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**Representative
John J. Cowdery
Chairman
House Rules
Committee**

Session:
State Capitol Bldg., Suite
204
Juneau, AK 99801

Phone: 907-465-3879
Fax: 907-465-2069
Toll Free: 1-888-269-3879

MEMORANDUM:

DATE: December 10, 1999

TO: Fairbanks LIO

FROM: Representative John J. Cowdery
House Rules Committee

A handwritten signature in cursive script, appearing to read "John J. Cowdery".

RE: TR For Representative Brice

Please use this as authorization for a TR allowing Rep. Brice a rental car in the Anchorage area on Dec 13, 1999 for the purpose of the Privatization Commission Meeting. These charges should be paid for by the Privatization account.

Thank you.



and Delivery of Government Services

Co-Chairs:

Representative John Cowdery
Senator Jerry Ward

October 8, 1999

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

Honorable Tony Knowles
Governor of Alaska
State Capitol Building
Juneau, Alaska 99801

Re: Privatization Commission

Dear Governor Knowles:

The attached September 28, 1999 article in the Juneau Empire is troubling because we believe it is true. It said:

"The issue of privatizing some state government operations is already tinged with politics...."

"The Knowles Administration is characterizing the commission as blind to ethical conflicts of interest...an apparent pre-emptive strike by the governor on the group's forthcoming report to the Legislature."

"Pugh is troubled by ties on the commission's corrections subcommittee to Texas-based Cornell Corrections, a firm that does more than half of the contracting for halfway houses in Alaska."

"David Ramseur, deputy chief of staff...describes himself as the person who's been collecting strange stories about the commission from the executive branch."

Additionally, copies have been sent to us of some of the same staff memoranda that were collected by Mr. Ramseur. And, the denigrating remarks made by some of your staff and commissioners are also relayed to us, to commission members and to subcommittee volunteers. It is clear that some people in your Administration are not invested in a positive outcome for the Privatization Commission and a campaign is underway to 'kill the baby in the cradle' before it issues its first word.

As legislators, we expect to be fair grist for your public relations juggernaut. However, in this case, Mr. Ramseur, et al, are targeting volunteer citizens to be your grist. This is flat wrong. These people are trying to achieve a goal that is set out in Chapter 61, SLA 1999, a law, which you signed without reservation.

Instead of thanking these citizens for trying to understand and improve their state government, your staff is making veiled threats about conflicts of interest and denigrating them. For example:

"Ramseur said the commission's subcommittees include people with 'pretty blatant conflicts of interest,' a former state employee with a grudge about being fired and a relative of a property owner who's in conflict with state regulators about hazardous waste cleanup."

In fact, the *former state employee with the (alleged) grudge*, Ms. Andree McLeod, informs us that she never talked with Mr. Ramseur about her situation and she wonders why the governor's office characterizes her as a grudge holder. She is not holding a grudge. Her two meetings on this subject with Mr. Ayers were pleasant, by her account. Ms. McLeod is a single mother who was a range 9 accounting clerk. She was not fired. After the mandatory probationary period, she was not retained for permanent status. The reason she was not retained had more to do with supervisory incompetence than any failing on her part. She simply doesn't have the resources to sue the state. While Mr. Ramseur may take comfort in that, we can tell you that she is quite intimidated by being singled out, labeled and pejoratively referenced by such a high government official. She considers Mr. Ramseur's quote as proof that she will never get a fair shake while your administration exists. We think she's right. We hope you will correct this situation and restrain your staff from such heavy-handed treatment against citizens of our state.

As an aside, Ms. McLeod has been a volunteer coordinator for the Commission subcommittees, working out of Rep. Cowdery's office. We can attest that she has an outstanding work ethic, is very productive and brings intelligence and diligence to her assigned tasks.

Another reference was to *"a relative of a property owner who's in conflict with the state regulators about hazardous waste cleanup."* Mr. Virgil Norton is the referenced party. He is the son-in-law and Project Manager for the owner of a site that had a 20-gallon spill of PCE and additional contamination that migrated from offsite. Although the owner hired a nationally renown environmental consultant, Hart Crowser, spent \$1 million to clean up the site and offered to treat the groundwater, DEC won't sign off on the clean up. Their standards are moving targets that are impossible to conclude. As Project Manager for the cleanup, under EPA, Mr. Norton learned the governing statutes and regulations. He gained valuable and unique experience in the way DEC follows them and doesn't follow them. It's been an awful experience for the owner and Mr. Norton. Can you imagine spending \$1 million of your restaurant's money to clean up a problem that isn't defined and for which the DEC can't prescribe a solution. Now, to make matters worse, your staff wants to disqualify Mr. Norton from imparting the benefit of his experience to the Privatization Commission.

Ms. McLeod and Mr. Norton both feel they have been wronged by state actions. This doesn't require them to forfeit their rights. Chapter 61 SLA 99 specifically requires the Privatization Commission to solicit public comment. The subcommittee members are themselves a fulfillment of the statutory obligation. Mr. Ramseur's disqualification of them is tantamount to saying, "If you're not a Knowles loyalist, please don't try and exercise your civic duties or we'll go after you."

At this level of government, we are supposed to be able to deal with people who hold viewpoints that are contrary to our own. We're even supposed to encourage it. We question whether Mr. Ramseur understands the difference between his role as your Campaign Manager and as your

Deputy Chief of Staff. The campaign is over. As a government official, he needs to be restrained. We find this whole notion of his office keeping files on subcommittee members to be a bit pernicious. We recommend that this practice be stopped immediately.

The accusation of conflict of interest from your office has, and has had, a chilling effect on the unfettered participation from our volunteers. Consequently, for the sake of our volunteers we need to clear the air on this charge. Prior to the Empire story we already received an opinion from Legislative Legal Services that volunteers are not subject to the conflict of interest statutes. A copy is attached for your information. But, because the issue has been raised by your administration, in order to clear the air, we request a written opinion from the Attorney General as soon as possible. It will be provided to all commission members and volunteers.

Every commission, board and task force appointed by the governor would have as great or greater conflict of interest than the volunteers on the privatization subcommittees. Be they liquor license holders on the ABC Board, occupational license holders on occupational license boards, farmers on the Agriculture Revolving Loan Board, lawyers and judges on the Judicial Council ... they all are appointed because of their occupational nexus to the subject for which the board exists. Their expertise and experience are what make them valuable to the public process. Did Mr. Ramseur object when you made these appointments.

