

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 861

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. C S S B 184(L&C)

Revision Date: April 23, 1991 Department Affected: Corrections  
 Title: "AN ACT relating to prison industries." BRU: Statewide Operations  
 Component: Industries Product Cost  
 Sponsor: Senator Duncan  
 Requestor: Senate Labor & Commerce Comm. COMPONENT SERIAL NO. 

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	.3	.3	.3	.3	.3	.3
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER <u>Corr. Ind. Fund</u>	2.3	2.3	2.3	2.3	2.3	2.3
<b>TOTAL</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: William Ladwig, Admin. Officer Phone: (907) 465-3376  
 Division: Administrative Services Date: 04/23/91  
 Approved by Commissioner: *[Signature]*  
 Agency: Department of Corrections Date: 04/23/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

## HOUSE CS FOR CS FOR SENATE BILL NO. 184 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATOR LUNCAN

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to correctional industries and the Correctional Industries Commission;  
 2 continuing the correctional industries program; and providing for an effective date."

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

4 \* Section 1. AS 33.32.070(a) is amended to read:

5 (a) The Correctional Industries Commission is established to provide general policy  
 6 direction to the correctional industries program through the commissioner of corrections. The  
 7 Commission consists of nine [EIGHT] members, seven [SIX] of whom shall be appointed by the  
 8 governor to serve staggered terms of four years. The appointed members must include one  
 9 representative each from manufacturing, marketing [PRIVATE INDUSTRY], agriculture, and  
 10 the general public; one ex-offender; and two representatives from organized labor, one of whom  
 11 must be from the building trades and one of whom must be from the service industries. The  
 12 representatives of manufacturing and marketing must be associated with businesses that are  
 13 affected by the correctional industries program. The commissioner of administration is also  
 14 a member, as is the commissioner of corrections who shall serve as chairperson.

1 \* Sec. 2. AS 33.32.080(b) is amended to read:

2 (b) The Correctional Industries Commission shall hold public hearings to provide an  
3 opportunity for persons or organizations who may be affected by the plans of the correctional  
4 industries program to appear and present testimony concerning those plans. The Correctional  
5 Industries Commission shall hold a hearing under this section when the correctional  
6 industries program proposes either entering into a new area of industry or expanding the  
7 scope of an existing area of industry beyond the scope considered at a previous hearing.

8 The Correctional Industries Commission shall adopt rules governing the conduct of those  
9 hearings, including provisions to assure that adequate public notice of the hearing is given before  
10 the hearing. The Correctional Industries Commission may also hold public hearings under these  
11 rules on any matter within its jurisdiction. Rules adopted under this subsection are not subject  
12 to the Administrative Procedure Act (AS 44.62).

13 \* Sec. 3. AS 39.50.200(b) is amended by adding a new paragraph to read:

14 (52) Correctional Industries Commission (AS 33.32.070).

15 \* Sec. 4. Section 7, ch. 53, SLA 1982, as amended by sec. 1, ch. 25, SLA 1987, is amended to read:

16 Sec. 7. AS 33.32 is repealed July 1, 1995 [1991].

17 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).



# Alaska State Legislature

SENATOR JIM DUNCAN

P.O. Box V JUNEAU, ALASKA 99811-3100  
(907) 465-4766

COMMITTEES:  
VICE CHAIR –  
FINANCE  
VICE CHAIR –  
STATE AFFAIRS  
RULES  
BUDGET & AUDIT  
ETHICS REFORM

To: Representative Eileen Maclean  
Co-Chair  
House Finance Committee

From: Senator Jim Duncan

Subject: Hearing for CS Senate Bill 184 (HESS)

Date: May 17, 1991

**I request the earliest possible hearing for Committee Substitute for Senate Bill 184 (HESS), An act relating to correctional industries. Intent language from the Senate Labor and Commerce Committee accompanies the legislation.**

Senate Bill 184 is an attempt to address concerns by private enterprise in our state with the Correctional Industries Program.

Section 1 amends 33.32.070(a) and adds an additional business representative to the commission. The seats are designated as manufacturing and retail and wholesale marketing and a stipulation is included that these representatives be associated with businesses impacted by the correctional industries program.

Section 2 amends AS 33.32.080(b) to add new language requiring the Commission to conduct a public hearing before it enters into a new industry or expands an existing industry.

Section 3 includes the sunset provisions incorporated from SB 227 sponsored by Senator Kerttula. In its committee substitute, the Senate Health, Education and Social Services Committee extends the life of the commission until July 1, 1995 rather than July 1, 1995.

Section 4 makes commission members subject to the state's conflict of interest laws as outlined in AS 39.50.

The Senate HESS Committee changed Section 5 in its committee substitute. This section requires the Governor to terminate the current business representative on the Commission and immediately appoint new members to represent "manufacturing" and retail and wholesale marketing.

In its deliberations, the Labor and Commerce Committee adopted intent language stating that it intends to meet with the Correctional Industry Commission and its representatives during the interim "...to ascertain compliance with the legislative intent of only instituting programs that have a minimal impact on the private sector." The intent section also calls on Correctional Industries to contract with Alaska private enterprise for the retail and wholesale of products it manufactures.

It is imperative that SB 184 be adopted this session since the Commission will sunset effective July 1 of this year without legislative action.

Your favorable consideration of my request is appreciated.

CS FOR SENATE BILL NO. 184 (HES)  
 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 5/6/91  
 Referred: Finance

Sponsor(s): SENATOR DUNCAN

A BILL

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 7 Commission consists of nine [EIGHT] members, seven [SIX] of whom shall be appointed by the  
 8 governor to serve staggered terms of four years. The appointed members must include one  
 9 representative each from manufacturing, <sup>DELETE</sup> ~~retail and wholesale~~ marketing [PRIVATE  
 10 INDUSTRY], agriculture, and the general public; one ex-offender; and two representatives from  
 11 organized labor, one of whom must be from the building trades and one of whom must be from  
 12 the service industries. The representatives of manufacturing and retail and wholesale  
 13 marketing must be associated with businesses that are affected by the correctional industries  
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15 (52) Correctional Industries Commission (AS 33.32.070).

16 \* Sec. 4. Section 7, ch. 53, SLA 1982, as amended by sec. 1, ch. 25, SLA 1987, is amended to read:

17 Sec. 7. AS 33.32 is repealed July 1, 1995 [1991].

18 <sup>T</sup>\* Sec. 5. As of the effective date of this Act, the term of the current member of the Correctional  
19 Industries Commission representing private industry under AS 33.32.070(a), before its amendment by  
20 sec. 1 of this Act, is terminated. The governor shall immediately appoint a new member to represent  
21 manufacturing and a new member to represent retail and wholesale marketing, under AS 33.32.070(a),  
22 as amended by sec. 1 of this Act. ] Delete

23 \* Sec. <sup>65</sup> ~~6~~ Except as provided in sec. 5 of this Act, ] this Act takes effect immediately under  
24 AS 01.10.070(c).



**SB 185**

**[ ] USE COMMITTEE REPORT**

(11)

Date Referred: May 17, 1991

FURTHER REFERRALS:

Date of Committee Action: 5-18-91

The FINANCE Committee considered:

CSSB 185(JUD)am

CS FOR SENATE BILL NO. 185 (JUDICIARY) am

LEGISLATIVE ETHICS

"An Act relating to conduct of legislators, legislative employees, former legislators, former legislative employees, and lobbyists, and to the Select Committee on Legislative Ethics."

**RECOMMENDATIONS:**

be replaced with HCS CSSB 185 (FIN)  the same title  a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal impact LAA

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>[Signature]</i> <small>WILSON</small>	X	<i>Carol E. [Signature]</i> <small>Phillips</small>			
<i>[Signature]</i> <small>LANDON</small>	X	<i>Ben [Signature]</i> <small>Stump</small>			
<i>[Signature]</i> <small>BARNET</small>	X	<i>Mike [Signature]</i> <small>NAVARRE</small>			
<i>[Signature]</i> <small>JORDO</small>	X	<i>Eileen P. [Signature]</i> <small>MACLENN</small>			
<i>[Signature]</i> <small>KOBOWEN</small>					
<i>[Signature]</i> <small>BROWN</small>					
<i>[Signature]</i> <small>BOYER</small>					

*[Signature]*  
CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO: HCSCS SB185(FIN)

Revision Date: \_\_\_\_\_  
Title: "An Act establishing a legislative ethics commission... for legislators...employees..."  
Sponsor: Rep. Finkelstein  
Requestor: House Rules

Department Affected: Legislative Affairs Agency  
BRU: Legislative Council  
Component: Legislators' Salaries & Allow. Council & Subcommittees & Legal Svcs.

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	48.9	48.9	48.9	48.9	48.9	48.9
TRAVEL	40.3	40.3	40.3	40.3	40.3	40.3
CONTRACTUAL	223.6	223.6	223.6	223.6	223.6	223.6
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	20.5	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>336.3</b>	<b>315.8</b>	<b>315.8</b>	<b>315.8</b>	<b>315.8</b>	<b>315.8</b>

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	336.3	315.8	315.8	315.8	315.8	315.8
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
<b>TOTAL</b>	<b>336.3</b>	<b>315.8</b>	<b>315.8</b>	<b>315.8</b>	<b>315.8</b>	<b>315.8</b>

POSITIONS:

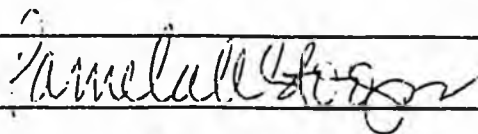
FULL-TIME	2	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary)

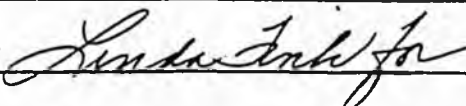
see attached 2 pages.

Prepared By: Pamela A. Stoops, Director  
Division: Administrative Services



Phone: 465-3850  
Date: 5/16/91

Approved By: Warren W. Endicott, Executive Director  
Agency: Legislative Affairs Agency



Date: 5/16/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

**CONTINUATION OF FISCAL NOTE: CSHB 4 (FIN)**

This fiscal note reflects changes in requested funding for Legislators' Salaries & Allowances, Legal Services and Ethics funding in the Council & Subcommittees component. FY 92 budget request of \$3,716,000 for Legislators' Salaries & Allowances is in addition to the requested figures in this fiscal note.

**PERSONAL SERVICES**

1. Staff is requested as follows to assist the Legislative Ethics Commission:

Executive Director - Range 24A			
	\$5,084 x 12 months =	\$61,008	
	\$61,008 x 35% benefits =	\$21,585	
		<u>\$82,593</u>	82.6
Executive Secretary - Range 15A			
	\$2,745 x 12 months =	\$32,940	
	\$32,940 x 42% benefits =	\$13,987	
		<u>\$46,927</u>	46.9
			<u>129.5</u>

The elimination of the House and Senate Ethics Committees will no longer require an attorney position from the Legal Services Division. -80.6

**TRAVEL**

2. It is anticipated there will be 6 meetings of the Legislative Ethics Commission.

6 meetings x 7 members at 3 days each			
airfare - 6 meetings x 7 members = 42 airfares			
	42 airfares x \$436 =	\$18,312	
per diem - 6 meetings x 7 members = 42			
	42 x 3 days per diem = 126		
	126 x \$95 =	\$11,970	
		<u>\$30,282</u>	30.3

3. Legislative Ethics Commission staff travel - travel for Executive Director and staff to Legislative Ethics Commission meetings and other related travel - \$10,000. 10.0

**CONTRACTUAL**

4. Professional services for contracts to investigate compliance with the Legislative Ethics Act of 1991 with outside investigators, attorneys, additional staff, etc. Training services for orientation education courses, etc. - \$30,000. 30.0

5. Lease office space funding  
1,000 sq. ft x \$2.00 sq. ft = \$2,000    \$2,000 x 12 months = \$24,000 24.0

6. Preparation & publication of the Legislative Ethics Education Manual; development and dissemination of training materials - \$15,000. 15.0

7. Phones and postage - \$800 a month x 12 months = \$9,600. 9.6

8. Elimination of funding of the House and Senate Ethics Committees - \$50,000. -50.0

CONTINUATION OF FISCAL NOTE: CSHB 4 (STA)

9. Section 9 increases the legislative office allowance from \$4,000 to \$6,000 annually - an increase of \$2,000 is calculated for each legislator -  $\$2,000 \times 60 = \$120,000$ . 120.0

10. Section 10 addresses reimbursement of supplemental office expenses. The fiscal impact of this section could vary from approximately 0 - \$120,000 depending on newsletters & allowable office expenses authorized by Legislative Council.

11. Section 13 provides for defense of Legislators and legislative employees - the following is an estimated amount in case of possible litigation - \$75,000. If this amount was not sufficient a supplemental request would be submitted. 75.0

**SUPPLIES**

12. Office Supplies - paper, stationery, etc. - \$3,000. 3.0

**EQUIPMENT**

13. 3 desks, 2 filing cabinets, bookcases, 3 chairs. 3 computers, 1 laser printer, phone system, etc. Misc. equipment to furnish Legislative Ethics Commission staff office - \$20,500. 20.5

HOUSE CS FOR CS FOR SENATE BILL NO. 185 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATE SPECIAL COMMITTEE ON ETHICS REFORM

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to current and former legislators and legislative employees, and candidates  
2 for the legislature; establishing a legislative ethics commission; and providing for an  
3 effective date."

