

LEGISLATIVE FINANCE-HOUSE/SENATE FINANCE COMM. FILES 8879

SB 415 cont. ; SB 416 683 *ZFA*

1 under AS 15.13.120(d) with the Alaska Public Offices Commission, which
2 shall handle the complaint in the same manner as a complaint alleging
3 a violation of AS 15.13. The penalties for a violation of AS 24.61.-
4 205, 24.61.210, and 24.61.240(a) and (b) are those set out in AS 15.-
5 13.120(a). In addition, if the Alaska Public Offices Commission
6 determines after a hearing under AS 15.13.120(d), or if a legislator
7 admits, that the legislator violated or caused, induced, aided, or
8 encouraged a violation of AS 24.61.205, 24.61.210, or 24.61.240(a) or
9 (b), the legislator is subject to civil sanctions under AS 24.61.-
10 560(a).

11 Sec. 24.61.255. FINANCIAL CONFLICTS OF INTEREST DEFINED. A
12 financial conflict of interest exists when a person or a member of
13 that person's immediate family has substantial financial interests
14 that may be materially affected by an official action or decision they
15 might make. The interest must be so substantial and the potential
16 effect on that interest must be so material that a reasonable person
17 is likely to believe that the ability of the person with the financial
18 interest to make an objective, fair, and impartial professional judg-
19 ment will be impeded by self-interest. It is not a conflict of inter-
20 est as to a specific matter if

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

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

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

29 Sec. 24.61.260. SUBSTANTIAL INTEREST IN LEGISLATIVE,

1 ADMINISTRATIVE, OR POLITICAL ACTION DEFINED. Persons, including
2 governmental entities, have a substantial interest in legislative,
3 administrative, or political action if they

4 (1) will be directly and substantially affected, either
5 financially or personally, by a legislative, administrative, or polit-
6 ical action in a way that is greater than the effect on a substantial
7 class of persons to which the person belongs as a member of a profes-
8 sion, occupation, industry, or region;

9 (2) have or seek contracts in excess of \$10,000 annually
10 for goods or services with the legislature or with an agency of state
11 government;

12 (3) are lobbyists; or

13 (4) represent, with or without compensation, a person or
14 organization described in (1) - (3) of this section.

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

1 which a legislator or legislative employee has a substantial economic
2 involvement with another person. In this section, "person" includes
3 governmental entities.

4 Sec. 24.61.270. FINANCIAL CONFLICTS. Except in the relatively
5 few cases in which certain transactions or relationships are prohibit-
6 ed by this chapter or where divestiture may be ordered by the commis-
7 sion, conflicts of interest are dealt with primarily as a matter of
8 required public disclosure and voluntary restraint.

9 Sec. 24.61.290. RESTRICTED RELATIONSHIPS: NEPOTISM. (a) A
10 member of the immediate family of a legislator may not be employed for
11 compensation

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

14 (2) in either house in the interim between legislative
15 sessions;

16 (3) by an agency of the legislature established under
17 AS 24.20; or

18 (4) by the commission, whether for compensation or not.

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

22 (c) In cases where a member of the immediate family of a legis-
23 lator or legislative employee is uniquely qualified to perform a task,
24 or another extraordinary circumstance exists under which it would be
25 in the state's interest to waive the limitation of this section, a
26 waiver of a provision of this section may be sought under AS 24.61.-
27 530.

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

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

3 Sec. 24.61.300. RESTRICTED RELATIONSHIPS: LOBBYISTS, LEGISLA-
4 TORS, LEGISLATIVE CANDIDATES, AND LEGISLATIVE ASSISTANTS. (a) A
5 legislator or a legislative candidate may not solicit or knowingly
6 permit a lobbyist to actively engage in fund-raising activities for a
7 legislative campaign or for a legal expense fund under AS 24.61.220,
8 which activities include (1) serving as a campaign manager or direc-
9 tor; (2) serving as a campaign treasurer or deputy campaign treasurer
10 on a finance or fund-raising committee; (3) hosting a fund-raising
11 event. This subsection may not be construed to prohibit a lobbyist
12 from making personal contributions to or personally advocating on
13 behalf of a candidate. A legislator or a legislative candidate may
14 not seek to evade the purposes of this subsection by soliciting or
15 knowingly permitting a member of a business entity retained to lobby,
16 or an employee of a lobbyist to perform similar fund-raising services.

17 (b) Legislators and legislative assistants who have a close
18 economic association with a lobbyist shall make a written disclosure
19 of the association in confidence to the commission. The disclosure
20 shall be made during the first week of each session. If a legislator
21 or legislative assistant is not in office or employed during the first
22 week of the session, or if the association did not exist during the
23 first week of the session, the disclosure shall be made within 30 days
24 after taking office or being employed or the creation of the associa-
25 tion.

26 (c) The written disclosure must state the name of the persons
27 involved, the nature of the association, and a brief narrative of the
28 matters the legislator or legislative assistant is working on that
29 could create an actual conflict of interest. If the commission

1 requests additional information necessary to determine whether the
2 nature of the association creates a conflict of interest, it shall be
3 promptly provided.

4 (d) The commission shall make a determination as to whether the
5 association creates a conflict of interest that warrants restrictions
6 or disclosure. After making the determination, the commission may
7 elect to

- 8 (1) keep the matter confidential;
9 (2) recommend some restriction in the activities; or
10 (3) order full or partial disclosure in the journal of the
11 appropriate body.

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

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

20 Sec. 24.61.310. DISCLOSABLE RELATIONSHIPS: BOARD MEMBERSHIPS
21 AND OTHER PUBLIC OFFICES. (a) A legislator may not serve on a gov-
22 erning or advisory board of a nongovernmental organization that regu-
23 larly has a substantial interest in the legislative, administrative,
24 and political actions of the legislator.

25 (b) A legislative assistant may not serve in a position that
26 requires confirmation by the legislature. A legislative assistant may
27 serve on a board of an organization, including a governmental entity,
28 that regularly has a substantial interest in the legislative activi-
29 ties of the assistant, if the assistant discloses the board membership

1 to the commission. A legislative assistant may not, as part of the
2 assistant's employment, be personally involved in an issue or take a
3 specific action that directly relates to an organization of which the
4 assistant is a board member.

5 (c) In extraordinary situations where the criteria for an ex-
6 emption exists, a legislator or legislative assistant may seek a
7 waiver of a provision of this section under AS 24.61.530.

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

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

20 (b) In extraordinary situations where the criteria for an ex-
21 emption exists, a legislator or legislative employee may seek a waiver
22 of the provisions of this section under AS 24.61.530.

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

25 Sec. 24.61.330. RESTRICTED ACTIVITIES AS AN ATTORNEY OR REP-
26 REPRESENTATIVE. (a) A legislator or legislative assistant may not for
27 compensation represent, as an advocate, advisor, or consultant, a
28 person in a matter involving an agency, board, or commission of the
29 state, unless the agency, board, or commission is acting

1 quasi-judicially and there is no reasonable basis to conclude that the
2 side represented by the legislator or legislative assistant has an
3 unfair advantage. This provision does not prohibit an attorney from
4 representing a client in a judicial action or prevent a legislator or
5 legislative assistant from representing personal interests in an
6 otherwise proper proceeding. This subsection may not be construed to
7 permit compensated representation for purposes of obtaining or retain-
8 ing a state or local license, permit, franchise, grant, loan, or other
9 benefit, whether or not other parties contending for the benefit are
10 represented, unless the granting of the benefit is a purely ministeri-
11 al matter requiring little or no discretion.

12 (b) This section may not be construed to prohibit a legislator
13 or legislative assistant from informally advising a constituent about
14 the procedures or appropriateness of bringing an action against the
15 state or a local government. If a legislator or legislative assistant
16 in an otherwise proper manner advises a constituent or another in an
17 action against the state or a local government or before a state or
18 local government agency, the legislator or legislative assistant may
19 not reveal confidential information.

20 (c) In extraordinary situations where the criteria for an ex-
21 emption exists, a legislator or legislative assistant may seek a
22 waiver of a provision of this section under AS 24.61.530.

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

25 Sec. 24.61.340. RESTRICTED TRANSACTIONS: INTEREST IN STATE
26 CONTRACTS OR LEASES. (a) A legislator, a legislative assistant, or a
27 member of the immediate family of a legislator may not be a party to,
28 or have a financial interest in, a state contract or lease unless the
29 contract or lease is permitted under (b), (c), or (d) of this section.

1 (b) A contract is permissible if the contract is let through
2 competitive sealed bidding under AS 36.30 (State Procurement Code) and
3 the legislator or legislative assistant files a statement with the
4 commission before the contract is executed certifying under penalty of
5 unsworn falsification that the legislator or legislative assistant did
6 not have (1) access to confidential information that reasonably could
7 provide an advantage; or (2) discussions or contacts with state offi-
8 cials involved in letting the contract about the contract that could
9 influence the decision. The statement must also specify the nature of
10 the legislator's personal or immediate family interest or the legis-
11 lative assistant's personal interest, including the percentage or
12 share of profits that will be realized. If the commission requests
13 additional information necessary to determine the priority of the
14 award of the contract, it shall be promptly provided. If the commis-
15 sion believes the nature or circumstances of the contract raise imper-
16 missible conflicts of interest, it may recommend that the contract be
17 voided or that restrictions be placed on the contractor. The state-
18 ment filed by the legislator or legislative assistant regarding the
19 contract shall be made part of the public record and published in the
20 journal of the appropriate house.

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

25 (d) A contract or lease is permissible if it is a standardized
26 contract or lease that was developed under publicly adopted regula-
27 tions or procedures and is generally available to the public at large
28 or to members of a profession, occupation, or group to which the
29 legislator, legislative assistant, or member of the legislator's or

1 assistant's immediate family belongs.

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

5 (f) A legislator, legislative assistant, or former legislator or
6 legislative assistant, within one year of leaving legislative service,
7 may not seek or accept a contract with a person that does a substan-
8 tial portion of its business with the state for goods or personal
9 services concerning a matter on which the legislator or legislative
10 assistant participated personally and substantially within the last
11 year of service if a reasonable person would conclude that the con-
12 tract constituted a reward for services performed while serving as a
13 legislator or legislative assistant or otherwise was an improper use
14 of the office.

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

18 Sec. 24.61.345. PARTICIPATION IN GENERAL STATEWIDE PROGRAMS
19 PERMISSIBLE. (a) A legislator or legislative employee may, without
20 disclosure to the commission, participate in a statewide benefit
21 program or receive a loan from the state if the program or loan is
22 generally available to members of the public, is subject to fixed,
23 objective eligibility standards, and requires minimal discretion in
24 determining qualification.

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

28 (c) A legislator or legislative employee who participates in a
29 program or receives a loan that is not exempt from disclosure under

1 (a) of this section shall file a written report with the commission by
2 the first Monday in February of each year stating the amounts of the
3 loans or other benefits received during the preceding calendar year
4 from nonqualifying programs. If the commission requests additional
5 information necessary to determine the propriety of participating in
6 the program or receiving the loan, it shall be promptly provided. The
7 commission shall promptly compile a list of the statements indicating
8 the loans and programs and amounts and send it to the presiding offi-
9 cer of each house who shall have it published in the supplemental
10 journals within three weeks of the filing date.

11 (d) If loan proceeds or other program benefits are received from
12 nonqualifying programs or loans after January 15, the legislator or
13 legislative employee shall file a statement with the commission within
14 30 days after the beginning of participation in the state program or
15 receipt of proceeds from the state loan. If the commission receives
16 the statement while the legislature is in session, it shall promptly
17 forward the statement to the chief clerk of the house or the secretary
18 of the senate, as appropriate, who shall cause it to be published in
19 the supplemental journal. If the commission receives a statement
20 while the legislature is not in session, it shall forward the state-
21 ment to the chief clerk of the house or the secretary of the senate
22 for publication when the legislature next convenes.

