

ALASKA LEGISLATIVE COMMITTEE FILES 1991-1992 8672
7230 HOUSE STATE AFFAIRS

HB

4

HOUSE COMMITTEE REPORT

(7)

Date Referred: January 21, 1991

FURTHER REFERRALS:

Judiciary
Finance

Date of Committee Action: 3-8-91

The STATE AFFAIRS Committee considered:

HB 4

HOUSE BILL NO. 4

LEGISLATIVE ETHICS ACT

"An Act establishing a legislative ethics commission and standards of conduct for legislators, candidates for the legislature, legislative employees, former legislators and employees, and lobbyists; requiring financial disclosures by legislators, candidates for the legislature, and certain legislative employees; amending legislators' compensation and allowances; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB 4 (State Affairs) 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 _____

fiscal note(s) _____

zero fiscal note Law-Prosecution/Legal Services

zero fiscal note(s) _____

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

	Check appropriate column:	Do Not Pass	No Rec	Amend
<i>Gene Kubina</i>				
<i>Tom Meyer</i>				
<i>John ...</i>	<i>David ...</i>		<input checked="" type="checkbox"/>	
<i>W. ...</i>	<i>Mike Miller</i>		<input checked="" type="checkbox"/>	

Gene Kubina
Chairman's Signature

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO: CSHB 4 (STA)

Revision Date: _____
Title: "An Act establishing a legislative ethics commission... for legislators...employees..."
Sponsor: House State Affairs
Requestor: House State Affairs

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	152.4	152.4	152.4	152.4	152.4	152.4
CONTRACTUAL	28.6	28.6	28.6	28.6	28.6	28.6
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						
TOTAL OPERATING	253.4	232.9	232.9	232.9	232.9	232.9

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	253.4	232.9	232.9	232.9	232.9	232.9
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	253.4	232.9	232.9	232.9	232.9	232.9

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

Pamela A. Stoops

Phone: 465-3850
Date: 4/4/91

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

Warren W. Endicott

Date: 4/4/91

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

CONTINUATION OF FISCAL NOTE: CSHB 4 (STA)

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	
compensation - 6 meetings x 7 members = 42			
	42 x 3 days compensation = 126		
	126 x \$175 =	\$22,050	
per diem - 6 meetings x 7 members = 42			
	42 x 3 days per diem = 126		
	126 x \$95 =	\$11,970	
		<u>\$52,332</u>	52.3

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

4. A new subsection is added to reimburse a member of the Legislature for up to two round trip tickets from Juneau to a city in the district from which the legislator was elected during each regular session of the Legislature.

2 trips each session			
Coach travel for 57 legislators			
	\$28,789 x 2 trips = \$57,578		57.6
Per Diem - 3 days x 57 legislators x \$95/day = \$16,245/trip			
	2 trips x \$16,245 = \$32,490		
		<u>32.5</u>	
		90.1	90.1

A reduction in the cost of two trips home could be realized if the wording of section 10 was changed. As it is now these two trips home are not for committee, subcommittee or other official business of the legislature.

CONTINUATION OF FISCAL NOTE: CSHB 4 (STA)

CONTRACTUAL

5. 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
6. Lease office space funding 1,000 sq. ft x \$2.00 sq. ft = \$2,000 \$2,000 x 12 months = \$24,000	24.0
7. Preparation & publication of the Legislative Ethics Education Manual; development and dissemination of training materials - \$15,000.	15.0
8. Phones and postage - \$800 a month x 12 months = \$9,600.	9.6
9. Elimination of funding of the House and Senate Ethics Committees - \$50,000.	-50.0

SUPPLIES

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

11. 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
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FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO: HB 4

Revision Date: _____
Title: "An Act establishing a legislative ethics commission... for legislators... employees..."
Sponsor: Rep. Finkelstein
Requestor: House State Affairs