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

5 \* Section 1. SHORT TITLE. This Act may be known as the Legislative Ethics Act of 1991.

6 \* Sec. 2. AS 24 is amended by adding a new chapter to read:

7 CHAPTER 61. LEGISLATIVE ETHICS.

8 ARTICLE 1. PURPOSE.

9 Sec. 24.61.010. PURPOSE. This chapter is enacted to

10 (1) assure the integrity of representative government and sustain the confidence  
11 and trust of the people of this state in their representatives, the legislature as a whole, and the  
12 legislative process;

13 (2) provide a comprehensive and unified statement of the ethical principles,  
14 considerations, and obligations inherent in the public trust theory of government service and

1 establish specific standards of conduct to ensure that those entrusted with public authority avoid  
2 conduct that might undermine the people's respect for the legislature; and

3 (3) establish a positive, effective, and comprehensive ethics program that is clear,  
4 practical, and fair.

## 5 ARTICLE 2. STANDARDS OF CONDUCT.

### 6 Sec. 24.61.100. IMPROPER BENEFIT FROM PERFORMANCE OF PUBLIC DUTIES.

7 A legislator or legislative employee may not solicit, agree to accept, or accept a benefit other  
8 than official compensation for the performance of public duties. This subsection may not be  
9 construed to prohibit lawful solicitation for and acceptance of campaign contributions or the  
10 acceptance of a lawful gratuity under AS 24.61.210.

11 Sec. 24.61.110. MISUSE OF STATE PROPERTY AND RESOURCES FOR PRIVATE  
12 BENEFIT. (a) A legislator or legislative employee may not use public funds, facilities,  
13 equipment, services, or another government asset or resource for a nongovernmental purpose or  
14 for the private benefit of either the legislator, legislative employee, or another person. This  
15 subsection does not prohibit

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

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

21 (3) telephone or other communications that do not carry a special charge.

22 (b) A legislator or legislative employee may not knowingly seek, accept, use, allocate,  
23 grant, or award public funds for a purpose other than that approved by law, or make a false  
24 statement in connection with a claim, request, or application for compensation, reimbursement,  
25 or travel allowances from public funds.

26 (c) A legislator or legislative employee may not require at any time or authorize on  
27 government time a legislative employee to perform personal services or assist in a private activity  
28 on government time except in unusual or infrequent situations where the person's service is  
29 reasonably necessary to permit the legislator or legislative employee to perform official duties.

30 Sec. 24.61.120. MISUSE OF STATE PROPERTY AND RESOURCES FOR POLITICAL  
31 PURPOSES. (a) A legislator or legislative employee may not use or authorize the use of state

1 funds, facilities, equipment, services, or another government asset or resource for the purpose of  
2 political fund raising or campaigning. This subsection does not prohibit

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

6 (2) the use of mailing lists, computer data, or other public information lawfully  
7 obtained from a government agency and available to the general public for nongovernmental  
8 purposes; or

9 (3) telephone or other communications that do not carry a special charge.

10 (b) A legislative employee may not on government time assist in political party or  
11 candidate activities, campaigning, or fund raising. A legislator may not require an employee to  
12 perform an act in violation of this subsection.

13 (c) Unless superseded by policies relating to the use of government resources for political  
14 purposes developed by the legislative council under AS 24.61.512 and adopted by the  
15 commission as regulations under AS 24.61.510, the following prohibitions apply:

16 (1) a legislator may not use or authorize the use of state funds, property,  
17 personnel, or other resources to produce, print, photocopy, publish, broadcast, or otherwise  
18 disseminate material primarily intended to influence an election; this provision applies to  
19 newsletters and other constituent correspondence that by their nature, content, timing, or use are  
20 primarily intended to influence an election, even if the materials do not make a specific reference  
21 to the election, but does not apply to newsletters and other constituent correspondence that  
22 express the legislator's opinions or views on issues of public interest or on ballot measures that  
23 are before the legislature or before the electorate, or that describe the legislator's votes, legislative  
24 proposals, or other legislative action;

25 (2) unless approved by the commission, state funds, other than funds to which a  
26 legislator is entitled as an office allowance, may not be used to print or distribute a mass mailing  
27 from or about a legislator who is a candidate for reelection to the legislature or another state  
28 office during the period beginning 30 days before the primary election in which the legislator is  
29 a candidate, and ending the day after a general or special election in which the legislator is a  
30 candidate; and

31 (3) a legislator, or another person on behalf of the legislator, or a campaign



1 committee of the legislator, may not distribute or post literature, placards, posters, or other  
2 communications intended to influence the election of a candidate in an election in public areas  
3 in a facility ordinarily used to conduct state government business.

4 Sec. 24.61.140. COERCION. (a) A legislator may not, directly or by authorizing  
5 another to act on the legislator's behalf, state or imply that the legislator's consideration of an  
6 issue, cause, or piece of legislation, or the legislator's willingness to meet with a person, is  
7 dependent on the person making a campaign contribution, donating to a cause favored by the  
8 legislator, or providing a thing of value to the legislator.

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

11 (1) agree to, or threaten to take or withhold a legislative, administrative, or  
12 political action, including but not limited to support or opposition to a bill, employment,  
13 nominations, and appointments, as a result of a person's decision to provide or not provide a  
14 political contribution;

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

18 Sec. 24.61.150. NEPOTISM. (a) A relative of a legislator may not be employed for  
19 compensation

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

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

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

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

24 (b) A relative of a legislative employee may not be employed for compensation in a  
25 position over which the employee has supervisory authority.

26 (c) In cases where a relative of a legislator or legislative employee is uniquely qualified  
27 to perform a task, or another extraordinary circumstance exists under which it would be in the  
28 state's interest to waive the limitation of this section, a waiver of a provision of this section may  
29 be sought under AS 24.61.530.

30 (d) A person who employs or causes the employment of another person in violation of  
31 this section is subject to civil sanctions under AS 24.61.560(a).

1 (e) In this section, "interim between legislative sessions" means the period beginning on  
2 the eighth day after the legislature adjourns from a regular session and ending eight days before  
3 the date that the legislature shall convene under AS 24.05.090; and "relative" means a member  
4 of the legislator's or legislative employee's immediate family or a person who is a legislator's  
5 or legislative employee's spousal equivalent living together in a conjugal relationship not a legal  
6 marriage with the legislator or legislative employee.

7 Sec. 24.61.170. BOARD MEMBERSHIPS AND OTHER PUBLIC OFFICES. (a) A  
8 legislative assistant may not serve in a position that requires confirmation by the legislature. A  
9 legislator or legislative assistant may serve on a board of an organization, including a  
10 governmental entity, that regularly has a substantial interest in the legislative activities of the  
11 assistant, if the legislator or assistant discloses the board membership to the commission.

12 (b) In extraordinary situations where the criteria for an exemption exists, a legislator or  
13 legislative assistant may seek a waiver of a provision of this section under AS 24.61.530.

14 Sec. 24.61.180. RESTRICTIONS ON ACTIONS. (a) Unless required by the Uniform  
15 Rules of the Alaska State Legislature, a legislator or legislative employee may not participate in  
16 legislative, administrative, or political action if the legislator or legislative employee has an equity  
17 or ownership interest in a business, investment, real property, lease, or other enterprise if the  
18 interest is substantial and the effect of the action on that interest is greater than the effect on a  
19 substantial class of persons to which the legislator or legislative employee belongs as a member  
20 of a profession, occupation, industry, or region.

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

23 Sec. 24.61.190. RESTRICTED ACTIVITIES AS AN ATTORNEY OR  
24 REPRESENTATIVE. (a) A legislator or legislative assistant may not for compensation  
25 represent, as an advocate, advisor, or consultant, a person before an agency, board, or  
26 commission of the state, unless the agency, board, or commission is acting quasi-judicially. This  
27 provision does not prohibit an attorney from representing a client in a judicial action or prevent  
28 a legislator or legislative assistant from representing personal interests. This subsection may not  
29 be construed to permit compensated representation for purposes of obtaining or retaining a state  
30 or local license, permit, franchise, grant, loan, or other benefit, unless the granting of the benefit  
31 requires little discretion.

1 (b) This section may not be construed to prohibit a legislator or legislative assistant from  
2 advising a person about the procedures or appropriateness of bringing an action against the state  
3 or a local government. If a legislator or legislative assistant in an otherwise proper manner  
4 advises a person in an action against the state or a local government or before a state or local  
5 government agency, the legislator or legislative assistant may not reveal confidential information.

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

8 Sec. 24.61.200. RESTRICTED TRANSACTIONS: INTEREST IN STATE  
9 CONTRACTS OR LEASES. (a) A legislator, a legislative assistant, or a member of the  
10 immediate family of a legislator may not be a party to, or have a financial interest in, a state  
11 contract or lease unless the contract or lease is permitted under (b), (c), or (d) of this section.

12 (b) A contract is permissible if the contract is let through competitive sealed bidding  
13 under AS 36.30 (State Procurement Code) and, if the legislator or legislative assistant is a party  
14 to or has a financial interest in the contract, the legislator or legislative assistant files a statement  
15 with the commission before the contract is executed certifying under penalty of unsworn  
16 falsification that the legislator or legislative assistant did not have (1) access to confidential  
17 information that reasonably could provide an advantage; or (2) discussions or contacts with state  
18 officials involved in letting the contract about the contract that could influence the decision. The  
19 statement must also specify the nature of the legislator's or the legislative assistant's personal  
20 interest, including the percentage or share of profits that will be realized. If the commission  
21 requests additional information necessary to determine the propriety of the award of the contract,  
22 it shall be promptly provided. If the commission believes the nature or circumstances of the  
23 contract raise impermissible conflicts of interest, it may recommend that the contract be voided  
24 or that restrictions be placed on the contractor. The statement filed by the legislator or legislative  
25 assistant regarding the contract is a public record and shall be published in the journal of the  
26 appropriate house.

27 (c) A contract or lease is permissible if the total amount of the contract or lease over the  
28 course of a year is less than \$1,000, the legislator, legislative assistant, or family member does  
29 not have contracts of less than \$1,000 that cumulatively total more than \$1,000, and the contract  
30 or lease was let under circumstances that do not raise a substantial question of improper  
31 influence.

1 (d) A contract or lease is permissible if it is a standardized contract or lease that was  
2 developed under publicly adopted regulations or procedures and is generally available to the  
3 public at large or to members of a profession, occupation, or group to which the legislator,  
4 legislative assistant, or member of the legislator's or assistant's immediate family belongs.

5 (e) A legislator or legislative assistant may not receive anything of value to procure or  
6 advocate for a contract with the state or a local government in the state.

7 Sec. 24.61.210. GIFTS. (a) A legislator or legislative employee may not solicit, accept,  
8 or receive, directly or indirectly, a gift of a benefit in any amount if the legislator or legislative  
9 employee knows or should reasonably know that it is offered with the intent to influence  
10 legislative, administrative, or political action.

11 (b) Except as provided in this subsection, a legislator or legislative employee may not  
12 solicit, accept, or receive, directly or indirectly, a gift of a benefit worth over \$50, or gifts of any  
13 value from a lobbyist during a legislative session. The following benefits may be accepted as  
14 gifts without regard to the restrictions of this subsection and need not be reported except as  
15 specifically provided:

16 (1) hospitality with incidental transportation

17 (A) at the residence of a person; or

18 (B) at a social event or meal;

19 (2) discounts that are available generally to the public or to a large class of  
20 persons to which the recipient belongs;

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

23 (4) travel and related food and lodging, primarily for the purpose of obtaining  
24 information on matters of legislative concern; gifts under this paragraph with a value of more  
25 than \$100 shall be reported to the commission;

26 (5) gifts from family members;

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

28 (7) gifts of property, other than money, presented by a representative of a foreign  
29 government if the recipient accepts the gift on behalf of the legislature; the recipient of a gift  
30 under this paragraph with a value of more than \$100 shall, within 60 days of receipt, deliver the  
31 gift to the legislative council for the purpose of displaying the gift in a public facility or selling

1 it at auction with the proceeds to go to the general fund;

2 (8) benefits received through state programs that are permissible under  
3 AS 24.61.440.

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

6 Sec. 24.61.220. RESTRICTIONS ON EARNED INCOME: OUTSIDE EMPLOYMENT  
7 AND HONORARIA; FORMER LEGISLATORS AND LEGISLATIVE ASSISTANTS. (a) A  
8 legislator or legislative assistant may not

9 (1) seek or accept compensation for personal services that involves payments that  
10 are not commensurate with the services rendered taking into account the higher rates generally  
11 charged by specialists in a profession; or

12 (2) accept a payment of anything of value, except for actual and necessary travel  
13 and lodging expenses, for an appearance or speech connected with the legislator's or legislative  
14 assistant's legislative status; any payment for an appearance or speech not connected with the  
15 legislator's or legislative assistant's legislative status must be disclosed to the commission; this  
16 paragraph does not apply to the salary paid to a legislator or legislative assistant for making an  
17 appearance or speech as part of the legislator's or legislative assistant's normal course of  
18 employment.

