

LEGISLATIVE FINANCE - HOUSE / SENATE FINANCE COMM. FILES 8879

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1 (3) a legislator, or another person on behalf of the legis-
2 lator, or a campaign committee of the legislator, may not solicit or
3 accept or authorize the solicitation or acceptance of, a campaign
4 contribution in a facility or office ordinarily used to conduct state
5 government business; this provision applies to telephone conversa-
6 tions, personal meetings, and solicitations by mail; if an unsolicited
7 contribution is offered it shall be refused or returned promptly; if
8 an unsolicited contribution is received in the mail, or a lawfully
9 solicited contribution is misdirected to an office ordinarily used to
10 conduct state business, if otherwise lawful it may be accepted but it
11 may not be processed in that office and it shall be delivered promptly
12 to an appropriate location.

13 (f) Except for a person who violates (e)(1) of this section or a
14 regulation adopted under AS 24.61.160 that supersedes (e)(1) of this
15 section and whose conduct may be prosecuted as theft under AS 11.46, a
16 person who violates (c) or (e)(1) - (3) of this section or a regu-
17 lation adopted under AS 24.61.160 that supersedes (e)(1) - (3) of this
18 section is guilty of a class A misdemeanor.

19 (g) In addition to criminal penalties, a person who violates
20 (b), (c), or (e)(1) - (3) of this section or a regulation relating to
21 (b), (c), or (e)(1) - (3) of this section is subject to civil sanc-
22 tions under AS 24.61.560(a).

23 Sec. 24.61.150. OBLIGATION OF SUBORDINATES TO REFUSE TO PERFORM
24 IMPROPER TASKS. (a) A legislative employee who knows or reasonably
25 should know that the employee has been asked to perform a personal or
26 political task in violation of AS 24.61.100 - 24.61.450 shall refuse
27 to perform the task.

28 (b) If a legislator or legislative employee with supervisory
29 authority persists in requesting or demanding that a legislative

1 employee perform prohibited tasks, or if reprisals are threatened or
2 sanctions imposed as a result of the refusal to perform prohibited
3 tasks, the legislative employee subjected to the requests, threats, or
4 sanctions shall report the matter to the commission.

5 (c) A person who violates this section is subject to civil
6 sanctions under AS 24.61.560(a).

7 Sec. 24.61.160 REGULATIONS CONCERNING USE OF PUBLIC RESOURCES.

8 (a) The legislative council shall develop and recommend for adoption
9 by the commission detailed regulations relating to the use of govern-
10 ment property, resources, and personnel. The legislative council
11 shall annually review the regulations and recommend necessary changes
12 to the commission.

13 (b) If the legislative council fails to make recommendations for
14 the adoption or modification of regulations under (a) of this section,
15 the commission shall develop and adopt the regulations on its own
16 initiative.

17 Sec. 24.61.180. MISUSE OF TITLE OR PRESTIGE OF OFFICE FOR PRI-
18 VATE GAIN OR PERSONAL ADVANTAGE. (a) A legislator or legislative
19 employee may not use or aid, induce, cause, or encourage others to
20 use, the authority, title, official letterhead, or prestige of the
21 legislator's or legislative employee's office for the benefit of the
22 legislator or legislative employee.

23 (b) A legislator or legislative employee may not solicit or
24 accept anything of value under terms and conditions where the compen-
25 sation is not commensurate with the services performed or where a
26 reasonable person would believe that the authority, title, or prestige
27 of office had been exploited.

28 (c) A legislator or legislative employee may not endorse commer-
29 cial products by agreeing to use official letterhead or the

1 legislator's or employee's title in paid advertisements, unless the
2 endorsement is for a public purpose and the person receives no compen-
3 sation.

4 (d) Nothing in this section may be construed to prohibit appro-
5 priate uses of official letterhead. The legislative council shall
6 adopt a written definition of "official letterhead" and its appropri-
7 ate uses, which must include, but are not limited to, letters of
8 recommendation for employment, scholarships, fellowships, internships,
9 entry into educational institutions, appointments to boards or commis-
10 sions, and honorary awards.

11 (e) Nothing in this section may be construed to prohibit the use
12 of a legislator's official title as a part of a political campaign or
13 political endorsement.

14 (f) A person who violates this section is subject to civil
15 sanctions under AS 24.61.560(a) in addition to appropriate criminal
16 penalties under another law.

17 Sec. 24.61.190. POST-SERVICE RESTRICTIONS TO PREVENT MISUSE OF
18 PUBLIC OFFICE BY FORMER LEGISLATORS. (a) A former legislator may
19 not, during the next regular session after leaving office, act as a
20 lobbyist in seeking to influence a

21 (1) legislator or legislative employee to take or withhold
22 legislative, administrative, or political action; or

23 (2) state agency, public official, or employee to take or
24 withhold official action

25 (b) A former legislator, within one year after leaving office,
26 may not solicit or accept anything of value under terms and conditions
27 where the compensation by reasonable objective standards is not com-
28 mensurate with the services performed or where a reasonable person
29 would believe that the stature of office had been exploited.

1 (c) A person who violates of this section is guilty of a class A
2 misdemeanor and is subject to civil sanctions under AS 24.61.560(a).

3 Sec. 24.61.200. PROPER USES OF CAMPAIGN FUNDS. Campaign funds
4 may be used only to advance the interests of the campaign. Campaign
5 funds may be properly expended for an otherwise lawful purpose intend-
6 ed to influence voters to elect or reelect the legislative candidate
7 to the legislature including, but not limited to: payment of staff
8 and consultants; rental of space and rental or purchase of equipment
9 for a campaign office; purchase of media time and space; design work;
10 printing of campaign materials; postage; taking polls and interpreting
11 them; telephone installation and usage; costs of distribution of
12 materials; advertising in organizational and club bulletins or other
13 brochures; inscribed promotional materials, including buttons, pen-
14 cils, pens, and items of clothing; necessary travel and related expen-
15 ses for the candidate and members of the candidate's staff or immedi-
16 ate family provided that the travel and lodging are directly related
17 to attempts to raise campaign funds or influence voters; victory and
18 thank you celebrations; newsletters and mass mailings promoting the
19 candidate; and payment of attorney fees and other legal expenses
20 incurred in the defense of a civil, criminal, or administrative action
21 arising directly out of the conduct of the campaign or election pro-
22 cess or out of the performance of activities within the scope of a
23 candidate's legislative duties.

24 Sec. 24.61.205. PROHIBITED USES OF CAMPAIGN FUNDS. (a) A
25 candidate for the legislature may not

26 (1) use funds raised and designated as campaign funds for
27 the personal benefit of the candidate or another person, or for pay-
28 ment of attorney fees and other legal expenses arising from civil,
29 criminal, or administrative actions based on conduct not directly

1 related to the campaign or official duties;

2 (2) convert surplus campaign funds or interest earned on
3 campaign funds to personal income;

4 (3) seek or claim a tax deduction or other economic benefit
5 for surplus funds disbursed to a charity under law.

6 (b) A legislative candidate may not borrow from campaign funds
7 or loan them to another person or group.

8 (c) A legislative candidate, or another person on behalf of the
9 legislative candidate, or a campaign committee of the legislative
10 candidate, may not knowingly pay more than the fair market value for
11 goods or services purchased for the campaign.

12 (d) Campaign funds may not be paid to a member of the candi-
13 date's immediate family as an employee or for goods or services pro-
14 vided to the campaign unless the amounts paid do not exceed the fair
15 market value of the goods or services provided.

16 (e) Except for funds received or postmarked before a general or
17 special election, a legislative candidate, and a committee related to
18 the election, may not accept campaign contributions. A post-election
19 contribution must be returned.

20 (f) A legislative candidate and a committee controlled by a
21 legislative candidate may not use campaign funds to make a contribu-
22 tion to another candidate running for office or to a committee sup-
23 porting or opposing a candidate for office.

24 (g) Campaign funds may not be used to pay fines or other mone-
25 tary penalties or costs assessed against a candidate by a court or
26 other body, unless the fine, penalty, or cost is assessed as a result
27 of proscribed actions by a member or employee of a campaign committee
28 or another person acting on behalf of the candidate under circum-
29 stances where the candidate did not know of or have reason to know of

1 those actions.

2 Sec. 24.61.210. DISBURSEMENT OF SURPLUS CAMPAIGN FUNDS. (a) If
3 a legislative candidate ceases to be a candidate or if there remains a
4 balance in the account of the candidate or a committee controlled by
5 the candidate after the date of the election, unexpended funds in
6 excess of the amount allowed under (b) of this section may only be
7 used as provided in of this subsection or to pay for a victory or
8 thank you party. Within 60 days after the end of the candidacy or the
9 election, unexpended funds shall be

10 (1) used to retire bona fide loans supported by written
11 documentation including loans made to a campaign by the legislative
12 candidate or a member of the candidate's immediate family provided
13 that all other outstanding loans are paid first;

14 (2) returned on a pro rata basis to those who have made
15 contributions in excess of \$100 in the aggregate a year;

16 (3) donated to the general fund of the state or of a munic-
17 ipality;

18 (4) donated to one or more organizations that qualify as
19 charitable organizations under 26 U.S.C. 501(c)(3) provided that the
20 charity is not one that is controlled by the candidate or a member of
21 the candidate's immediate family or in which the candidate or a member
22 of the candidate's immediate family is personally involved as a direc-
23 tor, trustee, member of the board, officer, or other position of
24 responsibility;

25 (5) transferred to an ongoing political account controlled
26 by the candidate, but only in the amounts and according to the re-
27 quirements set out in (b) of this section; or

28 (6) transferred, in an amount not to exceed \$1,000, to a
29 house legislative office account, or \$2,000 to a senate legislative

1 office account, for expenditures qualifying as business expenses under
2 26 U.S.C. 162.

3 (b) A maximum of \$2,500 for candidates for the house and \$5,000
4 for candidates for the senate of surplus campaign funds may be trans-
5 ferred to an ongoing political account controlled by the candidate.

6 (c) Funds carried over under (b) of this section may be expended
7 for any political purpose for which campaign funds can otherwise
8 properly be used, but they may not be used for a campaign for an
9 office other than the state legislature.

10 Sec. 24.61.220. PAYMENT OF LEGAL EXPENSES; LEGAL DEFENSE FUNDS.

11 (a) A legislative candidate, legislator, or legislative employee may
12 establish a legal defense fund to assist with the payment of attorney
13 fees and other costs arising from the legislator's or employee's
14 defense of a civil, criminal, or administrative action brought against
15 the legislator or employee. Contributions to a legal defense fund
16 that meet the requirements of this section are not subject to the
17 restrictions in AS 24.61.350.

18 (b) A legislative candidate, legislator, or legislative employee
19 who wishes to establish a legal defense fund account shall file a
20 statement of organization for the legal defense fund with the commis-
21 sion. The statement of organization must identify the specific civil,
22 criminal, or administrative proceeding or proceedings for which the
23 legal defense fund is established.

24 (c) The legal defense fund shall establish a single account at
25 an office of a financial institution located in the state. A donation
26 to the candidate, legislator, or legislative employee for legal expen-
27 ses shall be deposited into that account if the donation meets the
28 requirements of (d) of this section.

29 (d) Only a donation that is specifically designated by the donor

1 as being for the legal defense fund and is made payable to the legal
2 defense fund may be deposited in the legal defense fund account. A
3 donation that the recipient believes is intended for the legal defense
4 fund but that does not meet the requirements of this subsection shall
5 be returned to the donor.

6 (e) Expenditures from the legal defense fund account may be made
7 only for legal costs directly related to the civil, criminal, or
8 administrative proceeding or proceedings for which the legal defense
9 fund is established. Expenditures from the legal defense fund account
10 may not be used to pay or reimburse fines, penalties, judgments, or
11 settlements in connection with a criminal prosecution or a civil or
12 administrative action in which the legislative candidate, legislator,
13 or legislative employee is found to have committed, or admits to
14 having committed a violation of the law.

15 (f) Surplus funds remaining in the legal defense fund account
16 after the proceeding or proceedings for which the account is estab-
17 lished have concluded may not be used for another purpose. These
18 funds shall, within six months after the conclusion of the proceeding
19 or proceedings, be

20 (1) returned to donors on a pro rata basis as to contribu-
21 tions in excess of \$100 in the aggregate;

22 (2) donated to the state or to a municipality; or

23 (3) donated to a charitable organization that meets the
24 requirements of AS 24.61.210(a)(4).

25 (g) This section constitutes the sole means for legislators and
26 legislative employees to solicit or accept donations for legal costs
27 that may not be paid from campaign funds under AS 24.61.202. Except
28 for AS 24.61.240(b) and (c), the provisions of this chapter relating
29 to the solicitation and acceptance of campaign funds apply to the

1 solicitation and acceptance of contributions to a legal defense fund
2 established under this section. The commission may adopt regulations
3 limiting the dollar amount of contributions under this section and
4 shall adopt regulations requiring the disclosure of donors to a legal
5 defense fund.

6 (h) Funds received from fund-raising events must be clearly
7 designated in advance as either for campaign purposes or for the legal
8 defense fund and all proceeds shall be dealt with as required by this
9 chapter.

10 (i) A person who violates this section is guilty of a class A
11 misdemeanor and is subject to civil sanctions under AS 24.61.560(a).

12 Sec. 24.61.230. COERCION. (a) A legislator may not, directly
13 or by authorizing another to act on the legislator's behalf, state or
14 imply that the legislator's consideration of an issue, cause, or piece
15 of legislation, or the legislator's willingness to meet with a person,
16 is dependent on the person making a campaign contribution, donating to
17 a cause favored by the legislator, or providing a thing of value to
18 the legislator.

19 (b) A legislator may not directly, or by authorizing another to
20 act on the legislator's behalf,

21 (1) agree to, or threaten to take or withhold a legisla-
22 tive, administrative, or political action, including but not limited
23 to support or opposition to a bill, employment, nominations, and
24 appointments, as a result of a person's decision to provide or not
25 provide a political contribution;

26 (2) state or imply that the legislator will perform or
27 refrain from performing a lawful constituent service as a result of a
28 person's decision to provide or not provide a political contribution.

29 (c) Unless the conduct violates a provision of AS 11 and the

1 person is subject to prosecution under that provision, a person who
2 violates (a) or (b) of this section is guilty of a class A misde-
3 meanor.

4 (d) In addition to criminal penalties, a person who violates
5 this section is subject to civil sanctions under AS 24.61.560(a).

6 Sec. 24.61.240. FUND RAISING LIMITATIONS. (a) Because the
7 process of campaign fund raising involves activities that take great
8 amounts of time and energy and that tend to place legislators in
9 situations rife with the potential for conflicts of interest, it is
10 the intent of this section that fund raising should be limited in ways
11 that permit legislators to concentrate their attention on public
12 matters.

13 (b) A legislator may not, either directly, through a campaign
14 committee, or other means, solicit or accept a campaign contribution
15 or a promise or pledge to make a contribution while the legislature is
16 in regular session, nor may a legislator solicit campaign funds or
17 host a campaign fund-raising event for another person while the legis-
18 lature is in session. This subsection does not prevent fundraising
19 activity for a charitable organization if the activity does not vio-
20 late AS 24.61.230.

21 (c) A legislator or a candidate for the legislature may not,
22 either directly, through a campaign committee, or other means, solicit
23 or accept a campaign contribution or a promise or pledge to make a
24 contribution relating to candidacy for the legislature in an election
25 other than a special election under AS 15.40 except during the follow-
26 ing periods:

27 (1) legislators, and other incumbent elected public offi-
28 cials intending to run for the legislature, may raise funds from
29 June 1 until December 31 in the year before the year of an election in

1 which they intend to be a candidate, and from June 1 through the
2 general election in November in the year of the election; in this
3 paragraph, "public official" means a person required to file a cam-
4 paign disclosure statement under AS 15.13;

5 (2) candidates for the legislature who are not in public
6 office at the time of their candidacy may raise funds from June 1 in
7 the year before the year of an election in which they intend to be a
8 candidate through the general election in November in the year of the
9 election.

10 (d) This section does not prohibit a legislator from making an
11 otherwise lawful contribution or from attending an otherwise lawful
12 fund-raising activity at any time.