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

1 (f) The commission shall annually recommend to the Legislative
2 Budget and Audit Committee the programs and loans to be audited by the
3 division of legislative audit during the following year, including the
4 scope of the audit. The records of the relevant state agencies shall
5 be made available to the division of legislative audit. The division
6 of legislative audit shall prepare a report to the Legislative Budget
7 and Audit Committee on its findings. The report is confidential until
8 it is released by the committee.

9 (g) In extraordinary situations where the criteria for an ex-
10 emption exists, a legislator or legislative employee may seek a waiver
11 of a provision of this section under AS 24.61.530.

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

15 Sec. 24.61.350. RESTRICTED TRANSACTIONS: GRATUITIES. (a) A
16 legislator or legislative employee may not accept or receive, directly
17 or indirectory, a benefit as a gratuity from a person except as pro-
18 vided in this section. Notwithstanding the provisions of (b) and (c)
19 of this section, this section does not permit the acceptance of a
20 benefit in any amount if the acceptance of the benefit would violate
21 AS 24.61.110(b).

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

1 noted:

2 (1) gifts from immediate family members;

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

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

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

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

29 (6) reasonable and necessary expenses, including

1 reimbursement for travel and related food and lodging, when they are
2 incidental to a trip paid for by a government agency or a nonprofit
3 educational, charitable, or political institution for governmental or
4 educational purposes; the commission shall adopt regulations imple-
5 menting this paragraph, including regulations relating to the payment
6 of expenses for the members of a person's immediate family;

7 (7) payment of or reimbursement for reasonable and neces-
8 sary expenses, including expenses related to travel and related food
9 and lodging, incurred in connection with a trip whose primary purpose
10 is to enable the legislator or legislative employee to obtain informa-
11 tion on matters of legislative concern; if the expenses exceed \$100,
12 they shall be reported on financial disclosure forms;

13 (8) hospitality including overnight lodging, food, and
14 beverages at the residence or second home of the host provided the
15 host is present, or, if the host is not present, the person is staying
16 as a house-sitter; if the host has a substantial interest in the
17 legislative, administrative, or political actions of the recipient, a
18 stay with a value of more than \$200 shall be reported on financial
19 disclosure forms; this paragraph may not be construed to permit the
20 use, other than as a house-sitter in a residence or a second home, of
21 a summer home, company retreat, resort facility, condominium or apart-
22 ment, or other lodging where the host is not personally present or,
23 regardless of the presence of the host, the purpose is to provide the
24 legislator or legislative employee with a paid or subsidized vacation
25 or similar benefit; the host may use customary and usual means of
26 transportation to transport the legislator or legislative employee to
27 the host's residence or the place of a social event;

28 (9) leave donated under AS 39.20.245(b);

29 (10) the portion of a student loan forgiven under former

1 AS 14.43.120(j).

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

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

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

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

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

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

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

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

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

29 (b) A legislator or legislative assistant may not receive

1 compensation for personal services from a state entity other than the
2 legislature except as specifically provided in this chapter or ap-
3 proved by the commission. A legislator or legislative assistant is
4 not precluded by this subsection from earning compensation at a state-
5 funded school or university, provided that influence was not used to
6 obtain the position.

7 (c) A legislator or legislative assistant who accepts otherwise
8 permissible employment with a person that has a substantial interest
9 in legislative, administrative, or political actions is subject to
10 special disclosure provisions under AS 24.61.405 and shall avoid
11 conduct that would lead a reasonable person to believe that the legis-
12 lator or legislative assistant is unable or unwilling to exercise
13 independent, objective, and impartial judgment in considering matters
14 that affect the interests of the legislator's or legislative assis-
15 tant's employer.

16 (d) A legislator or legislative assistant may not seek or accept
17 an honorarium from a person or entity that has a substantial interest
18 in legislative, administrative, or political action. This subsection
19 does not prevent a legislator or legislative assistant from accepting
20 an honorarium from a governmental entity outside of the state, from a
21 university other than the University of Alaska, or from another non-
22 profit educational or civic institution, provided that the amount paid
23 is reasonable and commensurate with the services performed and that
24 the circumstances under which the services are to be performed do not
25 create a conflict of interest or appearance of impropriety. Honoraria
26 shall be reported on required disclosure forms. Under other pro-
27 visions of this chapter, a legislator or legislative assistant is
28 permitted to accept travel and related expenses incurred as the result
29 of an otherwise permissible activity.

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

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

6 Sec. 24.61.380. [INTERCESSION ON BEHALF OF CONSTITUENTS. (a) A
7 legislator, either directly or indirectly, should not interfere with
8 the ability or willingness of a state or municipal government body,
9 official, or employee to make official decisions or take appropriate
10 actions on the merits, based on independent objective judgment.

11 (b) A legislator may not directly use or appear to use political
12 influence in a way that is likely to cause a public official to con-
13 sider inappropriate factors in exercising public authority. Acts
14 either intended to or likely to be construed as enticement, trade-
15 offs, ingratiation, threats, intimidation, or coercion are improper.
16 A legislator may not directly and improperly interfere with or seek to
17 influence

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

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

22 (3) an action of a governmental agency concerning the
23 granting or revocation of a license, permit, franchise, or similar
24 entitlement.

25 (c) This section may not be construed to prevent a legislator
26 from

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

29 (2) making inquiries about the status of a matter or

1 helping a constituent get a benefit or service that the legislator be-
2 lieves the constituent is entitled to as a matter of right;

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

9 (4) exercising vigilant oversight with respect to the
10 policies, regulations, procedures, and implementation practices of an
11 agency, provided that the oversight activities are conducted through
12 the normal committee processes of the legislature and that the focus
13 is on the policies, procedures, and practices of the agency and not
14 the handling of a particular matter.

15 (d) A person who violates (b) of this section is subject to
16 civil sanctions under AS 24.61.560(a) and may be subject to criminal
17 penalties under another law.

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

21 (1) discourage legislators and legislative assistants from
22 acting on a private or business interest in the performance of a
23 public duty;

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

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

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

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

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

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

25 (c) A legislator, a candidate for the legislature, and a legis-
26 lative assistant shall disclose to the commission the information
27 required under AS 24.61.405 and 24.61.410 and the guidelines and
28 regulations adopted by the commission under (b) and (d) of this sec-
29 tion, on the sources and amounts of outside income received by them,

1 their spouses, and their dependent children, except that disclosure of
2 the amount of income received by a legislator's or assistant's spouse
3 or dependent children is not required. If the spouse or dependent
4 child receives income from a category A source, the legislator or
5 legislative assistant shall file a statement with the commission
6 stating that (1) all the funds earned by the spouse or dependent child
7 were reasonable payments for services actually rendered, and (2)
8 employment of the spouse or dependent child was not related to any
9 attempt to influence or do any favor for the legislator or legislative
10 assistant. A legislator, candidate for the legislature, or legisla-
11 tive assistant shall also report the information relating to income
12 and assets that a public official is required to report under AS 39.-
13 50.030.

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

25 (e) In AS 24.61.400 - 24.61.410,

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

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

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

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

9 (1) as to all income received as compensation for services
10 in excess of \$100, the name and address of the source, a brief state-
11 ment describing the nature of the services performed including suffi-
12 cient detail to permit the commission to determine whether the nature
13 of the work created or would create a conflict of interest, and the
14 amount paid;

15 (2) as to each gratuity received and required to be re-
16 ported under AS 24.61.350(b)(4), (7), and (8), the name and address of
17 the person providing the gratuity, a brief description of its nature,
18 and a good faith statement of its fair market value; if exact values
19 are not known, and cannot be found out without undue hardship or
20 expense, reasonable good faith estimates are acceptable;

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

24 (4) as to each loan or loan guarantee yielding loan pro-
25 ceeds of \$100 or more in the reporting period and the lender or guar-
26 antor is a person with a substantial interest in legislative, adminis-
27 trative, or political actions, the name and address of the person
28 making the loan or guarantee, the amount of the loan, the terms and
29 conditions under which the loan or guarantee was given, the amount

1 outstanding at the time of filing, and whether or not a written loan
2 agreement exists;

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

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

9 (7) other information required under regulations of the
10 commission.

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

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

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

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

28 (b) The commission shall review category B statements to deter-
29 mine whether an impermissible conflict exists or would exist, whether

1 special orders or restrictions are required, and whether the state-
2 ments shall be considered to be public records and made available for
3 public inspection.

4 (c) If the person filing a statement under this section is a
5 legislator, or a candidate for the legislature, the statement is
6 presumptively public, which means that it will be made part of the
7 public record unless the legislator or candidate submitting it re-
8 quests that it be kept confidential, states the reasons for the re-
9 quest, and the commission finds that no valid public purpose would be
10 advanced by publication.

11 (d) If the person filing a statement under this section is a
12 legislative assistant, the statement is presumptively confidential,
13 which means that it shall be kept confidential unless the commission
14 determines that the public benefit in disclosure substantially out-
15 weighs the individual's interest in privacy.

16 Sec. 24.61.420. PROHIBITED CONDUCT RELATING TO DISCLOSURES. (a)
17 A person required to make a disclosure under AS 24.61.100 - 24.61.420
18 may not knowingly make a false or deliberately misleading or incom-
19 plete disclosure to the commission, or file a disclosure after a
20 deadline set by this chapter or by a regulation adopted by the commis-
21 sion.

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

24 (c) In addition to the sanctions in (b) of this section, if the
25 commission finds that a candidate for the legislature, including an
26 incumbent legislator, has committed a substantial violation of this
27 section, the commission shall notify the lieutenant governor. The
28 lieutenant governor shall return the candidate's filing fee and shall
29 remove the candidate's name from the filing records. In this

1 subsection "substantial violation" includes the refusal or failure to
2 make a filing required under AS 24.61.400 - 24.61.410.

3 Sec. 24.61.430. ACCOUNTABILITY: OPENNESS AND OVERSIGHT. (a)
4 Legislators shall abide by AS 44.62.310 - 44.62.312 (open meetings
5 law) and exercise the authority of their offices openly so that the
6 public is informed about governmental decisions and can hold them
7 accountable for their actions.

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

10 Sec. 24.61.440. ACCOUNTABILITY: WHISTLE BLOWING, AND PROTECTION
11 OF WHISTLE BLOWERS. (a) It is the intent of the legislature that

12 (1) legislators and legislative employees should maintain
13 the integrity and trustworthiness of government, and should act to
14 prevent unethical practices, unlawful conduct, corruption, mismanage-
15 ment, improper use of public funds, danger to public safety, or anothe-
16 er abuse of public position, authority, or resources; and

17 (2) legislators and legislative employees who have a good
18 faith belief that the public interest requires the disclosure of
19 governmental policies or actions thought to be unlawful or improper
20 should reveal their information to appropriate authorities.

21 (b) A legislator or legislative employee may not, directly or
22 indirectly, subject a person who reports to the commission or another
23 government entity conduct the person reasonably believes is a viola-
24 tion of this chapter or any other state law, to reprisal, retaliation,
25 harassment, discrimination, or ridicule. A legislative employee who
26 is discharged, disciplined, involuntarily transferred, or otherwise
27 penalized by a legislator or another legislative employee in violation
28 of this subsection may

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

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

3 (c) In addition to the special civil liability under (b)(2) of
4 this section, a person who violates (b) of this section is subject to
5 civil sanctions under AS 24.61.560(a).