19 (b) A legislator or legislative assistant may not receive compensation for personal  
20 services from an entity of the state government other than the legislature except as specifically  
21 provided in this chapter or approved by the commission. A legislator or legislative assistant is  
22 not precluded by this subsection from earning compensation from a position at a state-funded  
23 school or university, provided that improper influence was not used to obtain the position.

24 (c) In extraordinary situations where the criteria for an exemption exists, a legislator or  
25 legislative assistant may seek a waiver of a provision of this section under AS 24.61.530.

26 Sec. 24.61.235. RESTRICTIONS ON FUND RAISING. (a) A candidate for the  
27 legislature, including an incumbent legislator, may not accept money from an event held within  
28 the capital city during a session of the legislature if a substantial purpose of the event is to raise  
29 money on behalf of the member for state campaign purposes or for other state legislative political  
30 purposes.

31 (b) This section does not apply to a candidate, including an incumbent legislator, seeking

1 to represent the capital city.

2 Sec. 24.61.240. ACCOUNTABILITY: WHISTLE BLOWING, AND PROTECTION OF  
3 WHISTLE BLOWERS. A legislator or legislative employee may not, directly or indirectly,  
4 subject a person who reports to the commission or another government entity conduct the person  
5 reasonably believes is a violation of this chapter or another state law, to reprisal, harassment, or  
6 discrimination. A legislative employee who is discharged, disciplined, involuntarily transferred,  
7 or otherwise penalized by a legislator or another legislative employee in violation of this  
8 subsection may

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

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

12 Sec. 24.61.250. ACCOUNTABILITY: OPENNESS AND OVERSIGHT. Legislators  
13 shall abide by AS 44.62.310 - 44.62.312 (open meetings law).

14 Sec. 24.61.260. DISCRIMINATION PROHIBITED. A legislator or legislative employee  
15 may not engage in acts of discrimination in violation of AS 18.80.220.

16 Sec. 24.61.270. PENALTIES. (a) A person who violates a provision of AS 24.61.100 -  
17 24.61.260, or a regulation adopted under AS 24.61.100 - 24.61.260, is subject to civil sanctions  
18 under AS 24.61.560(a).

19 (b) A person covered by this chapter who violates another law of the state with criminal  
20 penalties is subject to prosecution under that law in addition to civil or criminal penalties  
21 provided in this chapter.

### 22 ARTICLE 3. LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS.

23 Sec. 24.61.350. LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS. (a) A  
24 legislator or legislative employee may establish a fund to assist with the payment of attorney fees  
25 and other costs arising from the legislator's or employee's defense of a civil, criminal, or  
26 administrative action brought against the legislator or employee and directly related to acts or  
27 omissions of the legislator or employee while acting as a legislator or employee or while  
28 campaigning for elective office, or from the prosecution or defense of an administrative or  
29 judicial action concerning a contested election in which the legislator or employee is a candidate.  
30 Contributions to a fund under this section are not subject to the restrictions of AS 24.61.210.

31 (b) A legislator or legislative employee may establish a fund under this section before

1 litigation is actually commenced by or against the legislator or employee.

2 (c) The commission shall adopt regulations relating to the methods of establishing a fund  
3 under this section, the accounting requirements for a fund, the uses for which moneys from the  
4 fund may be expended, the disposition of surplus moneys in the fund, and establishing a  
5 maximum amount that a person may contribute to a fund. A person who violates these  
6 regulations is subject to civil sanctions under AS 24.61.560(a).

7 **ARTICLE 4. REQUIRED DISCLOSURE.**

8 **Sec. 24.61.400. FINANCIAL DISCLOSURE BY LEGISLATORS, LEGISLATIVE**  
9 **DIRECTORS, AND CANDIDATES FOR THE LEGISLATURE.** A legislator, a candidate for  
10 the legislature, and a legislative director shall file a disclosure statement, under oath and on  
11 penalty of perjury, with the Alaska Public Offices Commission giving the following information  
12 about the income received by them, their spouses, their dependent children, and their  
13 nondependent children who are living with them:

14 (1) the information that a public official is required to report under AS 39.50.030,  
15 except that sources of income other than gifts of \$1,000 or less and loans of \$1,000 or less need  
16 not be reported;

17 (2) as to income in excess of \$1,000 received as compensation for personal  
18 services, the name and address of the source of the income, and a statement describing the nature  
19 of the services performed; if the source of income is known or reasonably should be known to  
20 have a substantial interest in legislative, administrative, or political action and the recipient of  
21 the income is a legislator, a candidate for the legislature, or a legislative director, the amount of  
22 income received from the source shall be disclosed;

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

28 (4) gifts with a value of \$100 or more.

29 **Sec. 24.61.410. DEADLINES FOR FILING OF DISCLOSURE STATEMENTS.** A  
30 legislator and a legislative director shall file an annual report with the Alaska Public Offices  
31 Commission, covering the previous calendar year, containing the disclosures required by

1 AS 24.61.400, on or before April 15 of each year. A candidate for the legislature, including an  
2 incumbent legislator, shall file a report with the Alaska Public Offices Commission containing  
3 the disclosures required by AS 24.61.400 at the time required under AS 15.25.030 or 15.25.180,  
4 except that a candidate who has filed an annual report under this section is not required to file  
5 a second report for the same calendar year.

6 Sec. 24.61.420. ADMINISTRATION OF AS 24.61.400 - 24.61.426. The Alaska Public  
7 Offices Commission shall

8 (1) adopt regulations to implement and interpret the provisions of AS 24.61.400 -  
9 24.61.426 and 24.61.450;

10 (2) prepare standardized forms on which the statements required by AS 24.61.400  
11 shall be filed; and

12 (3) examine, investigate, and compare all reports and statements required under  
13 AS 24.61.400, and report all possible violations of this chapter it discovers to the commission.

14 Sec. 24.61.422. STATEMENTS AS PUBLIC RECORDS. A statement filed with the  
15 Alaska Public Offices Commission under AS 24.61.400 is a public record. A person is not  
16 required to comply with AS 24.61.400 to the extent that a court of competent jurisdiction of the  
17 state determines that legally privileged professional relationships or constitutional privacy  
18 considerations would be violated by compliance.

19 Sec. 24.61.424. CIVIL PENALTY FOR LATE FILING. A legislator, a candidate for  
20 the legislature, or a legislative director who fails to file a properly completed report under  
21 AS 24.61.400 is subject to a civil penalty of not more than \$10 a day for each day the  
22 delinquency continues as the Alaska Public Offices Commission determines, subject to appeal  
23 to the superior court. An affidavit stating facts in mitigation may be submitted to the Alaska  
24 Public Offices Commission by the person against whom the civil penalty is assessed. However,  
25 the imposition of the penalties prescribed in this section does not excuse the person from filing  
26 reports required by AS 24.61.400.

27 Sec. 24.61.426. REMOVAL FROM BALLOT. In addition to the sanctions described in  
28 AS 24.61.450, if the Alaska Public Offices Commission finds that a candidate for the legislature,  
29 including an incumbent legislator, has failed to file a report under AS 24.61.400 by a deadline  
30 established in AS 24.61.410, or has filed a report that is substantially incomplete or misleading,  
31 it shall notify the lieutenant governor. The lieutenant governor shall return the candidate's filing



1 fee, shall remove the candidate's name from the filing records, and may not place the candidate's  
2 name on the ballot.

3 Sec. 24.61.430. DISCLOSURE OF CLOSE ECONOMIC ASSOCIATIONS. (a) A  
4 legislator or a legislative assistant who has a close economic association with a lobbyist shall  
5 make a written disclosure of the association in confidence to the commission. The disclosure  
6 shall be made by February 15 of each year. If a legislator or legislative assistant is not in office  
7 or employed before February 15, or if the association did not exist before February 15, the  
8 disclosure shall be made within 30 days after taking office or being employed or after the  
9 creation of the association.

10 (b) The written disclosure must state the name of the persons involved, the nature of the  
11 association, and a brief narrative of the matters the legislator or legislative assistant is working  
12 on that could create an actual conflict of interest. If the commission requests additional  
13 information necessary to determine whether the nature of the association creates a conflict of  
14 interest, it shall be promptly provided.

15 (c) The commission shall make a determination as to whether the association creates a  
16 conflict of interest that warrants restrictions or disclosure. After making the determination, the  
17 commission may elect to

- 18 (1) keep the matter confidential;  
19 (2) recommend some restriction in the activities; or  
20 (3) order full or partial disclosure in the journal of the appropriate body.

21 Sec. 24.61.440. PARTICIPATION IN STATE PROGRAMS; REQUIRED  
22 DISCLOSURES. (a) A legislator or legislative employee may, without disclosure to the  
23 commission, participate in a statewide benefit program or receive a loan from the state if the  
24 program or loan is generally available to members of the public, is subject to fixed, objective  
25 eligibility standards, and requires minimal discretion in determining qualification.

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

28 (c) A legislator or legislative employee who participates in a program or receives a loan  
29 that is not exempt from disclosure under (a) of this section shall file a written report with the  
30 commission by February 15 of each year stating the amounts of the loans outstanding or benefits  
31 received during the preceding calendar year from nonqualifying programs. If the commission

1 requests additional information necessary to determine the propriety of participating in the  
2 program or receiving the loan, it shall be promptly provided. The commission shall promptly  
3 compile a list of the statements indicating the loans and programs and amounts and send it to the  
4 presiding officer of each house who shall have it published in the supplemental journals within  
5 three weeks of the filing date.

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

15 (e) If the commission determines that a legislator or legislative employee received a state  
16 benefit or loan as a result of unfair or improper influence, the commission may initiate a  
17 complaint or take other appropriate action. In addition, the commission shall refer the matter to  
18 the attorney general for action under other civil or criminal laws.

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

25 (g) In extraordinary situations where the criteria for an exemption exists, a legislator or  
26 legislative employee may seek a waiver of the disclosure requirements of this section under  
27 AS 24.61.530.

28 **Sec. 24.61.450. PROHIBITED CONDUCT RELATING TO DISCLOSURES.** (a) A  
29 person required to make a disclosure under this chapter may not knowingly make a false or  
30 deliberately misleading or incomplete disclosure to the commission or to the Alaska Public  
31 Offices Commission, or file a disclosure after a deadline set by this chapter or by a regulation

1 adopted by the commission or by the Alaska Public Offices Commission.

2 (b) A person who violates this section is subject to civil sanctions under AS 24.61.560(a),  
3 in addition to penalties that may be imposed by the Alaska Public Offices Commission under  
4 AS 24.61.424 and to removal from the ballot under AS 24.61.426.

5 ARTICLE 5. LEGISLATIVE ETHICS COMMISSION.

6 Sec. 24.61.500. LEGISLATIVE ETHICS COMMISSION ESTABLISHED. (a) The  
7 Legislative Ethics Commission is established in the legislative branch of government. The  
8 commission consists of seven members, selected as follows:

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

11 (2) one member of the house of representatives appointed jointly by the speaker  
12 of the house and the house minority leader;

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

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

16 (b) No more than one member appointed under (a)(3) and (4) of this section may be a  
17 former legislator. No more than three members of the commission may be members of the same  
18 political party.

19 (c) Commissioners described in (a)(1) and (2) of this section shall be appointed within  
20 15 days of the commencement of the first regular session of each legislature and shall serve until  
21 the commencement of the next legislature.

22 (d) Commissioners who are not legislators serve staggered terms of four years. A  
23 nonlegislator commissioner is eligible for reappointment; however, a nonlegislator commissioner  
24 may not serve more than two consecutive four-year terms. A nonlegislator commissioner whose  
25 term has expired continues in office until a successor has been appointed and certified.

26 (e) A vacancy on the commission is filled in the same manner as the original  
27 appointment to that seat on the commission. A vacancy shall be filled within 30 days after the  
28 vacancy occurs.

29 (f) The commission shall elect a chair and a vice-chair, who serve a term of two years.  
30 Neither the chair nor the vice-chair may be a legislator. An officer may not hold the same office  
31 for more than two consecutive terms. The vice-chair shall act as chair in the absence of the

1 chair.

2 (g) Except as provided in (a)(1) or (2) of this section, a commissioner may not be a  
3 legislator, a legislative employee, an elected or appointed official required to make conflict-of-  
4 interest disclosures under AS 39.50, an officer of a political party, a candidate for public office,  
5 or a registered lobbyist.

6 Sec. 24.61.502. LEGISLATIVE DECERTIFICATION OR REMOVAL FROM  
7 COMMISSION. (a) Within 45 legislative days after appointment, a commissioner appointed  
8 under AS 24.61.500(a)(3) or (4) may be decertified by a majority vote of each house of the  
9 legislature, by concurrent resolution. If the legislature adjourns from a regular session less than  
10 45 days after the appointment, the running of the 45-day period is tolled until the commencement  
11 of the next regular session. If decertified, the commissioner is disqualified and that seat on the  
12 commission is vacant.

13 (b) A commissioner may be removed from office by a vote of two-thirds of each house  
14 of the legislature, by concurrent resolution, for good cause.

15 Sec. 24.61.504. MEETINGS; COMPENSATION. (a) The commission shall meet at the  
16 call of the chair or a majority of the commissioners.

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

19 (c) The commission may meet by teleconference.

20 (d) Commissioners shall serve without compensation but are entitled to per diem and  
21 travel expenses authorized for boards and commissions under AS 39.20.180.