We need only look at your State Long-Range Financial Planning Commission and the Marketing Alaska Program to see citizen involvement in very similar functions as the Privatization Commission. Under what postulate can Mr. Ramseur charge our volunteers with a conflict of interest without similarly charging your appointees. Such machinations are tawdry even in a campaign context, but certainly have no place in the operation of the governor's office.

Governor, you said, in your state of the state address,

"I encourage questions, scrutiny and criticisms. We must engage Alaskans in a broad discussion about the future of our state."

Those are good words, Governor, and they may be the basis on which we may be able to resume cooperation. But your staff must believe that you mean what you said. We urge you to eliminate the files being maintained in your office to discredit the Privatization Commission volunteers and to curtail the gutter-sniping emanating from your administration.

Yours truly,



Representative John J. Cowdery
Co-chair
Commission on Privatization and
Delivery of Government Services



Senator Jerry Ward
Co-chair
Commission on Privatization and
Delivery of Government Services

Enclosures

LEGAL SERVICES

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

(907) 465-3887 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

September 7, 1999

SUBJECT: Application of conflicts of interest provisions (CCS SB 33)

TO: Representative John Cowdery
Attn: Marco Pignalberi

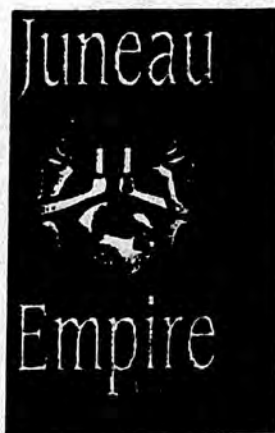
FROM: Tamara Brandt Cook
Director *TBC*

You have asked how conflicts of interest provisions might apply to members of an advisory council appointed under CCS SB 33. That act establishes the Commission on Privatization in the legislative branch and authorizes the Commission to appoint an advisory council. These members "are not eligible for compensation, per diem, or payment of travel or other expenses by the state." (Ch. 61, SLA 1999 (CCS SB 33), Sec. 3(b))

AS 24.60 (Standards of Conduct) generally applies to the legislative branch of government and it contains several provisions that address conflicts of interest issues. (AS 24.60.030, AS 24.60.040, AS 24.60.050, AS 24.60.070, AS 24.60.080, AS 24.60.085, AS 24.60.090, AS 24.60.100) All these conflicts of interest provisions apply to a legislator or legislative employee. (AS 24.60.020) The term "legislative employee" is defined in AS 24.60.990(10). Because compensation is required as part of the definition and the advisory council members appointed under CCS SB 33 are not compensated, in my opinion the majority of the conflicts of interest provisions do not apply to these members. A few of the conflicts of interest provisions do apply to another person who is acting on behalf of a legislator or legislative employee (see AS 24.60.030(d) for example), and a few apply to a member of the immediate family of a legislator or legislative employee (see AS 24.60.040 for example). However, serving on an advisory council alone will not bring a person within the coverage of even these provisions.

In conclusion it is my opinion that the conflicts of interest provisions of AS 24.60 do not apply to members of an advisory committee appointed under CCS SB 33, but be aware that the Select Committee on Legislative Ethics has authority to construe and apply AS 24.60 and that my opinion will not bind or influence the Select Committee. Advice can be requested directly from the Select Committee. (AS 24.60.158, AS 24.60.160)

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Web posted **Tuesday, September 28, 1999**

Pros and cons of going private

By **BILL McALLISTER**
THE JUNEAU EMPIRE

The issue of privatizing some state government operations is already tinged with politics, even as subcommittees of a task force begin making recommendations this week.

The Commission on Privatization and Delivery of Government Services picked up steam with the recent statewide advisory vote against using earnings from the Alaska Permanent Fund to balance the state budget, said commission co-chairman Jerry Ward, a Republican senator from Anchorage.

But the Knowles administration is characterizing the commission as blind to ethical conflicts of interest with subcommittee members who would personally profit from privatization - an apparent pre-emptive strike by the governor on the group's forthcoming report to the Legislature.

The move toward privatization is driven by the idea that competitive forces in the marketplace can deliver operational cost savings that government can't achieve.

Much privatization already has occurred in the state Department of Corrections: Alaska had 756 criminal inmates at a private prison in Arizona as of Monday, a program that costs about \$16 million a year; a correctional facility near Delta Junction is being considered for private operation; and state halfway houses, with 682 residents and a \$15 million annual appropriation, are in private hands.

Corrections Commissioner Margaret Pugh believes that, on balance, the state is getting good service for its money.

Still, Pugh is troubled by ties on the commission's corrections subcommittee to Texas-based Cornell Corrections, a firm that does more than half of the contracting for halfway houses in Alaska. The first subcommittee chairman was an employee of Cornell, and after his departure, former Cornell employee Sharon Anderson was named chairwoman.

"One should be extremely cautious about conflicts," Pugh said.

Anderson, however, did not see a problem: "I don't know what

they're talking about," she said.

It's unclear how much business the private sector might get.

No one has announced goals for privatization in terms of a percentage or a dollar figure that would be cut from the cost of government operations. As a result, it's open for speculation how much privatization - along with consolidation or elimination - would offset the need for new taxes or permanent fund-related budget solutions.

The term itself is open to some debate, as the commission's Website notes: "Privatization runs a very broad range, sometimes leaving very little government involvement, and other times creating partnerships between government and private service providers where government is still the dominant player."

But one thing is clear, said Ward: This month's vote on the permanent fund shows that the public expects government to wring every last dollar of waste out of the system before imposing any solutions that hit the taxpayers' pocketbook.

"I think the people of the state of Alaska said that they don't want to give any additional funds to government," Ward said.

So far, there aren't many specific privatization proposals under debate.

Commission Co-Chairman John Cowdery, a Republican representative from Anchorage, said they're not hard to come up with, though. For example, Alaska State Troopers shouldn't be doing their own radio repair, and the courts shouldn't do their own transcriptions; that work should be contracted out to private companies, he said.

Although organized labor is often cited as opposing privatization, it's not front-line state workers who would be targeted, Ward said. Rather, it's middle management in state government that has increased, resulting in "more filing of forms, more intergovernmental relations," he said.

"We don't have more people doing work. We have more people watching other people do work."

But if Ward thinks the executive branch is bloated, the governor's office portrays the commission as possibly out of control.

