

**ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672**

**9035 SENATE STATE AFFAIRS**

AMENDMENT

*See. 26  
Representation  
B...*

OFFERED IN THE HOUSE  
TO: CSSB 141(RLS) am

- 1 Page 15, line 21, following "branch":
- 2       Insert "and may not receive compensation for employment as a lobbyist before
- 3 an agency of the executive branch of state government" - *tightens lobbying*  
*restrictions*
- 4 Page 29, line 28:
- 5       Delete "a new paragraph"
- 6       Insert "new paragraphs" *technical* *to add.* *see 56*
- 7 Page 29, line 31, following "AS 39.27.011":
- 8       Insert ";
- 9               (16) "lobbyist" has the meaning given in AS 24.45.171"

AMENDMENT

*Withdrawn  
See H 7*

OFFERED IN THE HOUSE

TO CSSB 141(RLS)am

*Brown*

Page 11, line 25

Delete "~~\$250~~ (\$100)"

Insert "\$100"

*See 19*

*\$250 - matches 1995  
instructions for  
lobbyists*

Page 11, line 27

Delete "~~\$250~~ (\$100)"

Insert "\$100"

Page 11, line 28

Delete "~~\$250~~ (\$100)"

Insert "\$100"

Page 12, line 20

Delete "~~\$250~~ (\$100)"

Insert "\$100"

Page 12, line 25

Delete "~~\$250~~ (\$100)"

Insert "\$100"

Page 13, line 9

Delete "~~\$250~~ (\$100)"

Insert "\$100"

1 shall enter an order requiring the violation to be ceased or to be remedied, and shall  
2 assess civil penalties under AS 15.13.125. A commission order may be appealed to the  
3 superior court by either the complainant or respondent within 30 days. The commission  
4 of the commission's executive director shall promptly report to the attorney general  
5 concerning any acts or practices that may constitute violations of this chapter or  
6 regulations adopted under this chapter, or concerning the violation of any order of the  
7 commission.

8 \* Sec. 20. AS 15.13.120(e) is repealed and reenacted to read:

9 (e) If the commission does not open a preliminary investigation within 90 days  
10 of the filing date of the complaint or complete action on the complaint within 150 days  
11 of the filing, the complainant may file a complaint in superior court alleging a violation  
12 of this chapter by a respondent in the administrative complaint. The complainant may  
13 provide copies of the complaint filed in the superior court to the commission and the  
14 attorney general. The state may intervene in a timely manner. A complaint may not be  
15 filed in superior court under this subsection if more than two years have elapsed from  
16 the date of the alleged violation. This subsection does not create a private cause of  
17 action against the commission.

18 \* Sec. 21. AS 15.13.125 is amended to read:

19 **Sec. 15.13.125. CIVIL PENALTY - LATE FILING OF REQUIRED REPORTS**

20 A person who fails to file a properly completed and certified report within the time  
21 required by ~~AS 15.13.040(d) - (f), 15.13.050, 15.13.060(b) - (d), 15.13.080(c)~~  
22 ~~[AS 15.13.040(f), 15.13.110(a)(1), (3), or (4), (g), or (d) (C.S.S.B. 191019)]~~  
23 to a civil penalty of not more than \$50 [\$10] a day for each day the delinquency  
24 continues as determined by the commission subject to right of appeal to the superior  
25 court. A person who fails to file a properly completed and certified report within the  
26 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not  
27 more than \$500 [\$50] a day for each day the delinquency continues as determined by the  
28 commission subject to right of appeal to the superior court. A person who violates a  
29 provision of this chapter, except a provision requiring filing of a report within a  
30 time required as otherwise specified in this subsection, is subject to a civil penalty  
31 of not more than \$50 a day for each day the violation continues as determined by  
32 the commission, subject to right of appeal to the superior court. An affidavit stating

1 shall enter an order requiring the violation to be ceased or to be remedied, and shall  
2 assess civil penalties under AS 15.13.125. A commission order may be appealed to the  
3 superior court by either the complainant or respondent within 30 days. The commission  
4 or the commission's executive director shall promptly report to the attorney general  
5 concerning any acts or practices that may constitute violations of this chapter or  
6 regulations adopted under this chapter, or concerning the violation of any order of the  
7 commission.

8 \* Sec. 20. AS 15.13.120(c) is repealed and reenacted to read:

9 (c) If the commission does not open a preliminary investigation within 90 days  
10 of the filing date of the complaint or complete action on the complaint within 180 days  
11 of the filing, the complainant may file a complaint in superior court alleging a violation  
12 of this chapter by a respondent in the administrative complaint. The complainant may  
13 provide copies of the complaint filed in the superior court to the commission and the  
14 attorney general. The state may intervene in a timely manner. A complaint may not be  
15 filed in superior court under this subsection if more than two years have elapsed from  
16 the date of the alleged violation. This subsection does not create a private cause of  
17 action against the commission.