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

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

26 (b) The executive director may employ and determine the compensation of necessary  
27 employees, subject to the budget approved by the commission. The executive director may,  
28 subject to the approval of the commission, contract for services when those services are  
29 temporary or specialized in nature, or it is in the best interest of the state.

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

1 (d) If the commission determines that an investigation is necessary and that the  
2 investigation cannot be efficiently, promptly, or adequately handled by commission staff, the  
3 executive director shall nominate a special investigator to be appointed upon approval by the  
4 commission. The executive director shall maintain a list of individuals qualified to serve as a  
5 special investigator by virtue of their experience, reputation, likely availability, willingness to  
6 serve, and freedom from conflicts of interest.

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

9 Sec. 24.61.508. APPLICABILITY OF CHAPTER TO COMMISSIONERS AND  
10 EMPLOYEES; OTHER RESTRICTIONS. (a) Commissioners who are not legislators, and  
11 employees of the commission, including persons employed or under contract as legal counsel or  
12 special investigators, are subject to this chapter and shall be held accountable to the same  
13 standards and requirements, including disclosure, as legislative assistants.

14 (b) A commission employee, including a person who provides personal services under  
15 a contract with the commission, may not be a legislator, a legislative employee, an elected or  
16 appointed official of a state or local governmental entity, an officer of a political party, a  
17 candidate for public office, or a registered lobbyist.

18 (c) In addition to the requirements of this chapter, a commissioner who is not a legislator,  
19 an employee of the commission, or a person under contract to provide personal services to the  
20 commission may not

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

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

25 (A) a candidate for the legislature;

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

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

30 (3) participate in lobbying activities that would require the person to register as  
31 a lobbyist except as required to inform the legislature concerning legislation requested by the

1 commission or other matters related to the commission; or

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

5 (d) A violation or alleged violation of (b) or (c) of this section shall be treated as any  
6 other violation of this chapter and shall be dealt with by the commission accordingly. During  
7 the pendency of a complaint against a commissioner, commission employee, or commission  
8 contractor, the person complained against may not participate in official action of the  
9 commission.

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

12 Sec. 24.61.510. GENERAL POWERS AND DUTIES OF THE COMMISSION. (a) The  
13 commission shall

14 (1) administer the provisions of this chapter, including the adoption of regulations  
15 that the commission is required to adopt;

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

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

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

22 (5) investigate and adjudicate complaints and recommend disciplinary actions to  
23 the legislature;

24 (6) carry out the educational programs that are required by this chapter and  
25 additional programs it considers necessary to effectuate the policy and purposes of this chapter;

26 (7) prepare and distribute an ethics education manual for legislators, legislative  
27 employees, and registered lobbyists;

28 (8) design and implement voluntary ethics education courses for legislators,  
29 legislative employees, and registered lobbyists;

30 (9) mail by certified mail a copy of this chapter to a candidate for the legislature  
31 upon the receipt of notice of the candidate's declaration of candidacy under AS 15.25.030 or

1 petition under AS 15.25.180;

2 (10) prepare a biennial report to the legislature summarizing its activities over the  
3 previous two years, evaluating the effectiveness of this chapter in accomplishing its stated  
4 purposes, and recommending legislative reforms it thinks necessary to improve the administration  
5 of this chapter and to better advance its goals.

6 (b) The commission may

7 (1) adopt additional regulations to interpret and implement this chapter;

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

10 (c) In adopting regulations under (a) and (b) of this section, the commission shall follow  
11 procedures that are, to the extent practicable, consistent with AS 44.62 (Administrative Procedure  
12 Act). The commission shall submit its adopted regulations to the legislative council. Regulations  
13 adopted by the commission do not take effect until 60 days after submission.

14 Sec. 24.61.512. REGULATIONS CONCERNING USE OF PUBLIC RESOURCES. The  
15 legislative council shall develop and recommend for adoption by the commission detailed  
16 regulations relating to the use of government property, resources, and personnel.

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

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

25 (1) the opinions given are not necessarily those of the commission;

26 (2) although the advice is given in good faith, the person seeking the advice relies  
27 on it at the person's own risk; and

28 (3) the advice is not binding upon the commission.

29 Sec. 24.61.525. FORMAL BINDING ADVISORY OPINIONS. (a) The commission  
30 may issue a formal written advisory opinion on its own initiative, on the request of a person to  
31 whom this chapter applies, or on the request of a person elected to the legislature who at the time

1 of election is not a member of the legislature.

2 (b) Requests for written advisory opinions must be in writing and set out with reasonable  
3 specificity the facts and circumstances of a real or hypothetical case.

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

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

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

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

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

20 (h) The commission and all commission employees shall keep confidential the identity  
21 of the requester and all information conveyed orally or in writing relating to the request, unless  
22 the requester authorizes the commission to make public the requester's identity or the information  
23 conveyed.

24 (i) Advisory opinions issued by the commission are public records. If the requester of  
25 the opinion has not waived confidentiality under (h) of this section, the advisory opinion shall  
26 be written so that the identity of the requester cannot be ascertained.

27 Sec. 24.61.527. USE OF INFORMATION SUBMITTED WITH REQUEST FOR  
28 ADVICE. The commission may not bring a complaint against a person based upon information  
29 voluntarily given to the commission by the person in connection with a good faith request for  
30 advice under AS 24.61.520 or 24.61.525, and may not use that information against the person  
31 in a proceeding under AS 24.61.535 - 24.61.555. This subsection does not preclude the



1 commission from acting on a complaint concerning the subject of a person's request for advice  
2 if the complaint is brought by another person, or if the complaint arises out of conduct taking  
3 place after the advice is requested, and does not preclude the commission from using information  
4 or evidence obtained from an independent source, even if that information or evidence was also  
5 submitted with a request for advice.

6 Sec. 24.61.530. EXEMPTIONS PROCESS. (a) In situations in which principles of  
7 fundamental fairness are best served by exempting certain individuals or acts from specified  
8 provisions of this chapter, the commission may grant full or partial exemptions. The commission  
9 shall provide a simple form for petitions for exemptions.

10 (b) The commission may grant an exemption upon a finding that the petitioner has shown  
11 that the

12 (1) harm caused by strict application of this chapter substantially outweighs the  
13 benefit of its enforcement in the particular situation;

14 (2) application of the regulation or provision under the circumstances presented  
15 would be inconsistent with the spirit and purpose of the regulation or provision or of this chapter  
16 as a whole; or

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

19 (c) The commission may request or permit the appearance of the petitioner before the  
20 commission, in person or by teleconference, and hold hearings regarding the exemption request.

21 (d) Unless a shortened or expanded time is considered necessary or appropriate by the  
22 commission, decisions on petitions for exemptions shall be made within 30 days after filing of  
23 the petition. Unless the petitioner consents, extensions of time ordered by the commission may  
24 not exceed an additional 60 days.

25 Sec. 24.61.535. INITIATING INVESTIGATORY AND ADJUDICATORY PROCESSES.

26 (a) A complaint alleging a violation of this chapter may be initiated by any person or by the  
27 commission on its own motion. The commission shall provide a simple form for complaints.  
28 A complaint must include

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

30 (2) a statement of the facts known or believed to be true that form the basis of  
31 the complaint and the sources of the information, including the approximate dates of the acts

1 alleged and names and addresses of persons with personal knowledge of the facts alleged; and  
2 (3) a certification that the complainant verifies under penalty of unsworn  
3 falsification that the facts stated are true to the best of the complainant's knowledge and that the  
4 complainant knows that it is a crime under AS 11.56.805 to intentionally initiate a false  
5 complaint.

6 (b) Unless the chair of the commission concludes that immediate notification would  
7 prejudice a preliminary investigation or subject the complainant to an unreasonable risk, a copy  
8 of the complaint shall be sent to the person charged with misconduct within two working days.  
9 If the matter is to be kept from the respondent for more than 10 days, a majority of the  
10 commission must approve the delay in notification and establish the conditions under which the  
11 respondent will be informed of the complaint.

12 (c) Until a preliminary finding on the validity of a complaint has been properly made,  
13 the existence and substance of a complaint shall be kept confidential except that all members of  
14 the commission and necessary staff may be informed about it.

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

18 (e) Once a complaint has been determined to be formally sufficient, commission staff  
19 shall evaluate the complaint and advise the chair as to its opinion as to whether it states a valid  
20 complaint that should be investigated. If the executive director is a member of the bar, the  
21 executive director may provide the advice. Otherwise, the executive director shall appoint a duly  
22 qualified legal counsel to assist in making the determinations required under this subsection. To  
23 be valid, the complaint must allege

24 (1) facts that, if true, establish a violation of a provision of this chapter for which  
25 civil or administrative sanctions are authorized;

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

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

28 (B) if the person charged with misconduct intentionally concealed or  
29 otherwise sought to prevent discovery of the relevant facts, within one year of the  
30 discovery of the relevant facts and within eight years of the complaint; and

31 (3) that the person charged with misconduct is a legislator or legislative employee

1 at the time of the filing of the complaint.

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

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

16 (h) If the commission concludes that some or all of the allegations of the complaint, if  
17 proven, would constitute a violation of this chapter, or if the commission has initiated the  
18 complaint, the complaint shall be certified and a factual investigation shall commence. The  
19 record of certification for further consideration is confidential subject to subsequent actions that  
20 may make it part of the public record.

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

24 (b) Before commencing an investigation, the commission shall adopt a written resolution  
25 defining the scope of the investigation, a copy of which shall be supplied to both the complainant  
26 and respondent. If, during the investigation, additional facts are discovered that justify an  
27 expansion of the investigation and the possibility of additional charges beyond those alleged in  
28 the complaint, the resolution shall be amended accordingly with copies sent to respondent. The  
29 resolution, and the fact that an investigation has been undertaken, shall be kept confidential by  
30 the commission except that, upon inquiry, the commission may verify that it is investigating a  
31 complaint along with a statement that no finding of probable cause has been made and that no

1 adverse inference of impropriety or guilt should be drawn from the decision to investigate.  
2 Additional facts concerning the nature or results of the investigation may not be revealed except  
3 as provided in AS 24.61.545 after a determination of probable cause has been made.

4 (c) A legislator or a legislative employee may request in writing that the commission  
5 investigate charges of impropriety made against the legislator or legislative employee. The  
6 request must state with specificity the nature of the investigation requested. If the commission  
7 agrees to undertake an investigation, the investigation is not necessarily limited in scope by the  
8 request and, once begun, it shall be handled as any other investigation, with the person requesting  
9 the investigation formally treated as a respondent.

10 (d) An investigation is conducted by the commission staff, and if the commission  
11 determines it is necessary, by outside counsel and investigators. The purpose of the investigation  
12 is to determine whether there is probable cause to proceed with a full adjudicatory hearing.

13 (e) The person conducting the investigation may order a hearing and subpoena witnesses  
14 and documents, conduct depositions under oath, require the participation of the respondent, and  
15 issue interrogatories to be answered under oath. An oral or written statement, whether  
16 incriminatory or exculpatory, may not be considered in the investigator's report unless made  
17 under oath. The respondent shall be given an adequate opportunity to provide testimonial and  
18 documentary evidence.

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

26 Sec. 24.61.545. PROBABLE CAUSE DETERMINATION. (a) The commission shall  
27 consider the investigator's report in closed session. It shall determine whether there is credible  
28 evidence that would give a reasonable person probable cause to believe that a violation of a  
29 provision of this chapter for which civil or administrative sanctions are authorized has occurred.

30 (b) If the commission does not find probable cause under (a) of this section, it shall  
31 dismiss the complaint and so notify the complainant and respondent with a notice of dismissal,

1 stating in detail the reason for dismissal. If the commission finds that the charges were frivolous,  
2 malicious, made in bad faith, or that, in its opinion the respondent should be exonerated of the  
3 charges, it shall so state in the notice of dismissal. If the commission finds that the credible  
4 evidence, though not giving rise to probable cause, does suggest the violation of other provisions  
5 of law, it shall so state and may forward the complaint and its report to the appropriate  
6 enforcement body for disposition.

7 (c) The notice of dismissal under (b) of this section and the investigator's report under  
8 AS 24.61.540(f), but not the underlying investigatory materials, shall be made public unless the  
9 commission determines that this would unfairly prejudice either the respondent or complainant.  
10 This subsection may not be construed to prevent either the complainant or respondent from  
11 making the notice of dismissal and the report public.

12 (d) If the commission finds probable cause under (a) of this section, it shall serve on the  
13 respondent, in a manner consistent with the service of summons under the rules of civil  
14 procedure, a formal charge stating the specific allegations and containing a proposed date for an  
15 adjudicatory hearing under AS 24.61.550.

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

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

27 (g) Upon determining that probable cause exists under (a) of this section, the commission  
28 shall make public the investigator's report containing findings and recommendations, but not the  
29 underlying investigatory materials.

30 Sec. 24.61.550. ADJUDICATORY HEARING. (a) An adjudicatory hearing shall be  
31 before a hearing board composed of the commission chair and four commissioners appointed by

1 the chair. If the chair cannot attend all hearing sessions without undue inconvenience, the vice-  
2 chair shall serve in the chair's place. If neither the chair nor the vice-chair is available, the chair  
3 shall appoint another commissioner. Appointments to hearing boards shall be rotated among the  
4 commissioners.

5 (b) The chair, vice-chair, or a commissioner designated by the chair, as appropriate, shall  
6 preside at the hearing. The executive director or other legal counsel designated by the  
7 commission may attend and advise and counsel the hearing board.