David Ramseur, deputy chief of staff to Gov. Tony Knowles, describes himself as "the person who's been collecting strange stories about the task force from the executive branch."

Ramseur said the commission's subcommittees include people with "pretty blatant conflicts of interest," a former state employee with a grudge about being fired and a relative of a property owner who's in conflict with state regulators about hazardous waste cleanup.

"Knowles' philosophy always has been (that) there may be some functions of government that may be better performed by the private sector," Ramseur said, mentioning engineering services as a possibility. "But what we're hearing is that the whole process may be questionable."

Michele Brown, commissioner of the Department of Environmental Conservation, said an obvious red flag comes with the commission's subcommittee chairman for her department: Virgil Norton, former site manager for a Kenai area RV park that is owned by his father-in-law and has a hazardous waste site left over from a previous dry cleaning operation. The state and the company have been in dispute about the cleanup, and the company has ongoing litigation against the state, she said.

"So far, there's really nothing in particular that's come out in the committee related to that," Brown said. "(But) it's something you naturally think about when you have a chairman with strong feelings in one direction or another."

Norton said he no longer works for his father-in-law and is not involved in the litigation against the state.

"I'm really reaching out to be very objective," he said from Nikiski. "Several sections of DEC have been very responsive."

It's possible that the subcommittee's report won't recommend the privatization of any state function, Norton said. One of the most frequently heard suggestions is to combine the agency's laboratory with the Anchorage municipal laboratory, he said.

Ward and Cowdery said they have not been worried about conflict of interest, as they view the 300 volunteers who serve on the subcommittees as civic-minded citizens seeking a leaner, more responsive state government. Cowdery said the commission simply hasn't been willing to turn away volunteers.

Subcommittee members seemed surprised that the governor's office has raised questions about procedure.

Greg Pease, executive director of Gastineau Human Services Corp. in Juneau, said he doesn't think the Knowles administration's concerns make much sense, especially given the

existing privatization of halfway houses.

"It's all competitively bid," Pease said. "I don't know how anybody could say we're going to profit from it. . . .

"Everybody, including myself, knows we should move very cautiously."

Sam Kito III, who serves on the transportation subcommittee, acknowledged a former DOT employee who's on the subcommittee did distribute an old internal audit of the agency.

But Kito downplayed the importance of the document and said subcommittee members actually have been pleased with the department's cooperation.

"I believe it's going very well, actually," Kito said. There have been some moments, but you work through them."

There are no preconceived notions about privatization on the commerce and economic development subcommittee, said chairman Craig Johnson, general manager of the Alaska Journal of Commerce.

But Johnson, former chief of staff for Ward, said that after certain essential government services are eliminated - for example, the Alaska State Troopers - "the sky's the limit" on what might be turned over to the private sector.

Johnson predicted that Knowles would oppose privatization except when the merits are so obvious that there's "no way out."

"This particular administration's power base rests with state employees," Johnson said. "This administration has grown government.

He added: "This (commission) is not a lynch mob. There are many, many state employees who are underpaid, who do yeoman's work. . . . We can save some money, and we can also give back some of the confidence in government that I think is missing right now."

The Commission on Privatization is due to release its report to the Legislature by Jan. 1.

Back to business spotlight headlines

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TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ANCHORAGE

October 26, 1999

Representative John Cowdery
Senator Jerry Ward
Co-Chairmen
Commission on Privatization and Delivery of Government Services
716 W. 4th Avenue
Anchorage, AK 99501

Dear Representative Cowdery and Senator Ward:

Your staff has asked for a letter to address the policy of this administration towards individuals participating in subcommittees of the Commission on Privatization and Delivery of Government Services.

Let me state clearly that it is currently, and always has been, the policy of this administration to work with the Commission as forthrightly as possible. There has never been, and there never will be, any attempt to stifle or in any way inhibit the participation of any private citizens in any Commission-related activity. This includes state employees or individuals involved in commercial relationships with the state.

I would be happy to discuss the administration's position on this matter with anyone if further clarification is necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Abbott".

Mike Abbott

Special Assistant to the Governor

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ANCHORAGE

October 20, 1999

Representative John Cowdery
Senator Jerry Ward
Co-Chairmen
Commission on Privatization and Delivery of Government Services
716 W. 4th Avenue
Anchorage, AK 99501

Dear Representative Cowdery and Senator Ward:

We have received your letter of October 8. Governor Knowles asked that I respond as he has designated me to coordinate the administration's participation in the Commission on Privatization and Delivery of Government Services.

Upon signing the legislation into law, Governor Knowles directed executive branch departments to work constructively with the Commission and to the best of my knowledge, that has happened. Officials of the Administration have spent hundreds of hours working with the Commission and its subcommittees as the Commission attempts to fulfill the mission set out in SB 33.

Despite the lack of funding provided by the Legislature for this purpose, every state agency has made senior staff, and in many cases, commissioners themselves, available to the subcommittees. All requests for information consistent with confidentiality rules have been provided, which amounts to thousands of pages. I fully expect the agencies to remain engaged in the Commission's work throughout the remainder of its service.

Your letter contained several points I need to clarify:

- A number of participants in the Commission's subcommittees have potential conflicts of interest that the public should know about. We do not challenge anyone's opportunity to participate. We do believe that disclosure of any current or previous associations that might effect a subcommittee member's decisions is important information for the public.
- Your letter referenced a "Ms. Andree McLeod," as a "former employee with a grudge." But no administration official I am aware of has ever identified her as such.
- The administration has not engaged in any "public relations juggernaut" about the Commission. Deputy Chief of Staff David Ramseur was contacted by a reporter with questions about the Commission and he answered those questions.

Feel free to contact me if I can answer other questions on this subject.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Abbott', with a stylized flourish extending from the end.

Mike Abbott
Special Assistant to the Governor



and Delivery of Government Services

Co-Chairs:
Representative John Cowdery
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October 8, 1999

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"Ramseur said the commission's subcommittees include people with 'pretty blatant conflicts of interest,' a former state employee with a grudge about being fired and a relative of a property owner who's in conflict with state regulators about hazardous waste cleanup."