18 \* Sec. 21. AS 15.13.125 is amended to read:

19 Sec. 15.13.125. CIVIL PENALTY - LATE FILING OF REQUIRED REPORTS

20 A person who fails to file a properly completed and certified report within the time  
21 required by AS 15.13.040(d) - (f), 15.13.050, 15.13.060(b) - (d), 15.13.080(c)  
22 [AS 15.13.040(f), 15.13.110(a)(1), (3), or (4), (e), or (f) (2), (3), or (4)] is subject  
23 to a civil penalty of not more than \$50 [\$100] a day for each day the delinquency  
24 continues as determined by the commission subject to right of appeal to the superior  
25 court. A person who fails to file a properly completed and certified report within the  
26 time required by AS 15.13.110(a)(2) or 15.13.110(b) is subject to a civil penalty of not  
27 more than \$50 [\$50] a day for each day the delinquency continues as determined by the  
28 commission subject to right of appeal to the superior court. A person who violates a  
29 provision of this chapter, except a provision requiring filing of a report within a  
30 time required as otherwise specified in this subsection, is subject to a civil penalty  
31 of not more than \$50 a day for each day the violation continues as determined by  
32 the commission, subject to right of appeal to the superior court.

# 2 // Dept of Admin - proposed amendment to CS 5B1A1 (rules) am

Page 35, line 16

change "compensated" to "appointed"

line 17

after "AS 39.27.011" add ";"

after "or" insert "in the exempt service  
and compensated"

Page 53 line 6

change "compensated" to "appointed"

change "21A" to "21"

line 7

after "AS 39.27.011" add ";"

after "or" insert "in the exempt service and  
compensated"

43

AMENDMENT

OFFERED IN THE HOUSE  
TO CSSB 141(RLS)am

BY REPRESENTATIVE BROWN

*Section 5*

1 Page 4, line 19

2 Delete "[LIMITED]"

3 Insert "limited"

*Page 4, line 19 insert  
"or" "limited"*

4 Page 5, line 15

5 Delete "[LIMITED]"

6 Insert "limited"

7 Page 5, line 24

8 Delete "[OR]"

9 Insert "or"

10 Page 5, line 25, before "telephone"

11 Insert "limited"

#4

AMENDMENT

OFFERED IN THE HOUSE  
TO: CSSB 141(RLS)am

BY REPRESENTATIVE BROWN

- 1 Page 3, lines 23 - 30
- 2 Delete all materials.
- 3 Renumber sections accordingly.

Sec. 3  
Spentul lobbying

1 1  
-1.1

#5

~~144-1725~~

AMENDMENT

OFFERED IN THE HOUSE  
TO: CSSB 141(RLS)am

BY REPRESENTATIVE BROWN

See. 7

1 Page 7. lines 1 - 2

2

[Delete] "For purposes of this subsection, the office" <sup>(magv)</sup>

3

of a legislator in not considered to be a public area."

Revised letter

111

46 Deleted

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSSB 141(RLS) am

Brown

1 Page 11, line 25:

2 Delete "\$250 [\$100]"

3 Insert "\$100"

4 Page 11, line 27:

5 Delete "\$250 [\$100]"

6 Insert "\$100"

7 Page 11, line 28:

8 Delete "\$250 [\$100]"

9 Insert "\$100"

10 Page 12, line 20:

11 Delete "\$250 [\$100]"

12 Insert "\$100"

13 Page 12, lines 27 - 28:

14 Delete : the [AND THE] disclosure needs to include only a description of the gift  
15 and the identity of the donor [

16 Insert "[AND THE DISCLOSURE NEEDS TO INCLUDE"

#7

7.

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 141(RLS)am

Brown

Page 12. line 9

Delete "(A)"

see .20

Page 12. line 10

Delete: "or"

Page 12. line 11

Delete all material.

"when on state business"

#2

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 141(RLS)am

*Will insert*

**Brown**

Page 15, line 27

Delete "political."

*See. 27*

Page 15, line 27

Delete ". or public policy"

Page 16, line 11

Delete "political."

*see. 28*

Page 16, line 11

Delete ". or public policy"

Page 16, line 2, after "expended"

Insert "contribution and time limits on such a fund."

*See. 27*

Page 16, line 27, after "expended"

Insert "contribution and time limits on such a fund."