8 (c) An adjudicatory hearing shall be public under AS 44.62.310. A hearing may not be  
9 held by teleconference. Except as expressly provided in this chapter, procedures shall be  
10 consistent with hearing procedures under AS 44.62.330 - 44.62.630. Upon request, the presiding  
11 commissioner may issue reasonable discovery and protective orders in a manner consistent with  
12 Rule 26 of the Alaska Rules of Civil Procedure.

13 (d) A hearing board may

14 (1) administer oaths and affirmations and subpoena individuals, including the  
15 respondent, to testify or to submit to written interrogatories under oath;

16 (2) compel the production of documentary or tangible evidence;

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

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

21 (e) The respondent may

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

23 (2) personally, or through counsel, request production of documentary or tangible  
24 evidence, subpoena, examine, and cross-examine witnesses, raise objections, and make arguments;

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

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

31 (b) As to each charge on which the evidence was found to be insufficient to establish a

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

5 (c) As to each charge on which the evidence was found to be sufficient to establish a  
6 violation, the hearing board shall include its findings of fact and law in its written opinion, along  
7 with recommendations as to appropriate sanctions.

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

12 (1) a civil penalty of not more than \$5,000 for each offense, or twice the amount  
13 improperly gained by the misconduct, whichever is greater;

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

15 (3) detailed disclosure, with or without additional periodic reporting requirements;

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

17 (5) restitution or reimbursement;

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

19 (7) probationary status;

20 (8) a written reprimand;

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

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

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

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

27 (b) If the commission finds that a violation of AS 24.61.100 - 24.61.450 contributed  
28 substantially to the enactment of legislation or to other legislative action, the commission may  
29 recommend to the presiding officer of each house that the legislation be repealed or amended or  
30 that the other legislative action be rescinded or modified.

31 Sec. 24.61.565. RECOMMENDATIONS TO THE LEGISLATURE WHERE VIOLATOR

1 IS A LEGISLATOR. (a) If the person found to have violated this chapter is or was a member  
2 of the legislature, the hearing board's recommendations shall be forwarded by the chair of the  
3 commission to the presiding officer of the appropriate house of the legislature.

4 (b) If the legislature is in session, the entire house shall determine the sanctions, if any,  
5 that are to be imposed. The vote shall be taken within 10 legislative days of receipt of the  
6 commission's recommendations.

7 (c) If the legislature is not in session, the presiding officer of the appropriate house may  
8 request the legislature to consider convening itself into special session under AS 24.05.100(a)(2)  
9 to consider the hearing board's recommendations. If expulsion is recommended, the presiding  
10 officer shall so request. If the legislature does not convene itself into special session, the  
11 appropriate house shall consider the recommendations during the first 10 days of the next regular  
12 session.

13 (d) Except in the case of expulsion, which requires a two-thirds vote, all other sanctions  
14 shall be determined by a majority vote of the full house of which the legislator is a member.

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

22 Sec. 24.61.575. ACTIONS BY THE ATTORNEY GENERAL. The attorney general may  
23 independently bring civil actions relating to violations under this chapter regardless of the  
24 outcome or settlement of a charge before the commission, provided that the cumulative civil  
25 penalties imposed for a violation may not exceed the amount that could be imposed in an action  
26 before the commission. This subsection does not prohibit the attorney general from bringing an  
27 action under another civil or criminal law.

28 Sec. 24.61.580. WAIVER OF CONFIDENTIALITY. (a) The subject of a complaint  
29 may waive any provision of AS 24.61.535 - 24.61.550 relating to the confidentiality of the  
30 proceedings. However, the commission or the hearing board may vote to deliberate in closed  
31 session, notwithstanding a request by the complainant under this subsection.



1 (b) The commission may publicly respond to a statement or interpretation made  
2 concerning the contents of an advisory opinion or decision it has issued or is purported to have  
3 issued. A person who requests an advisory opinion and makes that fact public is considered to  
4 have waived the confidentiality of the person's identity.

5 ARTICLE 6. GENERAL PROVISIONS.

6 Sec. 24.61.900. RELATIONSHIP TO COMMON LAW AND OTHER LAWS. (a) The  
7 provisions of this chapter specifically replace, supersede, and where necessary repeal provisions  
8 of the common law relating to legislative conflict of interest.

9 (b) This chapter does not exempt a person from applicable provisions of another law  
10 unless the law is expressly superseded or incompatibly inconsistent with specific provisions of  
11 this chapter.

12 Sec. 24.61.910. APPLICABILITY. Unless otherwise specifically stated, the provisions  
13 of this chapter apply to legislators and legislative employees.

14 Sec. 24.61.920. MAINTENANCE OF DOCUMENTS. Documents filed with or produced  
15 by the commission as public records shall be retained for at least six years.

16 Sec. 24.61.930. COOPERATION OF OTHERS. If the commission requests their  
17 cooperation, a state agency, official, employee, or a person whose conduct is regulated by this  
18 chapter shall cooperate with the commission. An individual shall make information reasonably  
19 related to an investigation available to the commission on written request. The commission may  
20 request and shall receive from every officer, department, division, board, agency, commission,  
21 house of the legislature, or other agency of the state, cooperation and assistance in the  
22 performance of its duties.

23 Sec. 24.61.940. CONFIDENTIALITY. A person subject to the provisions of this chapter  
24 may not knowingly make an unauthorized disclosure of confidential information acquired in the  
25 course of official duties. A person who violates this section is subject to civil sanctions under  
26 AS 24.61.560(a) and may be subject to prosecution under AS 11.56.860 or another law.

27 Sec. 24.61.990. DEFINITIONS. (a) In this chapter,

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

1 (2) "anything of value," "benefit," or "thing of value" includes all matters, whether  
2 tangible or intangible, that could reasonably be considered to be a material advantage, of material  
3 worth, use, or service to the person to whom it is conferred; the terms are intended to be  
4 interpreted broadly and encompass all matters that the recipient might find sufficiently desirable  
5 to do something in exchange for;

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

- 8 (i) money;
- 9 (ii) products or merchandise;
- 10 (iii) works of art or collectibles;
- 11 (iv) stocks, bonds, notes, or options;
- 12 (v) an interest in real property;
- 13 (vi) contracts or a promise of a future interest in a contract;
- 14 (vii) an interest or a promise of a future interest 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 public generally;
- 21 (xiv) tickets or admissions;
- 22 (xv) free or discounted use of office facilities;
- 23 (xvi) loan of office equipment;
- 24 (xvii) radio or television time;
- 25 (xiii) promise or offer of present or future employment;
- 26 (xix) use of autos, boats, apartments, or other recreational or  
27 lodging facilities;
- 28 (xx) intangible rights such as a cause of action;
- 29 (xxi) licenses, patents, copyrights, or an interest in them;
- 30 (xxii) any other item having economic value;

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

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(i) an item listed in AS 24.61.210(b);

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

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

(iv) grants under AS 37.05.316 to named recipients;

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

(4) "close economic association" means a financial relationship that exists between a person covered by this chapter and some other person or entity, including but not limited to relationships where the person covered by this chapter serves as a consultant or advisor to, is a member or representative of, or has a financial interest in, any association, partnership, business, or corporation;

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

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

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

(8) "exonerate" means to free from a charge or the imputation of guilt, or to prove blameless;

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

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

(11) "income" means gross income as defined in 26 U.S.C. 61 in effect on January 1, 1990, and all gifts, awards, and inheritances;

(12) "intent to influence legislative, administrative, or political action" means that an act, including the offering or conferring of a thing of value to a public official, is done with

1 the intent to induce the official to do or refrain from doing an act;

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

3 (14) "legislative action" means conduct relating to the development, drafting,  
4 consideration, sponsorship, enactment or defeat, support or opposition to or of a law, amendment,  
5 resolution, report, nomination, or other matter affected by legislative action or inaction;

6 (15) "legislative assistant" means a legislative employee whose assigned duties  
7 involve the exercise of substantial discretion and judgment; it does not include employees who  
8 perform purely clerical or ministerial functions; the legislative council shall propose policies  
9 relating to the interpretation of this definition, and the commission shall consider the adoption  
10 of these guidelines as regulations;

11 (16) "legislative director" means the director of the legislative finance division,  
12 the legislative auditor, the director of the legislative research agency, the ombudsman, the  
13 executive director of the Legislative Affairs Agency, and the directors of the divisions within the  
14 Legislative Affairs Agency;

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

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

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

31 (20) "political action" means conduct in which public officials, including

1 legislators or legislative employees, use their official position or political contacts to exercise  
2 influence on state and local government employees or entities; it includes but is not limited to  
3 endorsing and pledging support or actively supporting a legislative matter, a nominee, or a  
4 candidate for public office;

5 (21) "reasonably should know" means that, under the circumstances, a reasonable  
6 person would know a fact;

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

9 (23) "representation" means action taken on behalf of another, whether for  
10 compensation or not, including but not limited to telephone calls and meetings and appearances  
11 at proceedings or meetings.

12 (b) A person, including a governmental entity, has a substantial interest in legislative,  
13 administrative, or political action if the person

14 (1) is not a natural person and will be directly and substantially affected  
15 financially by a legislative, administrative, or political action;

16 (2) is a natural person and will be directly and substantially affected financially  
17 by a legislative, administrative, or political action in a way that is greater than the effect on a  
18 substantial class of persons to which the person belongs as a member of a profession, occupation,  
19 industry, or region;

20 (3) has or seeks contracts in excess of \$10,000 annually for goods or services with  
21 the legislature or with an agency of state government;

22 (4) is a lobbyist;

23 (5) represents, with or without compensation, a person or organization described  
24 in (1) - (4) of this section; or

25 (6) is not the state or federal government or an agency of the state or federal  
26 government.

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

28 (a) A person commits the crime of false accusation if the person knowingly or  
29 intentionally initiates a false complaint with the [SELECT COMMITTEE ON] Legislative Ethics  
30 Commission established under AS 24.61 [IN AS 24.60].

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

1 (b) A person filing a declaration of candidacy under this section other than for a state  
2 legislative office shall simultaneously file with the director a statement of income sources and  
3 business interests that complies with the requirements of AS 39.50. A person filing a  
4 declaration of candidacy for state legislative office shall simultaneously file with the director  
5 a disclosure statement that complies with the requirements of AS 24.61.400.

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

7 (c) An incumbent public official, other than a legislator, who has a current statement  
8 of income sources and business interests under AS 39.50 on file with the Alaska Public Offices  
9 Commission, or an incumbent legislator who has a current disclosure statement under  
10 AS 24.61.400 on file with the Alaska Public Offices Commission, is not required to file a  
11 statement of income sources and business interests or a disclosure statement with the  
12 declaration of candidacy under (b) of this section.

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

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

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

21 (c) An incumbent public official, other than a legislator, who has a current statement  
22 of income sources and business interests under AS 39.50 on file with the Alaska Public Offices  
23 Commission, or an incumbent legislator who has a current disclosure statement under  
24 AS 24.61.400 on file with the Alaska Public Offices Commission, is not required to file a  
25 statement of income sources and business interests or a disclosure statement with the  
26 declaration of candidacy under (b) of this section.

27 \* Sec. 8. AS 23.20.526(d)(8) is amended to read:

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

30 (A) as a "public official" as defined in AS 39.50.200(a), [OR] any other  
31 elected official, the fiscal analyst of the legislative finance division, the legislative

1 auditor of the legislative audit division, the executive director of the Legislative  
2 Affairs Agency, and the directors of the divisions within the Legislative Affairs  
3 Agency;

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

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

8 \* Sec. 9. AS 24.10.110 is amended to read:

9 Sec. 24.10.110. LEGISLATIVE OFFICE ALLOWANCE [ADDITIONAL  
10 ALLOWANCES]. In addition, each member of the legislature is entitled to an annual allowance  
11 of \$6,000 [PRESCRIBED IN ACCORDANCE WITH AS 39.23] for postage, stationery,  
12 stenographic services, and other expenses.

13 \* Sec. 10. AS 24.10 is amended by adding a new section to read:

14 Sec. 24.10.111. SUPPLEMENTAL OFFICE EXPENSES. (a) A legislator may be  
15 reimbursed for lawful legislative expenses to supplement the allowance prescribed by  
16 AS 24.10.110 and the resources generally provided to legislators by the legislature and its  
17 agencies.

18 (b) The legislative council shall, within 10 days of the beginning of a regular session of  
19 the legislature in an odd-numbered year, set a maximum amount up to \$2,000 that may be  
20 reimbursed under (a) of this section. If the council does not set a maximum amount under this  
21 section, the previously established maximum amount remains in effect. The council may vary  
22 the maximum amount according to the number of constituents a legislator represents.

23 (c) Expenses relating to newsletters may be reimbursed under this section only if the  
24 newsletter complies with guidelines on newsletters that the legislative council shall adopt and  
25 with the provisions of AS 24.61.