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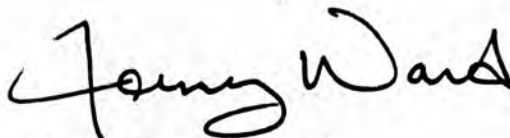
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Yours truly,

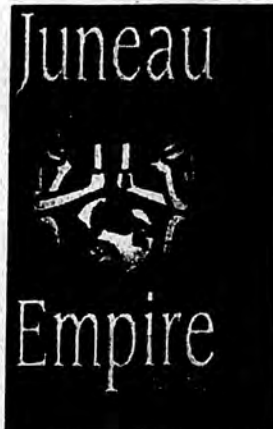


Representative John J. Cowdery
Co-chair
Commission on Privatization and
Delivery of Government Services



Senator Jerry Ward
Co-chair
Commission on Privatization and
Delivery of Government Services

Enclosures



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Web posted **Tuesday, September 28, 1999**

Pros and cons of going private

By **BILL McALLISTER**
THE JUNEAU EMPIRE

The issue of privatizing some state government operations is already tinged with politics, even as subcommittees of a task force begin making recommendations this week.

The Commission on Privatization and Delivery of Government Services picked up steam with the recent statewide advisory vote against using earnings from the Alaska Permanent Fund to balance the state budget, said commission co-chairman Jerry Ward, a Republican senator from Anchorage.

But the Knowles administration is characterizing the commission as blind to ethical conflicts of interest with subcommittee members who would personally profit from privatization - an apparent pre-emptive strike by the governor on the group's forthcoming report to the Legislature.

The move toward privatization is driven by the idea that competitive forces in the marketplace can deliver operational cost savings that government can't achieve.

Much privatization already has occurred in the state Department of Corrections: Alaska had 756 criminal inmates at a private prison in Arizona as of Monday, a program that costs about \$16 million a year; a correctional facility near Delta Junction is being considered for private operation; and state halfway houses, with 682 residents and a \$15 million annual appropriation, are in private hands.

Corrections Commissioner Margaret Pugh believes that, on balance, the state is getting good service for its money.

Still, Pugh is troubled by ties on the commission's corrections subcommittee to Texas-based Cornell Corrections, a firm that does more than half of the contracting for halfway houses in Alaska. The first subcommittee chairman was an employee of Cornell, and after his departure, former Cornell employee Sharon Anderson was named chairwoman.

"One should be extremely cautious about conflicts," Pugh said.

Anderson, however, did not see a problem: "I don't know what

they're talking about," she said.

It's unclear how much business the private sector might get.

No one has announced goals for privatization in terms of a percentage or a dollar figure that would be cut from the cost of government operations. As a result, it's open for speculation how much privatization - along with consolidation or elimination - would offset the need for new taxes or permanent fund-related budget solutions.

The term itself is open to some debate, as the commission's Website notes: "Privatization runs a very broad range, sometimes leaving very little government involvement, and other times creating partnerships between government and private service providers where government is still the dominant player."

But one thing is clear, said Ward: This month's vote on the permanent fund shows that the public expects government to wring every last dollar of waste out of the system before imposing any solutions that hit the taxpayers' pocketbook.

"I think the people of the state of Alaska said that they don't want to give any additional funds to government," Ward said.

So far, there aren't many specific privatization proposals under debate.

Commission Co-Chairman John Cowdery, a Republican representative from Anchorage, said they're not hard to come up with, though. For example, Alaska State Troopers shouldn't be doing their own radio repair, and the courts shouldn't do their own transcriptions; that work should be contracted out to private companies, he said.

Although organized labor is often cited as opposing privatization, it's not front-line state workers who would be targeted, Ward said. Rather, it's middle management in state government that has increased, resulting in "more filing of forms, more intergovernmental relations," he said.

"We don't have more people doing work. We have more people watching other people do work."

But if Ward thinks the executive branch is bloated, the governor's office portrays the commission as possibly out of control.

David Ramseur, deputy chief of staff to Gov. Tony Knowles, describes himself as "the person who's been collecting strange stories about the task force from the executive branch."

Ramseur said the commission's subcommittees include people with "pretty blatant conflicts of interest," a former state employee with a grudge about being fired and a relative of a property owner who's in conflict with state regulators about hazardous waste cleanup.

"Knowles' philosophy always has been (that) there may be some functions of government that may be better performed by the private sector," Ramseur said, mentioning engineering services as a possibility. "But what we're hearing is that the whole process may be questionable."

Michele Brown, commissioner of the Department of Environmental Conservation, said an obvious red flag comes with the commission's subcommittee chairman for her department: Virgil Norton, former site manager for a Kenai area RV park that is owned by his father-in-law and has a hazardous waste site left over from a previous dry cleaning operation. The state and the company have been in dispute about the cleanup, and the company has ongoing litigation against the state, she said.

"So far, there's really nothing in particular that's come out in the committee related to that," Brown said. "(But) it's something you naturally think about when you have a chairman with strong feelings in one direction or another."

Norton said he no longer works for his father-in-law and is not involved in the litigation against the state.

"I'm really reaching out to be very objective," he said from Nikiski. "Several sections of DEC have been very responsive."

It's possible that the subcommittee's report won't recommend the privatization of any state function, Norton said. One of the most frequently heard suggestions is to combine the agency's laboratory with the Anchorage municipal laboratory, he said.

Ward and Cowdery said they have not been worried about conflict of interest, as they view the 300 volunteers who serve on the subcommittees as civic-minded citizens seeking a leaner, more responsive state government. Cowdery said the commission simply hasn't been willing to turn away volunteers.

Subcommittee members seemed surprised that the governor's office has raised questions about procedure.

Greg Pease, executive director of Gastineau Human Services Corp. in Juneau, said he doesn't think the Knowles administration's concerns make much sense, especially given the

existing privatization of halfway houses.

"It's all competitively bid," Pease said. "I don't know how anybody could say we're going to profit from it. . . .

"Everybody, including myself, knows we should move very cautiously."

Sam Kito III, who serves on the transportation subcommittee, acknowledged a former DOT employee who's on the subcommittee did distribute an old internal audit of the agency.

But Kito downplayed the importance of the document and said subcommittee members actually have been pleased with the department's cooperation.

"I believe it's going very well, actually," Kito said. There have been some moments, but you work through them."

There are no preconceived notions about privatization on the commerce and economic development subcommittee, said chairman Craig Johnson, general manager of the Alaska Journal of Commerce.

But Johnson, former chief of staff for Ward, said that after certain essential government services are eliminated - for example, the Alaska State Troopers - "the sky's the limit" on what might be turned over to the private sector.

Johnson predicted that Knowles would oppose privatization except when the merits are so obvious that there's "no way out."

"This particular administration's power base rests with state employees," Johnson said. "This administration has grown government.