Department Affected: Legislative Affairs Agency
BRU: Legislative Council

Component: Legislators' Salaries & Allowances Council & Subcommittees

COMPONENT SERIAL NO: 776 & 783

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	660.2	1070.4	1070.4	1070.4	1070.4	1070.4
TRAVEL	102.9	-77.2	-77.2	-77.2	-77.2	-77.2
CONTRACTUAL	478.6	478.6	478.6	478.6	478.6	478.6
SUPPLIES	3.0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	20.5	5.0	5.0	5.0	5.0	5.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1265.2	1479.8	1479.8	1479.8	1479.8	1479.8

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	1265.2	1479.8	1479.8	1479.8	1479.8	1479.8
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	1265.2	1479.8	1479.8	1479.8	1479.8	1479.8

POSITIONS:

FULL-TIME	3	3	3	3	3	3
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

Pamela A. Stoops

Phone: 465-3850
Date: 1/30/91

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

Warren W. Endicott

Date: 1/30/91

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

CONTINUATION OF FISCAL NOTE: HB 4

This fiscal note reflects changes in requested funding for Legislators' Salaries & Allowances component and Ethics funding in the Council & Subcommittees component. FY 92 budget request of \$3,596,000 for Legislators' Salaries & Allowances and \$50,000 for House & Senate Ethics Committee 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
Administrative Assistant - Range 19A			
	\$3,637 x 12 months =	\$43,644	
	\$43,644 x 39% benefits =	\$16,884	
		<u>\$60,528</u>	60.5
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>190.0</u>

2. Compensation of legislators.

Effective January 1, 1992, legislators' annual salaries will change from \$22,872 to \$36,000. The below figures show the FY 92 cost including benefits for 6 months at the new rate and the estimated FY 93 cost including benefits for 12 months.

CURRENT FY 92 BUDGET REQUEST	HB 4 FY 92 COST
LEGISLATORS' SALARIES	LEGISLATORS' SALARIES
\$2,068,928	\$2,539,133

FY 92 increased personal services cost under Salaries & Allowances would be \$470,205. 470.2

FY 93 estimated increase in personal services cost under Salaries & Allowances is \$880,428.

TRAVEL

3. 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	
compensation - 6 meetings x 7 members = 42		
42 x 3 days compensation = 126		
126 x \$175 =	\$22,050	
per diem - 6 meetings x 7 members = 42		
42 x 3 days per diem = 126		
126 x \$95 =	\$11,970	
	<u>\$52,332</u>	52.3

CONTINUATION OF FISCAL NOTE: HB 4

- 4. Additional stipend for the Chair of the Commission.
Stipend is an annual amount - \$500. 0.5
- 5. Legislative Ethics Commission staff travel - travel for Executive Director and staff to Legislative Ethics Commission meetings and other related travel - \$10,000. 10.0
- 6. Eliminates long-term per diem for legislators. Amount budgeted in FY 92 Legislative Affairs budget is \$230,100. Actuals for FY 90 were \$159.4. Long term per diem rates were increased 5/16/90 from \$50-\$55/day to \$65/day. Savings is only 50.0 for FY 92. -230.1
- 7. A new subsection is added to reimburse a member of the Legislature for up to two round trip tickets from Bureau to a city in the district from which the legislator was elected during each regular session of the Legislature.

2 trips each session
Coach travel for 57 legislators
\$28,789 x 2 trips = \$57,578

57.6

Per Diem - 3 days x 57 legislators x \$95/day = \$16,245/trip
2 trips x \$16,245 = \$32,490

32.5

90.1

90.1

CONTRACTUAL

- 8. Legislators allowances are being changed from \$4,000 annually to 14 representatives @ \$7,000 for 1 district, 26 representatives @ \$9,000 for 2 districts, 8 senators @\$9,000 for a single-senator district & 12 senators @\$13,000 for a two-senator district.