13 Sec. 24.61.245. ENFORCEMENT OF CAMPAIGN FUND PROVISIONS. The
14 Alaska Public Offices Commission shall enforce AS 24.61.205, 24.61.-
15 210, and 24.61.240. A person who believes that AS 24.61.205, 24.61.-
16 210, or 24.61.240(b) or (c) has been violated may file a complaint
17 under AS 15.13.120(d) with the Alaska Public Offices Commission, which
18 shall handle the complaint in the same manner as a complaint alleging
19 a violation of AS 15.13. The penalties for a violation of AS 24.61.-
20 205, 24.61.210, and 24.61.240(b) and (c) are those set out in AS 15.-
21 13.120(a). In addition, if the Alaska Public Offices Commission
22 determines after a hearing under AS 15.13.120(d), or if a legislator
23 admits, that the legislator violated or caused, induced, aided, or
24 encouraged a violation of AS 24.61.205, 24.61.210, or 24.61.240(b) and
25 (c), the legislator is subject to civil sanctions under AS 24.61.-
26 560(a).

27 Sec. 24.61.255. FINANCIAL CONFLICTS OF INTEREST DEFINED. A
28 financial conflict of interest exists when a person or a member of
29 that person's immediate family has substantial financial interests

1 that may be materially affected by an official action or decision they
2 might make. The interest must be so substantial and the potential
3 effect on that interest must be so material that a reasonable person
4 is likely to believe that the ability of the person with the financial
5 interest to make an objective, fair, and impartial professional judg-
6 ment will be impeded by self-interest. It is not a conflict of inter-
7 est as to a specific matter if

8 (1) the person's economic interest is not substantial;

9 (2) the person's authority in relation to the interest is
10 such that an action or decision is not likely to materially affect the
11 financial interest; or

12 (3) the economic effect an official action or decision
13 might have on a person's private financial interests is no greater
14 than the effect on a substantial class of persons to which the person
15 belongs as a member of a profession, occupation, industry, or region.

16 Sec. 24.61.260. SUBSTANTIAL INTEREST IN LEGISLATIVE, ADMINISTRA-
17 TIVE, OR POLITICAL ACTION DEFINED. Persons, including governmental
18 entities, have a substantial interest in legislative, administrative,
19 or political action if they

20 (1) seek employment in the legislative branch or a govern-
21 ment agency or in a private organization in which a legislator or
22 legislative employee is likely to have, or reasonably appears to have,
23 the ability to influence an employment decision;

24 (2) will be directly and substantially affected, either
25 financially or personally, by a legislative, administrative, or polit-
26 ical action in a way that is greater than the effect on a substantial
27 class of persons to which the person belongs as a member of a profes-
28 sion, occupation, industry, or region;

29 (3) have or seek contracts in excess of \$10,000 annually

1 for goods or services with the legislature or with an agency of state
2 government;

3 (4) are lobbyists;

4 (5) employ lobbyists; or

5 (6) represent, with or without compensation, a person or
6 organization described in (1) - (5) of this section.

7 Sec. 24.61.265. CLOSE ECONOMIC ASSOCIATION DEFINED. "Close
8 economic association" refers to a financial relationship between two
9 or more persons that creates economic interests in a legislator or
10 legislative employee that either (1) conflict with public duties and
11 the obligation to exercise objective independent judgment; or (2)
12 create the appearance that the person may have access to confidential
13 information or otherwise receive favored treatment regarding public
14 actions. "Close economic association" includes, but is not limited
15 to, relationships involving compensation as an employee, agent,
16 representative, counselor, adviser, or consultant, including profes-
17 sional services provided by a lawyer or a financial planner to a
18 client; a financial interest resulting from an investment, business
19 enterprise, or interest in real property as a partner, investor,
20 associate, or major stockholder; a landlord and tenant or co-tenants
21 sharing housing expenses; a debt, loan, or loan guarantee; or another
22 relationship in which a legislator or legislative employee has a
23 substantial economic involvement with another person. In this sec-
24 tion, "person" includes governmental entities.

25 Sec. 24.61.270. DEALING WITH FINANCIAL CONFLICTS. Except in the
26 relatively few cases in which certain transactions or relationships
27 are prohibited by this chapter or where divestiture may be ordered by
28 the commission, conflicts of interest are dealt with primarily as a
29 matter of required public disclosure and voluntary restraint.

1 Sec. 24.61.290. RESTRICTED RELATIONSHIPS: NEPOTISM. (a) A
2 member of the immediate family of a legislator may not be employed for
3 compensation

4 (1) in the house of which the legislator is a member during
5 the legislative session;

6 (2) in either house in the interim between legislative
7 sessions;

8 (3) by an agency of the legislature established under
9 AS 24.20; or

10 (4) by the commission, whether for compensation or not, at
11 any time.

12 (b) A member of the immediate family of a legislative employee
13 may not be employed for compensation in a position over which the
14 employee has supervisory authority.

15 (c) In cases where a member of the immediate family of a
16 legislator or legislative employee is uniquely qualified to perform a
17 task, or another extraordinary circumstance exists under which it
18 would be in the state's interest to waive the limitation of this
19 section, an exemption may be sought from the commission.

20 (d) For purposes of this section, a legislator is not an employ-
21 ee of the legislature.

22 (e) A person who violates this section is subject to civil
23 sanctions under AS 24.61.560(a).

24 Sec. 24.61.300. RESTRICTED RELATIONSHIPS: LOBBYISTS, LEGISLA-
25 TORS, LEGISLATIVE CANDIDATES, AND LEGISLATIVE ASSISTANTS. (a) A
26 legislator or a legislative candidate may not solicit or knowingly
27 permit a lobbyist to actively engage in fund-raising activities for a
28 legislative campaign or for a legal expense fund under AS 24.61.220,
29 which activities include (1) serving as a campaign manager or direc-

1 tor; (2) serving as a campaign treasurer or deputy campaign treasurer
2 on a finance or fund-raising committee; (3) hosting a fund-raising
3 event. This subsection may not be construed as prohibiting a lobbyist
4 from making personal contributions to or personally advocating on
5 behalf of a candidate. A legislator or a legislative candidate may
6 not seek to evade the purposes of this subsection by soliciting or
7 knowingly permitting a member of a business entity retained to lobby,
8 or an employee of a lobbyist to perform similar fund-raising services.

9 (b) Legislators and legislative assistants who have a close
10 economic association with a lobbyist shall make a written disclosure
11 of the association in confidence to the commission. The disclosure
12 shall be made during the first week of each session. If a legislator
13 or legislative assistant is not in office or employed during the first
14 week of the session, or if the association did not exist during the
15 first week of the session, the disclosure shall be made within 30 days
16 after taking office or being employed or the creation of the associa-
17 tion.

18 (c) The written disclosure must state the name of the persons
19 involved, the nature of the association, and a brief narrative of the
20 matters the legislator or legislative assistant is working on that
21 could create an actual conflict of interest. If the commission re-
22 quests additional information necessary to determine whether the
23 nature of the association creates a conflict of interest, it shall be
24 promptly provided.

25 (d) The commission shall make a determination as to whether the
26 association creates a conflict of interest that warrants restrictions
27 or disclosure. After making the determination, the commission may
28 elect to

29 (1) keep the matter confidential;

1 (2) recommend some restriction in the activities; or
2 (3) order full or partial disclosure in the journal of the
3 appropriate body.

4 (e) A legislator or legislative assistant may not provide per-
5 sonal services for compensation for or on behalf of a lobbyist or a
6 business entity retained to lobby, and may not have a financial inter-
7 est in a business that receives a substantial part of its income from
8 lobbyists and business entities retained to lobby.

9 (f) A person who violates this section is subject to civil
10 sanctions under AS 24.61.560(a) and other penalties authorized under
11 AS 24.45 (regulation of lobbying).

12 Sec. 24.61.310. RESTRICTED RELATIONSHIPS: BOARD MEMBERSHIPS AND
13 OTHER PUBLIC OFFICES. (a) A legislator may not serve on a governing
14 or advisory board of a nongovernmental organization that regularly has
15 a substantial interest in the legislative, administrative, and
16 political actions of the legislator.

17 (b) A legislative assistant may not serve in a position that
18 requires confirmation by the legislature. A legislative assistant may
19 serve on a board of an organization, including a governmental entity,
20 that regularly has a substantial interest in the legislative activi-
21 ties of the assistant, if the assistant discloses the board membership
22 to the commission. A legislative assistant may not, as part of the
23 assistant's employment, be personally involved in an issue or take a
24 specific action that directly relates to an organization of which the
25 assistant is a board member.

26 (c) In extraordinary situations where the criteria for an ex-
27 emption exists, a legislator or legislative assistant may seek a
28 waiver of a provision of this section or a modified order from the
29 commission.

1 (d) A person who violates this section is subject to civil
2 sanctions under AS 24.61.560(a).

3 Sec. 24.61.320. RESTRICTED FINANCIAL INTERESTS. (a) Unless
4 required by the Uniform Rules of the Alaska State Legislature, a
5 legislator or legislative employee may not participate in legislative,
6 administrative, or political action if the legislator or legislative
7 employee has an equity or ownership interest in a business, invest-
8 ment, real property, lease, or other enterprise if the interest is
9 substantial and the effect of the action on that interest is greater
10 than the effect on a substantial class of persons to which the legis-
11 lator or legislative employee belongs as a member of a profession,
12 occupation, industry, or region.

13 (b) In extraordinary situations where the criteria for an ex-
14 emption exists, a legislator or legislative employee may seek a waiver
15 of the provisions of this section.

16 (c) A person who violates this section is subject to civil
17 sanctions under AS 24.61.560(a).

18 Sec. 24.61.330. RESTRICTED ACTIVITIES AS AN ATTORNEY OR REP-
19 RESENTATIVE. (a) A legislator or legislative assistant may not for
20 compensation represent, as an advocate, advisor, or consultant, a
21 person in a matter involving an agency, board, or commission of the
22 state, unless the agency, board, or commission is acting quasi-judi-
23 cially and there is no reasonable basis to conclude that the side
24 represented by the legislator or legislative assistant has an unfair
25 advantage. This provision does not prohibit an attorney from repre-
26 senting a client in a judicial action or prevent a legislator or
27 legislative assistant from representing personal interests in an
28 otherwise proper proceeding. This subsection may not be construed to
29 permit compensated representation for purposes of obtaining or retain-

1 ing a state or local license, permit, franchise, grant, loan, or other
2 benefit, whether or not other parties contending for the benefit are
3 represented, unless the granting of the benefit is a purely ministeri-
4 al matter requiring little or no discretion.

5 (b) This section may not be construed to prohibit a legislator
6 or legislative assistant from informally advising a constituent about
7 the procedures or appropriateness of bringing an action against the
8 state or a local government. If a legislator or legislative assistant
9 in an otherwise proper manner advises a constituent or another in an
10 action against the state or a local government or before a state or
11 local government agency, the legislator or legislative assistant may
12 not reveal confidential information.

13 (c) In extraordinary situations where the criteria for an ex-
14 emption exists, a legislator or legislative assistant may seek a
15 waiver of a provision of this section.

16 (d) A person who violates (a) of this section is subject to
17 civil sanctions under AS 24.61.560(a).

18 Sec. 24.61.340. RESTRICTED TRANSACTIONS: INTEREST IN STATE
19 CONTRACTS OR LEASES. (a) A legislator, a legislative assistant, or a
20 member of the immediate family of a legislator or legislative assis-
21 tant may not be a party to, or have a financial interest in, a state
22 contract or lease unless the contract or lease is permitted under (b),
23 (c), or (d) of this section.

24 (b) A contract is permissible if the contract is let through
25 competitive sealed bidding under AS 36.30 (State Procurement Code) and
26 the legislator or legislative assistant files a statement with the
27 commission before the contract is executed certifying under penalty of
28 unsworn falsification that the legislator or legislative assistant did
29 not have (1) access to confidential information that reasonably could

1 provide an advantage; or (2) discussions or contacts with state offi-
2 cials involved in letting the contract about the contract that could
3 influence the decision. The statement must also specify the nature of
4 the legislator's or legislative assistant's personal or immediate
5 family interest, including the percentage or share of profits that
6 will be realized. If the commission requests additional information
7 necessary to determine the priority of the award of the contract, it
8 shall be promptly provided. If the commission believes the nature or
9 circumstances of the contract raise impermissible conflicts of inter-
10 est, it may recommend that the contract be voided or that restrictions
11 be placed on the contractor. The statement filed by the legislator or
12 legislative assistant regarding the contract shall be made part of the
13 public record and published in the journal of the appropriate house.

14 (c) A contract or lease is permissible if the total amount of
15 the contract or lease over the course of a year is less than \$1,000
16 and it was let under circumstances that do not raise a substantial
17 question of improper influence.

18 (d) A contract or lease is permissible if it is a standardized
19 contract or lease that was developed under publicly adopted regula-
20 tions or procedures and is generally available to the public at large
21 or to members of a profession, occupation, or group to which the
22 legislator, legislative assistant, or member of the legislator's or
23 assistant's immediate family belongs.

24 (e) A legislator or legislative assistant may not receive any-
25 thing of value to procure or advocate for a contract with state or
26 local government.

27 (f) A legislator, legislative assistant, or former legislator or
28 legislative assistant, within one year of leaving legislative service,
29 may not seek or accept a contract with a person that does a substan-

1 tial portion of its business with the state for goods or personal
2 services concerning a matter on which the legislator or legislative
3 assistant participated personally and substantially within the last
4 year of service.

5 (g) A person who violates this section is subject to civil
6 sanctions under AS 24.61.560(a) and may be subject to criminal penal-
7 ties under another law.

8 Sec. 24.61.345. PARTICIPATION IN GENERAL STATEWIDE PROGRAMS
9 PERMISSIBLE. (a) A legislator or legislative employee may, without
10 disclosure to the commission, participate in a statewide benefit
11 program or receive a loan from the state if the program or loan is
12 generally available to members of the public, is subject to fixed,
13 objective eligibility standards, and requires minimal discretion in
14 determining qualification.

15 (b) The commission shall review annually state programs and
16 state loans and publish a list of programs and loans, designating
17 which ones meet the standards of (a) of this section.

18 (c) A legislator or legislative employee who participates in a
19 program or receives a loan that is not exempt from disclosure under
20 (a) of this section shall file a written report with the commission by
21 the first Monday in February of each year stating the amounts of the
22 loans or other benefits received during the preceding calendar year
23 from nonqualifying programs. If the commission requests additional
24 information necessary to determine the propriety of participating in
25 the program or receiving the loan, it shall be promptly provided. The
26 commission shall promptly compile a list of the statements indicating
27 the loans and programs and amounts and send it to the presiding offi-
28 cer of each house who shall have it published in the supplemental
29 journals within three weeks of the filing date.

1 (d) If loan proceeds or other program benefits are received from
2 nonqualifying programs or loans after January 15, the legislator or
3 legislative employee shall file a statement with the commission within
4 30 days after the beginning of participation in the state program or
5 receipt of proceeds from the state loan. If the commission receives
6 the statement while the legislature is in session, it shall promptly
7 forward the statement to the chief clerk of the house or the secretary
8 of the senate, as appropriate, who shall cause it to be published in
9 the supplemental journal. If the commission receives a statement
10 while the legislature is not in session, it shall forward the state-
11 ment to the chief clerk of the house or the secretary of the senate
12 for publication when the legislature next convenes.

13 (e) If the commission determines that the nature and circum-
14 stances under which the legislator or legislative employee received a
15 state benefit or loan raises an appearance of impropriety or was in
16 fact the result of unfair or improper influence it shall be treated as
17 a violation of this section. In addition, the commission shall report
18 the violation to the attorney general for action under other civil or
19 criminal laws.

20 (f) The commission shall annually recommend to the Legislative
21 Budget and Audit Committee the programs and loans to be audited by the
22 division of legislative audit during the following year, including the
23 scope of the audit. The records of the relevant state agencies shall
24 be made available to the division of legislative audit. The division
25 of legislative audit shall prepare a report to the Legislative Budget
26 and Audit Committee on its findings. The report is confidential until
27 it is released by the committee.

28 (g) In extraordinary situations where the criteria for an ex-
29 emption exists, a legislator or legislative employee may seek a waiver

1 of this section.

2 (h) A person who violates this section is subject to civil
3 sanctions under AS 24.61.560(a) and may be subject to criminal penal-
4 ties under another law.

5 Sec. 24.61.350. RESTRICTED TRANSACTIONS: GRATUITIES. (a) A
6 legislator or legislative employee may not accept or receive, directly
7 or indirectly, a benefit as a gratuity from a person except as pro-
8 vided in this section. Notwithstanding the provisions of (c) and (d)
9 of this section, this section does not permit the acceptance of a
10 benefit in any amount if the acceptance of the benefit would violate
11 AS 24.61.110(b).