*See. 28*

*Gives APOC guidelines to establish regulations*

# 10

AMENDMENT

OFFERED IN THE HOUSE

TO: CSSB 141(RLS)am

Brown  
see 43

1 Page 24, lines 11 - 14:

2 Delete "However, the committee shall permit the subject of the complaint and the  
3 subject's attorney to attend any meeting concerning the complaint, including confidential  
4 meetings. The committee"

5 Insert "However, the subject of the complaint may request to attend confidential  
6 meetings of the committee concerning the complaint involving the subject. The  
7 committee shall consider the request and if it decides to deny the request shall notify the  
8 subject of the reasons for the denial. If the committee grants the request, it"

*[Faint handwritten notes and signatures]*

# Alaska State Legislature

## Select Committee on Legislative Ethics

716 W. 6th St. Ste 237  
Anchorage AK  
(907) 258-8172  
FAX 258-2108

Mailing Address  
PO Box 10468  
Anchorage AK  
99510-1468

**DATE:** May 2, 1996

**TO:** House Finance Committee Members

**FROM:** Susie Barnett, Staff  
Select Committee on Legislative Ethics

**RE:** BRIEF Review of CS SB 141(RLS) (am)  
The Ethics Bill

This bill, as originally written, made changes to the legislative ethics code based on adopted ethics committee procedures and recommendations voted on by the committee. The Senate State Affairs Committee amended several sections of the legislative ethics code and amended the executive branch ethics code. The Senate Rules Committee further amended the executive ethics code and included the ban on spouses and spousal equivalents of legislators from lobbying the legislature. The Ethics Committee as a whole has not formally reviewed or endorsed the changes made to the bill. I encourage you to read the May 2, 1996 Sectional Analysis of CSSB 141(RLS) am.

### MAJOR CHANGES TO THE LEGISLATIVE ETHICS CODE:

- Ban on spouses and spousal equivalents of legislators from lobbying the legislature. (APOC lobbying law amended)
- Under conflicts of interest section, changes the *prohibition* on taking legislative, administrative or political action if a person holds certain interests to a *disclosure requirement* prior to taking action.
- Relaxes the restrictions on use of state resources, including phones and faxes.
- Adds a more comprehensive disclosure requirement for legislative employees whose spouses or equivalents are lobbyists.
- Increases the gift limit from \$100 to \$250 and removes APOC from responsibility of receiving disclosures on gifts.
- Allows a legislator or legislative employee to establish a Legal Defense and Election Challenge Fund.
- Sets out a procedure for failure to comply with corrective actions.

- Allows subject of complaint to sit in executive sessions of the ethics committee, including deliberations.
- Provides a list of possible sanctions to be recommended by the committee in cases of violations of the code and sets out a timetable for compliance.
- Requires legislative employees who are at range 19 and above to file the Legislative Financial Disclosure form to APOC annually.
- Allows the ethics committee to issue fines of up to \$25 for late disclosures.

#### **MAJOR CHANGES TO THE EXECUTIVE ETHICS CODE**

- Generally changes the executive branch ethics code to conform with the legislative ethics code.
- Removes the Attorney General's office from the majority of the duties related to administering the code, including the complaint process, and replaces the AG with the Personnel Board.
- Requires certain board/commission members and employees in the executive branch who are at a range 21A and above or who make over \$4200 per month to complete the Financial Conflict of Interest Disclosure Form to APOC.

**EFFECTIVE DATE:** January 1, 1997

# Alaska State Legislature

## Select Committee on Legislative Ethics

718 W. 4th, Suite 210  
Anchorage AK  
(907) 258-8172  
FAX: 289-2106

Mailing Address:  
P O Box 101488  
Anchorage, AK  
99510 - 1488

DATE: May 2, 1996  
TO: All Representatives  
FROM: Susie Barnett, Staff  
Select Committee on Legislative Ethics  
RE: Review of CS SB 141(RLS) nm

"An Act relating to legislative and executive branch ethics; relating to the conduct of lobbyists with respect to public officials; relating to campaigning by state employees; relating to the filing of financial disclosures by certain state employees and officials; making a conforming amendment to the definition of 'public official' for employment security statutes; and providing for an effective date."

This document is intended to supplement CS SB 141(RLS) am and provide an ethics committee analysis of the bill. (Herein, "committee" refers to ethics committee.) The \*asterisks indicate sections amended by the Senate State Affairs Committee and by the Senate Rules Committee.