He added: "This (commission) is not a lynch mob. There are many, many state employees who are underpaid, who do yeoman's work. . . . We can save some money, and we can also give back some of the confidence in government that I think is missing right now."

The Commission on Privatization is due to release its report to the Legislature by Jan. 1.

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LEGAL SERVICES

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

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Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

September 7, 1999

SUBJECT: Application of conflicts of interest provisions (CCS SB 33)

TO: Representative John Cowdery
Attn: Marco Pignalberi

FROM: Tamara Brandt Cook
Director *TBC*

You have asked how conflicts of interest provisions might apply to members of an advisory council appointed under CCS SB 33. That act establishes the Commission on Privatization in the legislative branch and authorizes the Commission to appoint an advisory council. These members "are not eligible for compensation, per diem, or payment of travel or other expenses by the state." (Ch. 61, SLA 1999 (CCS SB 33), Sec. 3(b))

AS 24.60 (Standards of Conduct) generally applies to the legislative branch of government and it contains several provisions that address conflicts of interest issues. (AS 24.60.030, AS 24.60.040, AS 24.60.050, AS 24.60.070, AS 24.60.080, AS 24.60.085, AS 24.60.090, AS 24.60.100) All these conflicts of interest provisions apply to a legislator or legislative employee. (AS 24.60.020) The term "legislative employee" is defined in AS 24.60.990(10). Because compensation is required as part of the definition and the advisory council members appointed under CCS SB 33 are not compensated, in my opinion the majority of the conflicts of interest provisions do not apply to these members. A few of the conflicts of interest provisions do apply to another person who is acting on behalf of a legislator or legislative employee (see AS 24.60.030(d) for example), and a few apply to a member of the immediate family of a legislator or legislative employee (see AS 24.60.040 for example). However, serving on an advisory council alone will not bring a person within the coverage of even these provisions.

In conclusion it is my opinion that the conflicts of interest provisions of AS 24.60 do not apply to members of an advisory committee appointed under CCS SB 33, but be aware that the Select Committee on Legislative Ethics has authority to construe and apply AS 24.60 and that my opinion will not bind or influence the Select Committee. Advice can be requested directly from the Select Committee. (AS 24.60.158, AS 24.60.160)

TBC:pl
99-125.plm

Legislative Research Services

Alaska State Legislature
Legislative Affairs Agency
Division of Legal and Research Services

State Capitol
Juneau, AK 99801-1182
Phone: 907-465-3991
Fax: 907-465-3908

November 3, 1999

Memorandum

TO: Representative John Cowdery
Attn: Marco Pignalberi

FROM: Mary E. Miller 
Legislative Analyst

RE: Privatization clearinghouse (short request 00.013)

You wished to know of a national or state level clearinghouse for information pertaining to privatization efforts of government services. In addition to information obtained on the internet, experts we contacted identified several organizations as primary resources for research and studies on privatization.¹ Table 1 includes the organizations and contact information of primary resources for information on the privatization of government services.

Table 1: Primary Resources for Information on the Privatization of Government Services

Agency	Phone	Internet address
American Federation of State, County, and Municipal Employees	(202) 429-1000	http://www.afscme.org/
Council of State Governments	(606) 244-8000	http://www.statesnews.org/
National Conference of State Legislatures	(303) 830-2200 x238	http://www.ncsl.org/legis/index.htm
Reason Public Policy Institute	(310) 391-2245	http://www.rppi.org/ and http://www.privatization.org
U.S. Government Accounting Office	Not available	http://www.gao.gov/

I hope you find this information useful. Please do not hesitate to contact us if you have questions or need additional information.

¹ We contacted analysts at the National Conference of State Legislatures and the Council on State Governments. We also contacted several state government officials involved with privatization.

Legislative Research Services

Alaska State Legislature
Legislative Affairs Agency
Division of Legal and Research Services

State Capitol
Juneau, AK 99801-1182
Phone: 907-465-3991
Fax: 907-465-4908

October 4, 1999

Memorandum

TO: Representative John Cowdery
Attn: Marco Pignalberi

FROM: Mary E. Miller
Legislative Analyst

RE: Privatization Reports (short request 00.003)

As requested in our recent conversation, I am sending copies of previous Legislative Research reports on privatization minus attachments (see Table 3 of previous memorandum dated September 28, 1999). In addition, the following documents are included in this packet:

- 1) List of conference papers available from the American Society for Public Administration annual conferences in 1993 to 1996. The list was accessed at <http://www.aspanet.org/research/private.htm>.
- 2) The executive summary and table of contents of "Privatization in Hawaii," (December 1997) by Mark J. Rosen of the Legislative Reference Bureau. Complete 186-page report may be accessed at <http://www.state.hi.us/lrb>.
- 3) "Private Contracts, Public Services: Weighing the Choices," by Kimberly J. Bandy and Stephen Grimes of the Tennessee Office of Research, November 3, 1995.
- 4) "Competition and Privatization Measures in State Government," Louisiana, Office of Legislative Auditor, February 1995.
- 5) Brochure and statutory reference governing the Virginia Commonwealth Competition Council (VCCC), and "Report on the Privatization Efforts of Executive Branch Agencies in the Commonwealth of Virginia," January 1998, by the Planning and Evaluation Section of the Virginia Department of Planning and Budget.
- 6) Cover pages, executive summaries, and tables of content from the following documents:
 - a) "Establishing an Employee Stock Ownership (ESOP) Information and Resource Service Within the Executive Branch of Government," House Document No. 10, 1999. (Complete report is 10 pages plus appendices.)
 - b) "Methods to Privatize Appropriate State Function Through the Development and Promotion of Employee-Owned Companies (ESOP's)," Senate Document No. 12, 1998. (Complete report is 26 pages plus appendices.)
 - c) "Commonwealth Competition Council annual report," 1998. (Complete report is 215 pages.)
 - d) "The Privatization/Competition Manual," by the VCCC. (Complete report is 83 pages.)
 - e) "Employee Stock Ownership Pre-Assessments," final report to the Commonwealth of Virginia, Commonwealth Competition Council, September 14, 1998. (Complete report is 39 pages plus appendices.)

I hope you find this information useful to you. If you have any questions or would like complete copies of reports, please feel free to contact us. I will continue to send you information as it arrives.



and Delivery of Government Services

Co-Chairs:
Representative John Cowdery
Senator Jerry Ward

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

December 2, 1999

TO: Commissioners

FM: Marco

RE: RECOMMENDATION MASTER LIST

Attached is the master list completed to date.