14 reps x \$7,000 =	\$98,000		
26 reps x \$9,000 =	\$234,000		
8 senators x \$9,000 =	\$72,000	\$560,000 proposed	
12 senators x \$13,000 =	\$156,000	\$240,000 current	
	<u>\$560,000</u>	<u>\$320,000</u> increase	320.0
- 9. 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. - \$75,000. 75.0
- 10. Lease office space funding
1,000 sq. ft x \$2.00 sq. ft = \$2,000 \$2,000 x 12 months = \$24,000 24.0
- 11. Preparation & publication of the Legislative Ethics Education Manual; development and dissemination of training materials - \$50,000. 50.0
- 12. Phones and postage - \$800 a month x 12 months = \$9,600. 9.6

SUPPLIES

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

EQUIPMENT

- 14. 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 State Affairs Committee

Representative Gene Kubina, Chair

DATE: Feb. 20, 1991

PLACE: Room 102, Capitol

SUBJECT OF MEETING:

- HB 4 - Relating to Legislative Ethics Act
- *HB 129 - Relating to Public Officers Compensation Commission
- *HB 126 - Relating to Program Receipts Clean Up

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
C. S. CHRISTENSEN	ALASKA COURT SYSTEM	303 K ST. ANCHORAGE AK	99501		463-4770	(Y) N	HB 129
Mike McMullin	Dept. of Admin.	Box C Juneau, AK 99	99511		465-4430	(Y) N	HB 129
KAREN Bookman	APOC.	Room 114 ASSEMBLY BLDG.			276-4176	(Y) N	HB 4
VICKY BORRIGO	League of Women Voters	3455 Meander Way JUNEAU AK	99801	789-1764		(Y) N	HB 4
Pam Stoops	LAA					(Y) N	HB 4 - answer questions for note
Ron Lorenson	D/Law	Box K, Juneau	99811	465-360	465-3600	if asked (Y) N	HB 129
DAVID R BIERDORFF	LAA	510 COURT PLAZA		465-2450		(Y) N	HB 126
Eric Myers	Rep. Brown	Rm. 513 Capitol		3784		(Y) N	HB 126
						Y N	
						Y N	
						Y N	



House State Affairs Committee

Representative Gene Kubina, Chair

DATE: March 8, 1991

PLACE: Capitol, Room 102

SUBJECT OF MEETING:

HB 4 - Relating to Legislative Ethics Act

HB 67 - Relating to Impoundment of Mistreated Animals

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Margot Knuth	Law	PO Box KC	99811		3428	Y	N	HB 67
Kim Bischoff	DPS	PO Box N	99811		4335	Y	N	DPS overview
Richard L. Smith	DPS	P.O. BOX N	99811		4322	Y	N	DPS overview
JOHN GAGVINE	LAP	Box Y	99811	2456	2450	Y	N	HB 4
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	



House State Affairs Committee

Representative Gene Kubina, Chair

DATE: February 4, 1991

PLACE: Room 102 Capitol

SUBJECT OF MEETING:

*HB 4 - Relating to Legislative Ethics Act

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Vicky Berreuo	LWJAK	3455 Meander Way	99801	789-1764		<input checked="" type="radio"/> Y	<input type="radio"/> N	HB 4
Peter McDowell		Box 210348 Anchorage	99821	463-3663		<input type="radio"/> Y	<input checked="" type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	



Official Business

Alaska State Legislature

HOUSE OF REPRESENTATIVES

House State Affairs Committee

P.O. Box V
State Capitol
Juneau, Alaska 99811

March 8, 1991

MEMORANDUM

TO: Representative Dave Donley, Chair
House Judiciary Committee

FROM: Representative Gene Kubina, Chair
House State Affairs Committee

RE: CSHB 4 (State Affairs)

Gene

The House State Affairs Committee passed out a committee substitute for HB 4, the legislative ethics bill, which will be coming to your committee next week. The State Affairs CS is substantially different from Representative Finklestein's original HB 4:

(1) the legislative salary portion has been removed and is included under HB 129 (which is already scheduled for hearing in your committee);

(2) sections dealing with campaign finance have been pulled out and reconstituted into HB 195 by Rep. Finklestein.

These changes have a significant impact on the previous departmental fiscal notes and new fiscal notes have been requested from APOC and LAA Administrative Services. Rather than holding up the bill in State Affairs, I want to refer it on to your committee so that you will have plenty of time to review the changes. The new fiscal note from APOC will take more than five days to prepare since it will have to be approved by the Commission during their next meeting on March 15.