12 (b) A legislator or legislative employee may accept gratuities
13 in the form of personal gifts, free or subsidized travel, tickets to
14 entertainment or sporting events, unsolicited subscriptions to publi-
15 cations, lodging, pens, calendars, candy, fruit baskets, flowers, or
16 any other benefit, provided that the aggregate value in a calendar
17 year may not exceed \$100 from a single source except as provided in
18 this subsection. The following benefits may be accepted as gratuities
19 without regard to \$100 limit and they need not be reported except as
20 noted:

21 (1) gifts from immediate family members;

22 (2) birthday, wedding, anniversary, and similar ceremonial
23 gifts if the donor does not have a substantial interest in the legis-
24 lative, administrative, or political action of the recipient;

25 (3) unsolicited tokens or awards of appreciation or recog-
26 nition with a value of more than \$100 in the form of a plaque, trophy,
27 clock, watch, desk item, wall memento, or similar item if the award
28 has been approved by the commission upon a finding that the gift does
29 not create an impermissible conflict of interest;

1 (4) food or foodstuffs indigenous to the state that are
2 shared generally as a cultural or social norm, and meals and beverages
3 provided and consumed at social or fund-raising events, conferences,
4 or professional meetings, at a restaurant or club, or as part of
5 personal hospitality at the residence or place of business of the
6 host; gratuities under this paragraph with a value of more than \$100
7 shall be reported on financial disclosure forms; this paragraph may
8 not be construed to exclude from the \$100 limit gifts of packaged
9 liquor, wine, or foodstuffs, nor does it exclude from the \$100 limit
10 the acceptance of a restaurant meal not consumed with the person
11 providing the gift;

12 (5) a gift presented by a representative of a foreign
13 government that is worth more than \$100 may be accepted only on behalf
14 of the legislature and must be turned over within 60 days to the
15 presiding officer of either house for purposes of displaying the gift
16 in public areas of the Capitol or other appropriate public
17 location or being sold at auction, the proceeds to go to charity or
18 the general fund;

19 (6) reasonable and necessary expenses, including reimburse-
20 ment for travel and related food and lodging, when they are incidental
21 to a trip paid for by a government agency or a nonprofit educational,
22 charitable, or political institution for governmental or educational
23 purposes; the commission shall adopt regulations implementing this
24 paragraph, including regulations relating to the payment of expenses
25 for the members of a person's immediate family;

26 (7) hospitality including overnight lodging, food, and
27 beverages at the residence or second home of the host provided the
28 host is present, or, if the host is not present, the person is staying
29 as a house-sitter; if the host has a substantial interest in the

1 legislative, administrative, or political actions of the recipient, a
2 stay with a value of more than \$100 shall be reported on financial
3 disclosure forms; this paragraph may not be construed to permit the
4 use, other than as a house-sitter in a residence or a second home, of
5 a summer home, company retreat, resort facility, condominium or apart-
6 ment, or other lodging where the host is not personally present or,
7 regardless of the presence of the host, the purpose is to provide the
8 legislator or legislative employee with a paid or subsidized vacation
9 or similar benefit; the host may use customary and usual means of
10 transportation to transport the legislator or legislative employee to
11 the host's residence or the place of a social event;

12 (8) leave donated under AS 39.20.245(b);

13 (9) the portion of a student loan forgiven under former
14 AS 14.43.120(j).

15 (c) In extraordinary situations where the criteria for an exemp-
16 tion exists, a legislator or legislative employee may seek a waiver of
17 a provision of this section under AS 24.61.530.

18 (d) A person who violates this section is subject to civil
19 sanctions under AS 24.61.560(a) and may be subject to prosecution
20 under AS 11.56.120 (receiving unlawful gratuities).

21 Sec. 24.61.360. RESTRICTIONS ON EARNED INCOME: OUTSIDE EMPLOY-
22 MENT AND HONORARIA. (a) A legislator or legislative assistant may
23 not seek, accept, or retain employment, including as an advisor or
24 consultant, that

25 (1) is likely to involve the disclosure or use of confi-
26 dential information acquired in the course of legislative service;

27 (2) is likely to involve the legislator or assistant acting
28 as a representative in a matter that makes use of the authority,
29 prestige, or title associated with legislative office;

1 (3) involves payments that by reasonable objective stan-
2 dards are not commensurate with the services rendered and appear to
3 involve a premium as a result of the legislator's or legislative
4 assistant's position in the legislature;

5 (4) is likely to require the legislator or legislative
6 assistant, under conflict of interest and disqualification require-
7 ments, to refrain from taking legislative, administrative, or politi-
8 cal actions in an undue number of situations;

9 (5) will require the legislator or legislative assistant to
10 act as a lobbyist; or

11 (6) will require the legislator or legislative assistant to
12 compromise another ethical or legal duty.

13 (b) A legislator or legislative assistant may not receive com-
14 pensation for personal services from a state entity other than the
15 legislature except as specifically provided in this chapter or ap-
16 proved by the commission. A legislator or legislative assistant is
17 not precluded by this subsection from earning compensation at a state-
18 funded school or university, provided that influence was not used to
19 obtain the position.

20 (c) A legislator or legislative assistant who accepts otherwise
21 permissible employment with a person that has a substantial interest
22 in legislative, administrative, or political actions is subject to
23 special disclosure provisions under AS 24.61.405 and shall avoid
24 conduct that would lead a reasonable person to believe that the legis-
25 lator or legislative assistant is unable or unwilling to exercise
26 independent, objective, and impartial judgment in considering matters
27 that affect the interests of the legislator's or legislative assis-
28 tant's employer.

29 (d) A legislator or legislative assistant may not seek or accept

1 an honorarium from a person or entity that has a substantial interest
2 in legislative, administrative, or political action. This subsection
3 does not prevent a legislator or legislative assistant from accepting
4 an honorarium from a governmental entity outside of the state, from a
5 university other than the University of Alaska, or from another non-
6 profit educational or civic institution, provided that the amount paid
7 is reasonable and commensurate with the services performed and that
8 the circumstances under which the services are to be performed do not
9 create a conflict of interest or appearance of impropriety. Honoraria
10 shall be reported on required disclosure forms. Under other pro-
11 visions of this chapter, a legislator or legislative assistant is
12 permitted to accept travel and related expenses incurred as the result
13 of an otherwise permissible activity.

14 (e) In extraordinary situations where the criteria for an ex-
15 emption exists, a legislator or legislative assistant may seek a
16 waiver of a provision of this section under AS 24.61.530.

17 (f) A person who violates this section is subject to civil
18 sanctions under AS 24.61.560(a).

19 Sec. 24.61.380. IMPROPER INTERFERENCE WITH THE INDEPENDENT
20 JUDGMENT OF OTHERS ON BEHALF OF CONSTITUENTS. (a) A legislator,
21 either directly or indirectly, should not interfere with the ability
22 or willingness of a state or municipal government body, official, or
23 employee to make official decisions or take appropriate actions on the
24 merits, based on independent objective judgment.

25 (b) A legislator may not directly use or appear to use political
26 influence in a way that is likely to cause a public official to con-
27 sider inappropriate factors in exercising public authority. Acts
28 either intended to or likely to be construed as enticement, trade-
29 offs, ingratiation, threats, intimidation, or coercion are improper.

1 A legislator may not directly and improperly interfere with or seek to
2 influence

3 (1) the outcome or substantive findings of an adjudicatory
4 proceeding of a governmental regulatory body;

5 (2) a decision regarding the commencement, scope, or ter-
6 mination of an investigatory process of a governmental agency; or

7 (3) an action of a governmental agency concerning the
8 granting or revocation of a license, permit, franchise, or similar
9 entitlement.

10 (c) This section may not be construed to prevent a legislator
11 from

12 (1) ensuring that a constituent is being treated fairly
13 according to established rules and procedures;

14 (2) making inquiries about the status of a matter or help-
15 ing a constituent get a benefit or service that the legislator be-
16 lieves the constituent is entitled to as a matter of right;

17 (3) openly advocating the position of constituents on the
18 merits, provided that no effort is made to influence the decision
19 making process by express or implied political pressure in matters
20 involving discretionary decisions of administrative bodies that will
21 have direct and significant economic or social effect on the legisla-
22 tor's district; or

23 (4) exercising vigilant oversight with respect to the
24 policies, regulations, procedures, and implementation practices of an
25 agency, provided that the oversight activities are conducted through
26 the normal committee processes of the legislature and that the focus
27 is on the policies, procedures, and practices of the agency and not
28 the handling of a particular matter.

29 (d) A person who violates (b) of this section is subject to

1 civil sanctions under AS 24.61.560(a) and may be subject to criminal
2 penalties under another law.

3 Sec. 24.61.390. CONFLICT OF INTEREST DISCLOSURE: STATEMENT OF
4 PURPOSE. The purpose of financial disclosure by legislators, candi-
5 dates for the legislature, and legislative assistants is to

6 (1) discourage legislators and legislative assistants from
7 acting on a private or business interest in the performance of a
8 public duty;

9 (2) assure that legislators and legislative assistants
10 exercise their legislative function free of the influence of undis-
11 closed private or business interests;

12 (3) develop public confidence in persons seeking or holding
13 legislative office, enhance the dignity of the legislature, and make
14 it attractive to citizens who are motivated to public service;

15 (4) develop accountability in government by permitting
16 public access to information necessary to judge the credentials and
17 performance of those who hold public office; and

18 (5) provide the public the financial disclosure required to
19 meet the purposes listed in (1) - (4) of this section while preserving
20 the maximum amount of privacy to legislators, candidates for the
21 legislature, and legislative assistants.

22 Sec. 24.61.400. CONFLICT OF INTEREST DISCLOSURE BY LEGISLATORS,
23 CANDIDATES FOR THE LEGISLATURE, AND LEGISLATIVE ASSISTANTS; "CATEGORY
24 A" AND "CATEGORY B" INCOME SOURCES DEFINED. (a) A legislator, a
25 candidate for the legislature, and a legislative assistant shall
26 disclose financial interests that would cause a reasonable person to
27 believe that the legislator's, candidate's, or legislative assistant's
28 objectivity and ability to exercise independent judgment in the public
29 interest have been adversely affected by those interests.

1 (b) A legislator, a candidate for the legislature, and a legis-
2 lative assistant shall file with the commission the reports required
3 under AS 24.61.400 - 24.61.410. A candidate for the legislature,
4 including an incumbent legislator, shall file the reports at the time
5 required under AS 15.25.030 or 15.25.180. In addition, legislators
6 and legislative assistants shall file annual reports on or before
7 April 15. The commission shall adopt filing guidelines and develop
8 forms that are compatible with financial disclosure forms required to
9 be filed with the Alaska Public Offices Commission under AS 39.50.030.

10 (c) A legislator, a candidate for the legislature, and a legis-
11 lative assistant shall disclose to the commission the information
12 required under AS 24.61.405 and 24.61.410 and the guidelines and
13 regulations adopted by the commission under (b) and (d) of this sec-
14 tion, on the sources and amounts of outside income received by them,
15 their spouses, and their dependent children, except that disclosure of
16 the amount of income received by a legislator's or assistant's spouse
17 or dependent children is not required. If the spouse or dependent
18 child receives income from a category A source, the legislator or
19 legislative assistant shall file a statement with the commission
20 stating that (1) all the funds earned by the spouse or dependent child
21 were reasonable payments for services actually rendered, and (2)
22 employment of the spouse or dependent child was not related to any
23 attempt to influence or do any favor for the legislator or legislative
24 assistant. A legislator, candidate for the legislature, or legisla-
25 tive assistant shall also report the information relating to income
26 and assets that a public official is required to report under AS 39.-
27 50.030.

28 (d) The commission shall adopt regulations relating to the
29 definitions of category A and B income and the reporting requirements

1 imposed by AS 24.61.400 - 24.61.410. The regulations must include
2 provisions that distinguish between income received for personal
3 services, income received from the ownership of property, income
4 received directly by the legislator, candidate for the legislature, or
5 legislative assistant, and income received by an entity in which the
6 legislator, candidate, or legislative assistant has an ownership
7 interest. The regulations may exclude from category A income, income
8 from sources such as interest on deposit accounts in regulated
9 financial institutions.

10 (e) In AS 24.61.400 - 24.61.410,

11 (1) "category A source" means a person who is known or
12 reasonably should be known to have a substantial interest in legisla-
13 tive, administrative, or political actions; the legislature or an
14 agency of the legislature is not a category A source;

15 (2) "category B source" means a person who does not, or is
16 not known to fall within category A;

17

18 (3) "income" means benefits received, in the form of mone-
19 tary compensation or another thing of value.

20 Sec. 24.61.405. REPORTING CATEGORY A INCOME. (a) As to income
21 received from category A sources, a person required under AS 24.61.400
22 to report shall file with the commission a statement that must
23 include,

24 (1) as to all income received as compensation for services
25 in excess of \$100, the name and address of the source, a brief
26 statement describing the nature of the services performed including
27 sufficient detail to permit the commission to determine whether the
28 nature of the work created or would create a conflict of interest, and
29 the amount paid;

1 (2) as to each gratuity received and required to be re-
2 ported under AS 24.61.350(c)(4) and (7), the name and address of the
3 person providing the gratuity, a brief description of its nature, and
4 a good faith statement of its fair market value; if exact values are
5 not known, and cannot be found out without undue hardship or expense,
6 reasonable good faith estimates are acceptable;

7 (3) the name and address of the source and the cash value
8 of reimbursement for expenses aggregating more than \$100 in the re-
9 porting period;

10 (4) as to each loan or loan guarantee yielding loan pro-
11 ceeds of \$100 or more in the reporting period and the lender or guar-
12 antor is a person with a substantial interest in legislative, adminis-
13 trative, or political actions, the name and address of the person
14 making the loan or guarantee, the amount of the loan, the terms and
15 conditions under which the loan or guarantee was given, the amount
16 outstanding at the time of filing, and whether or not a written loan
17 agreement exists;

18 (5) if the source of a reported benefit is a corporation,
19 other than a publicly traded corporation, the name of its parent
20 corporation, if any, and names of its top corporate officers;

21 (6) if the source of a reported benefit is a partnership or
22 association doing business under a fictitious name, the names of the
23 principals; and

24 (7) other information required under regulations of the
25 commission.

26 (b) The commission shall review category A statements to deter-
27 mine whether an impermissible conflict exists or would exist and
28 whether special orders or restrictions are required.

29 (c) Category A statements are public records and shall be made

1 available for public inspection.

2 (d) In extraordinary situations, a legislator, a candidate for
3 the legislature, or a legislative assistant may seek a waiver of a
4 provision of this section under AS 24.61.530.

5 Sec. 24.61.410. REPORTING CATEGORY B INCOME. (a) A person
6 required under AS 24.61.400 to report shall file a statement listing
7 the items in AS 24.61.405(a) that the person has received from a
8 category B source, except that the person shall disclose only those
9 income sources providing benefits worth \$1,000 or more. The person is
10 not required to report the amount of income from a reportable source.
11 As to gratuities, the requirements of AS 24.61.350(c)(4) and (7)
12 control, but apply to a candidate for the legislature as to disclosure
13 requirements only.

14 (b) The commission shall review category B statements to deter-
15 mine whether an impermissible conflict exists or would exist, whether
16 special orders or restrictions are required, and whether the state-
17 ments shall be considered to be public records and made available for
18 public inspection.

19 (c) If the person filing a statement under this section is a
20 legislator, or a candidate for the legislature, the statement is
21 presumptively public, which means that it will be made part of the
22 public record unless the legislator or candidate submitting it re-
23 quests that it be kept confidential, states the reasons for the re-
24 quest, and the commission finds that no valid public purpose would be
25 advanced by publication.

26 (d) If the person filing a statement under this section is a
27 legislative assistant, the statement is presumptively confidential,
28 which means that it shall be kept confidential unless the commission
29 determines that the public benefit in disclosure substantially

1 outweighs the individual's interest in privacy.

2 Sec. 24.61.415. REPORTING OBLIGATIONS OF EMPLOYERS OF LEGISLA-
3 TORS AND LEGISLATIVE ASSISTANTS. (a) A person who has provided
4 compensation for personal services to a legislator or legislative
5 assistant and who qualifies as a category A source under AS 24.61.-
6 400(e) shall file a report to the commission concerning the compen-
7 sation paid. The report must contain all information required by the
8 commission.

9 (b) The commission shall adopt regulations prescribing the times
10 at which a report under (a) of this section must be filed, and the
11 information that the report must contain. The regulations must pro-
12 vide that the report include a brief narrative of the nature of the
13 employment relationship with the legislator or legislative assistant,
14 the terms of compensation, and the amount paid during the reporting
15 period.

16 (c) Legislators and legislative assistants shall ensure that
17 persons who have provided compensation to them for personal services
18 have the necessary forms and are informed of the obligation to file a
19 report under this section. At the time of filing the report the
20 person filing shall provide a copy to the legislator or legislative
21 assistant.

