFT EXCEEDS \$250];

18 (2) the identity, by name and address, of each business in which the
19 person, the person's spouse or domestic partner, or the person's dependent child has an
20 interest or was a stockholder, owner, officer, director, partner, proprietor, or employee
21 during the preceding calendar year, except that an interest of less than \$1,000 [\$5,000]
22 in the stock of a publicly traded corporation need not be included;

23 (3) the identity and nature of each interest in real property, including
24 an option to buy, owned at any time during the preceding calendar year by the person,
25 the person's spouse or domestic partner, or the person's dependent child;

26 (4) the identity of each trust or other fiduciary relation in which the
27 person, the person's spouse or domestic partner, or the person's dependent child held a
28 beneficial interest exceeding \$1,000 [\$5,000] during the preceding calendar year, a
29 description and identification of the property contained in each trust or relation, and
30 the nature and extent of the beneficial interest in it;

31 (5) any loan or loan guarantee of more than \$1,000 [\$5,000] made to

1 the person, the person's spouse or domestic partner, or the person's dependent child,
2 and the identity of the maker of the loan or loan guarantor and the identity of each
3 creditor to whom the person, the person's spouse or domestic partner, or the person's
4 dependent child owed more than \$1,000 [\$5,000]; this paragraph requires disclosure of
5 a loan, loan guarantee, or indebtedness only if the loan or guarantee was made, or the
6 indebtedness incurred, during the preceding calendar year, or if the amount still owing
7 on the loan, loan guarantee, or indebtedness was more than \$1,000 [\$5,000] at any
8 time during the preceding calendar year;

9 (6) a list of all contracts and offers to contract with the state or an
10 instrumentality of the state during the preceding calendar year held, bid, or offered by
11 the person, the person's spouse or domestic partner, or the person's dependent child, a
12 partnership or professional corporation of which the person is a member, or a
13 corporation in which the person or the person's spouse, domestic partner, or dependent
14 child [CHILDREN], or a combination of them, hold a controlling interest, and

15 (7) a list of all mineral, timber, oil, or any other natural resource lease
16 held, or lease offer made, during the preceding calendar year by the person, the
17 person's spouse or domestic partner, or the person's dependent child, a partnership or
18 professional corporation of which the person is a member, or a corporation in which
19 the person or the person's spouse, [OR] domestic partner, or dependent child
20 [CHILDREN], or a combination of them, holds a controlling interest.

21 * Sec. 5. AS 39.50.050(a) is amended to read:

22 (a) The Alaska Public Offices Commission created under AS 15.13.020(a)
23 shall administer the provisions of this chapter. The commission shall prepare and keep
24 available for distribution standardized forms on which the reports required by this
25 chapter shall be filed. The commission shall print the forms provided under this
26 section so that the front and back of each page have the same orientation when the
27 page is rotated on the vertical axis of the page. The commission shall require [MAY
28 REQUEST] that the information required under this chapter, unless it is information
29 required of a municipal officer, be submitted electronically but may, when
30 circumstances warrant an exception, [SHALL] accept any information required
31 under this chapter that is typed in clear and legible black typeface or hand-printed in

1 dark ink on paper in a format approved by the commission or on forms provided by
2 the commission and that is filed with the commission. A municipal officer shall
3 submit information required under this chapter either electronically or typed or
4 handprinted in the manner described in this subsection.

5 * Sec. 6. AS 39.50.200(b) is amended by adding new paragraphs to read:

6 (59) Alaska Industrial Development and Export Authority (AS 44.88);

7 (60) the board of directors of the Knik Arm Bridge and Toll Authority
8 (AS 19.75.031 and 19.75.041);

9 (61) Alaska labor relations agency (AS 23.05.360 - 23.05.390);

10 (62) the Board of Trustees of the Alaska Mental Health Trust
11 Authority (AS 47.30.016);

12 (63) the board of directors of the Alaska Railroad Corporation
13 (AS 42.40.020 - 42.40.060).

14 * Sec. 7. AS 39.52.120(b) is amended to read:

15 (b) A public officer may not

16 (1) seek other employment or contracts through the use or attempted
17 use of official position;

18 (2) accept, receive, or solicit compensation for the performance of
19 official duties or responsibilities from a person other than the state;

20 (3) use state time, property, equipment, or other facilities to benefit
21 personal or financial interests;

22 (4) take or withhold official action in order to affect a matter in which
23 the public officer has a personal or financial interest;

24 (5) attempt to benefit a personal or financial interest through coercion
25 of a subordinate or require another public officer to perform services for the private
26 benefit of the public officer at any time; or

27 (6) use or authorize the use of state funds, facilities, equipment,
28 services, or another government asset or resource for partisan political purposes; this
29 paragraph does not prohibit use of the governor's residence for meetings to discuss
30 political strategy and does not prohibit use of state aircraft or the communications
31 equipment in the governor's residence so long as there is no [SPECIAL] charge to the

1 state for the use; in this paragraph, "for partisan political purposes"

2 (A) means having the intent to differentially benefit or harm a

3 (i) candidate or potential candidate for elective office;

4 or

5 (ii) political party or group;

6 (B) but does not include having the intent to benefit the public

7 interest at large through the normal performance of official duties.

8 * Sec. 8. AS 39.52.120 is amended by adding a new subsection to read:

9 (f) Use of state aircraft for partisan political purposes is permitted under (b) of
10 this section only when the use is collateral or incidental to the normal performance of
11 official duties and does not exceed 10 percent of the total of the use of the aircraft for
12 official purposes and partisan political purposes, combined, on a single trip. A public
13 officer who authorizes or makes any partisan political use of a state aircraft under (b)
14 of this section shall disclose the authorization and use under AS 39.52.210 or
15 39.52.220 for each trip, and the person who uses the aircraft shall reimburse the state
16 for the proportionate share of the actual cost of the use.

17 * Sec. 9. AS 39.52.130(a) is amended to read:

18 (a) A public officer may not solicit, accept, or receive, directly or indirectly, a
19 gift, whether in the form of money, service, loan, travel, entertainment, hospitality,
20 employment, promise, or in any other form, that is a benefit to the officer's personal or
21 financial interests, under circumstances in which it could reasonably be inferred that
22 the gift is intended to influence the performance of official duties, actions, or
23 judgment. A gift from a person required to register as a lobbyist under
24 AS 24.45.041 to a public officer or a public officer's immediate family member is
25 presumed to be intended to influence the performance of official duties, actions,
26 or judgment unless the giver is an immediate family member of the person
27 receiving the gift.

28 * Sec. 10. The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 APPLICABILITY. Section 1 of this Act applies to offenses occurring on or after the
31 effective date of section 1 of this Act.

- 1 * **Sec. 11.** Section 3 of this Act takes effect July 1, 2008.
- 2 * **Sec. 12.** Section 5 of this Act takes effect July 1, 2007.
- 3 * **Sec. 13.** Except as provided in secs. 11 and 12 of this Act, this Act takes effect
- 4 immediately under AS 01.10.070(c).