Finally, the committee did review your amendment for adding new sections dealing with legal defense funds. Rather than weighing the merits of the amendment, the committee felt that it would be more appropriate to bring the legal defense fund issue up in Judiciary.



Official Business

Alaska State Legislature

P.O. Box V
State Capitol
Juneau, Alaska 99811

TO: House State Affairs Committee
FROM: Rep. David Finkelstein
DATE: February , 1991
RE: HB 4, Legislative Ethics Act of 1991

House Bill 4, the Legislative Ethics Act of 1991, replaces the current legislative ethics law with a new statute. I believe HB 4 will strengthen our standards of conduct and increase public confidence in the legislative process.

In your packets are an overview of the bill, a fiscal note, and an amendment on legislative compensation which I hope you will consider. I am working with the Legislative Affairs Agency to reduce the fiscal note to make sure it reflects the streamlined bill now before you, rather than the legislation under consideration last session.

Please let me know if you have amendments you would like made to HB 4. I look forward to working with you.



Official Business

Alaska State Legislature

P.O. Box V
State Capitol
Juneau, Alaska 99811

TO: Rep. Gene Kubina, Chairman
House State Affairs Committee

FROM: Rep. David Finkelstein *JF*

DATE: January 24, 1991

RE: Request to schedule HB 4, entitled:
"An Act establishing a legislative ethics commission and standards of conduct for legislators, candidates for the legislature, legislative employees, former legislators and employees, and lobbyists; requiring financial disclosures by legislators, candidates for the legislature, and certain legislative employees; amending legislators' compensation and allowances; and providing for an effective date."

I am writing to request that HB 4, relating to legislative ethics, be given an early hearing before the House State Affairs Committee. My office has requested fiscal notes from the Legislative Affairs Agency and the Department of Administration. Additional backup material, such as a sectional analysis, sponsor statement, and position papers will be sent to your office in the next few days.

Thank you for your consideration of my request.

HB 4 - Legislative Ethics

Overview

ARTICLE 1. PURPOSE

P.1 AS 24.61.010 is a brief purpose section.

ARTICLE 2. STANDARDS OF CONDUCT

P.2 AS 24.61.100 says that a legislator or legislative employee may not accept anything other than their regular paycheck and benefits for doing their legislative duties.

P.2 AS 24.61.110 prohibits a legislator or legislative employee from using public funds or resources for private gain. There are exceptions for minor acts, like using a state photocopier to copy a medical form.

P.3 AS 24.61.120 prohibits a legislator or legislative employee from using public funds or resources for political purposes. A legislator who is running for office may not use state funds to send out a mass mailing within 60 days of an election. A legislative employee may not work on political party activities on government time. Campaign contributions may not be solicited in state offices.

P.4 AS 24.61.130 prohibits the use of a legislator's or legislative employee's title for private benefit.

P.4 AS 24.61.140 prohibits a legislator from coercing political or other contributions by threatening to take a given action.

P.5 AS 24.61.150 is the current legislative nepotism law.

P.5 AS 24.61.160 prohibits a legislator or legislative assistant (higher level staff) from working for a lobbyist, or allowing a lobbyist to take an active part in the legislator's campaign.

P.6 AS 24.61.170 restricts legislators and legislative assistants' membership on government and private boards.

P.6 AS 24.61.180 states the general conflict-of-interest prohibition that one cannot take an action that will significantly benefit one's financial interests. This is current law.

P.7 AS 24.61.190 restricts the ability of legislators and legislative assistants to represent clients for pay before state boards and agencies. Current law only requires disclosure.

ARTICLE 2. STANDARDS OF CONDUCT, continued

- P.7 AS 24.61.200 adopts, with slight modification, current law regarding participation in state contracts and leases. In addition, legislators and legislative assistants may not accept a contract concerning a matter which he or she worked on in the legislature for one year after leaving legislative service.
- P.9 AS 24.61.210 adopts, with slight modification, current law regarding the receipt of gifts.
- P.11 AS 24.61.220 prohibits honoraria and outside employment that would create conflicts of interest.
- P.12 AS 24.61.230 prohibits improper intercession by legislators on behalf of constituents
- P.13 AS 24.61.240 prohibits reprisals against or harassment of whistle blowers.
- P.13 AS 24.61.250 requires legislators to abide by the Open Meetings Act.
- P.13 AS 24.61.260 prohibits legislators and legislative employees from engaging in unlawful discrimination.