22 Sec. 24.61.420. PROHIBITED CONDUCT RELATING TO DISCLOSURES. (a)
23 A person required to make a disclosure under AS 24.61.100 - 24.61.420
24 may not knowingly make a false or deliberately misleading or incom-
25 plete disclosure to the commission, or file a disclosure after a
26 deadline set by this chapter or by a regulation adopted by the commis-
27 sion under AS 24.61.160.

28 (b) A person who violates this section is guilty of a class A
29 misdemeanor and is subject to civil sanctions under AS 24.61.560(a).

1 (c) In addition to the sanctions in (b) of this section, if the
2 commission finds that a candidate for the legislature, including an
3 incumbent legislator, has committed a substantial violation of this
4 section, the commission shall notify the lieutenant governor. The
5 lieutenant governor shall return the candidate's filing fee and shall
6 remove the candidate's name from the filing records. In this sub-
7 section "substantial violation" includes the refusal or failure to
8 make a filing required under AS 24.61.400 - 24.61.410.

9 Sec. 24.61.430. ACCOUNTABILITY: OPENNESS AND OVERSIGHT. (a)
10 Legislators shall abide by AS 44.62.310 - 44.62.312 (open meetings
11 law) and, to the greatest extent reasonably possible, exercise the
12 authority of their offices openly so that the public is informed about
13 governmental decisions and can hold them accountable for their
14 actions.

15 (b) A person who violates this section is subject to an adminis-
16 trative sanction under AS 24.61.560(b).

17 Sec. 24.61.440. ACCOUNTABILITY: SELF-POLICING, WHISTLE BLOWING,
18 AND PROTECTION OF WHISTLE BLOWERS. (a) Legislators and legislative
19 employees shall maintain the integrity and trustworthiness of govern-
20 ment by taking whatever steps are necessary to prevent unethical
21 practices, unlawful conduct, corruption, mismanagement, improper use
22 of public funds, danger to public safety, or another abuse of public
23 position, authority, or resources.

24 (b) Legislators and legislative employees who have a good faith
25 belief that the public interest requires the disclosure of
26 governmental policies or actions thought to be unlawful or improper
27 should reveal their information to appropriate authorities.

28 (c) A legislator or legislative employee may not, directly or
29 indirectly, subject a person who reports to the commission or another

1 government entity conduct the person reasonably believes is a viola-
2 tion of this chapter or any other state law, to reprisal, retaliation,
3 harassment, discrimination, or ridicule. A legislative employee who
4 is discharged, disciplined, involuntarily transferred, or otherwise
5 penalized by a legislator or another legislative employee in violation
6 of this subsection may

7 (1) bring a complaint before the commission; and

8 (2) bring a separate civil action in the courts seeking
9 damages, payment of back wages, reinstatement, or other relief.

10 (d) In addition to the special civil liability under (c)(2) of
11 this section, a person who violates this section is subject to civil
12 sanctions under AS 24.61.560(a).

13 Sec. 24.61.450. DUTY TOWARD COLLEAGUES AND SUBORDINATES. (a) A
14 legislator or legislative employee may not engage in acts of dis-
15 crimination in violation of AS 18.80.220.

16 (b) A person who violates this section is subject to the admin-
17 istrative sanctions authorized under AS 24.61.560(b), and may be
18 subject to liability under another criminal law or civil action aris-
19 ing from the conduct.

20 ARTICLE 3. LEGISLATIVE ETHICS COMMISSION.

21 Sec. 24.61.500. LEGISLATIVE ETHICS COMMISSION ESTABLISHED. (a)
22 The Legislative Ethics Commission is established in the legislative
23 branch of government. The commission consists of nine members, se-
24 lected as follows:

25 (1) two members appointed jointly by the president of the
26 senate and the senate minority leader;

27 (2) two members appointed jointly by the speaker of the
28 house and the house minority leader;

29 (3) two members appointed by the supreme court; and

1 (4) three members selected by majority vote of the members
2 appointed under (1) - (3) of this subsection.

3 (b) Commissioners serve staggered terms of five years. A com-
4 missioner is eligible for reappointment; however, a commissioner may
5 not serve more than two consecutive five-year terms. A commissioner
6 whose term has expired continues in office until a successor has been
7 appointed and certified.

8 (c) A vacancy on the commission is filled in the same manner as
9 the original appointment to that seat on the commission. A vacancy
10 shall be filled within 30 days after the vacancy occurs.

11 (d) The commission shall elect a chair and a vice-chair, who
12 serve a term of two years. An officer may not hold the same office
13 for more than two consecutive terms. The vice-chair shall act as
14 chair in the absence of the chair.

15 (e) A commissioner may not be a legislator, a legislative
16 employee, an elected or appointed official required to make conflict-
17 of-interest disclosures under AS 39.50, an officer of a political
18 party, a candidate for public office, or a registered lobbyist.

19 Sec. 24.61.502. CERTIFICATION; LEGISLATIVE DECERTIFICATION OR
20 REMOVAL FROM OFFICE. (a) Upon appointment, a person appointed to the
21 commission shall execute a written oath that includes the following
22 undertaking:

23 I will solemnly perform the duties of this office in a
24 manner that is consistent with both the letter and
25 spirit of the Alaska Legislative Ethics Act and I shall
26 conform my own conduct to the provisions therein. I
27 acknowledge the obligation and need to interpret and
28 apply all its provisions, and the ethical principles
29 that underlie them, vigorously, promptly, fairly, and

1 in good faith. All my actions, decisions, and votes on
2 matters relating to my duties will be made purely on
3 the merits, objectively, independently, and without
4 political, regional, or ideological partisanship.

5 Upon executing the oath, an appointee shall be certified as a commis-
6 sioner and is immediately considered to have begun serving the ap-
7 pointed term.

8 (b) Within 45 days after certification, a commissioner may be
9 decertified by a majority vote of both houses of the legislature, if
10 the legislature is in session, or by a two-thirds vote of the members
11 of the legislative council if the legislature is not in session. If
12 decertified, the commissioner is disqualified and that seat on the
13 commission is vacant.

14 (c) A commissioner may be removed from office by a vote of
15 two-thirds of both houses of the legislature for good cause, including
16 substantial neglect of duty, inability to discharge the powers and
17 duties of office, violation of this chapter, gross misconduct, or
18 conviction of a felony.

19 Sec. 24.61.504. MEETINGS; COMPENSATION. (a) The commission
20 shall meet at the call of the chair or a majority of the commission-
21 ers. The commission shall meet at least once every three months.

22 (b) Six commissioners constitute a quorum. A vote of the major-
23 ity of the commissioners appointed is required for official action of
24 the commission.

25 (c) The commission may meet by teleconference.

26 (d) Commissioners shall receive compensation of \$175 for each
27 day in which they attend or participate in a commission meeting of at
28 least one hour in length, either in person or by teleconference. The
29 chair shall receive an additional stipend of \$500 a year. The commis-

1 sion shall develop and implement policies consistent with those em-
2 ployed by other state commissions for the reimbursement of travel
3 costs and the payment of per diem under AS 39.20.180.

4 (e) The commission shall comply with AS 44.62.310 - 44.62.312
5 (open meetings law).

6 Sec. 24.61.506. EXECUTIVE DIRECTOR AND STAFF. (a) The commis-
7 sion shall hire an executive director and determine the director's
8 salary. The executive director serves at the pleasure of the commis-
9 sion.

10 (b) The executive director may employ and determine the compen-
11 sation of necessary employees, subject to the budget approved by the
12 commission. The executive director may, subject to the approval of
13 the commission, contract for services when those services are tempo-
14 rary or specialized in nature, or it is in the best interest of the
15 state.

16 (c) Subject to the approval of the commission, the executive
17 director may employ or contract with legal counsel to manage, direct,
18 and prosecute cases under this chapter.

19 (d) If the commission determines that an investigation is neces-
20 sary and that the investigation cannot be efficiently, promptly, or
21 adequately handled by commission staff, the executive director shall
22 nominate a special investigator to be appointed upon approval by the
23 commission. The executive director shall maintain a list of individu-
24 als qualified to serve as a special investigator by virtue of their
25 experience, reputation, likely availability, willingness to serve, and
26 freedom from conflicts of interest.

27 (e) The executive director and employees of the commission are
28 in the exempt service under AS 39.25.110.

29 Sec. 24.61.508. APPLICABILITY OF CHAPTER TO COMMISSIONERS AND

1 EMPLOYEES; OTHER RESTRICTIONS. (a) Commissioners and employees of
2 the commission, including persons employed or under contract as legal
3 counsel or special investigators, are subject to this chapter and
4 shall be held accountable to the same standards and requirements,
5 including disclosure, as legislative assistants.

6 (b) A commission employee, including a person who provides
7 personal services under a contract with the commission, may not be a
8 legislator, a legislative employee, an elected or appointed official
9 of another governmental entity, an officer of a political party, a
10 candidate for public office, or a registered lobbyist.

11 (c) In addition to the requirements of this chapter, a commis-
12 sioner, employee of the commission, or person under contract to pro-
13 vide personal services to the commission may not

14 (1) participate in political management or in a political
15 campaign during the person's term of office, employment, or contract;

16 (2) participate in the campaign of, attend campaign fund
17 raising events for, or make a financial contribution to

18 (A) a candidate for the legislature;

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

21 (C) a person running for another office against an
22 incumbent legislator or legislative employee;

23 (3) participate in lobbying activities that would require
24 the person to register as a lobbyist except as required to inform the
25 legislature concerning legislation requested by the commission or
26 other matters related to the commission; or

27 (4) take an action or make a statement that is likely to
28 cause a reasonable person to believe that the commissioner, employee,
29 or other person is not impartial or independent or is otherwise unable

1 to properly perform public duties.

2 (d) A violation or alleged violation of (b) or (c) of this
3 section shall be treated as any other violation of this chapter and
4 shall be dealt with by the commission accordingly. During the pend-
5 ency of a complaint against a commissioner, commission employee, or
6 commission contractor, the person complained against may not partici-
7 pate in official action of the commission.

8 (e) Commissioners and the executive director are subject to the
9 disclosure requirements of this chapter.

10 Sec. 24.61.510. GENERAL POWERS AND DUTIES OF THE COMMISSION.

11 (a) The commission shall

12 (1) administer the provisions of this chapter;

13 (2) authorize and train its staff to give informal or
14 written advice regarding the spirit and requirements of this chapter;

15 (3) on request or its own initiative, issue formal written
16 advisory opinions on specific situations or clarify a provision of
17 this chapter;

18 (4) consider requests for, and grant or deny, exemptions
19 from the provisions of this chapter;

20 (5) investigate and adjudicate complaints and recommend
21 disciplinary actions to the legislature;

22 (6) authorize research in the field of legislative ethics
23 and carry out the educational programs that are required by this
24 chapter and additional programs it considers necessary to effectuate
25 the policy and purposes of this chapter;

26 (7) prepare and distribute an ethics manual to legislators,
27 legislative employees, and registered lobbyists as provided in this
28 chapter;

29 (8) mail by certified mail a copy of this chapter to a

1 candidate for the legislature upon the receipt of notice of the candi-
2 date's declaration of candidacy under AS 15.25.030 or petition under
3 AS 15.25.150;

4 (9) prepare a biennial report to the legislature summariz-
5 ing its activities over the previous two years, evaluating the effec-
6 tiveness of this chapter in accomplishing its stated purposes, and
7 recommending legislative reforms it thinks necessary to improve the
8 administration of this chapter and to better advance its goals.

9 (b) The commission may

10 (1) adopt regulations as required under specific provisions
11 of this chapter and to interpret and implement this chapter; in adopt-
12 ing regulations, the commission shall follow procedures that are
13 consistent with AS 44.62 (Administrative Procedure Act);

14 (2) perform the other acts, duties, and functions necessary
15 to properly administer this chapter, consistent with law and the
16 purpose of this chapter.

17 Sec. 24.61.515. OFFICES; BUDGET. The legislative council shall
18 provide suitable office space and equipment for the commission. The
19 commission shall submit a budget for each fiscal year to the finance
20 committees of the legislature and shall annually submit an estimated
21 budget to the governor for information purposes in preparation of the
22 state operating budget.

23 Sec. 24.61.520. INFORMAL NONBINDING ADVICE. The commission
24 shall authorize and train its staff to give oral advice and provide a
25 written informal nonbinding advice letter to persons seeking guidance
26 as to the spirit or legal requirements of this chapter, provided that
27 the advice is given with the express stipulations that

28 (1) the opinions given are not necessarily those of the
29 commission; and

1 (2) although the advice is given in good faith, the person
2 seeking the advice relies on it at the person's own risk because it is
3 not binding upon the commission.

4 Sec. 24.61.525. FORMAL BINDING ADVISORY OPINIONS. (a) The
5 commission may issue a formal written advisory opinion on its own
6 initiative, on the request of a person to whom this chapter applies,
7 or on the request of a person elected to the legislature who at the
8 time of election is not a member of the legislature.

9 (b) Requests for written advisory opinions shall be in writing
10 and must set out with reasonable specificity the facts and circum-
11 stances of a real or hypothetical case.

12 (c) The commission shall expeditiously determine whether to
13 issue an advisory opinion addressing the issues raised.

14 (d) An opinion shall be issued by official action of the commis-
15 sion. The vote of each commissioner participating in the opinion
16 shall be indicated on the opinion and it shall be forwarded to the
17 person requesting it and made a part of the public records of the
18 commission.

19 (e) Written formal advisory opinions issued by the commission
20 are binding on the commission in a subsequent proceeding concerning
21 the facts and circumstances of the particular case. If, however, any
22 fact determined by the commission to be material was omitted or mis-
23 stated in the request, the commission is not bound by the opinion.

24 (f) The commission may review, withdraw, or elaborate on a
25 previously issued advisory opinion.

26 (g) Under normal circumstances, the commission shall issue its
27 opinion within 30 days of receiving the request, if the request is
28 received during the first 100 days of the legislative session, or
29 within 60 days of the request if the request is received at another

1 time. The period for issuing an opinion may be shortened or extended
2 by the chair when that action is considered necessary or appropriate
3 to meet the goals of this chapter.

4 (h) The commission and all commission employees shall keep
5 confidential the identity of the requester and all information con-
6 veyed orally or in writing relating to the request, unless the re-
7 quester authorizes the commission to make public the requester's
8 identity or the information conveyed.

9 (i) Advisory opinions issued by the commission are public re-
10 cords. If the requester of the opinion has not waived confidentiality
11 under (h) of this section, the advisory opinion shall be written so
12 that the identity of the requester cannot be ascertained.

13 Sec. 24.61.527. USE OF INFORMATION SUBMITTED WITH REQUEST FOR
14 ADVICE. The commission may not bring a complaint against a person
15 based upon information voluntarily given to the commission by the
16 person in connection with a good faith request for advice under
17 AS 24.61.520 or 24.61.525, and may not use that information against
18 the person in a proceeding under AS 24.61.545 or 24.61.550. This
19 subsection does not preclude the commission from acting on a complaint
20 concerning the subject of a person's request for advice if the
21 complaint is brought by another person, or if the complaint arises out
22 of conduct taking place after the advice is requested, and does not
23 preclude the commission from using information or evidence obtained
24 from an independent source, even if that information or evidence was
25 also submitted with a request for advice.

26 Sec. 24.61.530. EXEMPTIONS PROCESS. (a) In situations in which
27 principles of fundamental fairness are best served by exempting cer-
28 tain individuals or acts from specified provisions of this chapter,
29 the commission may grant full or partial exemptions.

1 (b) The commission shall provide a simple form for petitions for
2 exemptions. A petition must include

- 3 (1) the name and address of the petitioner;
4 (2) relevant provisions involved in the exemption request;
5 (3) essential facts on which an exemption is requested;
6 (4) specific nature of the exemption sought;
7 (5) anticipated unfair or unreasonable consequences that
8 would result from a failure to grant the petition; and
9 (6) a certification that the petitioner verifies under
10 penalty of unsworn falsification that the facts stated are true to the
11 best of the petitioner's knowledge.

12 (c) The commission may, by official action, grant an exemption
13 upon a finding that the petitioner, by a preponderance of the evi-
14 dence, has shown that the

15 (1) harm caused by strict application of this chapter
16 substantially outweighs the benefit of its enforcement in the partic-
17 ular situation;

18 (2) application of the regulation or provision under the
19 circumstances presented would be inconsistent with the spirit and
20 purpose of the regulation or provision or of this chapter as a whole;
21 or

22 (3) purposes of this chapter and the public interest will
23 be best served by granting the applicant an exemption.