26 \* Sec. 11. AS 24.10 is amended by adding new sections to read:

27 ARTICLE 5. DEFENSE OF LEGISLATORS AND LEGISLATIVE EMPLOYEES.

28 Sec. 24.10.300. DEFENSE OF LEGISLATORS AND LEGISLATIVE EMPLOYEES.

29 (a) Except as otherwise provided in AS 24.10.300 - 24.10.400 and after written request of a  
30 legislator or legislative employee, the Legislative Affairs Agency shall represent the legislator  
31 or legislative employee

1 (1) in a civil or criminal action brought against the legislator or employee because  
2 of an act or omission that occurred within the scope of the legislator's service with or the  
3 employee's employment by the legislature;

4 (2) before a civil or criminal action is filed if the filing of a civil or criminal  
5 action against the legislator or employee is threatened or likely because of an act or omission that  
6 occurred within the scope of the legislator's service with or the employee's employment by the  
7 legislature.

8 (b) The Legislative Affairs Agency may not represent a legislator or a legislative  
9 employee under (a) of this section if the executive director of the Legislative Affairs Agency  
10 determines that

11 (1) the act or omission was not within the scope of the legislator's service or  
12 employee's employment, unless an arbitrator determines under AS 24.10.310 that the act or  
13 omission was within the scope of service or employment;

14 (2) the agency's defending the action would create a conflict of interest between  
15 the legislature and the individual legislator or employee; or

16 (3) the legislator or employee is covered by insurance that requires the carrier to  
17 provide an attorney to defend the action.

18 (c) The Legislative Affairs Agency may refuse to represent a legislator or legislative  
19 employee under (a) of this section if the legislator or employee fails to deliver to the executive  
20 director of the Legislative Affairs Agency a legible copy of the pleading that states the claim  
21 against the legislator or employee within 10 days after the legislator or employee receives it.

22 (d) The Legislative Affairs Agency shall provide representation under this section by its  
23 own staff or by private counsel who is under contract with the agency.

24 Sec. 24.10.310. SCOPE OF EMPLOYMENT; ARBITRATION. If the Legislative Affairs  
25 Agency denies representation under AS 24.10.300(b)(1), the legislator or legislative employee  
26 may request arbitration under AS 09.43 on the issue of whether the act or omission was within  
27 the scope of the legislator's service with or employee's employment by the legislature. The  
28 arbitrator's decision under this subsection does not affect the Legislative Affairs Agency's duty  
29 of reimbursement under AS 24.10.330, legislator's or employee's duty of reimbursement under  
30 AS 24.10.340, or the rights or duties of any other person. The method of appointment of the  
31 arbitrator is governed by the rules of the American Arbitration Association.



1           Sec. 24.10.320. CONFLICT; PAYMENT OF FEES BY THE LEGISLATIVE AFFAIRS  
2 AGENCY. If the executive director of the Legislative Affairs Agency determines that there is  
3 a conflict of interest between the legislature and the individual legislator or legislative employee  
4 and that representation would otherwise be authorized by AS 24.10.300, the Legislative Affairs  
5 Agency shall pay for reasonable attorney fees and costs necessary for the defense of the legislator  
6 or employee. However, the agency shall consult in advance with the prospective attorney for the  
7 legislator or employee about the amount of payment and shall inform the legislator or employee  
8 in writing of the maximum amount agreed to by the agency. Within 30 days after receiving the  
9 agency's written notification of the maximum payable, the legislator or employee may request  
10 arbitration under AS 09.43 for the purpose of determining a reasonable maximum amount of  
11 payment. The amount payable by the agency is the amount decided by the arbitrator or the  
12 amount originally set by the agency after consultation, whichever is greater. If arbitration is  
13 requested, the method of appointment of the arbitrator is governed by the rules of the American  
14 Arbitration Association.

15           Sec. 24.10.330. REIMBURSEMENT BY LEGISLATIVE AFFAIRS AGENCY. The  
16 Legislative Affairs Agency shall reimburse a legislator or legislative employee for reasonable  
17 attorney fees and costs incurred in defense of an action to the extent the agency failed to  
18 represent the legislator or employee in that action

19                     (1) under AS 24.10.300(b)(1), and it is judicially determined that the act or  
20 omission was within the scope of legislative service or employment; or

21                     (2) under AS 24.10.300(b)(3), and it is judicially determined that the legislator  
22 or employee was not covered by insurance that required the carrier to provide an attorney to  
23 defend the action.

24           Sec. 24.10.340. REIMBURSEMENT BY LEGISLATOR OR EMPLOYEE. If the  
25 Legislative Affairs Agency represents a legislator or legislative employee in a civil action under  
26 AS 24.10.300, and it is judicially determined that the legislator's or employee's act or omission  
27 involved actual fraud, wilful misconduct, or actual malice, or if the agency represents a legislator  
28 or employee in a criminal action under AS 24.10.300 and the legislator or employee is found  
29 guilty, the legislator or employee is liable to the agency for the reasonable attorney fees and costs  
30 incurred or paid by the agency for the defense of the legislator or employee in that action.

31           Sec. 24.10.350. RESERVATION OF RIGHTS BY THE LEGISLATIVE AFFAIRS

1 AGENCY. The Legislative Affairs Agency reserves the right to determine whether it will  
2 indemnify a legislator or legislative employee who is defended under AS 24.10.300 - 24.10.400  
3 if a judgment is rendered against the legislator or employee.

4 Sec. 24.10.360. INADMISSIBILITY OF DECISION. The Legislative Affairs Agency's  
5 decision not to represent a legislator or legislative employee and an arbitrator's decision under  
6 AS 24.10.310 are inadmissible in the action for which representation was denied.

7 Sec. 24.10.400. DEFINITIONS. In AS 24.10.300 - 24.10.400,

8 (1) "action" includes a civil action and a criminal action;

9 (2) "civil action" includes a claim against a legislator made by cross-claim,  
10 counterclaim, or third-party claim;

11 (3) "legislator" means a present or former legislator;

12 (4) "legislative employee" means a present or former employee of a legislator or  
13 of any agency in the legislative branch of government.

14 \* Sec. 12. AS 24.40.010 is amended to read:

15 AS 24.40.010. IMMUNITIES. A legislator may not be held to answer before another  
16 [ANY OTHER] tribunal for a [ANY] statement made at any time regarding the meaning of  
17 or legislative intent behind a statute or resolution that was enacted by a legislature of which  
18 the legislator was a member or made in the exercise of legislative duties while the legislature  
19 is in session. A member attending, going to, or returning from legislative sessions is not subject  
20 to civil process and is privileged from arrest except for felony or breach of the peace. The  
21 immunities provided in this section extend to a legislator attending, going to, or returning from  
22 a meeting of an interim standing or special committee of the legislature of which the legislator  
23 is a member. For the purposes of going to and returning from a session or meeting, the  
24 immunities provided extend to a legislator for a period of five days immediately preceding and  
25 following the legislator's attendance at the session or meeting.

26 \* Sec. 13. AS 24.45.121 is amended by adding a new subsection to read:

27 (c) A former legislator may not act as a lobbyist until the conclusion of the next full  
28 regular legislative session following the legislator's departure from office.

29 \* Sec. 14. AS 24.45.171(12) is amended to read:

30 (12) "public official" or "public officer" means a public official as defined in  
31 AS 39.50.200(a), a member of the legislature, or a legislative director as defined in

1 AS 24.61.990(a); however, it does not include a judicial officer or an elected or appointed  
2 municipal officer.

3 \* Sec. 15. AS 39.25.110 is amended by adding a new paragraph to read:

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

5 \* Sec. 16. AS 39.50.020 is amended to read:

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

24 (b) The governor, lieutenant governor, [MEMBERS OF THE LEGISLATURE,] judicial  
25 officers, each commissioner, head or deputy head of, or director of a division within, a  
26 department in the executive branch, assistant to the governor or chair [CHAIRMAN] or member  
27 of a commission or board required to report under this chapter, shall file the statement with the  
28 Alaska Public Offices Commission. Candidates for the office of governor and [,] lieutenant  
29 governor [, AND THE LEGISLATURE] shall file the statement under AS 15.25.030 or  
30 15.25.180. Municipal officers, and candidates for elective municipal office, shall file with the  
31 municipal clerk or other municipal official designated to receive their filing for office. All

1 statements required to be filed under this chapter are public records.

2 \* **Sec. 17.** AS 39.50.200(a)(8) is amended to read:

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

12 \* **Sec. 18.** AS 39.52.910(a) is amended to read:

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

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

19 \* **Sec. 20.** INITIAL COMMISSION APPOINTMENTS. (a) Notwithstanding AS 24.61.500(d), as  
20 added by sec. 2 of this Act, the terms of the members initially appointed to the Legislative Ethics  
21 Commission are as follows:

22 (1) one of the members appointed by the supreme court and one of the members  
23 appointed by the Legislative Ethics Commission, determined by lot, serve terms of four years;

24 (2) the other member appointed by the supreme court serves a term of three years;

25 (3) one of the members appointed by the Legislative Ethics Commission, determined by  
26 lot, serves a term of two years;

27 (4) the third member appointed by the Legislative Ethics Commission serves a term of  
28 one year.

29 (b) A member serving a one-year or two-year term under this section is eligible for  
30 reappointment to two consecutive four-year terms. A member serving a three-year term under this  
31 section may not be reappointed to two consecutive four-year terms.

1 \* **Sec. 21. TRANSITIONAL PROVISIONS RELATING TO VIOLATIONS OF FORMER AS 24.60.**  
2 Notwithstanding the repeal of AS 24.60 by sec. 19 of this Act, in addition to the provisions of AS 24.61,  
3 as added by sec. 2 of this Act, the Legislative Ethics Commission may consider complaints alleging  
4 violations of AS 24.60 that occurred prior to January 1, 1992, and for which proceedings have not been  
5 commenced or concluded prior to January 1, 1992. For the purpose of this section, the Legislative  
6 Ethics Commission shall follow the procedures established under AS 24.61, but may not recommend a  
7 sanction or penalty not authorized under former AS 24.60.

8 \* **Sec. 22. TRANSITIONAL PROVISIONS RELATING TO REPRESENTATION OF OTHERS.**  
9 Notwithstanding AS 24.61.190, as added by sec. 2 of this Act, a legislator or legislative assistant who  
10 is subject to AS 24.61.190 may, until July 1, 1992, represent a person in a manner that would otherwise  
11 be prohibited under AS 24.61.190 if the legislator or legislative assistant promptly files a statement with  
12 the Legislative Ethics Commission that includes the name of the client, an identifying name or number  
13 of the action, a brief description of the nature of the action, and the amount of compensation received  
14 or anticipated relating to the representation. The statement shall be published in the journal of the  
15 appropriate house. If information contained in the statement changes, a supplemental statement shall be  
16 filed every 90 days until the matter is completed or July 1, 1992, at which time the representation must  
17 be terminated. The representation may continue beyond July 1, 1992, if the legislator or legislative  
18 assistant applies for, and the Legislative Ethics Commission grants, an exemption to the termination date  
19 under AS 24.61.530, as added by sec. 2 of this Act. In this section, "legislative assistant" has the  
20 meaning given in AS 24.61.990, as added by sec. 2 of this Act.

21 \* **Sec. 23. APPLICABILITY OF AS 24.10.300 - 24.10.400.** Nothing in AS 24.10.300 - 24.10.400,  
22 as enacted by sec. 11 of this Act, impairs a right under a contract in effect on the effective date of  
23 sec. 11 of this Act.

24 \* **Sec. 24.** AS 24.61.420, 24.61.500 - 24.61.580, and 24.61.990, as added by sec. 2 of this Act, and  
25 secs. 11, 12, 20, and 23 of this Act take effect July 1, 1991.

26 \* **Sec. 25.** Except as provided in sec. 24 of this Act, this Act takes effect January 1, 1992.

**HOUSE CONCURRENT RESOLUTION NO.**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**SEVENTEENTH LEGISLATURE - FIRST SESSION**

**BY REPRESENTATIVE FINKELSTEIN**

Introduced:

Referred:

**A RESOLUTION**

1 Suspending Uniform Rules 41(b), 24(c), and 35 of the Alaska State Legislature concerning  
2 CSSB 185(JUD) am relating to Legislative ethics.

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 That under Rule 54 of the Uniform Rules of the Alaska State Legislature the provision of Rule  
5 41(b), Rule 24(c), and Rule 35 of the Uniform Rules, regarding changes to the title of a bill, are  
6 suspended in consideration of CSSB 185(JUD) am relating to legislative ethics.

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. HCR 37

Revision Date: \_\_\_\_\_ Department Affected: \_\_\_\_\_

Title: Suspending Uniform Rule. . . BRU: \_\_\_\_\_

(Title change, SB 185) Component: \_\_\_\_\_

Sponsor: Senator Collins

Requestor: HOUSE FINANCE COMMITTEE COMPONENT SERIAL NO. 

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Representative Mike Navarre, Co-Chair *Mike Navarre* 465-3706  
Representative Eileen MacLean, Co-Chair *Eileen MacLean* Phone: 465-3722  
 Division: HOUSE FINANCE COMMITTEE Date: 5/18/91

Approved by Commissioner: \_\_\_\_\_

Agency: \_\_\_\_\_ Date: \_\_\_\_\_

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

**DIVISION OF LEGAL SERVICES**  
**LEGISLATIVE AFFAIRS AGENCY**  
**STATE OF ALASKA**

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(907) 465-3867 or 465-2450  
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Deliveries to: 240 Main Street  
Court Plaza, Room 500  
Mail Stop 3101

**MEMORANDUM**

May 17, 1991

**SUBJECT:** Sectional analysis of legislative ethics bill (CSSB 185 (JUD) am)

**TO:** Senator Virginia Collins, Chair  
Senate Special Committee on Ethics Reform  
ATTN: Shirley Armstrong

**FROM:** John B. Gaguine <sup>BE</sup>  
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. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1 adds several prohibitions to the current list of prohibited conduct by a lobbyist. It would prohibit a lobbyist from serving as a campaign treasurer or deputy campaign treasurer for a legislative candidate, from offering gifts (except for food or beverages), loans, and campaign contributions to persons covered by the ethics act during session, and from making a gift or campaign contribution in violation of the ethics act.