When we receive your personal recommendations, we will fax or email copies to all commissioners and post them on the web site. We will add your personal recommendations to this master list as time allows. But, for working purposes, you should rely on the full, unabridged copies we send to you as they come in. (So far, Fink is the only one who has submitted his personal recommendations.)

In the "Notes" column we referenced the page number in the subcommittee report where you may find contextual background for the recommendation. Most, but not all, recommendations have a contextual background.

When you bring this list to the next meeting we can 3-hole punch it for your notebook.

NOV-22-33 MON 22:43

KELLY

FAX NO. 4519293
FAX NO.

P. 01

P. 01/01

**Alaska State Legislature
PRIVATIZATION TASK FORCE**

Representative John Cowdery
Senator Druc Pearce



State Capitol
Juneau, Alaska 99801

TRAVEL REQUEST / AUTHORIZATION MEMO

NAME: Representative Tom Brice will travel

from Fairbanks on Dec 13

to Anchorage & return on Dec 14

for the purpose of: Privatization Commission Meetings

The specific meeting / business dates are:

Requested by:

[Signature]
Traveller's Signature

SUBMIT COMPLETED FORM TO REPRESENTATIVE COWDERY

Approved:

Rep. John Cowdery
Representative John Cowdery

11-23-99

Date

Approved:

Senator Druc Pearce
Senator Druc Pearce

Date

Charge to Account

TR#

Issued through

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ANCHORAGE

October 26, 1999

Representative John Cowdery
Senator Jerry Ward
Co-Chairmen
Commission on Privatization and Delivery of Government Services
716 W. 4th Avenue
Anchorage, AK 99501

Dear Representative Cowdery and Senator Ward:

Your staff has asked for a letter to address the policy of this administration towards individuals participating in subcommittees of the Commission on Privatization and Delivery of Government Services.

Let me state clearly that it is currently, and always has been, the policy of this administration to work with the Commission as forthrightly as possible. There has never been, and there never will be, any attempt to stifle or in any way inhibit the participation of any private citizens in any Commission-related activity. This includes state employees or individuals involved in commercial relationships with the state.

I would be happy to discuss the administration's position on this matter with anyone if further clarification is necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Abbott".

Mike Abbott
Special Assistant to the Governor

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
ANCHORAGE

October 20, 1999

Representative John Cowdery
Senator Jerry Ward
Co-Chairmen
Commission on Privatization and Delivery of Government Services
716 W. 4th Avenue
Anchorage, AK 99501

Dear Representative Cowdery and Senator Ward:

We have received your letter of October 8. Governor Knowles asked that I respond as he has designated me to coordinate the administration's participation in the Commission on Privatization and Delivery of Government Services.

Upon signing the legislation into law, Governor Knowles directed executive branch departments to work constructively with the Commission and to the best my knowledge, that has happened. Officials of the Administration have spent hundreds of hours working with the Commission and its subcommittees as the Commission attempts to fulfill the mission set out in SB 33.

Despite the lack of funding provided by the Legislature for this purpose, every state agency has made senior staff, and in many cases, commissioners themselves, available to the subcommittees. All requests for information consistent with confidentiality rules have been provided, which amounts to thousands of pages. I fully expect the agencies to remain engaged in the Commission's work throughout the remainder of its service.

Your letter contained several points I need to clarify:

- A number of participants in the Commission's subcommittees have potential conflicts of interest that the public should know about. We do not challenge anyone's opportunity to participate. We do believe that disclosure of any current or previous associations that might effect a subcommittee member's decisions is important information for the public.
- Your letter referenced a "Ms. Andree McLeod," as a "former employee with a grudge." But no administration official I am aware of has ever identified her as such.
- The administration has not engaged in any "public relations juggernaut" about the Commission. Deputy Chief of Staff David Ramseur was contacted by a reporter with questions about the Commission and he answered those questions.

Feel free to contact me if I can answer other questions on this subject.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Abbott", with a long horizontal flourish extending to the right.

Mike Abbott
Special Assistant to the Governor



and Delivery of Government Services

Co-Chairs:
Representative John Cowdery
Senator Jerry Ward

October 8, 1999

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

Honorable Tony Knowles
Governor of Alaska
State Capitol Building
Juneau, Alaska 99801

Re: Privatization Commission

Dear Governor Knowles:

The attached September 28, 1999 article in the Juneau Empire is troubling because we believe it is true. It said:

"The issue of privatizing some state government operations is already tinged with politics...."

"The Knowles Administration is characterizing the commission as blind to ethical conflicts of interest...an apparent pre-emptive strike by the governor on the group's forthcoming report to the Legislature."

"Pugh is troubled by ties on the commission's corrections subcommittee to Texas-based Cornell Corrections, a firm that does more than half of the contracting for halfway houses in Alaska."

"David Ramseur, deputy chief of staff...describes himself as the person who's been collecting strange stories about the commission from the executive branch."

Additionally, copies have been sent to us of some of the same staff memoranda that were collected by Mr. Ramseur. And, the denigrating remarks made by some of your staff and commissioners are also relayed to us, to commission members and to subcommittee volunteers. It is clear that some people in your Administration are not invested in a positive outcome for the Privatization Commission and a campaign is underway to 'kill the baby in the cradle' before it issues its first word.

As legislators, we expect to be fair grist for your public relations juggernaut. However, in this case, Mr. Ramseur, et al, are targeting volunteer citizens to be your grist. This is flat wrong. These people are trying to achieve a goal that is set out in Chapter 61, SLA 1999, a law, which you signed without reservation.

Instead of thanking these citizens for trying to understand and improve their state government, your staff is making veiled threats about conflicts of interest and denigrating them. For example:

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0106 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223
<http://www.privatizealaska.org>

"Ramseur said the commission's subcommittees include people with 'pretty blatant conflicts of interest,' a former state employee with a grudge about being fired and a relative of a property owner who's in conflict with state regulators about hazardous waste cleanup."