24 (d) The commission may request or permit the appearance of the
25 petitioner before the commission, in person or by teleconference, and
26 hold hearings regarding the exemption request.

27 (e) Unless a shortened or expanded time is considered necessary
28 or appropriate by the commission, decisions on petitions for exemp-
29 tions shall be made within 30 days after filing the petition. Unless

1 the petitioner consents, extensions of time ordered by the commission
2 may not exceed an additional 60 days.

3 Sec. 24.61.535. INITIATING INVESTIGATORY AND ADJUDICATORY PRO-
4 CESSES. (a) It is the purpose of this section to assure that com-
5 plaints provide sufficient information on which to proceed, yet not be
6 so complex or burdensome that the requirements unduly discourage or
7 screen out valid good faith complaints.

8 (b) A complaint may be initiated by any person or by the commis-
9 sion on its own motion.

10 (c) The commission shall provide a simple form for complaints.
11 A complaint must include

12 (1) the name and address of the complainant;

13 (2) a statement of the facts known or believed to be true
14 that form the basis of the complaint and the sources of the informa-
15 tion, including the approximate dates of the acts alleged and names
16 and addresses of persons with personal knowledge of the facts alleged;
17 and

18 (3) a certification that the complainant verifies under
19 penalty of unsworn falsification that the facts stated are true to the
20 best of the complainant's knowledge and that the complainant knows
21 that it is a crime under AS 11.56.805 to intentionally initiate a
22 false complaint.

23 (d) Unless the chair of the commission concludes that immediate
24 notification would prejudice a preliminary investigation or subject
25 the complainant to an unreasonable risk, a copy of the complaint shall
26 be sent to the person charged with misconduct within two working days.
27 If the matter is to be kept from the respondent for more than 10 days,
28 a majority of the commission must approve and indicate the conditions
29 under which the respondent will be informed of the complaint.

1 (e) Until a preliminary finding on the validity of a complaint
2 has been properly made, the existence and substance of a complaint
3 shall be kept confidential except that all members of the commission
4 and necessary staff may be informed about it.

5 (f) Upon receiving a complaint, commission staff shall review it
6 for formal sufficiency within five days of filing. If the complaint
7 is unsigned or otherwise deficient on its face it shall be returned to
8 the complainant with a statement of the nature of the deficiency.

9 (g) Once a complaint has been determined to be formally suffi-
10 cient, commission staff shall evaluate the complaint and advise the
11 chair as to its opinion as to whether it states a valid complaint that
12 should be investigated. If the executive director is a member of the
13 bar, the executive director may provide the advice. Otherwise, the
14 executive director shall appoint a duly qualified legal counsel to
15 assist in making the determinations required under this subsection.
16 To be valid, the complaint must allege

17 (1) facts that, if true, establish a violation of a pro-
18 vision of this chapter for which civil or administrative sanctions are
19 authorized;

20 (2) that the conduct providing the basis of the complaint
21 has occurred

22 (A) within five years of the complaint; or

23 (B) if the person charged with misconduct intention-
24 ally concealed or otherwise sought to prevent discovery of the
25 relevant facts within one year of the discovery of the relevant
26 facts and within eight years of the complaint; and

27 (3) that the person charged with misconduct is either a
28 legislator or legislative employee at the time of the filing of the
29 complaint or was a legislator or legislative employee within one year

1 of the filing.

2 (h) Within 20 days after the filing of the complaint, or within
3 45 days if the chair of the commission certifies additional time is
4 required, a determination shall be made on the substantive validity of
5 the complaint. If the chair concludes that there is no substantial
6 reason to question the opinion of staff as to the validity of a com-
7 plaint, the complaint shall either be dismissed or certified for
8 further consideration in accordance with the opinion. The chair or a
9 commissioner, however, may request a hearing on the validity of the
10 complaint at a meeting of the commission.

11 (i) If a complaint is dismissed because of invalidity, it shall
12 be returned to the complainant with a notice of dismissal stating in
13 detail the reason for dismissal. If the commission finds that the
14 complaint was frivolous, malicious, or was filed in bad faith, it
15 shall so state in the notice of dismissal. If the commission finds
16 that the complaint alleges violations outside the scope of this chap-
17 ter, it shall so state and forward the complaint to the appropriate
18 enforcement body for disposition. A copy of the notice of dismissal
19 shall be sent to the respondent. The notice of dismissal is a public
20 record.

21 (j) If the commission concludes that some or all of the alle-
22 gations of the complaint, if proven, would constitute a violation of
23 this chapter, or if the commission has initiated the complaint, the
24 complaint shall be certified and a factual investigation shall com-
25 mence. The record of certification for further consideration is
26 confidential subject to subsequent actions that may make it part of
27 the public record.

28 Sec. 24.61.540. INVESTIGATIONS. (a) Investigation into ethics
29 charges shall be undertaken in a manner that assures the public of an

1 impartial and comprehensive review, is fair to the respondent, and
2 that elicits the information the commission needs to make a decision.

3 (b) Before commencing an investigation, the commission shall
4 adopt a written resolution defining the scope of the investigation, a
5 copy of which shall be supplied to both the complainant and the re-
6 spondent. If, during the investigation, additional facts are dis-
7 covered that justify an expansion of the investigation and the pos-
8 sibility of additional charges beyond those alleged in the complaint,
9 the resolution shall be amended accordingly with copies sent to the
10 complainant and the respondent. The resolution, and the fact that an
11 investigation has been undertaken, shall be kept confidential by the
12 commission except that, upon inquiry, the commission may verify that
13 it is investigating a complaint along with a statement that no finding
14 of probable cause has been made and that no adverse inference of
15 impropriety or guilt should be drawn from the decision to investigate.
16 Additional facts concerning the nature or results of the investigation
17 may not be revealed except as provided in AS 24.61.545 after a deter-
18 mination of probable cause has been made.

19 (c) A legislator or a legislative employee may request in writ-
20 ing that the commission investigate charges of impropriety made
21 against the legislator or legislative employee. The request must
22 state with specificity the nature of the investigation requested. If
23 the commission agrees to undertake an investigation, the investigation
24 is not necessarily limited in scope by the request and, once begun, it
25 shall be handled as any other investigation, with the person
26 requesting the investigation formally treated as a respondent.

27 (d) A preliminary investigation is conducted by the commission
28 staff, and if the commission determines it is necessary, outside
29 counsel and investigators. The purpose of the preliminary inves-

1 tigation is to determine whether there is probable cause to proceed
2 with a full adjudicatory hearing.

3 (e) The person conducting the preliminary investigation may
4 order a hearing and subpoena witnesses and documents, conduct depo-
5 sitions under oath, require the participation of the respondent, and
6 issue interrogatories to be answered under oath. An oral or written
7 statement, whether incriminatory or exculpatory, may not be considered
8 in the investigator's report unless made under oath. The respondent
9 shall be given an adequate opportunity to provide testimonial and
10 documentary evidence.

11 (f) Upon completion of the investigation, a confidential report
12 summarizing the evidence, evaluating its credibility, and detailing
13 findings on each of the allegations investigated shall be submitted to
14 the commission along with recommendations as to whether the complaint,
15 or a portion of it, should be dismissed or whether the matter should
16 proceed to the full hearing stage. The report shall be prepared so as
17 to exclude unreliable information and uncorroborated and irresponsible
18 allegations. The investigator's notes, records of interviews, and
19 other investigatory matter considered unreliable or unduly prejudicial
20 by the commission shall remain confidential.

21 Sec. 24.61.545. PROBABLE CAUSE DETERMINATION. (a) The commis-
22 sion shall consider the investigator's report in closed session and
23 determine whether substantial credible evidence exists to believe that
24 it is probable that a violation of a provision of this chapter for
25 which civil or administrative sanctions are authorized has occurred.

26 (b) If the commission does not find that substantial credible
27 evidence exists to warrant a full adjudicatory hearing, it shall
28 dismiss the complaint and so notify the complainant with a notice of
29 dismissal stating in detail the reason for dismissal. If the commis-

1 sion finds that the charges were frivolous, malicious, made in bad
2 faith, or that, in its opinion the respondent should be exonerated of
3 the charges, it shall so state in the notice of dismissal. If the
4 commission finds that the evidence supports violations outside the
5 scope of this chapter, it shall so state and forward the complaint and
6 its report to the appropriate enforcement body for disposition.

7 (c) A copy of the notice of dismissal shall be sent to the
8 respondent. The notice of dismissal and the investigator's report
9 containing findings and recommendations, but not the underlying in-
10 vestigatory materials, shall be made public unless the commission
11 determines that this would unfairly prejudice either the respondent or
12 complainant. This subsection may not be construed to prevent either
13 the complainant or respondent from making the notice of dismissal and
14 the report public.

15 (d) If the commission finds that substantial credible evidence
16 exists establishing probable cause that a violation of a provision of
17 this chapter for which civil or administrative sanctions are autho-
18 rized has occurred, it shall serve on the respondent in a manner
19 consistent with the service of summons under the rules of civil proce-
20 dure, a formal charge stating the specific allegations and a proposed
21 hearing date.

22 (e) The hearing may not be scheduled to commence sooner than 20
23 days after service of the formal charge on the respondent. If the
24 respondent requests an earlier hearing date, the commission may, but
25 is not required to, consent. The commission shall, upon request,
26 grant the respondent reasonable additional time to prepare a defense.
27 The respondent may file a responsive pleading admitting or denying the
28 various allegations.

29 (f) The commission may suspend further proceedings if the re-

1 spondent acknowledges the violation and agrees to corrective actions
2 and sanctions considered appropriate by the commission. If the com-
3 mission suspends the proceedings or dismisses the charges as a result
4 of a negotiated settlement, the terms and conditions of the settlement
5 and the reasons for entering into the agreement shall be stated in a
6 written report that shall be sent to the complainant and made part of
7 the public record.

8 (g) Upon determining that probable cause exists to conduct a
9 full adjudicatory hearing, the commission shall make public the inves-
10 tigator's report containing findings and recommendations, but not the
11 underlying investigatory materials.

12 Sec. 24.61.550. ADJUDICATORY HEARING. (a) A formal hearing on
13 ethics charges against a respondent shall be conducted in a manner
14 that inspires confidence in the integrity and objectivity of the
15 process and demonstrates full consideration for the rights and reputa-
16 tion of the respondent.

17 (b) An adjudicatory hearing shall be before a hearing board
18 composed of the commission chair and four commissioners appointed by
19 the chair. If the chair cannot attend all hearing sessions without
20 undue inconvenience, the vice-chair shall serve in the chair's place.
21 If neither the chair nor the vice-chair is available, the chair shall
22 appoint another commissioner. Appointments to hearing boards shall be
23 rotated among the commissioners.

24 (c) The chair, vice-chair, or a commissioner designated by the
25 chair, as appropriate, shall preside at the hearing. The executive
26 director or other legal counsel designated by the commission may
27 attend and advise and counsel the hearing board.

28 (d) An adjudicatory hearing shall be public under AS 44.62.310.
29 A hearing may not be held by teleconference. Except as expressly

1 provided in this chapter, procedures shall be consistent with hearing
2 procedures under AS 44.62.330 - 44.62.630. Upon request, the presid-
3 ing commissioner may issue reasonable discovery and protective orders
4 in a manner consistent with Rule 26 of the Alaska Rules of Civil
5 Procedure.

6 (e) A hearing board may

7 (1) administer oaths and affirmations and subpoena indi-
8 viduals, including the respondent, to testify or to submit to written
9 interrogatories under oath;

10 (2) compel the production of documentary or tangible evi-
11 dence;

12 (3) pay witnesses the same fees and mileage reimbursements
13 paid in similar circumstances by the courts of the state;

14 (4) seek enforcement of subpoenas by written application of
15 the commission to the superior court.

16 (f) The respondent may

17 (1) appear before the hearing board and submit testimony or
18 other evidence;

19 (2) personally, or through counsel, subpoena, examine and
20 cross-examine witnesses, raise objections, and make arguments;

21 (3) exercise the pretrial discovery procedures available in
22 civil actions.

23 Sec. 24.61.555. FINDINGS AND RECOMMENDATIONS. (a) Within 10
24 days after the completion of a hearing, the hearing board shall vote
25 on each charge to determine whether it was established by clear and
26 convincing evidence, and shall prepare a written opinion along with
27 recommendations, if any. A vote of three commissioners is required to
28 find a violation and approve an opinion.

29 (b) As to each charge on which the evidence was found to be

1 insufficient to establish a violation, the hearing board shall include
2 its findings in its written opinion. If the board finds that the
3 charges were frivolous, malicious, made in bad faith, or that, in its
4 opinion the respondent should be exonerated of the charges, it shall
5 so state in its opinion. The respondent's reasonable legal fees
6 should be paid in full from public funds if the respondent is exoner-
7 ated.

8 (c) As to each charge on which the evidence was found to be
9 sufficient to establish a violation, the hearing board shall include
10 its findings of fact and law in its written opinion, along with rec-
11 ommendations as to appropriate sanctions.

12 Sec. 24.61.560. CIVIL SANCTIONS. (a) When a hearing board
13 considers the appropriate recommended sanctions to be included in its
14 opinion, it shall give due consideration to the purposes of this
15 chapter, the nature of the violation, and other circumstances that are
16 included in the hearing record. The board may recommend, either
17 singly or in combination,

18 (1) a civil penalty of not more than \$5,000 for each of-
19 fense, or twice the amount improperly gained by the misconduct, which-
20 ever is greater;

21 (2) divestiture of specified assets or withdrawal from
22 specified associations;

23 (3) detailed disclosure, with or without additional period-
24 ic reporting requirements;

25 (4) suspension from legislative employment, with or without
26 pay;

27 (5) restitution or reimbursement;

28 (6) suspension of pay until orders are complied with;

29 (7) probationary status;

- 1 (8) a written reprimand;
- 2 (9) censure, including a recommendation that a legislator
3 censured may not serve as a chair or co-chair on a legislative commit-
4 tee for the remainder of the legislator's current term in office;
- 5 (10) expulsion of a legislator or dismissal of a legislative
6 employee;
- 7 (11) payment of costs related to the investigation and
8 adjudication of the charge;
- 9 (12) another sanction fashioned to achieve the purposes of
10 this chapter.

11 (b) When a provision of this chapter provides for the imposition
12 of administrative sanctions under this subsection, the commission may
13 recommend any of the civil sanctions set out in (a) of this section
14 except sanctions under (a)(1) and (10).

15 (c) If the commission finds that a violation of AS 24.61.100 -
16 24.61.450 contributed substantially to the enactment of legislation or
17 to other legislative action, the commission may recommend to the
18 presiding officer of each house that the legislation be repealed or
19 amended or that the other legislative action be rescinded or modified.

20 Sec. 24.61.565. RECOMMENDATIONS TO THE LEGISLATURE WHERE VIOLA-
21 TOR IS A LEGISLATOR. (a) If the person found to have violated this
22 chapter is or was a member of the legislature, the hearing board's
23 recommendations shall be forwarded by the chair of the commission to
24 the presiding officer of the appropriate house of the legislature.

25 (b) If the legislature is in session, the entire house shall
26 determine the sanctions, if any, that are to be imposed. The vote
27 shall be taken within 10 legislative days of receipt of the commis-
28 sion's recommendations.

29 (c) If the legislature is not in session or is not within 30

1 days of convening in regular session, the presiding officer may re-
2 quest a special session under AS 24.05.100 to put the matter to a
3 vote. If expulsion is recommended, a special session should be con-
4 vened.

5 (d) Except in the case of expulsion, which requires a two-thirds
6 vote, all other sanctions shall be determined by a majority vote of
7 the full house.

8 (e) In determining the sanctions, if any, to impose, the legis-
9 lature should scrupulously observe the rule of nonpartisanship. It
10 should not retry the basic facts nor question the hearing board's
11 findings of fact. The only issue before it should be the determina-
12 tion of the appropriate sanction assuming the validity of the board's
13 findings.

14 Sec. 24.61.570. RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE
15 EMPLOYEE. If the person found to have violated this chapter is or
16 was a legislative employee, the hearing board's recommendations shall
17 be forwarded to the appropriate appointing authority which shall, as
18 soon as is reasonably possible, determine the sanctions, if any, to be
19 imposed. The appointing authority may not question the hearing
20 board's findings of fact. The appointing authority shall assume the
21 validity of the board's findings, and determine and impose the appro-
22 priate sanctions.