Section 2 prohibits a former legislator from lobbying the legislature for one year after the former legislator leaves office.

Section 3 amends and expands the findings and purposes section of the Legislative Ethics Act, AS 24.60.

Section 4 extends the coverage of the Legislative Ethics Act to all employees Range 15 and above (instead of current Range 18) and to the public members of the Select Committee on Legislative Ethics.

Section 5 essentially gathers in one place all of the prohibitions that are currently spread throughout AS 24.60, and adds a couple of new prohibitions, relating to use



of state property and funds for political purposes and to taking action that could substantially affect a person with whom the action-taker is negotiating employment. It retains the provision in current law that an action does not constitute a conflict of interest unless the impact on the legislator or legislative employee is substantial; e.g., a legislator does not need to worry about voting on legislation that would affect the oil industry if he or she owns a couple of shares of Exxon. Section 5 also adds a new subsection (c) to AS 24.60.030 to make clear that the prohibition on conflicts of interest does not prohibit customary constituent contacts by a legislator.

Section 6 prohibits a legislator from soliciting or accepting campaign contributions during a session and from accepting money from an event during a session that is designed to raise money for candidates (such as a political party fundraiser).

Section 7 provides that disclosures of close economic associations must be reasonably specific; it would no longer suffice to just state that a close economic association exists, and provide no details.

Sections 8-11 rework the gift provisions of the ethics law. Section 7 raises the allowable limit from \$50 to \$100, and essentially provides that gifts worth less than \$100 are conclusively presumed to be proper. However, the section also prohibits the acceptance of any gift, except for the ones listed in AS 24.60.080(c), from a lobbyist or employer of a lobbyist during a legislative session. Section 8 broadens AS 24.60.-080(c), the exception to the gift prohibition, to include gifts not connected to the recipient's legislative status; this change codifies an ethics committee advisory opinion. Section 9 requires the disclosure of gifts now allowed by Section 8. And Section 10 deals with gifts from foreign governments worth \$100 or more; it allows their receipt, but only on behalf of the legislature.

Section 12 prohibits honoraria; this section too codifies an ethics committee advisory opinion. The payment of actual travel expenses is allowed. There is an exception where the honorarium is not related to the recipient's legislative status, so that, for instance, a legislator who is a professor of biology could accept an honorarium for speaking at a biology symposium. The section also specifically authorizes teaching for compensation at a state-funded school or university.

Section 13 modifies the nepotism prohibition, to allow a legislator's relatives who may be employed in the other house during session to begin employment one week before session and to keep working for one week after session, and to extend the prohibition to a person who is cohabitating with a person covered by the ethics law.

Section 14 places a flat ban on representing clients for compensation before an agency, board, or commission (but not a court) of the state. It also makes clear that appearing before an officer or employee of an agency, board, or commission is prohibited. The section would replace existing law allowing such representation, as long as it is disclosed.

Senator Virginia Collins

May 17, 1991

Page 3

Section 15 states, in order to avoid any possible problems, that the Select Committee on Legislative Ethics is a permanent interim committee.

Section 16 changes the terms of public members of the committee from two years (the duration of one legislature) to three, in order to provide greater stability in the committee's membership.

Section 17 reduces the number of legislative members necessary to make a quorum of the committee.

Section 18 adds two new subsections to AS 24.60.170. Subsection (j) provides that open meetings and public procurement provisions do not apply when their application would be inconsistent with the confidentiality provisions of AS 24.60. (The procurement provisions are included because the committee may need to hire investigators to investigate complaints which are not public during the investigation.) Subsection (k) provides that members of the committee may not have access to closed files of the committee unless a majority of the committee determines that there is a need for such access.

Section 19 changes the statute relating to advisory opinions to give the committee, when the opinion requestor consents, more time to respond to the request. During the interim it is often difficult to assemble a quorum to act on a request.

Section 20 totally overhauls the committee's complaint procedures. Under current law the procedures are totally closed to the public virtually from beginning to end, including the hearing on a complaint. As overhauled, the procedures would be closed to the public during the initial and investigation stages, but would be open if the investigation disclosed probable cause to proceed. This change would bring AS 24.60 into line with the vast majority of ethics statutes in the United States. Section 20 also provides that the subject of a complaint facing a hearing would have rights to ascertain the evidence against him or her.

Section 21 would establish the Select Committee on Legislative Ethics, minus its public members, as the body adjudicating equal employment opportunity grievances by legislative employees.

Section 22 adds a new provision that a person who was covered by the legislative ethics act (legislators and most aides and legislative employees) may not, for one year after leaving service, represent a client for compensation in any forum on a matter that the person personally and substantially participated in while a legislator or legislative employee.

Section 23 states that persons covered by AS 24.60 are not covered by the total ban in AS 39.50.090(c) (part of the 1974 conflict-of-interest initiative) on representing clients for compensation before state agencies, boards, and commissions. This statute

Senator Virginia Collins  
May 17, 1991  
Page 4

is inconsistent with current AS 24.60.100, and our office has expressed its opinion that AS 24.60.100 was intended to supersede AS 39.50.090(c) with regard to legislators and legislative employees. Note, though, that AS 24.60.100 as amended by this bill would have the same effect as AS 39.50.090(c).

Section 24 repeals two statutes (AS 24.60.060 and 24.60.120) that were incorporated into new AS 24.60.030, and AS 24.60.080(b), that was incorporated into AS 24.60.080(a).

Section 25 provides that the three current members of the ethics committee just confirmed would serve one, two, and three year terms, with the term length to be determined by lot. The purpose of this is to stagger the three-year terms for public members, so that each year one, and only one, new member would be appointed.

JBG:gc  
91-262.glc

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

No. 1

Bill Version: SB 185

(S) Publish Date: 5/8/91

Revision Date: \_\_\_\_\_  
Title: "An Act relating to conduct of  
Legislators. and to the Select Comm. on Leg. Ethics."  
Sponsor: Senate Judiciary  
Requestor: Senate Special Committee on Ethics

Department Affected: Legislative Affairs Agency  
BRU: Legislative Council

Component: Council & Subcommittees

COMPONENT SERIAL NO: 783

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: \_\_\_\_\_

<p>ANALYSIS: (Attach a separate page if necessary)</p> <p style="text-align: center;">Zero fiscal impact.</p>	<p>Changes in <u>CS SB 185 (Jud)</u> have no fiscal impact. This fiscal note is appropriate.</p> <p><u>5-7-91</u> date <u>W. B. Baird</u> Comte Aide (initial)</p>
---	--

Prepared By: Pamela A. Stoops, Director Phone: 465-3850  
Division: Administrative Services Date: 3/14/91

Approved By: Warren W. Endicott, Executive Director  
Agency: Legislative Affairs Agency Date: 3/14/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

**SB 188**

# HOUSE COMMITTEE REPORT

(11)

Date Referred: May 15, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/17/91

The FINANCE Committee considered:

SB 188 am

SENATE BILL NO. 188 am

EXTEND STEP PROGRAM ONE YEAR

"An Act relating to employment contributions and to extending the pilot project for state training and employment programs; and providing for an effective date."

**RECOMMENDATIONS:**

be replaced with \_\_\_\_\_  the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

2  fiscal impact DCRA

fiscal note(s) Dept Labor 3/11/91

zero fiscal note

2  zero fiscal note(s) Dept of Admin 3/11/91

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Mike Navarre</i> NAVARRE	<input checked="" type="checkbox"/>	<i>EP Maclean</i> Maclean		<input checked="" type="checkbox"/>	
<i>Manuel Boyer</i> Boyer	<input checked="" type="checkbox"/>	<i>George F. Phillips</i> Phillips		<input checked="" type="checkbox"/>	
<i>Jay Brown</i> Brown	<input checked="" type="checkbox"/>				
<i>John Kopman</i> Kopman	<input checked="" type="checkbox"/>				
<i>John Sharp</i> Sharp	<input checked="" type="checkbox"/>				
<i>John Almer</i> Almer	<input checked="" type="checkbox"/>				
<i>Harold J. Larson</i> Larson	<input checked="" type="checkbox"/>				

*Mike Navarre* NAVARRE  
*EP Maclean* Maclean  
 CO CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. SB 188 am

Revision Date: \_\_\_\_\_  
Title: "An Act relating to employment contributions (STEP)..."

Department Affected: Community & Regional Affairs  
BRU: Employment/Training/Rural Development  
Component: State Employment & Training

Sponsor: Senate Rules Committee

Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 

1	0	1	2
---	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	45.4	45.4				
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	972.0	972.0				
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1017.4</b>	<b>1017.4</b>				

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	1017.4	1017.4				
<b>TOTAL</b>						

POSITIONS:

FULL-TIME	1.0	1.0				
PART-TIME						
TEMPORARY						

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Remond Henderson, Director

Division: Administrative Services

Phone: 465-4708

Date: 5/13/91

Approved by Commissioner: Edgar Blanchford

Agency: Community & Regional Affairs

Date: \_\_\_\_\_

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Position Title <b>Internal Auditor II</b>		No. of Positions <b>1</b>	Range / Step <b>17 A</b>	Barg. Unit <b>GGU</b>
Time Status <b>Full time</b>	Staff Months <b>12</b>	Location <b>Anchorage</b>		Election District
TYPE OF EXPENDITURE		Amount	Justification This position is indispensable to the administration of the employment and training programs. Taken as a total, over 11 million dollars for training and employment are granted annually by the JTPO. An increasing burden is placed on the unit each year by the federal government for program integrity and accountability. This position is the primary position charged with compliance monitoring, audit tracking and resolution, and liaison with the U.S. Department of Labor for their compliance monitoring of the state.	
Salary	<b>37.7</b>			
Benefits	<b>15.2</b>			
Premium Pay				
Other				
<b>Total Personal Services</b>	<b>52.9</b>	<b>52.9</b>		
Travel				
Contractual				
Commodities				
Equipment				
Other				
<b>Total Cost</b>		<b>52.9</b>		
FUNDING SOURCE FOR TOTAL COST				
Federal Receipts 1002				
G.F. Match 1003				
General Fund 1004				
I-A Receipts 1007		<b>52.9</b>		
CIP Receipts 1061				
Other				

**Request For  
New Position**

AGENCY Community and Regional Affairs  
 BRU Employment/Training/Rural Development  
 COMPONENT State Employment and Training

**FY** 92

Page 2 of 2  
 Revised Date: \_\_\_\_\_



FISCAL NOTE

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

BILL NO. SB 188 am

Revision Date: \_\_\_\_\_  
Title: "An Act relating to employment contributions (STEP)..."

Department Affected: Community & Regional Affairs  
BRU: Employment/Training/Rural Development  
Component: Statewide Service Delivery

Sponsor: Senate Rules Committee

Requestor: \_\_\_\_\_

COMPONENT SERIAL NO. 

1	1	7	8
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	54.6	54.6				
TRAVEL	17.4	17.4				
CONTRACTUAL	30.0	30.0				
SUPPLIES	.5	.5				
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	697.5	697.5				
MISCELLANEOUS						
TOTAL OPERATING	800.0	800.0				

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER	800.0	800.0				
TOTAL	800.0	800.0				

POSITIONS:

FULL-TIME	1.0	1.0				
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) This fiscal note also includes 100.0 in additional authority to receive and expend funds for the Business Incentive Training Program

Prepared By: Remond Henderson, Director Phone: 465-4708  
Division: Administrative Services Date: 5/13/91  
Approved by Commissioner: Edgar Hatchford  
Agency: Community and Regional Affairs Date: \_\_\_\_\_

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Position Title <b>Grants Administrator II</b>		No. of Positions <b>1</b>	Range / Step <b>17 B</b>	Barg. Unit <b>GG</b>
Time Status <b>Full Time</b>	Staff Months <b>12</b>	Location <b>Juneau</b>		Election District
<b>TYPE OF EXPENDITURE</b>		<b>Amount</b>		
Salary		39.1		
Benefits		15.5		
Premium Pay				
Other				
<b>Total Personal Services</b>		<b>54.6</b>		
Travel		17.4		
Contractual		30.0		
Commodities		.5		
Equipment				
Other				
<b>Total Cost</b>		<b>102.5</b>		
<b>FUNDING SOURCE FOR TOTAL COST</b>				
Federal Receipts 1002				
G.F. Match 1003				
General Fund 1004				
I-A Receipts 1007		102.5		
CIP Receipts 1061				
Other				

**Justification**

This position is the only dedicated professional position within this component to support the STEP and Business Incentive Training Program.

This position oversees the development of the SDA's plan of service, manages the development of grant solicitations, contract or subgrant negotiations and writing, monitoring, oversight and reporting requirements. This position also supervises Regional office sub-allocations and oversees their performance in implementing subgrants.