In fact, the *former state employee with the (alleged) grudge*, Ms. Andree McLeod, informs us that she never talked with Mr. Ramseur about her situation and she wonders why the governor's office characterizes her as a grudge holder. She is not holding a grudge. Her two meetings on this subject with Mr. Ayers were pleasant, by her account. Ms. McLeod is a single mother who was a range 9 accounting clerk. She was not fired. After the mandatory probationary period, she was not retained for permanent status. The reason she was not retained had more to do with supervisory incompetence than any failing on her part. She simply doesn't have the resources to sue the state. While Mr. Ramseur may take comfort in that, we can tell you that she is quite intimidated by being singled out, labeled and pejoratively referenced by such a high government official. She considers Mr. Ramseur's quote as proof that she will never get a fair shake while your administration exists. We think she's right. We hope you will correct this situation and restrain your staff from such heavy-handed treatment against citizens of our state.

As an aside, Ms. McLeod has been a volunteer coordinator for the Commission subcommittees, working out of Rep. Cowdery's office. We can attest that she has an outstanding work ethic, is very productive and brings intelligence and diligence to her assigned tasks.

Another reference was to *"a relative of a property owner who's in conflict with the state regulators about hazardous waste cleanup."* Mr. Virgil Norton is the referenced party. He is the son-in-law and Project Manager for the owner of a site that had a 20-gallon spill of PCE and additional contamination that migrated from offsite. Although the owner hired a nationally renown environmental consultant, Hart Crowser, spent \$1 million to clean up the site and offered to treat the groundwater, DEC won't sign off on the clean up. Their standards are moving targets that are impossible to conclude. As Project Manager for the cleanup, under EPA, Mr. Norton learned the governing statutes and regulations. He gained valuable and unique experience in the way DEC follows them and doesn't follow them. It's been an awful experience for the owner and Mr. Norton. Can you imagine spending \$1 million of your restaurant's money to clean up a problem that isn't defined and for which the DEC can't prescribe a solution. Now, to make matters worse, your staff wants to disqualify Mr. Norton from imparting the benefit of his experience to the Privatization Commission.

Ms. McLeod and Mr. Norton both feel they have been wronged by state actions. This doesn't require them to forfeit their rights. Chapter 61 SLA 99 specifically requires the Privatization Commission to solicit public comment. The subcommittee members are themselves a fulfillment of the statutory obligation. Mr. Ramseur's disqualification of them is tantamount to saying, "If you're not a Knowles loyalist, please don't try and exercise your civic duties or we'll go after you."

At this level of government, we are supposed to be able to deal with people who hold viewpoints that are contrary to our own. We're even supposed to encourage it. We question whether Mr. Ramseur understands the difference between his role as your Campaign Manager and as your

Deputy Chief of Staff. The campaign is over. As a government official, he needs to be restrained. We find this whole notion of his office keeping files on subcommittee members to be a bit pernicious. We recommend that this practice be stopped immediately.

The accusation of conflict of interest from your office has, and has had, a chilling effect on the unfettered participation from our volunteers. Consequently, for the sake of our volunteers we need to clear the air on this charge. Prior to the Empire story we already received an opinion from Legislative Legal Services that volunteers are not subject to the conflict of interest statutes. A copy is attached for your information. But, because the issue has been raised by your administration, in order to clear the air, we request a written opinion from the Attorney General as soon as possible. It will be provided to all commission members and volunteers.

Every commission, board and task force appointed by the governor would have as great or greater conflict of interest than the volunteers on the privatization subcommittees. Be they liquor license holders on the ABC Board, occupational license holders on occupational license boards, farmers on the Agriculture Revolving Loan Board, lawyers and judges on the Judicial Council ... they all are appointed because of their occupational nexus to the subject for which the board exists. Their expertise and experience are what make them valuable to the public process. Did Mr. Ramseur object when you made these appointments.

We need only look at your State Long-Range Financial Planning Commission and the Marketing Alaska Program to see citizen involvement in very similar functions as the Privatization Commission. Under what postulate can Mr. Ramseur charge our volunteers with a conflict of interest without similarly charging your appointees. Such machinations are tawdry even in a campaign context, but certainly have no place in the operation of the governor's office.

Governor, you said, in your state of the state address,

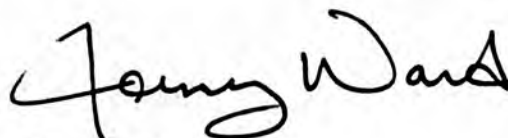
"I encourage questions, scrutiny and criticisms. We must engage Alaskans in a broad discussion about the future of our state."

Those are good words, Governor, and they may be the basis on which we may be able to resume cooperation. But your staff must believe that you mean what you said. We urge you to eliminate the files being maintained in your office to discredit the Privatization Commission volunteers and to curtail the gutter-sniping emanating from your administration.

Yours truly,

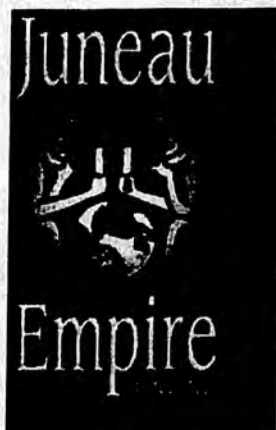


Representative John J. Cowdery
Co-chair
Commission on Privatization and
Delivery of Government Services



Senator Jerry Ward
Co-chair
Commission on Privatization and
Delivery of Government Services

Enclosures



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Web posted **Tuesday, September 28, 1999**

Pros and cons of going private

By **BILL McALLISTER**
THE JUNEAU EMPIRE

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But the Knowles administration is characterizing the commission as blind to ethical conflicts of interest with subcommittee members who would personally profit from privatization - an apparent pre-emptive strike by the governor on the group's forthcoming report to the Legislature.

The move toward privatization is driven by the idea that competitive forces in the marketplace can deliver operational cost savings that government can't achieve.

Much privatization already has occurred in the state Department of Corrections: Alaska had 756 criminal inmates at a private prison in Arizona as of Monday, a program that costs about \$16 million a year; a correctional facility near Delta Junction is being considered for private operation; and state halfway houses, with 682 residents and a \$15 million annual appropriation, are in private hands.

Corrections Commissioner Margaret Pugh believes that, on balance, the state is getting good service for its money.

Still, Pugh is troubled by ties on the commission's corrections subcommittee to Texas-based Cornell Corrections, a firm that does more than half of the contracting for halfway houses in Alaska. The first subcommittee chairman was an employee of Cornell, and after his departure, former Cornell employee Sharon Anderson was named chairwoman.

"One should be extremely cautious about conflicts," Pugh said.

Anderson, however, did not see a problem: "I don't know what

they're talking about," she said.

It's unclear how much business the private sector might get.