23 Sec. 24.61.575. ACTIONS BY THE ATTORNEY GENERAL. (a) The
24 attorney general may independently bring civil or criminal actions
25 relating to violations under this chapter regardless of the outcome or
26 settlement of a charge before the commission, provided that (1) the
27 attorney general may not bring an independent civil action under this
28 chapter if the provision violated is subject only to administrative
29 sanctions under AS 24.61.560(b); and (2) the cumulative civil penal-

1 ties imposed for a violation may not exceed the amount that could be
2 imposed in an action before the commission. This subsection does not
3 prohibit the attorney general from bringing an action under another
4 civil or criminal law.

5 (b) A citizen may make a written request that the attorney
6 general commence a civil action authorized under (a) of this section
7 against a person for a violation of this chapter.

8 Sec. 24.61.580. WAIVER OF CONFIDENTIALITY. The commission may
9 publicly respond to a statement or interpretation made concerning the
10 contents of an advisory opinion or decision it has issued or is pur-
11 ported to have issued. A person who requests an advisory opinion and
12 makes that fact public is considered to have waived the confidential-
13 ity of the person's identity.

14 ARTICLE 4. LEGISLATIVE ETHICS EDUCATION PROGRAM.

15 Sec. 24.61.700. ETHICS EDUCATION PROGRAM. The commission shall
16 oversee and develop the following components of a comprehensive ethics
17 education program:

- 18 (1) publish an ethics education manual;
19 (2) establish an education advisory committee; and
20 (3) design and implement a legislative orientation training
21 course, a current issues and applications seminar, and a lobbyist
22 training course.

23 Sec. 24.61.710. ETHICS EDUCATION MANUAL. (a) The commission
24 shall prepare and publish a legislative ethics manual, which must
25 contain all ethics statutes, regulations, and related information,
26 including detailed explanations of technical and specific legal re-
27 quirements as well as the underlying purposes and ethical principles
28 that comprise the spirit of the requirements. The manual must include
29 realistic examples with recommended actions, as well as questions and

1 answers regarding common problems and situation

2 (b) The commission shall issue a revised and updated version of
3 the manual no later than 30 days after the commencement of each legis-
4 lature.

5 (c) The manual shall be distributed to all legislators, legisla-
6 tive employees, and registered lobbyists. The manual shall also be
7 available to the public.

8 Sec. 24.61.720. EDUCATION ADVISORY COMMITTEE. (a) The commis-
9 sion chair shall appoint five members to an education advisory commit-
10 tee, that shall include at least two members of the commission, a
11 legislator, and a legislative employee. The education advisory com-
12 mittee may also include an Alaskan expert in the field of ethics.

13 (b) The education advisory committee shall oversee the implemen-
14 tation of, and recommend the content for, the following ethics educa-
15 tion programs:

- 16 (1) legislative orientation training course;
- 17 (2) current issues and applications seminar;
- 18 (3) lobbyist ethics course; and
- 19 (4) commission and commission staff training course.

20 Sec. 24.61.730. LEGISLATIVE ORIENTATION TRAINING COURSE. (a)
21 The commission shall conduct a legislative orientation training
22 course. The course shall be offered in January of each year. A
23 legislator and a legislative employee shall attend and complete the
24 first course offered after their initial election, appointment, or
25 hiring date.

26 (b) The education advisory committee shall determine the specif-
27 ic content of the course, and it shall cover the ethics laws, internal
28 rules and policies, as well as the technical and specific legal re-
29 quirements that legislators and legislative employees must follow.

1 The course shall also cover the underlying purposes and ethical prin-
2 ciples of all ethics laws, internal rules and policies, and other
3 related regulations. The course shall highlight the principles of
4 public service ethics and the intent of ethics laws, including their
5 application to practical situations.

6 (c) The commission shall offer separate sessions of the course
7 for legislators and for legislative employees, and shall offer as many
8 sessions as necessary to accommodate the number of people required to
9 take the course.

10 Sec. 24.61.740. CURRENT ISSUES AND APPLICATIONS SEMINAR. (a)
11 The commission shall conduct a current issues and applications seminar
12 in January of each odd-numbered year. The seminar is mandatory for
13 all legislators and legislative employees who have previously complet-
14 ed the legislative ethics orientation training course.

15 (b) The specific content of the seminar shall be determined by
16 the education advisory committee, and shall include an overview of all
17 new substantive changes in the laws in the form of amendments, re-
18 visions, and new ethics advisory opinions. The seminar shall include
19 discussions on problem solving skills, practical ethical issues likely
20 to confront a legislator or legislative employee, and the underlying
21 principles of public service ethics.

22 (c) The commission shall offer separate sessions of the seminar
23 for legislators and for legislative employees, and shall offer as many
24 sessions as necessary to accommodate the number of people required to
25 take the seminar.

26 Sec. 24.61.750. LOBBYIST ETHICS COURSE. (a) Lobbyists shall
27 complete a lobbyist ethics course conducted by the commission as a
28 condition of registering as a lobbyist under AS 24.45. A person who
29 first engages in activities requiring the person to register as a

1 lobbyist either before the commission has offered the ethics course
2 for that year, or after the ethics course has been offered for that
3 year, may be authorized by the commission to conditionally register
4 under AS 24.45 unless the person reasonably should have known that the
5 person was likely to engage in lobbying activities and could have
6 attended the most recent ethics course. A person with a conditional
7 registration must successfully complete the next ethics course offered
8 or the registration shall be revoked.

9 (b) The specific content of the ethics course shall be deter-
10 mined by the education advisory committee, and shall include a review
11 of all ethics statutes, the rules and regulations relating to appro-
12 priate lobbyist conduct, and the principles of public service ethics.

13 (c) The commission shall certify to the Alaska Public Offices
14 Commission the names of persons successfully completing the ethics
15 course, including persons taking the course under (d) of this section.

16 (d) Lobbyists shall repeat the ethics course at least once every
17 three years and the commission shall update the course accordingly.

18 (e) At the commission's discretion, lobbyists may be charged
19 reasonable fees to attend the training course.

20 Sec. 24.61.760. ADMINISTRATIVE PROVISIONS. (a) The commission
21 shall assure the continued implementation, improvement, and modifica-
22 tion of the ethics education programs. The commission shall develop
23 procedures to assure the attendance of, and course completion by, all
24 legislators, legislative employees, and lobbyists.

25 (b) The commission shall assure the attendance of legislative
26 employees who are not in and cannot travel to Juneau by offering the
27 programs by teleconference. When a teleconference connection is
28 unavailable, the commission shall distribute video tapes to the em-
29 ployees or arrange to have them travel to a site where a live or

1 teleconference course is available.

2 (c) The commission may recommended sanctions, including suspen-
3 sion of pay and dismissal of legislative employees, disciplinary
4 action for legislators, and revocation of lobbyist registrations, upon
5 any legislator, legislative employee, or lobbyist who fails to com-
6 plete the ethics education requirements within a reasonable amount of
7 time, as determined by the commission.

8 (d) The commission shall supply the presiding officer of each
9 house with the names of those legislators and legislative employees
10 who have not complied with the ethics education requirements.

11 (e) The commission shall offer all of the education programs at
12 appropriate times and locations and shall provide adequate notice of
13 them.

14 (f) The commission may grant an exemption from the requirements
15 of AS 24.61.730 - 24.61.750 upon a showing of good cause for the
16 exemption.

17 ARTICLE 5. GENERAL PROVISIONS.

18 Sec. 24.61.900. RELATIONSHIP TO COMMON LAW AND OTHER LAWS. (a)
19 The provisions of this chapter specifically replace, supersede, and
20 where necessary repeal provisions of the common law relating to legis-
21 lative conflict of interest.

22 (b) This chapter does not exempt a person from applicable pro-
23 visions of another law unless the law is expressly superseded or
24 incompatibly inconsistent with specific provisions of this chapter.

25 Sec. 24.61.910. APPLICABILITY. (a) Unless otherwise
26 specifically stated, the provisions of this chapter apply to legisla-
27 tors and legislative employees.

28 (b) Certain specified provisions apply to former members of the
29 legislature, candidates for the legislature, former legislative em-

1 employees, persons who have transactions with legislators or legislative
2 employees, and lobbyists.

3 Sec. 24.61.920. PRINCIPLE OF STRICT COMPLIANCE. In imposing
4 civil or administrative sanctions, the commission and the legislature
5 shall hold legislators and legislative employees strictly to the
6 provisions and spirit of this chapter. Except in extraordinary cir-
7 cumstances, legislators and employees may not assert a lack of knowl-
8 edge or understanding as a defense to a charge of misconduct.

9 Sec. 24.61.930. MENTAL STATE REQUIRED FOR CRIMINAL ACTIONS.
10 When a provision of this chapter is made subject to criminal penal-
11 ties, unless the provision specifically provides for another mental
12 state, the defendant in a criminal prosecution must be shown to have
13 acted with criminal negligence, as that term is defined in AS 11.81.-
14 900(a). AS 11.81.610(c) applies to this section.

15 Sec. 24.61.940. MAINTENANCE OF DOCUMENTS. Documents filed with
16 or produced by the commission as public records shall be retained for
17 at least six years.

18 Sec. 24.61.950. COOPERATION OF OTHERS. If the commission re-
19 quests their cooperation, a state agency, official, employee, or a
20 person whose conduct is regulated by this chapter shall cooperate with
21 the commission. An individual shall make information reasonably
22 related to an investigation available to the commission on written
23 request. The commission may request and shall receive from every
24 officer, department, division, board, agency, commission, house of the
25 legislature, or other agency of the state, cooperation and assistance
26 in the performance of its duties.

27 Sec. 24.61.960. CONFIDENTIALITY. A person subject to the pro-
28 visions of this chapter may not knowingly make an unauthorized disclo-
29 sure of confidential information acquired in the course of official

1 duties. A person who violates this section is subject to civil sanc-
2 tions under AS 24.61.560(a) and may be subject to prosecution under
3 AS 11.56.860 or another law.

4 Sec. 24.61.990. DEFINITIONS. In this chapter,

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

10 (2) "anything of value," "benefit," or "thing of value"
11 includes all matters, whether tangible or intangible, that could
12 reasonably be considered to be an advantage, of worth, use, or service
13 to the person to whom it is conferred; the terms are intended to be
14 interpreted broadly and encompass all matters that the recipient might
15 find sufficiently desirable to do something in exchange for;

16 (A) "anything of value," "benefit," or "thing of
17 value" includes but is not limited to

18 (i) money;

19 (ii) products or merchandise;

20 (iii) works of art or collectibles;

21 (iv) stocks, bonds, notes, or options;

22 (v) an interest in real property;

23 (vi) contracts or a promise of a future interest
24 in a contract;

25 (vii) an interest or a promise of a future interest
26 in a business;

27 (viii) meals, beverages, or lodging;

28 (ix) transportation;

29 (x) services, including loaned employees;

- 1 (xi) loans, loan guarantees, co-signing;
- 2 (xii) forgiveness of a debt;
- 3 (xiii) discounts or rebates not extended to the
- 4 public generally;
- 5 (xiv) preferential treatment;
- 6 (xv) tickets or admissions;
- 7 (xvi) free or discounted use of office facilities;
- 8 (xvii) loan of office equipment;
- 9 (xviii) radio or television time;
- 10 (xix) promise or offer of present or future employ-
- 11 ment;
- 12 (xx) use of autos, boats, apartments, or other
- 13 recreational or lodging facilities;
- 14 (xxi) intangible rights such as a cause of action;
- 15 (xxii) licenses, patents, copyrights, or an interest
- 16 in them;
- 17 (xxiii) any other item, tangible or intangible,
- 18 having economic value;
- 19 (B) "anything of value," "benefit," or "thing of
- 20 value" does not include
- 21 (i) an item listed in AS 24.61.350(b);
- 22 (ii) campaign contributions, pledges, political
- 23 endorsements, support in a political campaign, or a promise
- 24 of endorsement or support;
- 25 (iii) contributions to a cause or organization,
- 26 including a charity, made in response to a direct sollicita-
- 27 tion from a legislator or a person acting at the legisla-
- 28 tor's direction;
- 29 (iv) grants under AS 37.05.316 to named recipients;

1 (3) "charitable organization" means an organization that
2 qualifies for a federal tax exemption under 26 U.S.C. 501(c)(3);

3 (4) "close economic association" has the meaning given in
4 AS 24.61.265;

5 (5) "commission" means the Legislative Ethics Commission;

6 (6) "compensation" means remuneration for personal services
7 rendered, including salary, fees, commissions, bonuses, and similar
8 payments, but excluding reimbursement for actual expenses incurred by
9 a person;

10 (7) "confidential information" means information that has
11 been classified confidential by law;

12 (8) "exonerate" means to free from a charge or the imputa-
13 tion of guilt, or to prove blameless;

14 (9) "financial conflict of interest" has the meaning given
15 in AS 24.61.255;

16 (10) "honorarium" means anything of value, other than reim-
17 bursement of travel expenses, given to a person for making a speech,
18 panel presentation, personal appearance, or similar activity;

19 (11) "immediate family" means the spouse, parents, including
20 parents-in-law, children, including a stepchild and an adoptive child,
21 and siblings of a person;

22 (12) "intent to influence legislative, administrative, or
23 political action" means that an act, including the offering or confer-
24 ring of a thing of value to a public official, is done with the intent
25 to induce the official to do or refrain from doing an act;

26 (13) "knowingly" has the meaning given in AS 11.81.900;

27 (14) "legislative action" means conduct relating to the
28 development, drafting, consideration, sponsorship, enactment or de-
29 feat, support or opposition to or of a law, amendment, resolution,

1 report, nomination, or other matter affected by legislative action or
2 inaction;

3 (15) "legislative assistant" means a legislative employee
4 whose assigned duties involve the exercise of substantial discretion
5 and judgment; it does not include employees who perform purely cler-
6 ical or ministerial functions; the legislative council shall propose
7 policies relating to the interpretation of this definition, and the
8 commission shall consider the adoption of these guidelines as regula-
9 tions under AS 24.61.160;

10 (16) "legislative employee" means a person, other than a
11 legislator, who is compensated by the legislative branch in return for
12 regular or substantial personal services, regardless of the person's
13 pay level or technical status as a full-time or part-time employee,
14 independent contractor, or consultant; it includes members and staff
15 of the commission; it does not include individuals who perform func-
16 tions that are incidental to legislative functions, such as security,
17 messengers, maintenance, and print shop employees; for purposes of
18 this paragraph, "regular or substantial" means work that is expected
19 to involve, or does involve, at least 400 hours in a calendar year or
20 300 hours during a regular legislative session; the legislative coun-
21 cil shall propose policies relating to the interpretation of this
22 definition, and the commission shall consider the adoption of these
23 guidelines as regulations under AS 24.61.160;

24 (17) "lobbyist" means a person who is required to register
25 under AS 24.45.041 and is described under AS 24.45.171(8)(A), but does
26 not include a volunteer lobbyist described in AS 24.45.161(a)(1) or a
27 representational lobbyist as defined under regulations of the Alaska
28 Public Offices Commission;

29 (18) "local government" means a municipality, a municipal

1 school district, or a regional educational attendance area;

2 (19) "political action" means conduct in which public offi-
3 cials, including legislators or legislative employees, use their
4 official position or political contacts to exercise influence on state
5 and local government employees or entities; it includes but is not
6 limited to intervening on behalf of constituents with a government
7 agency, endorsing, and pledging support or actively supporting a
8 legislative matter, a nominee, or a candidate for public office;

9 (20) "reasonably should know" means that, under the circum-
10 stances, a reasonable person would know a fact;

11 (21) "registered lobbyist" means a person who is required to
12 register under AS 24.45.041;

13 (22) "representation" means action taken on behalf of another,
14 whether for compensation or not, including but not limited to
15 telephone calls and meetings and appearances at proceedings or meet-
16 ings;

17 (23) "substantial interest in legislative, administrative,
18 or political action" has the meaning given in AS 24.61.260.

19 * Sec. 3. AS 11.56.805(a) is amended to read:

20 (a) A person commits the crime of false accusation if the person
21 knowingly or intentionally initiates a false complaint with the [SE-
22 LECT COMMITTEE ON] Legislative Ethics Commission established under
23 AS 24.61 [IN AS 24.60].

24 * Sec. 4. AS 15.25.030(b) is amended to read:

25 (b) A person filing a declaration of candidacy under this
26 section other than for a state legislative office shall simultaneously
27 file with the director a statement of income sources and business
28 interests that complies with the requirements of AS 39.50. A person
29 filing a declaration of candidacy for state legislative office shall

1 simultaneously file with the director a disclosure statement that
2 complies with the requirements of AS 24.61.400 - 24.61.410.

3 * Sec. 5. AS 15.25.030(c) is amended to read:

4 (c) An incumbent public official other than a legislator who has
5 a current statement of income sources and business interests on file
6 with the Alaska Public Offices Commission, or an incumbent legislator
7 who has a current disclosure statement on file with the Legislative
8 Ethics Commission, is not required to file a statement of income
9 sources and business interests or a disclosure statement with the
10 declaration of candidacy under (b) of this section.