ARTICLE 3. CAMPAIGN FINANCE RESTRICTIONS

- P.13 AS 24.61.300 prohibits certain uses of campaign funds, including using funds for contributions to other campaigns or as personal income.
- P.14 AS 24.61.310 limits the use of surplus campaign funds. House candidates may transfer \$5,000, and Senate candidates \$7,500, into a future campaign account. Additional surplus funds may be used to pay back loans, pay for a victory party, repay contributors, or make a donation to the general fund or a charitable organization.
- P.14 AS 24.61.320 restricts fundraising to the period from June 1 of the year before the election through the general election. Legislators and other public office holders would also be unable to raise funds from Jan. 1 through May 31 in the year of the election.
- P.15 AS 24.61.330 gives APOC the responsibility for enforcing the campaign finance sections of HB 4, AS 24.61.300 - 320.

ARTICLE 4. LEGAL DEFENSE FUNDS

- P.15 AS 24.61.350 authorizes the establishment of legal defense and election campaign funds not subject to the limitations on gifts.

ARTICLE 5. FINANCIAL DISCLOSURE

- P.16 AS 24.61.400-24.61.420 enacts financial disclosure requirements broader than those in current AS 39.50. Legislators, candidates and legislative directors must disclose the sources of their income to the commission. When the source of income is a source that has a substantial interest in state government, the nature of the services and the amount of compensation must also be disclosed. The spouses and dependent children of legislators, candidates and directors must also disclose the sources of their outside income.
- P.18 AS 24.61.430 requires disclosure to the Commission of a legislator's or legislative assistant's close economic associations with lobbyists. Current law requires public disclosure of associations with lobbyists and some other categories of people.
- P.19 AS 24.61.440 adopts, with slight modification, current law regarding disclosure of participation in state loans and programs.
- P.20 AS 24.61.450 makes it a class A misdemeanor to make a false, incomplete, or late disclosure required by the Ethics Act. In addition, if a candidate fails to make the income disclosures required in AS 24.61.400-420, the lieutenant governor will remove the candidate from the ballot.

ARTICLE 6. LEGISLATIVE ETHICS COMMISSION

- P.21-34 AS 24.61.500-24.61.580 establish a Legislative Ethics Commission consisting of seven public members, appointed by the Supreme Court, the legislature, and the other commission members. These sections provide for advisory opinions as under current law; provide for a complaint process somewhat more open than under current law; and authorize the commission to issue exemptions from the standards of conduct.

The Commission must hold voluntary ethics education courses for legislators, staff and lobbyists, as well as prepare a biennial report. Commissioners are subject to the Ethics Act, and are restricted from participating in political activities.

ARTICLE 7. GENERAL PROVISIONS

- P.34 AS 24.61.900-24.61.990 contain miscellaneous provisions concerning the retention of documents by the Commission, the penalty for disclosing confidential information, the definition of terms in HB 4, and the bill's general relationship to other laws.

SECTIONS 3 - 27

- P.39 Sections 3-9 make the existing APOC law consistent with the Ethics Act and prevent duplication in reporting.
- P.41 Section 10 of the bill raises the salary for legislators to \$36,000 per year from the current level of \$22,148.
- P.41 Section 11 eliminates long-term per diem payments for legislators during the interim, but continues short-term per diem during the session.
- P.42 Section 12 replaces the current \$4,000 cash office allowance with a voucher system, and raises the amount that can be vouchered under the new system to a maximum of \$7,000 for a single-representative district, \$9,000 for a two-representative district, and \$13,000 for a four-representative (Senate) district.
- P.42 Section 13 allows legislators to be reimbursed for two round-trip tickets from Juneau to their districts.
- P.42 Section 14 prohibits lobbyists from using state resources in the conduct of their business and from taking an active part in a legislative campaign.
- P.43 Section 15 prohibits a legislator from working as a lobbyist for one session after leaving office.
- P.43 Section 16-21 make the existing APOC conflict of interest laws consistent with the Ethics Act and prevent duplication in reporting.
- P.45 Section 22 explains how the initial commission appointments will be made.
- P.45 Section 23 allows the commission to consider complaints of violations of the old ethics law (24.60) that occurred before the Ethics Act of 1991 was in effect.
- P.46 Section 24 provides a transition period before the prohibition on representation of clients before state agencies goes fully into effect.
- P.46 Section 25 says that Article 3, campaign finance restrictions, will go into effect immediately.
- P.46 Section 26 says that the portion of the bill which sets up the Commission will go into effect on July 1, 1991
- P.46 Section 27 says that the remainder of HB 4 goes into effect on January 1, 1992.