No one has announced goals for privatization in terms of a percentage or a dollar figure that would be cut from the cost of government operations. As a result, it's open for speculation how much privatization - along with consolidation or elimination - would offset the need for new taxes or permanent fund-related budget solutions.

The term itself is open to some debate, as the commission's Website notes: "Privatization runs a very broad range, sometimes leaving very little government involvement, and other times creating partnerships between government and private service providers where government is still the dominant player."

But one thing is clear, said Ward: This month's vote on the permanent fund shows that the public expects government to wring every last dollar of waste out of the system before imposing any solutions that hit the taxpayers' pocketbook.

"I think the people of the state of Alaska said that they don't want to give any additional funds to government," Ward said.

So far, there aren't many specific privatization proposals under debate.

Commission Co-Chairman John Cowdery, a Republican representative from Anchorage, said they're not hard to come up with, though. For example, Alaska State Troopers shouldn't be doing their own radio repair, and the courts shouldn't do their own transcriptions; that work should be contracted out to private companies, he said.

Although organized labor is often cited as opposing privatization, it's not front-line state workers who would be targeted, Ward said. Rather, it's middle management in state government that has increased, resulting in "more filing of forms, more intergovernmental relations," he said.

"We don't have more people doing work. We have more people watching other people do work."

But if Ward thinks the executive branch is bloated, the governor's office portrays the commission as possibly out of control.

David Ramseur, deputy chief of staff to Gov. Tony Knowles, describes himself as "the person who's been collecting strange stories about the task force from the executive branch."

Ramseur said the commission's subcommittees include people with "pretty blatant conflicts of interest," a former state employee with a grudge about being fired and a relative of a property owner who's in conflict with state regulators about hazardous waste cleanup.

"Knowles' philosophy always has been (that) there may be some functions of government that may be better performed by the private sector," Ramseur said, mentioning engineering services as a possibility. "But what we're hearing is that the whole process may be questionable."

Michele Brown, commissioner of the Department of Environmental Conservation, said an obvious red flag comes with the commission's subcommittee chairman for her department: Virgil Norton, former site manager for a Kenai area RV park that is owned by his father-in-law and has a hazardous waste site left over from a previous dry cleaning operation. The state and the company have been in dispute about the cleanup, and the company has ongoing litigation against the state, she said.

"So far, there's really nothing in particular that's come out in the committee related to that," Brown said. "(But) it's something you naturally think about when you have a chairman with strong feelings in one direction or another."

Norton said he no longer works for his father-in-law and is not involved in the litigation against the state.

"I'm really reaching out to be very objective," he said from Nikiski. "Several sections of DEC have been very responsive."

It's possible that the subcommittee's report won't recommend the privatization of any state function, Norton said. One of the most frequently heard suggestions is to combine the agency's laboratory with the Anchorage municipal laboratory, he said.

Ward and Cowdery said they have not been worried about conflict of interest, as they view the 300 volunteers who serve on the subcommittees as civic-minded citizens seeking a leaner, more responsive state government. Cowdery said the commission simply hasn't been willing to turn away volunteers.

Subcommittee members seemed surprised that the governor's office has raised questions about procedure.

Greg Pease, executive director of Gastineau Human Services Corp. in Juneau, said he doesn't think the Knowles administration's concerns make much sense, especially given the

existing privatization of halfway houses.

"It's all competitively bid," Pease said. "I don't know how anybody could say we're going to profit from it. . . .

"Everybody, including myself, knows we should move very cautiously."

Sam Kito III, who serves on the transportation subcommittee, acknowledged a former DOT employee who's on the subcommittee did distribute an old internal audit of the agency.

But Kito downplayed the importance of the document and said subcommittee members actually have been pleased with the department's cooperation.

"I believe it's going very well, actually," Kito said. There have been some moments, but you work through them."

There are no preconceived notions about privatization on the commerce and economic development subcommittee, said chairman Craig Johnson, general manager of the Alaska Journal of Commerce.

But Johnson, former chief of staff for Ward, said that after certain essential government services are eliminated - for example, the Alaska State Troopers - "the sky's the limit" on what might be turned over to the private sector.

Johnson predicted that Knowles would oppose privatization except when the merits are so obvious that there's "no way out."

"This particular administration's power base rests with state employees," Johnson said. "This administration has grown government.

He added: "This (commission) is not a lynch mob. There are many, many state employees who are underpaid, who do yeoman's work. . . . We can save some money, and we can also give back some of the confidence in government that I think is missing right now."

The Commission on Privatization is due to release its report to the Legislature by Jan. 1.

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LEGAL SERVICES

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MEMORANDUM

September 7, 1999

SUBJECT: Application of conflicts of interest provisions (CCS SB 33)

TO: Representative John Cowdery
Attn: Marco Pignalberi

FROM: Tamara Brandt Cook
Director

TBC

You have asked how conflicts of interest provisions might apply to members of an advisory council appointed under CCS SB 33. That act establishes the Commission on Privatization in the legislative branch and authorizes the Commission to appoint an advisory council. These members "are not eligible for compensation, per diem, or payment of travel or other expenses by the state." (Ch. 61, SLA 1999 (CCS SB 33), Sec. 3(b))

AS 24.60 (Standards of Conduct) generally applies to the legislative branch of government and it contains several provisions that address conflicts of interest issues. (AS 24.60.030, AS 24.60.040, AS 24.60.050, AS 24.60.070, AS 24.60.080, AS 24.60.085, AS 24.60.090, AS 24.60.100) All these conflicts of interest provisions apply to a legislator or legislative employee. (AS 24.60.020) The term "legislative employee" is defined in AS 24.60.990(10). Because compensation is required as part of the definition and the advisory council members appointed under CCS SB 33 are not compensated, in my opinion the majority of the conflicts of interest provisions do not apply to these members. A few of the conflicts of interest provisions do apply to another person who is acting on behalf of a legislator or legislative employee (see AS 24.60.030(d) for example), and a few apply to a member of the immediate family of a legislator or legislative employee (see AS 24.60.040 for example). However, serving on an advisory council alone will not bring a person within the coverage of even these provisions.

In conclusion it is my opinion that the conflicts of interest provisions of AS 24.60 do not apply to members of an advisory committee appointed under CCS SB 33, but be aware that the Select Committee on Legislative Ethics has authority to construe and apply AS 24.60 and that my opinion will not bind or influence the Select Committee. Advice can be requested directly from the Select Committee. (AS 24.60.158, AS 24.60.160)

TBC:pl
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