**\*LETTER OF INTENT:** States that it is the intent of the legislature that nothing in the legislation shall be construed as prohibiting a legislator from being employed or being retained on a contractual basis by any political subdivision of the state. (Added in STA CS; also adopted by Senate on 5/1/96)

**\*SECTION 1: AS 23.20.528(d) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT.** Conforming amendment to employment security statutes to ensure that exempt and partially exempt employees referenced in this bill remain eligible for unemployment benefits. (Added in Rules CS)

**SECTION 2: AS 24.25.010(e) SUBPOENA POWERS.** The ethics code specifically grants the ethics committee the authority to subpoena witnesses under AS 24.60.150(b)(2). AS 24.25.010, sets out general guidance for legislative subpoenas and includes a reference requiring the concurrence of the Senate President or Speaker of the House. Subsection (e) provides that the concurrence requirement does not apply to the Legislative Council or the Legislative Budget and Audit Committee. Like the ethics committee, both the council and LBA are permanent interim committees and both have express grants of authority to subpoena witnesses. It is the opinion of the ethics committee and the committee's legal counsel, that not including the ethics committee in the exemption was an oversight, especially given the specific grant of authority. (Unchanged by CS)

**\*SECTION 3: AS 24.45.165: APOC REGULATION OF LOBBYISTS.** Adds a new section to the lobbying law which prohibits the spouse of a legislator or another person cohabitating with a legislator in a conjugal relationship from engaging in lobbying the legislature. These individuals may still act as representational lobbyists before the legislature or testify before committees, provided they are not compensated for such services. They may lobby agencies of the executive branch or another governmental entity for compensation. (AMENDED BY CS)

**\*SECTION 4: AS 24.48.171(12) DEFINITIONS.** Adds "another legislative employee subject to disclosure" to the definition of public official or public officer in relation to lobbying statutes. (see Section 56) (Added in RULES CS)

**\*SECTION 5: AS 24.60.030(a) TELEPHONE/FAX USE**

\*Subsection (2)(A): The changes to subsection(2)(A) would allow the use of state resources for personal purposes if the use doesn't interfere with performance of public duties and either the cost is nominal or the legislator/legislative employee reimburses the state for cost. Requires employee to comply with supervisor's policy on state resource use. (Amended by STA CS)

\*Subsection (2)(C) allows use of state phones and fax machines for private benefit and requires a legislator/employee who incurs a special charge to reimburse the state. (Amended by STA CS)

\*Subsection (5)(A) allows use of state resources for political fund raising or campaigning if the use doesn't interfere with performance of public duties or the legislator/employee reimburses the state for cost. Requires employee to comply with supervisor's policy on state resource use. (Amended by STA CS)

\*Subsection (5)(C) allows use of phones and faxes for political fund raising or campaigning and requires a legislator/employee who incurs a special charge to reimburse the state. (Amended by STA CS)

\*Subsection (5)(D) allows campaign records, including APOC reports, to be kept in a legislator's office and prohibits a legislative employee from working on campaign records on government time. (Amended by STA CS)

**\*SECTION 6: AS 24.60.070(c) MASS MAILING.** The ethics code currently prohibits use of state funds to print or distribute a mass mailing from or about a legislator who is a candidate for state office, during the period 90 days before the primary and ending the day after the general election. The proposed language expands the prohibition to include legislators and legislative employees who are candidates for federal and municipal offices or to telephone and electric cooperatives. While other sections of the ethics code clearly prohibit use of state funds for campaign purposes, this section highlights what are considered to be a critical periods and provides a guideline for those who issue mailings during those times. This subsection does not refer to an individual legislator's office allowance. Rules Committee deleted, under definition of political mass mailing (a person other than a legislator or employee who is a candidate for election to the legislature) (Amended by STA and RULES CS)

**\*SECTION 7: AS 24.60.030(d) CAMPAIGN LITERATURE.** The proposed change adds fundraising notices to the list of current prohibitions on distributing or posting campaign literature in state facilities. The prohibitions currently apply only to legislators or someone on behalf of a legislator. This language expands that prohibition to include legislative employees. The Senate State Affairs Committee added language which states that the offices of individual legislators are not public areas for the purposes of this section. (Amended by STA CS)

**SECTION 8: AS 24.60.030(a) BOARD MEMBERSHIP.** The bill would put in statute what is current practice for disclosure, with two exceptions. The committee now requests disclosure of a new membership on a board within 30 days and board membership disclosures are not published in the journal. The amendment would change the new membership disclosure period to 60 days and would require the committee to publish the disclosures in the journal. (Unchanged by C8)