February 23, 1991

Memorandum

TO: John Gaguine
FROM: Representative Gene Kubina
RE: HB 4

The following items were noted regarding HB 4 during the work session on February 23, 1991 in the House State Affairs Committee:

Sec. 24.61.150 RESTRICTED RELATIONSHIPS: NEPOTISM

Family members who work in the other body during the legislative session should be also allowed to work one week before and one week after the session, as is the case with other legislative staff.

Sec. 24.61.160 RESTRICTED RELATIONSHIPS: LOBBYISTS, LEGISLATORS, LEGISLATIVE CANDIDATES, AND LEGISLATIVE ASSISTANTS.

This section has been flagged until determination of where it should belong. There was some question as to whether it should be administered by APOC.

Sec. 24.61.200 RESTRICTED TRANSACTIONS: INTEREST IN STATE CONTRACTS OR LEASES.

The question was raised about the inclusion of parents-in-law in this section. They are currently included in the definition of immediate family on page 37.

Sec. 24.61.220 RESTRICTIONS ON EARNED INCOME: OUTSIDE EMPLOYMENT AND HONORARIA

The question was raised about how this section would impact legislative assistants on lay-off status and their outside employment during interim.

Under (c), remove the words "or civic" from line 29.

Sec. 24.61.230 INTERCESSION ON BEHALF OF CONSTITUENTS.

Under (4), remove the words "and not the handling of a particular matter" on line 29.

Sec. 24.61.250 ACCOUNTABILITY: OPENNESS AND OVERSIGHT

Under (a), remove all the wording which follows (open meetings law) on lines 14, 15, and 16.

*Leave
07-14*
Delete (a) on pg. 6 line 17 - put legislators under same (b) as leg. assts.

Delete Art. 3 Sec. 5 Change "commission" references to "APOC"

Memorandum

TO: Gene and Mary
FROM: Annie *Annie*
RE: HB 4 work session 3/04/91

The following changes and amendments were proposed during the meeting:

Article Four - Legal Defense and Election Challenge Funds

Two amendments-

- 1) Page 15, line 29, following "employee", insert "and directly related to acts or omissions of the legislator or employee or while campaigning for legislative office".
- 2) Page 16, line 4 following the second use of the word "fund" insert "and the amounts which a person may contribute to the fund".

Article Five - Required Disclosure

Two amendments-

- 1) Change all references in this section from "commission" to "APOC".

2) Page 17, line 23:
Increase the threshold from \$100. to \$1000.

John hat language
Also, John Gaguine will draft a sentence relating to disclosure of patient-doctor and client-attorney relationships.

Section .420, page 18, line 28 (C), referring to the public record of reporting income shall apply to both Category A and Category B income sources.

Article Six - Legislative Ethics Commission

Section .500, page 21, line 18, terms of the commissioners will be changed to read four years.

Section .502 page 22, line 1, insert "each house of the legislature in a concurrent resolution" after "vote of", and delete "both houses of the legislature".

Section .502, page 22, line 5, insert "each house of the legislature in a concurrent resolution" after "vote of",

and delete "both houses of the legislature".

Section .504, page 22, line 8, insert "may" and delete "shall".

Section .504, page 22, line 9 and 10, strike the words "The commission shall meet at least once every three months."

Section .504, page 22, line 14 insert "standard travel and per diem" and delete " \$175".