11 * Sec. 6. AS 15.25.180(b) is amended to read:

12 (b) A person filing a nominating petition under this section
13 other than for a state legislative office shall also file with the
14 director a statement of income sources and business interests that
15 complies with the requirements of AS 39.50 within 30 days of filing
16 the petition. A person filing a nominating petition for state legis-
17 lative office shall file with the director a disclosure statement that
18 complies with the requirements of AS 24.61.400 - 24.61.410 within 30
19 days of filing the petition.

20 * Sec. 7. AS 15.25.180(c) is amended to read:

21 (c) An incumbent public official other than a legislator who has
22 a current statement of income sources and business interests on file
23 with the Alaska Public Offices Commission, or an incumbent legislator
24 who has a current disclosure statement on file with the Legislative
25 Ethics Commission, is not required to file a statement of income
26 sources and business interests or a disclosure statement with the
27 declaration of candidacy under (b) of this section.

28 * Sec. 8. AS 24.10.100 is amended to read:

29 Sec. 24.10.100. SALARY OF LEGISLATORS. The annual [MONTHLY]

1 salary for each member of the legislature is \$40,000 [EQUAL TO STEP A,
2 RANGE 10 OF THE SALARY SCHEDULE IN AS 39.27.011(a) FOR JUNEAU]. The
3 president of the senate and the speaker of the house of representa-
4 tives are each entitled to an additional \$500 a year during tenure of
5 office.

6 * Sec. 9. AS 24.10.105 is repealed and reenacted to read:

7 Sec. 24.10.105. LEGISLATIVE PER DIEM. (a) A member of the
8 legislature is entitled to receive per diem at the short-term rate

9 (1) during a legislative session if the legislator is not
10 living in the legislator's place of permanent residence during the
11 session; or

12 (2) while on committee business or other legislative busi-
13 ness in a place that is not the legislator's place of permanent resi-
14 dence.

15 (b) A legislator is entitled to receive per diem at the long-
16 term rate during a legislative session if the legislator is living in
17 the legislator's place of permanent residence during the session.

18 (c) In this section,

19 (1) "long-term rate" means the long-term per diem rate for
20 a state employee established in regulations adopted by the commis-
21 sioner of administration under AS 39.20.160;

22 (2) "short-term rate" means the short-term per diem rate
23 for a state employee established in regulations adopted by the commis-
24 sioner of administration under AS 39.20.160.

25 * Sec. 10. AS 24.10.110 is repealed and reenacted to read:

26 Sec. 24.10.110. LEGISLATIVE OFFICE ALLOWANCE. (a) A legislator
27 may be reimbursed for the lawful expenses of maintaining a legislative
28 office to supplement resources generally provided to legislators by
29 the legislature and its agencies. Expenses eligible for reimbursement

1 under this section include those incurred in a district office or an
2 office in the capital city.

3 (b) Expenses that may be paid with public funds under AS 24.61
4 (Legislative Ethics Act) are presumed to be lawful.

5 (c) A representative from a single-representative district may
6 voucher up to \$6,000 a year under this section. A representative from
7 a two-representative district and a senator from a single-senator dis-
8 trict may voucher up to \$7,000 a year under this section. A senator
9 from a two-senator district may voucher up to \$9,000 a year under this
10 section. Vouchers shall be processed under AS 24.10.120 and policies
11 adopted by the legislative council consistent with 26 U.S.C. 162.

12 (d) Notwithstanding (b) of this section, expenses related to
13 newsletters may not be paid under this section. The legislative
14 council shall adopt guidelines under which each legislator may prepare
15 and distribute two newsletters a year that comply with AS 24.61. The
16 guidelines must be consistent with AS 24.61 and regulations under that
17 chapter adopted by the Legislative Ethics Commission and must provide
18 for the payment of expenses for the newsletters from appropriations to
19 the legislature.

20 * Sec. 11. AS 24.10.130 is amended by adding a new subsection to read:

21 (b) During each regular session of the legislature, a member of
22 the legislature may be reimbursed for up to two round trip tickets
23 from Juneau to a city in the district from which the legislator was
24 elected. A trip paid for under this subsection may be for a personal,
25 family, business, or constituent purpose. This section does not apply
26 to travel as a part of a legislative committee or subcommittee or for
27 other official business of the legislature.

28 * Sec. 12. AS 24.40.020 is amended to read:

29 Sec. 24.40.020. CONTINUANCE IN A CRIMINAL PROCEEDING WHERE

1 DEFENDANT [, DEFENSE ATTORNEY] OR WITNESS IS A MEMBER OF THE LEGISLA-
2 TURE. Upon a showing that [THE ATTORNEY OF RECORD AT THE TIME OF THE
3 DEFENDANT'S FIRST APPEARANCE IN THE COURT OF RECORD OR] a principal
4 witness or a party in a criminal proceeding is a member of the legis-
5 lature and that the legislature is in session or that a legislative
6 interim committee of which the legislator is a member is meeting or is
7 to meet within the next seven days, the defendant is entitled to a
8 reasonable continuance of the date of trial until at least 15 days
9 after the legislative session or interim committee meeting. However,
10 a continuance for this reason may [SHALL] not exceed 30 days after
11 recess of the legislature or interim committee. A continuance may not
12 be granted for any longer time than it is affirmatively proved the
13 ends of justice require.

14 * Sec. 13. AS 24.40.031 is amended to read:

15 Sec. 24.40.031. POSTPONEMENT OF CIVIL PROCEEDINGS WHEN A PARTY
16 [OR ATTORNEY] IS A MEMBER OF THE LEGISLATURE. When it appears that a
17 party [OR AN ATTORNEY OF RECORD OF A PARTY] to a civil action is a
18 member of the legislature of this state [,] and that the legislature
19 is in session, the action shall be continued until 10 days after the
20 legislature has adjourned, unless the party [OR ATTORNEY] upon the
21 call of the action for trial waives the benefit of this section. When
22 it appears that a party [OR AN ATTORNEY OF RECORD OF A PARTY] to a
23 civil action is a member of the Alaska Legislative Council, the Legis-
24 lative Budget and Audit Committee, or one of their subcommittees, the
25 action shall be continued when the legislative council, budget and
26 audit committee, or the subcommittee, as the case may be, is holding a
27 meeting, unless the party [OR ATTORNEY] upon the call of the action
28 for trial waives the benefit of this section. When it is necessary to
29 file a brief or memorandum of law in an action that [WHICH] has been

1 continued under the provisions of this section, the action shall be
2 continued for a time sufficient to prepare and file the brief or
3 memorandum.

4 * Sec. 14. AS 24.45.041(a) is amended to read:

5 (a) Before engaging in lobbying, a lobbyist shall file a
6 registration statement on a form prescribed by the commission. The
7 commission may not accept the form for filing unless the lobbyist's
8 name has been certified to the commission by the Legislative Ethics
9 Commission under AS 24.61.750(c).

10 * Sec. 15. AS 24.45.041(f) is amended to read:

11 (f) Each lobbyist shall renew the registration annually by
12 filing a new registration statement together with a new authorization
13 to act as a lobbyist before engaging in lobbying. The lobbyist also
14 shall file any reports or statements the lobbyist has failed to file
15 for a previous reporting period. The commission may not renew lobby-
16 ing credentials until this provision is complied with and unless the
17 Legislative Ethics Commission has certified the lobbyist's name to the
18 commission under AS 24.61.750(c) and the lobbyist has complied with
19 AS 24.61.750(e).

20 * Sec. 16. AS 24.45.041 is amended by adding a new subsection to read:

21 (g) Notwithstanding (a) and (f) of this section, a lobbyist
22 whose name has not been certified to the commission under AS 24.61.-
23 750(c) may conditionally register or renew a registration under this
24 section if authorized by the Legislative Ethics Commission under
25 AS 24.61.750(a).

26 * Sec. 17. AS 24.45.121(a) is amended to read:

27 (a) A lobbyist may not

28 (1) engage in any activity as a lobbyist before registering
29 under AS 24.45.041;

- 1 (2) do anything with the intent of placing a public offi-
2 cial under personal obligation to the lobbyist or to the lobbyist's
3 employer;
- 4 (3) intentionally deceive or attempt to deceive any public
5 official with regard to any material fact pertinent to pending or
6 proposed legislative or administrative action;
- 7 (4) cause or influence the introduction of a legislative
8 measure for the purpose of thereafter being employed to secure its
9 defeat;
- 10 (5) cause a communication to be sent to a public official
11 in the name of any fictitious person or in the name of any real per-
12 son, except with the consent of that person;
- 13 (6) accept or agree to accept any payment in any way con-
14 tingent upon the defeat, enactment, or outcome of any proposed legis-
15 lative or administrative action;
- 16 (7) serve as a member of a state board [,] or commission
17 [,], if the lobbyist's employer may receive direct economic benefit
18 from a decision of that board or commission;
- 19 (8) use state property or resources in the conduct of the
20 lobbyist's business;
- 21 (9) serve as a campaign manager or director, serve as a
22 campaign treasurer or deputy campaign treasurer on a finance or fund-
23 raising committee, host a fundraising event, or otherwise engage
24 actively in the fundraising activity of a legislative campaign or for
25 a legal defense fund under AS 24.61.220 if the lobbyist has registered
26 during the calendar year; this paragraph does not apply to a represen-
27 tational lobbyist as defined in the regulations of the Alaska Public
28 Offices Commission, and does not prohibit a lobbyist from making
29 personal contributions to or personally advocating on behalf of a

1 candidate.

2 * Sec. 18. AS 39.25.110 is amended by adding a new paragraph to read:

3 (30) executive director and staff of the Legislative Ethics
4 Commission.

5 * Sec. 19. AS 39.50.020 is amended to read:

6 Sec. 39.50.020. REPORT OF FINANCIAL AND BUSINESS INTERESTS. (a)
7 A judicial officer, commissioner, chair [CHAIRMAN] or member of a
8 state commission or board specified in AS 39.50.200(b), a person hired
9 or appointed as head or deputy head of, or director of a division
10 within, a department in the executive branch, a person appointed as
11 assistant to the governor, and a municipal officer, shall file a
12 statement giving income sources and business interests, under oath and
13 on penalty of perjury, within 30 days after taking office as a public
14 official. Candidates for governor and lieutenant governor [STATE
15 ELECTIVE OFFICE] shall file such a statement with the director of
16 elections at the time of filing a declaration of candidacy or within
17 30 days of the filing of any nominating petition, or within 30 days of
18 becoming a candidate by any other means. Candidates for elective
19 municipal office shall file such a statement at the time of filing a
20 nominating petition, declaration of candidacy, or other required
21 filing for the elective municipal office. Refusal or failure to file
22 within the time prescribed shall require that the candidate's filing
23 fees, if any, and filing for office be refused or that a previously
24 accepted filing fee be returned and the candidate's name removed from
25 the filing records. A statement shall also be filed by public offi-
26 cials no later than April 15 or 15 days after the person files a
27 federal income tax return in each following year, whichever comes
28 first. Persons who, on or after December 11, 1974, were members of
29 boards or commissions not named in AS 39.50.200(b) are not required to

1 file financial statements.

2 (b) The governor, lieutenant governor, [MEMBERS OF THE LEGISLA-
3 TURE,] judicial officers, each commissioner, head or deputy head of,
4 or director of a division within, a department in the executive
5 branch, assistant to the governor or chair [CHAIRMAN] or member of a
6 commission or board required to report under this chapter, shall file
7 the statement with the Alaska Public Offices Commission. Candidates
8 for the office of governor and [,] lieutenant governor [, AND THE
9 LEGISLATURE] shall file the statement under AS 15.25.030 or 15.25.180.
10 Municipal officers, and candidates for elective municipal office,
11 shall file with the municipal clerk or other municipal official des-
12 ignated to receive their filing for office. All statements required
13 to be filed under this chapter are public records.

14 * Sec. 20. AS 39.50.200(a)(8) is amended to read:

15 (8) "public official" means a judicial officer, [A MEMBER
16 OF THE LEGISLATURE, THE FISCAL ANALYST OF THE LEGISLATIVE FINANCE
17 DIVISION, THE LEGISLATIVE AUDITOR OF THE LEGISLATIVE AUDIT DIVISION,
18 THE EXECUTIVE DIRECTOR OF THE LEGISLATIVE AFFAIRS AGENCY AND THE
19 DIRECTORS OF THE DIVISIONS WITHIN THE LEGISLATIVE AFFAIRS AGENCY,] the
20 governor, the lieutenant governor, a person hired or appointed as the
21 head or deputy head of, or director of a division, a department in the
22 executive branch, an assistant to the governor, chair [CHAIRMAN] or
23 member of a state commission or board, the executive director of the
24 Alaska Tourism Marketing Council, and each appointed or elected munic-
25 ipal officer;

26 * Sec. 21. AS 39.52.910(a) is amended to read:

27 (a) Except as specifically provided, this chapter applies to all
28 public officers within executive-branch agencies, including members of
29 boards or commissions. This chapter does not apply to a former public

1 officer of an executive-branch agency unless a provision specifically
2 states that it so applies. This chapter does not apply to legislators
3 covered by AS 24.61 [AS 24.60].

4 * Sec. 22. AS 24.55.310, AS 24.60, AS 39.50.025, and 39.50.120 are
5 repealed.

6 * Sec. 23. INITIAL COMMISSION APPOINTMENTS. Notwithstanding AS 24.61.-
7 500(b), as added by sec. 2 of this Act, the terms of the members initially
8 appointed to the Legislative Ethics Commission are as follows:

9 (1) one of the members appointed by each of the senate and the
10 house of representatives and one of the members appointed by the Legisla-
11 tive Ethics Commission, determined by lot, serve terms of five years;

12 (2) one member appointed by the supreme court and one of the
13 members appointed by the Legislative Ethics Commission determined by lot,
14 serve terms of four years;

15 (3) one of the members appointed by each of the senate and the
16 house of representatives and one of the members appointed by the Legisla-
17 tive Ethics Commission, determined by lot, serve terms of three years;

18 (4) the third member appointed by the Legislative Ethics Commis-
19 sion serves a term of two years.

20 * Sec. 24. TRANSITIONAL PROVISIONS RELATING TO VIOLATIONS OF FORMER
21 AS 24.60. Notwithstanding the repeal of AS 24.60 by sec. 22 of this Act,
22 in addition to the provisions of AS 24.61, as added by sec. 2 of this Act,
23 the Legislative Ethics Commission may consider complaints alleging viola-
24 tions of AS 24.60 that occurred prior to July 1, 1991, and for which pro-
25 ceedings have not been commenced or concluded prior to July 1, 1991. For
26 the purpose of this section, the Legislative Ethics Commission shall follow
27 the procedures established under AS 24.61, but may not recommend a sanction
28 or penalty not authorized under former AS 24.60.

29 * Sec. 25. TRANSITIONAL PROVISIONS RELATING TO REPRESENTATION OF OTH-

1 ERS. Notwithstanding AS 24.61.330, as added by sec. 2 of this Act, a
2 legislator or legislative assistant who is subject to AS 24.61.330 may,
3 until January 1, 1992, represent a person in a proceeding that would other-
4 wise be prohibited under AS 24.61.330 if the legislator or legislative
5 assistant promptly files a statement with the Legislative Ethics Commission
6 that includes the name of the client, an identifying name or number of the
7 action, a brief description of the nature of the action, and the amount of
8 compensation received or anticipated relating to the representation. The
9 statement shall be published in the journal of the appropriate house. If
10 information contained in the statement changes, a supplemental statement
11 shall be filed every 90 days until the matter is completed or January 1,
12 1992, at which time the representation must be terminated. The representa-
13 tion may continue beyond January 1, 1992, if the legislator or legislative
14 assistant applies for, and the Legislative Ethics Commission grants, an
15 exemption to the termination date under AS 24.61.530, as added by sec. 2 of
16 this Act. In this section, "legislative assistant" has the meaning given
17 in AS 24.61.990, as added by sec. 2 of this Act.

18 * Sec. 26. AS 24.61.200 - 24.61.220, 24.61.240, and 24.61.245, as added
19 by sec. 2 of this Act, take effect November 6, 1990.

20 * Sec. 27. AS 24.61.160, 24.61.400(d), 24.61.500 - 24.61.720, and 24.-
21 61.990, as added by sec. 2 of this Act, and sec. 23 of this Act take effect
22 January 1, 1991.

23 * Sec. 28. Except as provided in secs. 26 and 27 of this Act, this Act
24 takes effect July 1, 1991.