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

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

13 ARTICLE 3. LEGISLATIVE ETHICS COMMISSION.

14 Sec. 24.61.500. LEGISLATIVE ETHICS COMMISSION ESTABLISHED. (a)
15 The Legislative Ethics Commission is established in the legislative
16 branch of government. The commission consists of seven members, se-
17 lected as follows:

18 (1) one member appointed jointly by the president of the
19 senate and the senate minority leader;

20 (2) one member appointed jointly by the speaker of the
21 house and the house minority leader;

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

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

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

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

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

8 (e) A commissioner may not be a legislator, a legislative em-
9 ployee, an elected or appointed official required to make conflict-
10 of-interest disclosures under AS 39.50, an officer of a political
11 party, a candidate for public office, or a registered lobbyist.

12 Sec. 24.61.502. CERTIFICATION; LEGISLATIVE DECERTIFICATION OR
13 REMOVAL FROM OFFICE. (a) Upon appointment, a person appointed to the
14 commission shall execute a written oath that includes the following
15 undertaking:

16 I do solemnly swear (or affirm) that I will support
17 and defend the Constitution of the United States and
18 the Constitution of the State of Alaska, and that I
19 will faithfully discharge my duties as commissioner
20 to the best of my ability.

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

24 (b) Within 45 days after certification, a commissioner may be
25 decertified by a majority vote of both houses of the legislature, if
26 the legislature is in session, or by a two-thirds vote of the members
27 of the legislative council if the legislature is not in session. If
28 decertified, the commissioner is disqualified and that seat on the
29 commission is vacant.

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

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

9 (b) Five commissioners constitute a quorum. A vote of the
10 majority of the commissioners appointed is required for official
11 action of the commission.

12 (c) The commission may meet by teleconference.

13 (d) Commissioners shall receive compensation of \$175 for each
14 day in which they attend or participate in a commission meeting of at
15 least one hour in length, either in person or by teleconference. The
16 chair shall receive an additional stipend of \$500 a year. The commis-
17 sion shall develop and implement policies consistent with those em-
18 ployed by other state commissions for the reimbursement of travel
19 costs and the payment of per diem under AS 39.20.180.

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

22 Sec. 24.61.506. EXECUTIVE DIRECTOR AND STAFF. (a) The commis-
23 sion shall hire an executive director and determine the director's
24 salary. The executive director serves at the pleasure of the commis-
25 sion.

26 (b) The executive director may employ and determine the compen-
27 sation of necessary employees, subject to the budget approved by the
28 commission. The executive director may, subject to the approval of
29 the commission, contract for services when those services are

1 temporary or specialized in nature, or it is in the best interest of
2 the state.

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

6 (d) If the commission determines that an investigation is neces-
7 sary and that the investigation cannot be efficiently, promptly, or
8 adequately handled by commission staff, the executive director shall
9 nominate a special investigator to be appointed upon approval by the
10 commission. The executive director shall maintain a list of individu-
11 als qualified to serve as a special investigator by virtue of their
12 experience, reputation, likely availability, willingness to serve, and
13 freedom from conflicts of interest.

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

16 Sec. 24.61.508. APPLICABILITY OF CHAPTER TO COMMISSIONERS AND
17 EMPLOYEES; OTHER RESTRICTIONS. (a) Commissioners and employees of
18 the commission, including persons employed or under contract as legal
19 counsel or special investigators, are subject to this chapter and
20 shall be held accountable to the same standards and requirements,
21 including disclosure, as legislative assistants.

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

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

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

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

5 (A) a candidate for the legislature;

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

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

10 (3) participate in lobbying activities that would require
11 the person to register as a lobbyist except as required to inform the
12 legislature concerning legislation requested by the commission or
13 other matters related to the commission; or

14 (4) take an action or make a statement that is likely to
15 cause a reasonable person to believe that the commissioner, employee,
16 or other person is not impartial or independent or is otherwise unable
17 to properly perform public duties.

18 (d) A violation or alleged violation of (b) or (c) of this
19 section shall be treated as any other violation of this chapter and
20 shall be dealt with by the commission accordingly. During the pend-
21 ency of a complaint against a commissioner, commission employee, or
22 commission contractor, the person complained against may not partici-
23 pate in official action of the commission.

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

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

27 (a) The commission shall

28 (1) administer the provisions of this chapter;

29 (2) authorize and train its staff to give informal or

1 written advice regarding the spirit and requirements of this chapter;

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

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

7 (5) investigate and adjudicate complaints and recommend
8 disciplinary actions to the legislature;

9 (6) authorize research in the field of legislative ethics
10 and carry out the educational programs that are required by this
11 chapter and additional programs it considers necessary to effectuate
12 the policy and purposes of this chapter;

13 (7) prepare and distribute an ethics manual to legislators,
14 legislative employees, and registered lobbyists as provided in this
15 chapter;

16 (8) mail by certified mail a copy of this chapter to a
17 candidate for the legislature upon the receipt of notice of the candi-
18 date's declaration of candidacy under AS 15.25.030 or petition under
19 AS 15.25.150;

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

25 (b) The commission may

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

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

4 Sec. 24.61.512. GUIDELINES AND COMMENTARY. The commission shall
5 prepare guidelines and commentary to explain, clarify, and illustrate
6 the provisions of this chapter. The guidelines and commentary shall
7 be presented to the legislature for approval prior to publication.

8 Sec. 24.61.515. OFFICES; BUDGET. The legislative council shall
9 provide suitable office space and equipment for the commission. The
10 commission shall submit a budget for each fiscal year to the finance
11 committees of the legislature and shall annually submit an estimated
12 budget to the governor for information purposes in preparation of the
13 state operating budget.

14 Sec. 24.61.520. INFORMAL ADVICE. The commission shall authorize
15 and train its staff to give oral advice and provide a written informal
16 nonbinding advice letter to persons seeking guidance as to the spirit
17 or legal requirements of this chapter, provided that the advice is
18 given with the express stipulations that

19 (1) the opinions given are not necessarily those of the
20 commission; and

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

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

29 (b) Requests for written advisory opinions shall be in writing

1 and must set out with reasonable specificity the facts and circum-
2 stances of a real or hypothetical case.

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

5 (d) An opinion shall be issued by official action of the commis-
6 sion. The vote of each commissioner participating in the opinion
7 shall be indicated on the opinion and it shall be forwarded to the
8 person requesting it and made a part of the public records of the
9 commission.

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

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

17 (g) Under normal circumstances, the commission shall issue its
18 opinion within 30 days of receiving the request, if the request is
19 received during the first 100 days of the legislative session, or
20 within 60 days of the request if the request is received at another
21 time. The period for issuing an opinion may be shortened or extended
22 by the chair when that action is considered necessary or appropriate
23 to meet the goals of this chapter.

24 (h) The commission and all commission employees shall keep
25 confidential the identity of the requester and all information con-
26 veyed orally or in writing relating to the request, unless the re-
27 quester authorizes the commission to make public the requester's
28 identity or the information conveyed.

29 (i) Advisory opinions issued by the commission are public

1 records. If the requester of the opinion has not waived confidential-
2 ity under (h) of this section, the advisory opinion shall be written
3 so that the identity of the requester cannot be ascertained.

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

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

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

- 23 (1) the name and address of the petitioner;
- 24 (2) relevant provisions involved in the exemption request;
- 25 (3) essential facts on which an exemption is requested;
- 26 (4) specific nature of the exemption sought;
- 27 (5) anticipated unfair or unreasonable consequences that
28 would result from a failure to grant the petition; and
- 29 (6) a certification that the petitioner verifies under

1 penalty of unsworn falsification that the facts stated are true to the
2 best of the petitioner's knowledge.

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

6 (1) harm caused by strict application of this chapter
7 substantially outweighs the benefit of its enforcement in the partic-
8 ular situation;

9 (2) application of the regulation or provision under the
10 circumstances presented would be inconsistent with the spirit and
11 purpose of the regulation or provision or of this chapter as a whole;
12 or

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

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

18 (e) Unless a shortened or expanded time is considered necessary
19 or appropriate by the commission, decisions on petitions for exemp-
20 tions shall be made within 30 days after filing the petition. Unless
21 the petitioner consents, extensions of time ordered by the commission
22 may not exceed an additional 60 days.

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

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

1 (c) The commission shall provide a simple form for complaints.

2 A complaint must include

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

4 (2) a statement of the facts known or believed to be true
5 that form the basis of the complaint and the sources of the informa-
6 tion, including the approximate dates of the acts alleged and names
7 and addresses of persons with personal knowledge of the facts alleged;
8 and

9 (3) a certification that the complainant verifies under
10 penalty of unsworn falsification that the facts stated are true to the
11 best of the complainant's knowledge and that the complainant knows
12 that it is a crime under AS 11.56.805 to intentionally initiate a
13 false complaint.

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

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

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

29 (g) Once a complaint has been determined to be formally

1 sufficient, commission staff shall evaluate the complaint and advise
2 the chair as to its opinion as to whether it states a valid complaint
3 that should be investigated. If the executive director is a member of
4 the bar, the executive director may provide the advice. Otherwise,
5 the executive director shall appoint a duly qualified legal counsel to
6 assist in making the determinations required under this subsection.
7 To be valid, the complaint must allege

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

11 (2) that the conduct providing the basis of the complaint
12 has occurred

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

14 (B) if the person charged with misconduct intention-
15 ally concealed or otherwise sought to prevent discovery of the
16 relevant facts within one year of the discovery of the relevant
17 facts and within eight years of the complaint; and

18 (3) that the person charged with misconduct is either a
19 legislator or legislative employee at the time of the filing of the
20 complaint or was a legislator or legislative employee within one year
21 of the filing.

22 (h) Within 20 days after the filing of the complaint, or within
23 45 days if the chair of the commission certifies additional time is
24 required, a determination shall be made on the substantive validity of
25 the complaint. If the chair concludes that there is no substantial
26 reason to question the opinion of staff as to the validity of a com-
27 plaint, the complaint shall either be dismissed or certified for
28 further consideration in accordance with the opinion. The chair or a
29 commissioner, however, may request a hearing on the validity of the

1 complaint at a meeting of the commission.

2 (i) If a complaint is dismissed because of invalidity, it shall
3 be returned to the complainant with a notice of dismissal stating in
4 detail the reason for dismissal. If the commission finds that the
5 complaint was frivolous, malicious, or was filed in bad faith, it
6 shall so state in the notice of dismissal. If the commission finds
7 that the complaint alleges violations outside the scope of this chap-
8 ter, it shall so state and may forward the complaint to the appropri-
9 ate enforcement body for disposition. A copy of the notice of dismis-
10 sal shall be sent to the respondent. The notice of dismissal is a
11 public record.

12 (j) If the commission concludes that some or all of the alle-
13 gations of the complaint, if proven, would constitute a violation of
14 this chapter, or if the commission has initiated the complaint, the
15 complaint shall be certified and a factual investigation shall com-
16 mence. The record of certification for further consideration is
17 confidential subject to subsequent actions that may make it part of
18 the public record.

19 Sec. 24.61.540. INVESTIGATIONS. (a) Investigation into ethics
20 charges shall be undertaken in a manner that assures the public of an
21 impartial and comprehensive review, is fair to the respondent, and
22 that elicits the information the commission needs to make a decision.