Section .504, page 22, line 16, strike "The chair shall receive an additional stipend of \$500. a year."

Memorandum

TO: Gene and Mary
FROM: Annie *Annie*
RE: HB 4 work session 3/5/91

The following changes were proposed during the meeting:

Article Five - Required Disclosure

Section .430, page 19, line three, insert the word "regular" before the word "session".

Article Six - Legislative Ethics Commission

Section .508, page 23, line 13, insert the words "state, local, ~~or federal~~ government" after the word "appointed".

Section .510, page 24, line 20, delete the words "authorize research in the field of legislative ethics and". Begin (6) where the word "Carry" is located.

Section .512, page 25, line 12, delete the sentence that begins on line 12 with the words "The legislative" and continues through lines 13 and 14.

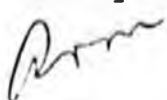
Article Seven - General Provisions

Section .990, page 37, line 29, the inclusion of the words "including parents-in-law" was questioned.

Reference was also made to an amendment proposed by Rep. Cheri Davis.

The discussion stopped on page 38.

Memorandum

TO: Gene and Mary
FROM: Annie 
RE: HB 4 work session 3/06/91

The following questions and changes were noted during the meeting:

AS 24.45.041, page 39, lines 17 and 18, the \$10,000. amount for state contracts was questioned and flagged.

Sec. 4, AS 15.13.120, page 39 line 26 through page 40, line 11, should be deleted.

Sec. 10, AS 24.10.100, page 41, lines 18 through 23 should be deleted.

Sec. 11, AS 24.10.105, page 41, line 24 through page 42, line 7, should be deleted.

Sec. 12, AS 24.10.110, page 42, lines 16 through 21 should be deleted. A new sentence should be added stating that the Legislative Council shall set the office allowance within the first 10 days of every legislature.

Sec. 13, AS 24.10.130, page 42, lines 28 and 29, strike the sentence beginning with the words "A trip paid" and ending with the words "or constituent purpose".

Sec. 14, AS 24.45.12, page 42, line 31 through page 43, line 22, has been flagged for determination of where it should belong (in which bill). Sec. 24.61.160, page 5, line 30 through page 6, line 15, has been flagged for the same reason.

Sec. 22, Initial Commission Appointments. These were changed to correspond with the same changes under Article Six - Legislative Ethics Commission.

Sec. 25, AS 24.61.300 - AS 24.61.330, page 46, lines 14 and 15, should be deleted.

AMENDMENT #4

OFFERED IN THE HOUSE

TO: HB 4

Page 15, line 29, following "employee":

Insert "and directly related to acts or omissions of the legislator or employee while acting as a legislator or employee or while campaigning for legislative office"

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE FINKELSTEIN

TO: HB 4

Page 41, line 18, following "Sec. 10.", through page 42, line 7:

Delete all material and insert:

"AS 24.10 is amended by adding a new section to read:

Sec. 24.10.102. COMPENSATION OF LEGISLATORS. A legislator shall receive a salary and a per diem allowance that are prescribed by the State Officers Compensation Commission under AS 39.23.240(a)."

Renumber the following bill sections accordingly.

Page 43, following line 30:

Insert a new bill section to read:

** Sec. 16. AS 39.23.240(a) is repealed and reenacted to read:

(a) Not later than the 10th calendar day of the first regular session of a legislature, the commission shall submit to the legislature an order setting the salary and the per diem allowance of legislators under AS 24.10.102. The order may authorize a higher salary for the speaker of the house and the president of the senate than for other legislators. The order becomes effective 60 days after submission or on final adjournment of that session, whichever comes earlier, unless a bill disapproving the commission's order is enacted into law before the order becomes effective. If an order under this section is disapproved, the salary and per diem allowance of the legislators remain at the level set by the most recent order of the commission that was not disapproved. The commission may submit only one order during each legislature."

Page 45, following line 15:

Insert a new bill section to read:

** Sec. 22. AS 24.10.100, 24.10.101, and 24.0.105 are repealed."

Renumber the following bill section accordingly.