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STATE OF ALASKA
THE LEGISLATURE

FOUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 2, 1990

SUBJECT: CSSB 415(JLE) - Suggested Changes
TO: Senator Pat Pourchot
FROM: David R. Dierdorff, WZ
Revisor of Statutes

You have asked that I carefully review CSSB 415(JLE) to determine whether further changes are necessary or desirable for technical reasons or internal consistency. I have the following suggestions:

- 1) On page 2, line 3, I believe "ethical" should be deleted and replaced by "ethics".
- 2) Article 1, AS 24.61.010 - 24.61.060, is a general statement of principles and goals. There are no sanctions for violating these provisions. They are set out, according to the preamble (AS 24.61.020), to provide guidance for those who wish to take the high road and to assist in interpreting the standards of conduct. Consequently, the provisions of AS 24.61.025 - 24.61.060 should not be couched in terms of "shall" do this or "may not" do that, as many of them are, but, rather, as "should" do's and "should not" do's. They are guidelines, not directives. (Arguably, they belong in the Guidelines and Commentary rather than the codified law of the state.)
- 3) I note that there is no sanction, civil or criminal, for a violation of AS 24.61.140(e)(4) (page 14, lines 4 - 9). I know that this was a deliberate decision, based in part on the questionable constitutionality of the provision. Given the lack of an enforcement tool, the provision should either be dropped or rewritten as a "should not" rather than a "may not."
- 4) On page 14, line 23, the reference to "24.61.460" should be changed to "24.61.450".

ADOPTED

Senator Pat Pourchot
Page 2
May 2, 1990

- 5) On page 16, line 10, delete "member" and insert "person".
- 6) On page 16, line 26, delete "Legislators" and insert "A former legislator".
- 7) On page 17, line 10, delete "office or". (Legislative assistants don't "hold office," they are employees.)
- 8) On page 20, line 8, delete "(1) - (5) of". This reference should have been expanded to include new (6), but the reference to paragraphs is unnecessary in any event, because it includes the entire subsection.
- 9) On page 23, line 6, delete "fundraising" and insert "fund-raising". When used as an adjective, the dictionary tells us that this is a hyphenated word. Otherwise, it is two words.
- 10) AS 24.61.230(c)(3) and (4), on page 24, lines 7 - 12, appear to be either overly broad or misplaced. This section deals with coercion and focuses primarily on actions based on whether a person did or did not make a political contribution to the legislator or to a cause favored by the legislator. The questioned paragraphs deal with (A), in the case of paragraph (3), conspiracies to evade all requirements of the chapter, and (B), in the case of paragraph (4), the acceptance of prohibited contributions. Assuming that the paragraphs are drafted as intended, they should be moved to a new section or sections. I question the breadth of (3) in any event. It should be narrowed to refer to evasions of Article 2 only -- that is, limited to those provisions for which sanctions are provided. Finally, to the extent that violations of (4) could include violations of provisions enforced by APOC under AS 24.61.245, the interaction of AS 24.61.230 and 24.61.245 needs to be carefully reviewed. It is not clear to me from the bill that such review has taken place.
- 11) On page 24, line 19, delete "FUNDRAISING" and insert "FUND RAISING".
- 12) On page 24, lines 20 and 23, delete "fundraising" and insert "fund raising".
- 13) On page 25, line 2, delete "fundraising" and insert "fund-raising".

14) On ~~page 25, line 25~~, delete "fund raising" and insert "fund-raising".

15) On ~~page 28, line 20~~, delete "banned" and insert "prohibited".

16) On ~~page 29, line 5~~, after "nature of" insert "close".

17) As drafted, AS 24.61.290 (Nepotism), ~~page 29~~, permits a member of a legislator's immediate family to be employed by a legislative agency. I assume that the legislature is aware of that and concurs, but wanted to raise the issue in the event it had been overlooked. (Mr. Josephson was not aware of the complicated legislative staffing pattern we have woven in Alaska.)

18) On ~~page 30, lines 5, 8, 9, and 15~~, delete "fundraising" and insert "fund-raising".

19) On ~~page 32, lines 6 - 7~~, the waiver language should be changed to read "waiver of a provision of this section under AS 24.61.530" to be consistent with other similar provisions.

20) On ~~page 33, line 22~~, after "waiver of" insert "a provision of" and after "section" insert "under AS 24.61.530".

21) On ~~page 33, lines 23 - 24~~, delete "the" and delete "authorized" to conform to other, identical provisions.

22) On ~~page 35, line 24~~, delete "qualifications stated" and insert "the standards of (a) of this section". This is recommended for clarity.

23) On ~~page 37, line 6~~, after "of" insert "a provision of" and after "section" insert "under AS 24.61.530".

24) I would urge further revision of AS 24.61.350 (Gratuities). I am concerned that the last sentence of (b) (~~page 37, line 29, through page 38, line 3~~) needs better exposure. Also, its location within (b) could create the impression that the exceptions listed in (c) somehow override the provisions of the last sentence of (b) as well as the \$100 limit. Because (b) contains both prohibitions and exceptions to one of those prohibitions, subsequent references to it can be confusing (e.g., the language in (c)(4) that uses the phrase "exclude from the coverage of (b) of this section" -- what part of (b) is excluded?). The problem in

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(c)(4) can be cleared up easily, by substituting "the \$100 limit" for "the coverage", but the general clarity of (b) would be improved by rewriting (b), and the first part of (c) to read:

(b) A legislator or legislative employee may not accept or receive, directly or indirectly, a benefit as a gratuity from a person except as provided in this section. Notwithstanding the provisions of (c) and (d) of this section, this section does not permit the acceptance of a benefit in any amount if the acceptance of the benefit would violate AS 24.61.110(b).

(c) A legislator or legislative employee may accept gratuities in the form of personal gifts, free or subsidized travel, tickets to entertainment or sporting events, unsolicited subscriptions to publications, lodging, pens, calendars, candy, fruit baskets, flowers, or any other benefit, provided that the aggregate value in a calendar year may not exceed \$100 from a single source except as provided in this subsection. The following benefits may be accepted as gratuities without regard to the \$100 limit and they need not be reported except as noted:

Then existing (c)(1) - (9) would be set out, with the following changes:

In (4), on page 38, lines 23 and 25, delete "coverage of (b) of this section" and insert "\$100 limit".

In (5), rewrite page 38, lines 28 - 29 to read "government that is worth more than \$100 may be accepted only on behalf of the legislature and must be turned over within 60 days". This is a change I would make even if no other changes are made in AS 24.61.350.

25) On page 40, line 3, delete "this section" and insert "a provision of this section under AS 24.61.530".

26) On page 42, line 12, after "waiver of" insert "a provision of" and after "this section" insert "under AS 24.61.-530".

27) The definition of category A income in AS 24.61.400(e) (page 46, lines 23 - 28) is broader than the reporting requirements require. Compare that definition ("all benefits

Senator Pat Pourchot
Page 5
May 2, 1990

6/4/90
Don't forget
to check
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received" from certain persons) with the types of income that must be reported under AS 24.61.405 (a)(1) - (4). The definition really should be of "category A source" (and "category B source"). On page 47, line 3, the catchline of AS 24.61.405 should be rewritten to read "REPORTING INCOME FROM CATEGORY A SOURCES" and the word "all" should be deleted. On page 48, line 16, the catchline for AS 24.61.410 should be similarly rewritten.

28) On page 60, line 1, following "with a" insert "good faith" and on line 5 delete "good faith" to correct a drafting error made in the CS.

29) AS 24.61.970, added to this CS, has real validity only if the Guidelines and Commentary is adopted by the legislature. If this provision stays in, it is important that the Guidelines and Commentary be carefully reviewed to ensure that it reflects the content of the version of the bill that is enacted. If this provision is not included, and the Guidelines and Commentary is adopted as, in essence, a legislative letter of intent, the effect of that adoption would be the same as the inclusion of this section. The danger is that if the legislature rejects the Guidelines and Commentary, but retains AS 24.61.970, the commission will be directed to follow something a majority of the legislature could not accept.

If I can be of further assistance, please advise.

DRD:pl
WKP4/107

cc: Senator John Binkley
Senator Rick Uehling
Representative Mike Davis

5/3/90 am

STATE OF ALASKA THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 3, 1990

SUBJECT: CSSB 415(JLE) - Additional Change
TO: Senator Pat Pourchot
FROM: David R. Dierdorff
Revisor of Statutes

#30

After further review, I believe that it is necessary for AS 24.61.110(b), page 10, lines 3 - 9, to be amended. Without this amendment, there will be a direct conflict between AS 24.61.110(b) and AS 24.61.350 (whether or not the changes I suggested for the latter section are adopted) and the conflict between the conduct prohibited by AS 24.61.110(b) and that prohibited by AS 11.56.110 (receiving a bribe), which I have pointed out before, will continue.

The problem is in the definition of "anything of value" for the ethics Act. That definition excludes items that are "listed in AS 24.61.350(c)". Thus, even if offered for an improper purpose (and, therefore, not acceptable under AS 24.61.350(b)), the items are excluded from the operation of AS 24.61.110(b). While the matter might be solved by changing the definition, the better solution is to change AS 24.61.110(b). The reason for that is that the proposed change will also resolve the conflict between that subsection and AS 11.56.110 pointed out in an earlier memo to Senator Faiks.

The change I think you should consider is to add a sentence to AS 24.61.110(b) to read:

SF: ADOPTED

In this subsection, "anything of value" has the meaning given to "benefit" in AS 11.56.130.

The definition incorporated by that reference is:

"benefit" means a present or future gain or advantage to the beneficiary or to a third person pursuant to the desire or consent of the beneficiary, but does not include

Senator Pat Pourchot
Page 2
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(1) political campaign contributions reported in accordance with AS 15.13;

(2) concurrence in official action in the cause of legitimate compromise between public servants; or

(3) support, including a vote, solicited by a public servant or offered by any person in an election.

I apologize for not including this in my memo of May 2.

DRD:pl:gc
WKP4/111

cc: Senator John Binkley
Senator Rick Uehling
Representative Mike Davis

Recd in Parichet's office
5/4/90 10:15 AM

5/4/90 PM

6-2007 Me.
Dierdorff

JD 3 - Adopted

A M E N D M E N T

OFFERED IN THE SENATE

BY SEN. POURCHOT

TO: CSSB 415 (Legislative Ethics)

Page 45, line 4, through page 49, line 12:

Delete all material.

"Sec. 24.61.400. CONFLICT OF INTEREST DISCLOSURE BY LEGISLATORS AND LEGISLATIVE ASSISTANTS; "CATEGORY A" AND "CATEGORY B" INCOME SOURCES DEFINED. (a) A legislator, a candidate for the legislature, and a legislative assistant shall disclose financial interests that would cause a reasonable person to believe that the legislator's, candidate's, or legislative assistant's objectivity and ability to exercise independent judgment in the public interest have been adversely affected by those interests.

(b) A legislator, a candidate for the legislature, and a legislative assistant shall file with the commission the reports required under AS 24.61.400 - 24.61.410. A candidate for the legislature, including an incumbent legislator, shall file the reports at the time required under AS 15.25.030 or 15.25.180. In addition, legislators and legislative assistants shall file annual reports on or before April 15. The commission shall adopt filing guidelines and develop forms that are compatible with financial disclosure forms required to be filed with the Alaska Public Offices Commission under AS 39.50.030.

(c) A legislator, a candidate for the legislature, and a legislative assistant shall disclose to the commission the information

required under AS 24.61.405 and 24.61.410 and the guidelines and regulations adopted by the commission under (b) and (d) of this section, on the sources and amounts of outside income received by them, their spouses, and their dependent children, except that disclosure of the amount of income received by a legislator's or assistant's spouse or dependent children is not required. If the spouse or dependent child receives income from a category A source, the legislator or legislative assistant shall file a statement with the commission stating that (1) all the funds earned by the spouse or dependent child were reasonable payments for services actually rendered, and (2) employment of the spouse or dependent child was not related to any attempt to influence or do any favor for the legislator or legislative assistant. A legislator, candidate for the legislature, or legislative assistant shall also report the information relating to income and assets that a public official is required to report under AS 39.50.030.

(d) The commission shall adopt regulations relating to the definitions of category A and B income and the reporting requirements imposed by AS 24.61.400 - 24.61.410. The regulations must include provisions that distinguish between income received for personal services, income received from the ownership of property, income received directly by the legislator, candidate for the legislature, or legislative assistant, and income received by an entity in which the legislator, candidate, or legislative assistant has an ownership interest. The regulations may exclude from category A income, income from sources such as interest on deposit accounts in regulated

financial institutions.

(e) In AS 24.61.400 - 24.61.410,

(1) "category A source" means a person who is known or reasonably should be known to have a substantial interest in legislative, administrative, or political actions; the legislature or an agency of the legislature is not a category A source;

(2) "category B source" means a person who does not, or is not known to fall within category A;

(3) "income" means benefits received, in the form of monetary compensation or another thing of value.

Sec. 24.61.405. REPORTING CATEGORY A INCOME. (a) As to income received from category A sources, a person required under AS 24.61.400 to report shall file with the commission a statement that must include,

*JB
Adopted*
(1) as to all income received as compensation for services, *in excess of \$100* ~~regardless of the amount~~, the name and address of the source, a brief statement describing the nature of the services performed including sufficient detail to permit the commission to determine whether the nature of the work ~~created~~ *created or would create* a conflict of interest, and the amount paid; ~~this section shall not require a level of disclosure that would violate professional ethics.~~ *Withdraw JB*

(2) as to each gratuity received and required to be reported under AS 24.61.350(c)(4) and (7), the name and address of the person providing the gratuity, a brief description of its nature, and a good faith statement of its fair market value; if exact values are not known, and cannot be found out without undue hardship or expense, reasonable good faith estimates are acceptable;

(3) the name and address of the source and the cash value of reimbursement for expenses aggregating more than \$100 in the reporting period;

(4) as to each loan or loan guarantee yielding loan proceeds of \$100 or more in the reporting period and the lender or guarantor is a person with a substantial interest in legislative, administrative, or political actions, 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;

(5) if the source of a reported benefit is a corporation, other than a publicly traded corporation, the name of its parent corporation, if any, and names of its top corporate officers;

(6) if the source of a reported benefit is a partnership or association doing business under a fictitious name, the names of the principals; and

(7) other information required under regulations of the commission. *new language Dierdorff*

(b) The commission shall review category A statements to determine whether an impermissible conflict exists or would exist and whether special orders or restrictions are required.

(c) Category A statements are public records and shall be made available for public inspection.

(d) In extraordinary situations, a legislator, a candidate for the legislature, or a legislative assistant may seek a waiver of a

provision of this section under AS 24.61.530.

Sec. 24.61.410. REPORTING CATEGORY B INCOME. (a) A person required under AS 24.61.400 to report shall file a statement listing the items in AS 24.61.405(a) that the person has received from a category B source, except that the person shall disclose only those income sources providing benefits worth \$1,000 or more. The person is not required to report the amount of income from a reportable source. As to gratuities, the requirements of AS 24.61.350(c)(4) and (7) control, but apply to a candidate for the legislature as to disclosure requirements only.

(b) The commission shall review category B statements to determine whether an impermissible conflict exists or would exist, whether special orders or restrictions are required, and whether the statements shall be considered to be public records and made available for public inspection.

(c) If the person filing a statement under this section is a legislator, or a candidate for the legislature, the statement is presumptively public, which means that it will be made part of the public record unless the legislator or candidate submitting it requests that it be kept confidential, states the reasons for the request, and the commission finds that no valid public purpose would be advanced by publication.

(d) If the person filing a statement under this section is a legislative assistant, the statement is presumptively confidential, which means that it shall be kept confidential unless the commission determines that the public benefit in disclosure substantially

outweighs the individual's interest in privacy."

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AMENDMENTS TO SENATE BILL 415 (ETHICS)

BY FISCHER

#15 Page 76, Sec. 24.61.755 Add New Section to Read:

Sec. 24.61.755. Media Correspondent Training Course.

(a) Any Correspondent of the Media that is covering the Alaska State Legislature, in the State Capitol, during the legislative session, shall have completed the media correspondent training course conducted by the commission as a condition of being allowed to use the legislative press room in the State Capitol Building.

(b) The specific content of the training course shall be determined by the education advisory committee, ~~and shall include a review of all ethics statutes and shall include a mandatory reading of Ethics, easier said than done, Ethics & Journalism, 1989, volume 2, Number 2, published by the Josephson Institute.~~

(c) The commission shall certify to the Alaska Public Offices Commission the names of persons successfully completing the media correspondent training course, including persons taking the course under (a) of this section.