23 (b) Before commencing an investigation, the commission shall
24 adopt a written resolution defining the scope of the investigation, a
25 copy of which shall be supplied to the respondent. If, during the
26 investigation, additional facts are discovered that justify an expan-
27 sion of the investigation and the possibility of additional charges
28 beyond those alleged in the complaint, the resolution shall be amended
29 accordingly with copies sent to respondent. The resolution, and the

1 fact that an investigation has been undertaken, shall be kept confi-
2 dential by the commission except that, upon inquiry, the commission
3 may verify that it is investigating a complaint along with a statement
4 that no finding of probable cause has been made and that no adverse
5 inference of impropriety or guilt should be drawn from the decision to
6 investigate. Additional facts concerning the nature or results of the
7 investigation may not be revealed except as provided in AS 24.61.545
8 after a determination of probable cause has been made.

9 (c) A legislator or a legislative employee may request in writ-
10 ing that the commission investigate charges of impropriety made
11 against the legislator or legislative employee. The request must
12 state with specificity the nature of the investigation requested. If
13 the commission agrees to undertake an investigation, the investigation
14 is not necessarily limited in scope by the request and, once begun, it
15 shall be handled as any other investigation, with the person request-
16 ing the investigation formally treated as a respondent.

17 (d) A preliminary investigation is conducted by the commission
18 staff, and if the commission determines it is necessary, outside
19 counsel and investigators. The purpose of the preliminary inves-
20 tigation is to determine whether there is probable cause to proceed
21 with a full adjudicatory hearing.

22 (e) The person conducting the preliminary investigation may
23 order a hearing and subpoena witnesses and documents, conduct depo-
24 sitions under oath, require the participation of the respondent, and
25 issue interrogatories to be answered under oath. An oral or written
26 statement, whether incriminatory or exculpatory, may not be considered
27 in the investigator's report unless made under oath. The respondent
28 shall be given an adequate opportunity to provide testimonial and
29 documentary evidence.

1 (f) Upon completion of the investigation, a confidential report
2 summarizing the evidence, evaluating its credibility, and detailing
3 findings on each of the allegations investigated shall be submitted to
4 the commission along with recommendations as to whether the complaint,
5 or a portion of it, should be dismissed or whether the matter should
6 proceed to the full hearing stage. The report shall be prepared so as
7 to exclude unreliable information and uncorroborated and irresponsible
8 allegations. The investigator's notes, records of interviews, and
9 other investigatory matter considered unreliable or unduly prejudicial
10 by the commission shall remain confidential.

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

16 (b) If the commission does not find that substantial credible
17 evidence exists to warrant a full adjudicatory hearing, it shall
18 dismiss the complaint and so notify the complainant with a notice of
19 dismissal stating in detail the reason for dismissal. If the commis-
20 sion finds that the charges were frivolous, malicious, made in bad
21 faith, or that, in its opinion the respondent should be exonerated of
22 the charges, it shall so state in the notice of dismissal. If the
23 commission finds that the evidence supports violations outside the
24 scope of this chapter, it shall so state and may forward the complaint
25 and its report to the appropriate enforcement body for disposition.

26 (c) A copy of the notice of dismissal shall be sent to the
27 respondent. The notice of dismissal and the investigator's report
28 containing findings and recommendations, but not the underlying in-
29 vestigatory materials, shall be made public unless the commission

1 determines that this would unfairly prejudice either the respondent or
2 complainant. This subsection may not be construed to prevent the
3 respondent from making the notice of dismissal and the report public.

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

11 (e) The hearing may not be scheduled to commence sooner than 20
12 days after service of the formal charge on the respondent. If the
13 respondent requests an earlier hearing date, the commission may, but
14 is not required to, consent. The commission shall, upon request,
15 grant the respondent reasonable additional time to prepare a defense.
16 The respondent may file a responsive pleading admitting or denying the
17 various allegations.

18 (f) The commission may suspend further proceedings if the re-
19 spondent acknowledges the violation and agrees to corrective actions
20 and sanctions considered appropriate by the commission. If the com-
21 mission suspends the proceedings or dismisses the charges as a result
22 of a negotiated settlement, the terms and conditions of the settlement
23 and the reasons for entering into the agreement shall be stated in a
24 written report that shall be sent to the complainant and made part of
25 the public record.

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

1 Sec. 24.61.550. ADJUDICATORY HEARING. (a) A formal hearing on
2 ethics charges against a respondent shall be conducted in a manner
3 that inspires confidence in the integrity and objectivity of the
4 process and demonstrates full consideration for the rights and reputa-
5 tion of the respondent.

6 (b) An adjudicatory hearing shall be before a hearing board
7 composed of the commission chair and four commissioners appointed by
8 the chair. If the chair cannot attend all hearing sessions without
9 undue inconvenience, the vice-chair shall serve in the chair's place.
10 If neither the chair nor the vice-chair is available, the chair shall
11 appoint another commissioner. Appointments to hearing boards shall be
12 rotated among the commissioners.

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

17 (d) An adjudicatory hearing shall be public under AS 44.62.310.
18 A hearing may not be held by teleconference. Except as expressly
19 provided in this chapter, procedures shall be consistent with hearing
20 procedures under AS 44.62.330 - 44.62.630. Upon request, the presid-
21 ing commissioner may issue reasonable discovery and protective orders
22 in a manner consistent with Rule 26 of the Alaska Rules of Civil
23 Procedure.

24 (e) A hearing board may

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

28 (2) compel the production of documentary or tangible evi-
29 dence;

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

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

5 (f) The respondent may

6 (1) appear before the hearing board and submit testimony or
7 other evidence;

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

10 (3) exercise the pretrial discovery procedures available in
11 civil actions.

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

18 (b) As to each charge on which the evidence was found to be
19 insufficient to establish a violation, the hearing board shall include
20 its findings in its written opinion. If the board finds that the
21 charges were frivolous, malicious, made in bad faith, or that, in its
22 opinion the respondent should be exonerated of the charges, it shall
23 so state in its opinion. The respondent's reasonable legal fees
24 should be paid in full from public funds if the respondent is exoner-
25 ated.

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

1 Sec. 24.61.560. CIVIL SANCTIONS. (a) When a hearing board
2 considers the appropriate recommended sanctions to be included in its
3 opinion, it shall give due consideration to the purposes of this
4 chapter, the nature of the violation, and other circumstances that are
5 included in the hearing record. The board may recommend, either
6 singly or in combination,

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

10 (2) divestiture of specified assets or withdrawal from
11 specified associations;

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

14 (4) suspension from legislative employment, with or without
15 pay;

16 (5) restitution or reimbursement;

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

18 (7) probationary status;

19 (8) a written reprimand;

20 (9) censure, including a recommendation that a legislator
21 censured may not serve as a chair or co-chair on a legislative commit-
22 tee for the remainder of the legislator's current term in office;

23 (10) expulsion of a legislator or dismissal of a legislative
24 employee;

25 (11) payment of costs related to the investigation and
26 adjudication of the charge;

27 (12) another sanction fashioned to achieve the purposes of
28 this chapter.

29 (b) When a provision of this chapter provides for the imposition

1 of administrative sanctions under this subsection, the commission may
2 recommend any of the civil sanctions set out in (a) of this section
3 except sanctions under (a)(1) and (10).

4 (c) If the commission finds that a violation of AS 24.61.100 -
5 24.61.450 contributed substantially to the enactment of legislation or
6 to other legislative action, the commission may recommend to the
7 presiding officer of each house that the legislation be repealed or
8 amended or that the other legislative action be rescinded or modified.

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

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

18 (c) If the legislature is not in session or is not within 30
19 days of convening in regular session, the presiding officer may re-
20 quest a special session under AS 24.05.100 to put the matter to a
21 vote. If expulsion is recommended, a special session should be con-
22 vened.

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

26 (e) In determining the sanctions, if any, to impose, the legis-
27 lature should scrupulously observe the rule of nonpartisanship. It
28 should not retry the basic facts nor question the hearing board's
29 findings of fact. The only issue before it should be the

1 determination of the appropriate sanction assuming the validity of the
2 board's findings.

3 Sec. 24.61.570. RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE
4 EMPLOYEE. If the person found to have violated this chapter is or
5 was a legislative employee, the hearing board's recommendations shall
6 be forwarded to the appropriate appointing authority which shall, as
7 soon as is reasonably possible, determine the sanctions, if any, to be
8 imposed. The appointing authority may not question the hearing
9 board's findings of fact. The appointing authority shall assume the
10 validity of the board's findings, and determine and impose the appro-
11 priate sanctions.

12 Sec. 24.61.575. ACTIONS BY THE ATTORNEY GENERAL. (a) The
13 attorney general may independently bring civil or criminal actions
14 relating to violations under this chapter regardless of the outcome or
15 settlement of a charge before the commission, provided that (1) the
16 attorney general may not bring an independent civil action under this
17 chapter if the provision violated is subject only to administrative
18 sanctions under AS 24.61.560(b); and (2) the cumulative civil penal-
19 ties imposed for a violation may not exceed the amount that could be
20 imposed in an action before the commission. This subsection does not
21 prohibit the attorney general from bringing an action under another
22 civil or criminal law.

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

26 Sec. 24.61.580. WAIVER OF CONFIDENTIALITY. The commission may
27 publicly respond to a statement or interpretation made concerning the
28 contents of an advisory opinion or decision it has issued. A person
29 who requests an advisory opinion and makes that fact public is

1 considered to have waived the confidentiality of the person's identi-
2 ty.

3 ARTICLE 4. LEGISLATIVE ETHICS EDUCATION PROGRAM.

4 Sec. 24.61.700. ETHICS EDUCATION PROGRAM. The commission shall
5 oversee and develop the following components of a comprehensive ethics
6 education program:

- 7 (1) publish an ethics education manual;
8 (2) establish an education advisory committee; and
9 (3) design and implement a legislative orientation training
10 course, a current issues and applications seminar, and a lobbyist
11 training course.

12 Sec. 24.61.710. ETHICS EDUCATION MANUAL. (a) The commission
13 shall prepare and publish a legislative ethics manual, which must
14 contain all ethics statutes, regulations, and related information,
15 including detailed explanations of technical and specific legal re-
16 quirements as well as the underlying purposes and ethical principles
17 that comprise the spirit of the requirements. The manual must include
18 realistic examples with recommended actions, as well as questions and
19 answers regarding common problems and situations.

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

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

26 Sec. 24.61.720. EDUCATION ADVISORY COMMITTEE. (a) The commis-
27 sion chair shall appoint five members to an education advisory commit-
28 tee, that shall include at least two members of the commission, a
29 legislator, and a legislative employee. The education advisory

1 committee may also include an Alaskan expert in the field of ethics.

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

5 (1) legislative orientation training course;

6 (2) current issues and applications seminar;

7 (3) lobbyist ethics course; and

8 (4) commission and commission staff training course.

9 Sec. 24.61.730. LEGISLATIVE ORIENTATION TRAINING COURSE. (a)
10 The commission shall conduct a legislative orientation training
11 course. The course shall be offered in January of each year. A
12 legislator and a legislative employee shall attend and complete the
13 first course offered after their initial election, appointment, or
14 hiring date.

15 (b) The education advisory committee shall determine the specif-
16 ic content of the course, and it shall cover the ethics laws, internal
17 rules and policies, as well as the technical and specific legal re-
18 quirements that legislators and legislative employees must follow.
19 The course shall also cover the underlying purposes and ethical prin-
20 ciples of all ethics laws, internal rules and policies, and other
21 related regulations. The course shall highlight the principles of
22 public service ethics and the intent of ethics laws, including their
23 application to practical situations.

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

28 Sec. 24.61.740. CURRENT ISSUES AND APPLICATIONS SEMINAR. (a)
29 The commission shall conduct a current issues and applications seminar

1 in January of each odd-numbered year. The seminar is mandatory for
2 all legislators and legislative employees who have previously complet-
3 ed the legislative ethics orientation training course.