Page 45, following line 24:

Insert a new bill section to read:

"* Sec. 24. TRANSITIONAL PROVISIONS RELATING TO LEGISLATORS' SALARIES AND PER DIEM ALLOWANCES. Notwithstanding AS 39.23.240(a), as amended by sec. 16 of this Act, until the effective date of an order of the State Officers Compensation Commission under AS 39.23.240(a), as amended by sec. 16 of this Act, salaries of legislators shall be governed by AS 24.10.100, and per diem allowances shall be governed by AS 24.10.105."

Renumber the following bill sections accordingly.

Page 46, following line 17:

Insert a new bill section to read:

"* Sec. 29. Section 22 of this Act takes effect on the effective date of the first order of the State Officers Compensation Commission under AS 39.23.240(a), as amended by sec. 16 of this Act, that is not disapproved by the legislature under AS 39.23.240(a), as amended by sec. 16 of this Act."

Renumber the following bill section accordingly.

Page 46, line 18:

Delete "secs. 25 and 26"

Insert "secs. 27 - 29"

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Report

A M E N D M E N T

OFFERED IN THE HOUSE
TO: HB 4

BY REPRESENTATIVE C.DAVIS

Page 42, following line 30:

Insert a new bill section to read:

"* Sec. 14. AS 24.10 is amended by adding a new section to read:

Sec. 24.10.140. APPROVAL OF CERTAIN TRAVEL REQUIRED. A legislator in a final term may not travel out of state at legislative expense unless the travel is approved by a majority of the legislative council, regardless of which legislative entity or legislative account will be paying for the travel. In this section, "legislator in a final term" means a legislator who

(1) announces an intention not to seek reelection to the legislator's seat or election to another seat in the legislature;

(2) fails to file for reelection or for election to another seat before the filing deadline; or

(3) is defeated for reelection or for election to another seat in a primary or general election."

Renumber following bill sections accordingly.

Page 45, line 26:

Delete "sec. 21"

Insert "sec. 22"

Page 46, line 17:

Delete "sec. 21"

Insert "sec. 22"

Page 46, line 18:

Delete "secs. 25 and 26"

Insert "secs. 26 and 27"

A M E N D M E N T #9

OFFERED IN THE HOUSE

TO: HB 4

Page 1, line 5, following "allowances;":

Insert "prohibiting the naming of public works after current and certain former legislators;

Page 43, following line 30:

Insert a new bill section to read:

** Sec. 17. AS 35.40 is amended by adding a new section to read:

ARTICLE 2. GENERAL PROVISIONS.

Sec. 35.40.900. PROHIBITION. A public work may not be named after a legislator while the legislator is still in legislative office and for a period of one year after the legislator leaves legislative office."

Renumber following bill sections accordingly.

Page 45, line 26:

Delete "sec. 21"

Insert "sec. 22"

Page 46, line 17:

Delete "sec. 21"

Insert "sec. 22"

Page 46, line 18:

Delete "secs. 25 and 26"

Insert "secs. 26 and 27"

A M E N D M E N T

OFFERED IN THE HOUSE

BY

TO: HB 4

Page 1, line 5, after "allowances:"

Insert "relating to the legal defense of current and former legislators;"

Page 42, following line 30:

Insert a new bill section to read:

** Sec. 14. AS 24.10 is amended by adding new sections to read:

ARTICLE 5. DEFENSE OF LEGISLATORS.

Sec. 24.10.300. DEFENSE OF LEGISLATORS. (a) Except as otherwise provided in AS 24.10.300 - 24.10.400 and after written request of a legislator, the Legislative Affairs Agency shall represent the legislator

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

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

(b) The Legislative Affairs Agency may not represent a legislator under (a) of this section if the executive director of the Legislative Affairs Agency determines that

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

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

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

(c) The Legislative Affairs Agency may refuse to represent a legislator under (a) of this

section if the legislator fails to deliver to the executive director of the Legislative Affairs Agency a legible copy of the pleading that states the claim against the legislator within 10 days after the legislator receives it.

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

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

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

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

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

(2) under AS 24.10.300(b)(3), and it is judicially determined that the legislator