This position develops policies and procedures for program operations and assists in the participant enrollment system (MIS) and supports budget and accounting functions relative to this program.

**Request For  
New Position**

AGENCY COMMUNITY & REGIONAL AFFAIRS

BRIU EMPLOYMENT TRAINING/RURAL DEVELOPMENT

COMPONENT STATEWIDE SERVICE DELIVERY

**FY** 92

Page 2 of 2

Revised Date: \_\_\_\_\_

FISCAL NOTE

No. 1

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO

Bill Version: SB 188

(S) Publish Date: 3/11/91

Revision Date: \_\_\_\_\_  
 Title: "An Act relating to employment contributions and to extending the .. project .."  
 Sponsor: Rules Committee  
 Requestor: Governor

Department Affected: Labor  
 BRU: Employment Security  
 Component: State Training & Employment Program  
 COMPONENT SERIAL NO. 1184

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	22.6					
TRAVEL						
CONTRACTUAL	1,817.4					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1,840.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE	3,330.7					
---------	---------	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	1,840.0					
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>1,840.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)  
 (see attached for analysis)

Prepared by: Judy G. Knight, Director Phone: 465-2712  
 Division: Employment Security Division Date: 2/14/91

Approved by Commissioner: Nancy Bear Usery  
 Agency: Department of Labor Date: 2/14/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

Fiscal Note Analysis  
for

"An Act relating to employment contributions...and extending the pilot project..."

This bill extends the state training and employment program for an additional year. The program is funded by a contribution of one-tenth of one percent of covered worker wages collected by the Department of Labor. This is done at no cost to the worker by giving a credit of this amount from the employee contribution currently provided for in AS 23.20.290. The revenue is deposited in the general fund in the employment assistance and training program account.

Revenue calculations for FY 92 (the additional year) are as follows:

<u>FY 92 Revenues</u>	
Estimated taxable wages	\$3,506,000.0
Multiply by one-tenth of 1% to arrive at estimated revenues	\$3,506.0
Adjust for 95% collection rate	<u>(175.3)</u>
<u>Estimated total revenues available</u>	<u>\$3,330.7</u>

Of the total money collected \$22.6 will be retained by the Department of Labor to separately account for the funds. Of the remaining, \$300.0 will be spent on an anticipated appropriation for the Business Incentive Program operated by the Department of Community & Regional Affairs, and \$1,817.4 will be transferred to the Department of Community & Regional Affairs for employment assistance and training grants and to fund priority project analysis and program evaluation from the Department of Labor.

Assumptions:

1. Program would continue for one additional year (FY 92).

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

Bill Version: SB 188

(S) Publish Date: 3/11/91

Revision Date: \_\_\_\_\_ Department Affecting: ADMINISTRATION

Title: State Training & Employment Program FPU: \_\_\_\_\_

Component: \_\_\_\_\_

Sponsor: Walter J. Hickel

Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 

--	--	--	--

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

This bill will have no fiscal impact on the Division of Personnel.

Prepared By: David K. F. Otto *DKFO* Phone: 465-4430

Division: Personnel Date: 2/15/91

Approved by Commissioner: Millett Keller

Agency: Administration *Millett Keller* Date: 2/26/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 3

II Version: SB188

(S) Publish Date: 3/11/91

STATE OF ALASKA  
1991 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_

Title: State Training and Employment Program.

Sponsor: \_\_\_\_\_

Requestor: Governor

Department Affected: Administration

BRU: Labor Relations

Component: Labor Relations

COMPONENT SERIAL NO. 

0	0	5	8
---	---	---	---

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: \_\_\_\_\_

ANALYSIS: (Attach a separate page if necessary.)

This draft proposes to extend for one year a pilot grant program for employment assistance and training providers. The program is housed in and administered solely by the Department of Labor. It has no direct fiscal or policy impacts on the Department of Administration.

Prepared by: Bruce Cummings  
Division: Labor Relations

Phone: 465-4404  
Date: 2/19/91

Approved by Commissioner: Millett Keller  
Agency: Administration

Date: 2/20/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

L+C  
FIN

## SENATE BILL NO. 188 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Amended: 5/6/91  
 Introduced: 3/11/91  
 Referred: CRA and Finance

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to employment contributions and to extending the pilot project for state  
 2 training and employment programs; and providing for an effective date."

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

4 \* Section 1. Section 2, ch. 95, SLA 1989, is amended to read:

5       Sec. 2. STATE TRAINING AND EMPLOYMENT PROGRAM. There is created a  
 6 [TWO-YEAR] pilot project program to finance and award grants to employment assistance and  
 7 training entities. Employment assistance and training entities shall give appropriate state agencies  
 8 full access to accounting records concerning grants received to assure compliance with program  
 9 standards.

10 \* Sec. 2. Section 4(a), ch. 95, SLA 1989, is amended to read:

11       (a) In the manner provided in AS 23.20, the department shall collect from each employee  
 12 an amount equal to one-tenth of one percent of the wages, as set out in AS 23.20.175, on which  
 13 the employee is required to make contributions under AS 23.20.290(d). This subsection applies  
 14 to amounts due and collected from July 1, 1989, through June 30, 1993 [1991], on wages for

1 employment performed from July 1, 1989, through June 30, 1993 [1991]. The department shall  
2 remit to the Department of Revenue, in accordance with AS 37.10.050, money collected under  
3 this subsection.

4 \* Sec. 3. Section 15, ch. 95, SLA 1989, is amended to read:

5 Sec. 15. Section 13 of this Act takes effect July 1, 1993 [1991].

6 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).



# STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

- P.O. BOX B  
JUNEAU, ALASKA 99811-2100  
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508-4302  
PHONE: (907) 563-1073

May 9, 1991

The Honorable David Finkelstein  
Alaska State House of Representatives  
P.O. Box V  
Juneau, Alaska 99811  
Attn: Clifford Groh

Dear Representative Finkelstein:

The Department of Community and Regional Affairs respectfully requests that you schedule a committee hearing for SB 188 amended, the State Training and Employment Program (STEP) Reauthorization Bill. This was established as a two-year pilot program and is intended to reduce the number of future claims against unemployment, to attract new businesses through the availability of a skilled labor force, and to ease the impact's of Alaska's boom/bust fluctuations through the training and retraining of workers for new or emerging industries. STEP is not funded from the general fund but through one tenth of one percent of employee contributions to the Unemployment Trust Fund.

We feel that reauthorization is essential at this time. Although the program has been proceeding for fourteen months now, much of this time was involved in getting the program up and running. Additional time is needed to make an accurate assessment of the program's effectiveness although indications are that the placement rate for program trained workers is very high. The STEP is also more responsive and flexible than the federally funded JTPA programs, and we feel will be of particular advantage to this department's role in the Rural Development Initiative in bringing employment opportunities to rural Alaskans.

Please contact either myself or members of my staff with any questions that you may have. Again, I request your prompt scheduling of this bill for committee hearing. I appreciate your consideration of this matter.

Sincerely,

*Ed. Blatchford*

Edgar Blatchford  
Commissioner

Position Title		Grants Administrator II		No. of Positions	1	Range / Step	17 B	Barg. Unit	GC
Time Status	Staff Months			Location	Juneau		Election District		
Full Time	12								
TYPE OF EXPENDITURE			Amount	<b>Justification</b>  This position is the only dedicated professional position within this component to support the STEP and Business Incentive Training Program.  This position oversees the development of the SDA's plan of service, manages the development of grant solicitations, contract or subgrant negotiations and writing, monitoring, oversight and reporting requirements. This position also supervises Regional office sub-allocations and oversees their performance in implementing subgrants.  This position develops policies and procedures for program operations and assists in the participant enrollment system (MIS) and supports budget and accounting functions relative to this program.					
Salary			39.1						
Benefits			15.5						
Premium Pay									
Other									
Total Personal Services			54.6						
Travel			17.4						
Contractual			30.0						
Commodities			.5						
Equipment									
Other									
Total Cost			102.5						
FUNDING SOURCE FOR TOTAL COST									
Federal Receipts	1002								
G.F. Match	1003								
General Fund	1004								
I-A Receipts	1007		102.5						
CIP Receipts	1061								
Other									

**Request For  
New Position**

AGENCY COMMUNITY & REGIONAL AFFAIRS  
BRU EMPLOYMENT TRAINING/RURAL DEVELOPMENT  
COMPONENT STATEWIDE SERVICE DELIVERY

**FY** 92

Page 2 of 2  
Revised Date: \_\_\_\_\_

# STATE OF ALASKA

## DEPARTMENT OF LABOR

### OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 21149  
JUNEAU, ALASKA 99802-1149  
PHONE: (907) 465-2700

FAX: (907) 465-2784

May 8, 1991

The Honorable David Finkelstein, Chair  
Labor and Commerce Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Finkelstein:

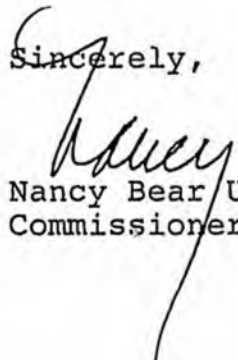
This is to urge the Labor and Commerce Committee's early consideration of Senate Bill 188.

As you may recall, a State Training and Employment Program was established in 1989 as a two-year pilot in order that the effectiveness of the program could be evaluated before a permanent, ongoing program was established. However, due to delays in the start up of the program, additional time is needed to evaluate it. Accordingly, Senate Bill 188 provides an extension of the pilot.

Inasmuch as the program will expire on July 1, 1991, passage of the bill is needed this session if the pilot is to continue.

Thank you for your help.

Sincerely,

  
Nancy Bear Usera  
Commissioner

NBU/EP/jt  
910507-2

SB 188 -  
Back-up

Date: April 27, 1991

To: Senate Finance Committee

Senator Jay Kerttula, Co-Chairman  
Senator Pat Pourchot, Co-Chairman

Re: SB 188, State Training and Employment Program

Alaska's State Training and Employment Program (STEP) was created in 1989 by the Sixteenth Alaska Legislature. STEP was established as a two-year pilot program and funded by one tenth of one percent of employee contributions to the Unemployment Insurance Trust fund. These funds are deposited in a special Employment Assistance and Training Program Account within the General Fund.

Through its job training projects, the STEP program has as its goals the following.

1. Prevention of future claims against unemployment benefits.

2. Attraction of new businesses through the availability of a skilled labor force and reduced employer UI costs.

3. Easing the impacts of Alaska's chronic economic fluctuations through training or retraining of workers for new or emerging industries and technologies.

The program has operated for fourteen months due to a late start last year. During this period the program has served the training needs of hundreds of Alaskans from every legislative district in the state. Funds are provided to the Department of Community and Regional Affairs by the Department of Labor so that the job training Service Delivery Areas established under the federal Job Training Partnership Act can be granted funds to deliver the program locally.

The three Service Delivery Areas were granted funds in the following amounts. Included within the category "Other Grants" is are four training grants for services in Anchorage, Bethel and Ketchikan and an RSA with Alaska Department of Labor for program evaluation (\$46.7k).

Service Delivery Area and Other Grants	Amount Granted	Percentage
Alaska Statewide SDA	\$ 703,982.	32.5%
Fairbanks North Star Borough	\$ 627,920.	29.0%
Municipality of Anchorage	\$ 570,837.	26.4%
Other Grants	\$ 263,024.	12.1%
Grand Total	\$2,165,763.	100.0%

Administrative costs of the program are limited to 15% of the total funds available. Of that 15%, 12.5% is passed along to the Service Delivery Areas for local administration of the program. The remaining 2.5% is retained by the Department of Community and Regional Affairs for central administrative costs.

With just over two more months remaining in the program we have already achieved the projected 1200 program participants expected this year. While training is continuing through June, most participants have been enrolled at this time. Not more than 200 additional participants are expected in the next few weeks.

Service Delivery Area and Other Grants	Number Participants	Percentage
Alaska Statewide SDA	276	23.3%
Fairbanks North Star Borough	484	40.8%
Municipality of Anchorage	293	24.7%
Other Grants	133	11.2%
Grand Total	1,186	100.0%

Senate Finance Committee

Re: SB 188, STEP

Page 3

Statistics on those concluding their association with the STEP programs is not complete at this time. Data on the 206 persons who have finished the program does, however, provide a good indication as to the characteristics of the participants.

* Job Placement	61%
* Male	74%
* School Dropout	53%
* Alaska Native	7%
* Other Minority	9%
* U.I. Claimant	22%
* Unemployed more than 15 of last 26 weeks	31%

It should be noted that the Alaska Statewide Service Delivery Area with 276 participants had only nine program completers as of April 24. When the others complete the program the number of Alaska Native completers will greatly increase. Similarly, the numbers of other minority groups are expected to increase when the Municipality of Anchorage tallies its program completers. The Fairbanks North Star Borough was fairly well represented in the known completer group of 206 and is not expected to significantly change the percentages of minority participation.

The pilot State Training and Employment Program has made a significant positive contribution to the employability and skill levels of Alaskans. Over 1300 Alaskans will voluntarily take advantage of the program this year at an average cost of approximately \$1,500. per person.

Because of the late start-up of the program in fiscal year 1990 the program has just recently developed the data base that will permit thorough programmatic evaluation. At the conclusion of this year with over 1300 program completers a more definitive evaluation of program impact will be conducted. In fact, at