4 (b) The specific content of the seminar shall be determined by
5 the education advisory committee, and shall include an overview of all
6 new substantive changes in the laws in the form of amendments, re-
7 visions, and new ethics advisory opinions. The seminar shall include
8 discussions on problem solving skills, practical ethical issues likely
9 to confront a legislator or legislative employee, and the underlying
10 principles of public service ethics.

11 (c) The commission shall offer separate sessions of the seminar
12 for legislators and for legislative employees, and shall offer as many
13 sessions as necessary to accommodate the number of people required to
14 take the seminar.

15 (d) The course must also include a discussion of the Constitu-
16 tion of Alaska that will include material on the constitutional limi-
17 tations and prerogatives of the legislative, executive, and judicial
18 branches.

19 Sec. 24.61.750. LOBBYIST ETHICS COURSE. (a) Lobbyists shall
20 complete a lobbyist ethics course conducted by the commission as a
21 condition of registering as a lobbyist under AS 24.45. A person who
22 first engages in activities requiring the person to register as a
23 lobbyist either before the commission has offered the ethics course
24 for that year, or after the ethics course has been offered for that
25 year, may be authorized by the commission to conditionally register
26 under AS 24.45 unless the person reasonably should have known that the
27 person was likely to engage in lobbying activities and could have
28 attended the most recent ethics course. A person with a conditional
29 registration must successfully complete the next ethics course offered

1 or the registration shall be revoked.

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

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

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

11 (e) At the commission's discretion, lobbyists may be charged
12 reasonable fees to attend the ethics course.

13 Sec. 24.61.760. ADMINISTRATIVE PROVISIONS. (a) The commission
14 shall assure the continued implementation, improvement, and modifica-
15 tion of the ethics education programs. The commission shall develop
16 procedures to assure the attendance of, and course completion by, all
17 legislators, legislative employees, and lobbyists.

18 (b) The commission shall assure the attendance of legislative
19 employees who are not in and cannot travel to Juneau by offering the
20 programs by teleconference. When a teleconference connection is
21 unavailable, the commission shall distribute video tapes to the em-
22 ployees or arrange to have them travel to a site where a live or
23 teleconference course is available.

24 (c) The commission may recommend sanctions, including suspension
25 of pay and dismissal of legislative employees, disciplinary action for
26 legislators, and revocation of lobbyist registrations, for any legis-
27 lator, legislative employee, or lobbyist who fails to complete the
28 ethics education requirements within a reasonable amount of time, as
29 determined by the commission.

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

4 (e) The commission shall offer all of the education programs at
5 appropriate times and locations and shall provide adequate notice of
6 them.

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

10 ARTICLE 5. GENERAL PROVISIONS.

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

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

18 Sec. 24.61.910. APPLICABILITY. (a) Unless otherwise specifi-
19 cally stated, the provisions of this chapter apply to legislators and
20 legislative employees.

21 (b) Certain specified provisions apply to former members of the
22 legislature, candidates for the legislature, former legislative em-
23 ployees, persons who have transactions with legislators or legislative
24 employees, and lobbyists.

25 Sec. 24.61.930. MENTAL STATE REQUIRED FOR CRIMINAL ACTIONS.
26 When a provision of this chapter is made subject to criminal penal-
27 ties, unless the provision specifically provides for another mental
28 state, the defendant in a criminal prosecution must be shown to have
29 acted with criminal negligence, as that term is defined in

1 AS 11.81.900(a). AS 11.81.610(c) applies to this section.

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

5 Sec. 24.61.950. COOPERATION OF OTHERS. If the commission re-
6 quests their cooperation, a state agency, official, employee, or a
7 person whose conduct is regulated by this chapter shall cooperate with
8 the commission. An individual shall make information reasonably
9 related to an investigation available to the commission on written
10 request. The commission may request and shall receive from every
11 officer, department, division, board, agency, commission, house of the
12 legislature, or other agency of the state, cooperation and assistance
13 in the performance of its duties.

14 Sec. 24.61.960. CONFIDENTIALITY. A person subject to the pro-
15 visions of this chapter may not knowingly make an unauthorized disclo-
16 sure of confidential information acquired in the course of official
17 duties. A person who violates this section is subject to civil sanc-
18 tions under AS 24.61.560(a) and may be subject to prosecution under
19 AS 11.56.860 or another law.

20 Sec. 24.61.990. DEFINITIONS. In this chapter,

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

26 (2) "anything of value," "benefit," or "thing of value"
27 includes all matters, whether tangible or intangible, that could
28 reasonably be considered to be a material advantage, of material
29 worth, use, or service to the person to whom it is conferred; the

1 terms are intended to be interpreted broadly and encompass all matters
2 that the recipient might find sufficiently desirable to do something
3 in exchange for;

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

- 6 (i) money;
- 7 (ii) products or merchandise;
- 8 (iii) works of art or collectibles;
- 9 (iv) stocks, bonds, notes, or options;
- 10 (v) an interest in real property;
- 11 (vi) contracts or a promise of a future interest
12 in a contract;
- 13 (vii) an interest or a promise of a future interest
14 in a business;
- 15 (viii) meals, beverages, or lodging;
- 16 (ix) transportation;
- 17 (x) services, including loaned employees;
- 18 (xi) loans, loan guarantees, co-signing;
- 19 (xii) forgiveness of a debt;
- 20 (xiii) discounts or rebates not extended to the
21 public generally;
- 22 (xiv) preferential treatment;
- 23 (xv) tickets or admissions;
- 24 (xvi) free or discounted use of office facilities;
- 25 (xvii) loan of office equipment;
- 26 (xviii) radio or television time;
- 27 (xix) promise or offer of present or future employ-
28 ment;
- 29 (xx) use of autos, boats, apartments, or other

1 recreational or lodging facilities;

2 (xxi) intangible rights such as a cause of action;

3 (xxii) licenses, patents, copyrights, or an interest
4 in them;

5 (xxiii) any other item, tangible or intangible,
6 having economic value;

7 (B) "anything of value," "benefit," or "thing of
8 value" does not include

9 (i) an item listed in AS 24.61.350(b);

10 (ii) campaign contributions, pledges, political
11 endorsements, support in a political campaign, or a promise
12 of endorsement or support;

13 (iii) contributions to a cause or organization,
14 including a charity, made in response to a direct sollicita-
15 tion from a legislator or a person acting at the legisla-
16 tor's direction;

17 (iv) grants under AS 37.05.316 to named recipients;

18 (3) "business entity retained to lobby" means a firm,
19 corporation, or other business entity that is retained for the primary
20 purpose of influencing legislative or administrative action;

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

23 (5) "close economic association" has the meaning given in
24 AS 24.61.265;

25 (6) "commission" means the Legislative Ethics Commission;

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

1 (8) "confidential information" means information that has
2 been classified confidential by law;

3 (9) "exonerate" means to free from a charge or the imputa-
4 tion of guilt, or to prove blameless;

5 (10) "financial conflict of interest" has the meaning given
6 in AS 24.61.255;

7 (11) "honorarium" means anything of value, other than reim-
8 bursement of travel expenses, given to a person for making a speech,
9 panel presentation, personal appearance, or similar activity;

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

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

17 (14) "knowingly" has the meaning given in AS 11.81.900;

18 (15) "legislative action" means conduct relating to the
19 development, drafting, consideration, sponsorship, enactment or de-
20 feat, support or opposition to or of a law, amendment, resolution,
21 report, nomination, or other matter affected by legislative action or
22 inaction;

23 (16) "legislative assistant" means a legislative employee
24 whose assigned duties involve the exercise of substantial discretion
25 and judgment; it does not include employees who perform purely cler-
26 ical or ministerial functions; the legislative council shall propose
27 policies relating to the interpretation of this definition, and the
28 commission shall consider the adoption of these guidelines as regula-
29 tions;

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

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

20 (19) "local government" means a municipality, a municipal
21 school district, or a regional educational attendance area;

22 (20) "political action" means conduct in which public offi-
23 cials, including legislators or legislative employees, use their
24 official position or political contacts to exercise influence on state
25 and local government employees or entities; it includes but is not
26 limited to intervening on behalf of constituents with a government
27 agency, endorsing, and pledging support or actively supporting a
28 legislative matter, a nominee, or a candidate for public office;

29 (21) "reasonably should know" means that, under the

1 circumstances, a reasonable person would know a fact;

2 (22) "registered lobbyist" means a person who is required to
3 register under AS 24.45.041;

4 (23) "representation" means action taken on behalf of anothe-
5 er, whether for compensation or not, including but not limited to
6 telephone calls and meetings and appearances at proceedings or meet-
7 ings;

8 (24) "substantial interest in legislative, administrative,
9 or political action" has the meaning given in AS 24.61.260.

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

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

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

16 (b) A person filing a declaration of candidacy under this sectio
17 other than for a state legislative office shall simultaneously file
18 with the director a statement of income sources and business interests
19 that complies with the requirements of AS 39.50. A person filing a
20 declaration of candidacy for state legislative office shall simulta-
21 neously file with the director a disclosure statement that complies
22 with the requirements of AS 24.61.400 - 24.61.410.

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

24 (c) An incumbent public official other than a legislator who has
25 a current statement of income sources and business interests on file
26 with the Alaska Public Offices Commission, or an incumbent legislator
27 who has a current disclosure statement on file with the Legislative
28 Ethics Commission, is not required to file a statement of income
29 sources and business interests or a disclosure statement with the

1 declaration of candidacy under (b) of this section.

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

3 (b) A person filing a nominating petition under this section
4 other than for a state legislative office shall also file with the
5 director a statement of income sources and business interests that
6 complies with the requirements of AS 39.50 within 30 days of filing
7 the petition. A person filing a nominating petition for state legis-
8 lative office shall file with the director a disclosure statement that
9 complies with the requirements of AS 24.61.400 - 24.61.410 within 30
10 days of filing the petition.

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

12 (c) An incumbent public official other than a legislator who has
13 a current statement of income sources and business interests on file
14 with the Alaska Public Offices Commission, or an incumbent legislator
15 who has a current disclosure statement on file with the Legislative
16 Ethics Commission, is not required to file a statement of income
17 sources and business interests or a disclosure statement with the
18 declaration of candidacy under (b) of this section.

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

20 Sec. 24.10.100. SALARY OF LEGISLATORS. The annual [MONTHLY]
21 salary for each member of the legislature is \$40,000 [EQUAL TO STEP A,
22 RANGE 10 OF THE SALARY SCHEDULE IN AS 39.27.011(a) FOR JUNEAU]. The
23 president of the senate and the speaker of the house of representa-
24 tives are each entitled to an additional \$500 a year during tenure of
25 office.

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

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

29 (1) during a legislative session if the legislator is not

1 living in the legislator's place of permanent residence during the
2 session; or

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

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

9 (c) In this section,

10 (1) "long-term rate" means the long-term per diem rate for
11 a state employee established in regulations adopted by the commission-
12 er of administration under AS 39.20.160;

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

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

17 Sec. 24.10.110. LEGISLATIVE OFFICE ALLOWANCE. (a) A legislator
18 may be reimbursed for the lawful expenses of maintaining a legislative
19 office to supplement resources generally provided to legislators by
20 the legislature and its agencies. Expenses eligible for reimbursement
21 under this section include those incurred in a district office or an
22 office in the capital city.

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

25 (c) A representative from a single-representative district may
26 voucher up to \$6,000 a year under this section. A representative from
27 a two-representative district and a senator from a single-senator dis-
28 trict may voucher up to \$7,000 a year under this section. A senator
29 from a two-senator district may voucher up to \$9,000 a year under this

1 section. Vouchers shall be processed under AS 24.10.120 and policies
2 adopted by the legislative council consistent with 26 U.S.C. 162.

3 (d) Notwithstanding (b) of this section, expenses related to
4 newsletters may not be paid under this section. The legislative
5 council shall adopt guidelines under which each legislator may prepare
6 and distribute two newsletters a year that comply with AS 24.61. The
7 guidelines must be consistent with AS 24.61 and regulations under that
8 chapter adopted by the Legislative Ethics Commission and must provide
9 for the payment of expenses for the newsletters from appropriations to
10 the legislature.

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

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

19 * Sec. 12. AS 24.45.041(a) is amended to read:

20 (a) Before engaging in lobbying, a lobbyist shall file a regis-
21 tration statement on a form prescribed by the commission. The commis-
22 sion may not accept the form for filing unless the lobbyist's name has
23 been certified to the commission by the Legislative Ethics Commission
24 under AS 24.61.750(c).

25 * Sec. 13. AS 24.45.041(f) is amended to read:

26 (f) Each lobbyist shall renew the registration annually by
27 filing a new registration statement together with a new authorization
28 to act as a lobbyist before engaging in lobbying. The lobbyist also
29 shall file any reports or statements the lobbyist has failed to file

1 for a previous reporting period. The commission may not renew lobby-
2 ing credentials until this provision is complied with and unless the
3 Legislative Ethics Commission has certified the lobbyist's name to the
4 commission under AS 24.61.750(c) and the lobbyist has complied with
5 AS 24.61.750(e).

6 * Sec. 14. AS 24.45.041 is amended by adding a new subsection to read:

7 (g) Notwithstanding (a) and (f) of this section, a lobbyist
8 whose name has not been certified to the commission under AS 24.61.-
9 750(c) may conditionally register or renew a registration under this
10 section if authorized by the Legislative Ethics Commission under
11 AS 24.61.750(a).

12 * Sec. 15. AS 24.45.121(a) is amended to read:

13 (a) A lobbyist may not

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

16 (2) do anything with the intent of placing a public offi-
17 cial under personal obligation to the lobbyist or to the lobbyist's
18 employer;

19 (3) intentionally deceive or attempt to deceive any public
20 official with regard to any material fact pertinent to pending or
21 proposed legislative or administrative action;

22 (4) cause or influence the introduction of a legislative
23 measure for the purpose of thereafter being employed to secure its
24 defeat;

25 (5) cause a communication to be sent to a public official
26 in the name of any fictitious person or in the name of any real per-
27 son, except with the consent of that person;

28 (6) accept or agree to accept any payment in any way con-
29 tingent upon the defeat, enactment, or outcome of any proposed

1 legislative or administrative action;

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

5 (8) use state property or resources in the conduct of the
6 lobbyist's business;

7 (9) serve as a campaign manager or director, serve as a
8 campaign treasurer or deputy campaign treasurer on a finance or fund-
9 raising committee, host a fundraising event, or otherwise engage
10 actively in the fundraising activity of a legislative campaign or for
11 a legal defense fund under AS 24.61.220 if the lobbyist has registered
12 during the calendar year; this paragraph does not apply to a represen-
13 tational lobbyist as defined in the regulations of the Alaska Public
14 Offices Commission, and does not prohibit a lobbyist from making
15 personal contributions to or personally advocating on behalf of a
16 candidate.

17 * Sec. 16. AS 39.25.110 is amended by adding a new paragraph to read:

18 (30) executive director and staff of the Legislative Ethics
19 Commission.

20 * Sec. 17. AS 39.50.020 is amended to read:

21 Sec. 39.50.020. REPORT OF FINANCIAL AND BUSINESS INTERESTS. (a)
22 A judicial officer, commissioner, chair [CHAIRMAN] or member of a
23 state commission or board specified in AS 39.50.200(b), a person hired
24 or appointed as head or deputy head of, or director of a division
25 within, a department in the executive branch, a person appointed as
26 assistant to the governor, and a municipal officer, shall file a
27 statement giving income sources and business interests, under oath and
28 on penalty of perjury, within 30 days after taking office as a public
29 official. Candidates for governor and lieutenant governor [STATE

1 ELECTIVE OFFICE] shall file such a statement with the director of
2 elections at the time of filing a declaration of candidacy or within
3 30 days of the filing of any nominating petition, or within 30 days of
4 becoming a candidate by any other means. Candidates for elective
5 municipal office shall file such a statement at the time of filing a
6 nominating petition, declaration of candidacy, or other required
7 filing for the elective municipal office. Refusal or failure to file
8 within the time prescribed shall require that the candidate's filing
9 fees, if any, and filing for office be refused or that a previously
10 accepted filing fee be returned and the candidate's name removed from
11 the filing records. A statement shall also be filed by public offi-
12 cials no later than April 15 or 15 days after the person files a
13 federal income tax return in each following year, whichever comes
14 first. Persons who, on or after December 11, 1974, were members of
15 boards or commissions not named in AS 39.50.200(b) are not required to
16 file financial statements.

17 (b) The governor, lieutenant governor, [MEMBERS OF THE LEGISLA-
18 TURE,] judicial officers, each commissioner, head or deputy head of,
19 or director of a division within, a department in the executive
20 branch, assistant to the governor or chair [CHAIRMAN] or member of a
21 commission or board required to report under this chapter, shall file
22 the statement with the Alaska Public Offices Commission. Candidates
23 for the office of governor and [,] lieutenant governor [, AND THE
24 LEGISLATURE] shall file the statement under AS 15.25.030 or 15.25.180.
25 Municipal officers, and candidates for elective municipal office,
26 shall file with the municipal clerk or other municipal official des-
27 ignated to receive their filing for office. All statements required
28 to be filed under this chapter are public records.

29 * Sec. 18. AS 39.50.200(a)(8) is amended to read:

1 (8) "public official" means a judicial officer, [A MEMBER
2 OF THE LEGISLATURE, THE FISCAL ANALYST OF THE LEGISLATIVE FINANCE
3 DIVISION, THE LEGISLATIVE AUDITOR OF THE LEGISLATIVE AUDIT DIVISION,
4 THE EXECUTIVE DIRECTOR OF THE LEGISLATIVE AFFAIRS AGENCY AND THE
5 DIRECTORS OF THE DIVISIONS WITHIN THE LEGISLATIVE AFFAIRS AGENCY,] the
6 governor, the lieutenant governor, a person hired or appointed as the
7 head or deputy head of, or director of a division, a department in the
8 executive branch, an assistant to the governor, chair [CHAIRMAN] or
9 member of a state commission or board, the executive director of the
10 Alaska Tourism Marketing Council, and each appointed or elected munic-
11 ipal officer;

12 * Sec. 19. AS 39.52.910(a) is amended to read:

13 (a) Except as specifically provided, this chapter applies to all
14 public officers within executive-branch agencies, including members of
15 boards or commissions. This chapter does not apply to a former public
16 officer of an executive-branch agency unless a provision specifically
17 states that it so applies. This chapter does not apply to legislators
18 covered by AS 24.61 [AS 24.60].

19 * Sec. 20. AS 24.55.310, AS 24.60, AS 39.50.025, and 39.50.120 are
20 repealed.

21 * Sec. 21. INITIAL COMMISSION APPOINTMENTS. Notwithstanding AS 24.61.-
22 500(b), as added by sec. 2 of this Act, the terms of the members initially
23 appointed to the Legislative Ethics Commission are as follows:

24 (1) the members appointed by the senate and the house of repre-
25 sentatives and one of the members appointed by the Legislative Ethics
26 Commission, determined by lot, serve terms of five years;

27 (2) one of the members appointed by the supreme court and one of
28 the members appointed by the Legislative Ethics Commission, determined by
29 lot, serve terms of four years;

1 (3) the second member appointed by the supreme court and the
2 third member appointed by the Legislative Ethics Commission serve terms of
3 three years.

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

13 * Sec. 23. TRANSITIONAL PROVISIONS RELATING TO REPRESENTATION OF OTH-
14 ERS. Notwithstanding AS 24.61.330, as added by sec. 2 of this Act, a
15 legislator or legislative assistant who is subject to AS 24.61.330 may,
16 until January 1, 1992, represent a person in a proceeding that would other-
17 wise be prohibited under AS 24.61.330 if the legislator or legislative
18 assistant promptly files a statement with the Legislative Ethics Commission
19 that includes the name of the client, an identifying name or number of the
20 action, a brief description of the nature of the action, and the amount of
21 compensation received or anticipated relating to the representation. The
22 statement shall be published in the journal of the appropriate house. If
23 information contained in the statement changes, a supplemental statement
24 shall be filed every 90 days until the matter is completed or January 1,
25 1992, at which time the representation must be terminated. The representa-
26 tion may continue beyond January 1, 1992, if the legislator or legislative
27 assistant applies for, and the Legislative Ethics Commission grants, an
28 exemption to the termination date under AS 24.61.530, as added by sec. 2 of
29 this Act. In this section, "legislative assistant" has the meaning given

1 in AS 24.61.990, as added by sec. 2 of this Act.

2 * Sec. 24. AS 24.61.200 - 24.61.220, 24.61.240, and 24.61.245, as added
3 by sec. 2 of this Act, take effect November 6, 1990.

4 * Sec. 25. AS 24.61.160, 24.61.400(d), 24.61.500 - 24.61.720, and 24.-
5 61.990, as added by sec. 2 of this Act, and sec. 21 of this Act take effect
6 January 1, 1991.

7 * Sec. 26. Except as provided in secs. 24 and 25 of this Act, this Act
8 takes effect July 1, 1991.

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030459

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 7, 1990

SUBJECT: Sectional analysis of HCS CSSB 415 (Finance)
(W.O. 6-2007P)

TO: Representative Lyman Hoffman
Co-Chair, House Finance Committee

FROM: John B. Gaguine ~~JB~~
Legislative Counsel

You have requested a sectional analysis of the above described bill.

As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. This is especially true in the case of a piece of legislation as lengthy and complex as HCS CSSB 415 (Fin).

Section 1 gives the act a title, the Legislative Ethics Act of 1990.

Section 2 establishes a new legislative ethics code, AS 24.61, as follows:

Article 1 contains legislative findings and purpose.

Article 2 contains the specific standards of conduct that must be followed. All apply to legislators; most apply to legislative aides in positions of influence; some apply to most legislative employees and to candidates for the legislature. Nearly all are subject to penalties that may be imposed by the legislature, including heavy fines, censure and expulsion (or, in the case of a legislative employee, termination). Many violations can also be prosecuted as Class A misdemeanors, or deal with conduct that is criminal under a Title 11 statute. The standards of conduct are as follows:

Representative Lyman Hoffman

Page 2

May 7, 1990

- AS 24.61.110 prohibits the acceptance of anything of value in connection with the performance of legislative duties

- AS 24.61.120 imposes a duty on persons to report improper offers to influence

- AS 24.61.130 prohibits the use of state property, staff and resources for private gain or personal advantage

- AS 24.61.140 prohibits the use of state property, staff, and resources for political purposes, and includes a ban on mass mailings near an election and on solicitation and acceptance of campaign contributions in a state office.

- AS 24.61.150 imposes an obligation on legislative employees to refuse to perform improper tasks

- AS 24.61.180 prohibits a legislator for using his or her title or prestige for private gain or personal advantage, and includes a ban on use of the title in commercials

- AS 24.61.190 bans former legislators, during the next session of the legislature after they leave office, from lobbying the legislature and the administration

- AS 24.61.205 prohibits the use of campaign funds for personal purposes (including legal fees not connected to the campaign or public office), loans and contributions to another group (e.g., to another candidate), inflated campaign expenses, and the payment of fines (unless the candidate was unaware of the activity leading to the fine), and bars post-election campaign contributions

- AS 24.61.210 restricts the use of surplus campaign funds to retiring loans, returning contributions to contributors on a pro rata basis, donating them to the state, a municipality, or a charity, transferring them to an office expense account, and, within monetary limits, transferring them to an ongoing political account

- AS 24.61.220 authorizes a legal defense fund to defend against specific charges, including ethics charges, and prohibits the acceptance of funds for legal defense except as provided in the section

- AS 24.61.230 prohibits withholding or threatening to withhold legislative action in order to obtain campaign funds or gifts

- AS 24.61.240 prohibits fund-raising by a legislator during legislative sessions and restricts it to certain time periods for both legislators and challengers

- AS 24.61.290 prohibits nepotism in a manner similar to current AS 24.60.090

- AS 24.61.300 restricts the participation of lobbyists in political campaigns, requires disclosure of close economic associations with lobbyists, and restricts employment of legislators or aides by lobbyists and lobbying groups

- AS 24.61.310 prohibits legislators from serving on governing or advisory boards of nongovernmental entities with substantial interests in legislation, requires aides serving on such boards, and on local government councils, to disclose their membership, and prohibits aides from serving in state positions requiring legislative confirmation

- AS 24.61.320 prevents a legislator or aide from participating in governmental action when he or she has a substantial financial interest involved

- AS 24.61.330 restricts representation for compensation by legislators and aides before state courts and agencies; it allows such representation in certain quasi-judicial hearings

- AS 24.61.340 restricts the ability of legislators, legislative aides, and members of a legislator's immediate family from entering into state contracts or leases other than those competitively bid, of a small amount, or standardized; most of the section is similar to current AS 24.60.040, except for the extension to a legislator's family; subsection (5) prohibits former legislators and aides, for a year after leaving legislative service, from contracting with an entity that does substantial business with the state, if the contract would involve a matter that the legislator or aide worked closely on and if the contract appeared to be a reward for services rendered during the legislator's or aide's legislative service

Representative Lyman Hoffman
Page 4
May 7, 1990

- AS 24.61.345 authorizes legislators and legislative employees to participate in general statewide programs; the section is similar to current AS 24.60.050

- AS 24.61.350 prohibits, with certain exceptions (some of which require disclosure), the solicitation or receipt of single gifts worth \$100 or more or gifts from a single source whose aggregate value is \$100 or more; the section is similar to current AS 24.60.080 as the ethics committee proposed to modify it

- AS 24.61.360 prohibits legislators and legislative employees from accepting outside employment that would create conflicts of interest or that involves inappropriately high payment for the work done, and from accepting most offers of honoraria (other than reimbursement of travel expenses)

- AS 24.61.380 prohibits improper influence on decisions by other government officials and bodies, but does not prohibit constituent "casework" or the exercise of legislative oversight

- AS 24.61.390 - 24.61.420 establish income disclosure requirements, in some ways considerably broader than the APOC-administered requirements under AS 39.50; the requirements distinguish between income derived from sources with interest in legislation (amounts must be disclosed) and sources without such interest (amounts need not be disclosed)

- AS 24.61.430 requires compliance by legislators with the Open Meetings Act; if this section is violated, a legislator may not be fined or expelled

- AS 24.61.440 prohibits retaliation against or harassment of "whistleblowers"

- AS 24.61.450, which like AS 24.61.430 carries limited sanctions, prohibits acts of employment discrimination in violation of the state Human Rights Act

Article 2 also contains several sections relating to financial relationships between legislators and legislative employees and persons with interests before the legislature. AS 24.61.255 - 24.61.265 define three terms ("financial conflict of interest," "substantial interest in legislative,

administrative, or political action," and "close economic association") that govern what financial relationships must be disclosed under AS 24.61.300(b). AS 24.61.270 states that financial conflicts shall be generally dealt with as a matter of disclosure and voluntary restraint.

Article 3 establishes the Legislative Ethics Commission, consisting of seven public members. One is appointed jointly by the senate president and minority leader, one is appointed jointly by the house speaker and minority leader, two are appointed by the supreme court, and three are selected by the four previously appointed members. The members are subject to decertification by the legislature.

Article 3 also authorizes the hiring of an executive director and other staff. The article, like current law, provides for advisory opinions and a complaint process (more open than current law, and similar to what the ethics committee proposed); it also authorizes the commission to grant exceptions to the prohibitions of AS 24.61. AS 24.61.560 sets out a lengthy list of the sanctions that the commission can recommend to the legislature, if a legislator is found guilty of an ethics violation, or that the commission can impose itself, if a legislative employee is found guilty. Article 3 also authorizes the attorney general to bring civil or criminal actions to enforce AS 24.61.

Article 4 establishes an ethics education program for legislators, aides and lobbyists, including the publication of an ethics manual, the establishment of an education advisory committee, and the giving of ethics seminars at which attendance is mandatory.

Article 5 contains general provisions for AS 24.61. Among other things the article retains current laws concerning the cooperation of others with the ethics commission and the prohibition against "leaking" confidential ethics information. The article also defines terms used in AS 24.61.

Sections 3 - 7 of the bill make technical changes.

Section 8 raises the annual salary of legislators to \$40,000 from the current \$22,140 (Range 10, Step A of the state salary schedule).

Section 9 repeals the provision of current law allowing legislators to receive long-term per diem of \$50 per day for

work that they do in their districts during the interim. It retains the provisions relating to per diem during the session and to per diem for travel on legislative business at any time to a location other than the legislator's residence.

Section 10 eliminates the current office allowance, and instead allows legislators to charge actual office expenses to the state, up to a maximum that varies according to the number of constituents a legislator represents. It also allows each legislator to send two constituent newsletters a year, not subject to the office expense limit, provided that the newsletters comply with the ethics act.

Section 11 allows each legislator two state-paid round trip airplane tickets to a city in the legislator's district for "a personal, family, business, or constituent purpose."

Sections 12 - 14 are additions to the regulation of lobbying chapter to ensure compliance with the ethics education for lobbyists provisions.

Section 15 prohibits lobbyists from using state property as part of their lobbying activities, and from participating in a candidate's campaign management or hosting a fund-raiser.

Section 16 places the executive director and staff of the legislative ethics commission in the exempt service.

Section 17 - 18 transfer the authority for handling financial disclosure statements of legislators and legislative candidates from APOC to the ethics commission.

Section 19 makes a technical change.

Section 20 repeals the current legislative ethics law, AS 24.60, and three provisions that make AS 39.50 applicable to legislators and certain legislative employees.

Section 21 provides for terms of varying length of the initial commission appointees, in order to stagger terms.

Section 22 provides that, notwithstanding the repeal of AS 24.60, the Legislative Ethics Commission may consider complaints under AS 24.60 that arise before July 1, 1991 (the effective date of most of AS 24.61), but that are not filed until after that date.

Representative Lyman Hoffman
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Section 23 provides for a transitional period for those covered by AS 24.61 who are currently representing others in violation of the new law. It requires that any such representation be terminated by January 1, 1992, but that the Legislative Ethics Commission may grant an exemption from this date in exceptional cases.

Section 24 makes effective on January 1, 1991, the portions of the bill establishing the commission and requiring it to adopt regulations and begin the ethics education process. It also makes sections 23 - 25 effective on July 1.

Section 25 makes AS 24.61.200 - 24.61.220, 24.61.240, and 24.61.245 (primarily campaign financing sections) effective on November 6, 1990, the day after the election.

Section 26 makes the remainder of the bill, including the new standards of conduct and the repeal of AS 24.60, effective on July 1, 1991.

JBG:pl
WKP5/015

Attachment

5/7/90

11 pm ✓

SB 415 SUBCOMMITTEE ON ETHICS
AMENDMENTS
MAY 7, 1990

2. ADOPTED -- Page 7, line 13, following "occasional" delete "and" insert "or"
3. ADOPTED -- Page 10, line 26, delete "24.61.100", insert "24.61.110".
4. ADOPTED -- Page 11, line 15, delete "shall", insert "may".

11. ADOPTED -- Page 22, line 4, delete.
12. ADOPTED -- Page 29, line 4, before "." insert "and if a reasonable person would conclude that the contract constituted a reward for services performed while serving as a legislator or legislative assistant or otherwise was an improper use of the office"
13. ADOPTED -- Page 42, line 2 through line 21, delete.
15. ADOPTED -- delete Page 43, line 11, ", to the greatest extent reasonably possible,"
16. ADOPTED -- Page 43, lines 18-27, delete; replace with:

It is the intent of the legislature that:

(a) legislators and legislative employees maintain the integrity and trustworthiness of government. They should act to prevent unethical practices, unlawful conduct, corruption, mismanagement, improper use of public funds, danger to public safety, or another abuse of public position, authority, or resources; and

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

20. ADOPTED -- Page 56, line 17 insert "may" after "and" and before "forward"
21. ADOPTED-- Page 57, line 5, delete "both the complainant and the".

Page 57, line 10, delete "complainant and the".
23. ADOPTED -- Page 59, line 5, insert "may" after "and" and before "forward".
24. ADOPTED -- Page 59, line 12, delete "either".
Page 59, line 13, delete "complainant or".

i f 4

25. ADOPTED -- Page 65, line 10 delete "it has issued or is purported to have issued" and replace with "that has been made public"
27. ADOPTED -- Page 69, line 4, delete "upon", insert "for".
29. ADOPTED -- Page 70, lines 3-8, delete.
30. ADOPTED -- Page 71, line 12, delete "an", inset "a material".
Page 71, line 12, after "cf" insert "material".
31. ADOPTED -- Page 72, line (amendment to senate amendment 42) , before "purpose" insert "primary"
32. ADOPTED -- Delete Senate Amendment #37
34. ADOPTED -- Page 23, line 25, following "(a)", delete "it is important for legislators and legislative assistants to maintain and appear to maintain independence from lobbyists seeking legislative, administrative, and political actions."
35. ADOPTED -- Page 27, line 20 following "legislator", delete "or legislative assistant"

Page 28, line 4 following "legislators or", delete "legislative assistants, personal or immediate family"

Insert "legislative or legislator's immediate family or legislative assistant's personal"

47. Page 32, line 22: Delete "governmental or"

Page 32, following line 25: Insert new paragraph to read:

"(7) payment of or reimbursement for reasonable and necessary expenses, including expenses related to travel and related food and lodging, incurred in connection with a trip whose primary purpose is to enable the legislator or legislative employee to obtain information on matters of legislative concern; if the expenses exceed \$100 they shall be reported on financial disclosure forms;"

Renumber the following paragraphs accordingly.

Page 40, line 2:

Delete "and (7)"
Insert ", (7) and (8)"

Page 41, line 11:

Delete "and (7)"
Insert " (7), and (8)"

- 48a. ADOPTED -- Page 7, lines 9 and 10: delete "mailing lists, computer data"

2 of 4

- Page 8, lines 20 and 2: delete "mailing lists, computer data"
- 48b. ADOPTED -- Page 7, lines 22 and 23: delete ", or influencing an election"
- 48e. ADOPTED -- Page 13, lines 3 and 4: Delete "Campaign funds may be used only to advance the interests of the campaign."
- 48f. ADOPTED -- Page 14, line 29 delete: "or have reason to know of"
- 48g. ADOPTED -- Page 15, line 5 after "finds", delete: "in"
Page 15, line 6, delete: "excess of the amount allowed under (b) of this section" and "only"
- 48h. Page 15, line 28-29 delete: "in an amount not to exceed \$1,000 to a house legislative account or \$2,000" and after "a" delete "senate"
- 48i. Page 16, line 8-9, after "all" delete: ", but they may not be used for a campaign for an office other than the state legislature"
- 48l. Page 20, line 10 after "a" insert: "candidate or"
- 48o. Page 78, Sec. 12 and Page 79 through Sec.13 restore all "attorney" exemptions

3/11

49. Page 13, line 3: Delete "PROPER", replace with "ALLOWABLE".
50. Page 19, line 6: Delete subsection (a).
51. Page 21, line 20: Delete subsection (1).
52. Page 22, line 25: Delete "DEALING WITH"
53. Page 25, line 12: Delete "RESTRICTED", insert "DISCLOSABLE".
57. Page 33, line 2: Delete "\$100", insert "\$200".
60. Page 35, line 19: Delete "IMPROPER INTERFERENCE WITH THE INDEPENDENT JUDGMENT OF OTHERS". Insert after 24.61.380 "INTERCESSION".
62. Page 50, line 23: Delete "NONBINDING".
66. Dierdorff technical amendments attached.

4/2/11

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

66
Adopted

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
707 465 3800

M E M O R A N D U M

May 5, 1990

SUBJECT: Technical Problems in CSSB 415(Fin) am
TO: Senator Pat Pourchot
FROM: David R. Dierdorff
Revisor of Statutes

This morning I reviewed CSSB 415(Finance) for technical problems, and I have also reviewed the floor amendments adopted by the Senate. Several purely clerical errors were discovered and the diskettes corrected. The Senate Secretary was also notified and I understand that the House will be informed of those errors in connection with transmittal of the bill.

I discovered several minor problems that can either be corrected in the House or, if the bill is enacted, during the interim review. There is, however, one problem that needs to be corrected in the House. When the Senate adopted amendment #1, reducing the size of the commission, a corresponding amendment should have been made in sec. 23, relating to the initial appointments to the commission. I suggest that the initial terms be established as follows:

- (1) the members appointed by the senate and the house of representatives and one of the members appointed by the Legislative Ethics Commission, determined by lot, serve terms of five years;
- (2) one of the members appointed by the supreme court and one of the members appointed by the Legislative Ethics Commission, determined by lot, serve terms of four years; and
- (3) the second member appointed by the supreme court and the third member appointed by the Legislative Ethics Commission serve terms of three years.

The reason this must be fixed now, and not next session, is that this section takes effect three weeks before that ses-

Attachment

Senator Pat Pourchot
Page 3
May 5, 1990

- 12) Page 42, line 27: Delete "under AS 24.61.160".
- 13) Page 74, line 9: Delete "under AS 24.61.160".
- 14) Page 74, line 23: Delete "under AS 24.61.160".

DRD:mi
wkmi6/092

cc: Representative Mike Davis
Representative Red Boucher
Representative Ron Larson
Representative Lyman Hoffman

HERD

AMENDMENT

Attachment
5/7/90
11pm
Barnes

TO: CSSB 415 (FINANCE) am

BY BARNES

Page 50, line 17

Delete: Delete all material relating to Sec. 24.61.512

Attachment

5/7/90

11 pm

6-2007Gk
Dierdorff

FAILED

A M E N D M E N T Barnes #

OFFERED IN THE HOUSE

BY REP. BARNES

TO: CSSB 415 (Finance)

Page 64, line 23, through page 65, line 7:

Delete all material.

Attachment

5/7/90

11 pm

FAILED

AMENDMENT

BARNES

OFFERED IN THE HOUSE

BY REP. BARNES

TO: CSSB 415 (Finance)

Page 77, line 1:

Delete "\$40,000"

Insert "\$22,872"

Page 77, line 6 through page 78, line 27:

Delete all material.

Insert:

"* Sec. 9. AS 24.10.110 is amended to read:

Sec. 24.10.110. ADDITIONAL ALLOWANCES. In addition, each member of the legislature is entitled to an annual allowance of \$4,025 [PRESCRIBED IN ACCORDANCE WITH AS 39.23] for postage, stationery, stenographic services, and other expenses."

Renumber the following bill sections accordingly.

Page 84, line 21:

Delete "sec. 22"

Insert "sec. 21"

Page 85, line 21:

Delete "sec. 23"

Insert "sec. 22"

Page 85, line 23:

Delete "secs. 26 and 27"

Insert "secs. 25 and 26"

Willis by request

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSSB 415 (Finance)

Page 77, line 25, through page 78, line 19:

Delete all material.

Insert a new bill section to read:

"* Sec. 10. AS 24.10.110 is amended to read:

Sec. 24.10.110. ADDITIONAL ALLOWANCES. In addition to the salary under AS 24.10.100, each member of the legislature is entitled to an annual allowance under this section [PRESCRIBED IN ACCORDANCE WITH AS 39.23] for postage, stationery, stenographic services and other expenses. The allowance for

(1) a representative from a single-representative district is \$6,000;

(2) a representative from a two-representative district and a senator from a single-senator district is \$7,000; and

(3) a senator from a two-senator district is \$9,000."

S B

4 7 6

SENATE FINANCE COMMITTEE REPORT

DATE: 2/26/90

FURTHER:

DATE TURNED INTO OFFICE: _____

The Finance Committee considered

SB 416

"An Act relating to the office of the ombudsman and to the powers and duties of the ombudsman."

and recommended:

- replace with _____ CS _____
- or adopt _____ CS _____
- attached amendment(s)
- _____ letter of intent adopted

- same title
- new title
- technical title change (HB only)

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

Bill died in Committee.

ATTACHES NEW FISCAL NOTE(S):

Dept/Date:

- fiscal note(s) _____
- _____
- zero fiscal note(s) _____
- _____
- _____

APPROVES PREVIOUS:

Dept/Date:

- fiscal note(s) _____
- _____
- zero fiscal note(s) _____
- _____
- _____

appropriation-no fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1. _____ 2. _____

Co-Chairs: Signatures and Recommendations

SENATE COMMITTEE REPORT
FIRST COMMITTEE OF REFERRAL

6-2024 E/5

B

DATE: 1/29/90

FURTHER: Finance

Date of 5-Day Notice: 2-14-90
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 2-23-90

State Affairs Committee considered SB 416

"An Act relating to the office of the ombudsman and to the powers and duties of the ombudsman."

and recommended:

- replace with _____ CS SB 416 (SA) same title
- attached amendment(s) new title
- _____ + ma of e Cmte re dp letter of intent adopted

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

DFM

ATTACHES NEW FISCAL NOTE(S):

Department(s)/Date:

Department(s)/Date:
SB & CS

fiscal note(s) _____

zero fiscal note(s) all bills _____

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

Richard
Bill Adams
Jan Mills

OTHER RECOMMENDATIONS:

2 Tim Kelly - No Rec

Pat Howard do pass
Chair: Signature and Recommendation

Original sponsor(s): Rules/Legislative Council

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 416 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the office of the ombudsman and
7 to the powers and duties of the ombudsman."

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

9 * Section 1. AS 24.55.040(b) is amended to read:

10 (b) If the term of an ombudsman expires without the appointment
11 of a successor under this chapter, the incumbent ombudsman may con-
12 tinue in office until a successor is appointed. If the ombudsman
13 dies, resigns, becomes ineligible to serve, or is removed or suspended
14 from office, the person appointed as [DEPUTY OMBUDSMAN BECOMES] acting
15 ombudsman under AS 24.55.070(a) serves until a new ombudsman is ap-
16 pointed for a full term.

17 * Sec. 2. AS 24.55.070(a) is amended to read:

18 (a) The ombudsman shall [MAY] appoint a person to serve as
19 acting [DEPUTY] ombudsman in the absence of the ombudsman. The om-
20 budsman shall also appoint assistants and clerical personnel necessary
21 to carry out the provisions of this chapter.

22 * Sec. 3. AS 24.55.070(b) is amended to read:

23 (b) The ombudsman may delegate to the [DEPUTY OR] assistants any
24 of the ombudsman's duties except those specified in AS 24.55.190 and
25 24.55.200, however, during the ombudsman's absence from the principal
26 business offices, the ombudsman may delegate the duties specified in
27 AS 24.55.190 and 24.55.200 to the acting ombudsman [DEPUTY] for the
28 duration of the absence. The duties specified in AS 24.55.190 and
29 24.55.200 shall be performed by the acting [DEPUTY] ombudsman when
S

1 serving [AS ACTING OMBUDSMAN] under AS 24.55.040(b).

2 * Sec. 4. AS 24.55.080(a) is repealed and reenacted to read:

3 (a) Subject to restrictions and limitations imposed by the
4 executive director of the Legislative Affairs Agency, the administra-
5 tive facilities and services of the Legislative Affairs Agency, in-
6 cluding computer, data processing, and teleconference facilities, may
7 be made available to the ombudsman to be used in the management of the
8 office of the ombudsman and to carry out the purposes of this chapter.

9 * Sec. 5. AS 24.55.090 is amended to read:

10 Sec. 24.55.090. PROCEDURE. (a) The ombudsman shall, by regula-
11 tions adopted under the Administrative Procedure Act (AS 44.62),
12 establish procedures for receiving and processing complaints, conduct-
13 ing investigations, [AND] reporting findings, and ensuring that confi-
14 dential information obtained by the ombudsman in the course of an
15 investigation will not be improperly disclosed.

16 (b) The [HOWEVER, THE] ombudsman may not charge fees for the
17 submission or investigation of complaints.

18 * Sec. 6. AS 24.55.130 is amended by adding a new subsection to read:

19 (c) Notice given under this section may be oral but the om-
20 budsman shall state in writing the reasons for not investigating a
21 complaint if requested by the complainant.

22 * Sec. 7. AS 24.55.140 is amended to read:

23 Sec. 24.55.140. NOTICE TO THE AGENCY. If the ombudsman decides
24 to investigate a complaint, the ombudsman shall notify the agency of
25 the intention to investigate unless the ombudsman believes that ad-
26 vance notice will unduly hinder the investigation or make it ineffec-
27 tual. Notice given under this section may be oral or written, at the
28 discretion of the ombudsman.

29 * Sec. 8. AS 24.55.160(a) is amended to read:

1 (a) In an investigation, the ombudsman may

2 (1) make inquiries and obtain information considered neces-
3 sary;

4 (2) enter without notice to inspect the premises of an
5 agency, but only when agency personnel are present; [AND]

6 (3) hold private hearings; and

7 (4) notwithstanding other provisions of law, have access at
8 all times to records of every state agency, including confidential
9 records, except sealed court records, production of which may only be
10 compelled by subpoena.

11 * Sec. 9. AS 24.55.170(a) is amended to read:

12 (a) Subject to the privileges that [WHICH] witnesses have in the
13 courts of this state, the ombudsman may compel by subpoena, at a
14 specified time and place, the

15 (1) [COMPEL BY SUBPOENA, AT A SPECIFIED TIME AND PLACE,
16 THE] appearance and sworn testimony of a person who the ombudsman
17 reasonably believes may be able to give information relating to a
18 matter under investigation; and

19 (2) production by [COMPEL] a person of a record or an
20 object that [, BY SUBPOENA, TO PRODUCE DOCUMENTS, PAPERS, OR OBJECTS
21 WHICH] the ombudsman reasonably believes may relate to the matter
22 under investigation.

23 * Sec. 10. AS 24.55.180 is amended to read:

24 Sec. 24.55.180. CONSULTATION [WITH AGENCY]. Before giving an
25 opinion or recommendation that [WHICH] is critical of an agency or
26 person, the ombudsman shall consult with that agency or person. The
27 ombudsman may make a preliminary opinion or recommendation available
28 to the agency or person for review, but the preliminary opinion or
29 recommendation is confidential and may not be disclosed to the public