**\*SECTION 9: AS 24.60.030(g) CONFLICTS OF INTERESTS.** The amendments to this section have the effect of changing the prohibition on taking legislative, administrative or political action to a disclosure requirement prior to taking action if one has any of the "interests" listed in the amendment, which are expanded beyond equity or ownership interest to include employment, contracts and membership on a board. It also puts out that the disclosure is to be publicly announced if the action is being taken in a committee meeting or on the floor. Actions being taken other than in committee or on the floor, e.g. drafting a bill or testifying in an administrative hearing, would be disclosed in writing to the ethics committee within 7 days. Disclosures must include the nature of the financial interest and a short description of how action taken affects the interest, whether written or oral. (Amended by STA C8, recommended by committee)

**\*SECTION 10: AS 24.60.030 GOVERNMENT TIME.** Under the proposed language, when determining to a complaint proceeding whether an employee was performing a task on government time, the committee would consider the schedule set by the employee's supervisor. Requires an employee to take leave for the period of time he/she is engaged in political campaign activities, other than incidental campaign activities. As provided in Senate State Affairs, political campaign activities are permissible on government time if the activities are part of the normal legislative duties, including answering phone calls and handling incoming correspondence. (Amended by STA C8)

**SECTION 11: AS 24.60.031(a) FUNDRAISING DURING SESSION.** The proposed language clarifies that the restrictions on fundraising during session are in effect on a day when either house is in regular or special session. (This would change the committee's current interpretation of "gavel to gavel") The proposed language retains the restrictions on fundraising during session for state legislative political purposes and eliminates the unnecessary term for "campaign purposes". This proposal tightens the language that might have allowed someone to expend money raised during session under a general letter of intent without a declaration of candidacy. (Unchanged by C8)

**SECTION 12: AS 24.60.039 EMPLOYMENT DISCRIMINATION.** The Ethics Committee shares jurisdiction with the Human Rights Commission (HRC) on complaints filed against a legislator or legislative employee concerning violations of the employment discrimination statute, AS 18.60.250. Current law requires the committee to deal with a complaint alleging a violation of that statute in the same manner they would deal with any other complaint. The proposed language gives the committee the option to refer complaints of employment discrimination to the HRC and defer consideration of the complaint until after the commission has completed its proceedings. (Unchanged by C8)

**SECTION 13: AS 24.60.040(a) CONTRACTS AND LEASES.** The proposed language broadens the contract and lease criteria beyond the current code, which restricts a legislator or legislative employee from having a financial interest in a state contract or lease when

-It is let through competitive bidding in accordance with the Procurement Code or

-It is worth \$1000 or less annually or  
-It is standardized, under publicly established guidelines and generally available to the public at large.

The new language allows participation in contracts or leases that are let under AS 36.30, the State Procurement Code, which addresses a variety of award methods, including sole-source. It also allows participation in contracts and lease that are let under similar procedures to those in AS 36.30 which addresses such agencies as the University and the Railroad. The new language sets a new reporting threshold at \$5000, changed from the previous \$1000.

This bill amends the "family member" disclosure requirement to generally read: A legislator or legislative employee who knows, or reasonably ought to know, that a family member is participating in a state contract or lease (with an annual value of \$5000 or more) must disclose that participation.

This relaxing of prohibitions is balanced by the new disclosure requirement. Currently a legislator or legislative employee does not disclose to the ethics committee participation in contracts or leases permitted by the code. The proposed language requires disclosure by the legislator, legislative employee and family members of participation in any state contract or lease over \$5000 annually. It also clarifies that for the purposes of complying with the ethics code, a grant that results in a contract is subject to this section. (Unchanged by CS)

**SECTION 14: AS 24.60.050 (CONTRACTS AND LEASES.** Clarifies that a grant, contract or lease that falls under one of the State Loan or Profit Programs in AS 24.60.050, is not subject to this section. The committee publishes a list of programs that do not meet the criteria in AS 24.60.050 and requires disclosure of participation in any of the listed programs. (Unchanged by CS)

**SECTION 15: AS 24.60.050(c) REPEAL FROM PUBLICATION.** Allows the committee to protect an individual's right to privacy concerning participation in state loans and benefit programs. This follows an advisory opinion issued by the committee in 1994 explaining that it chose to not publish the name of a person who received a benefit from the Violent Crimes Compensation Committee but did publish that a person covered by the ethics code had received a benefit. (Unchanged by CS)

**SECTION 16: AS 24.60.060(b) PROTECTIVE ORDER.** The subject of an ethics complaint would be in violation of the code for releasing information deemed confidential under a protective order issued by the committee. This change would allow the committee to broaden discovery by the subject while still protecting any interest, or "not involved" parties. See AS 24.60.170(1) Section 42, which was amended by STA CR. (Unchanged by CS)

**SECTION 17: AS 24.60.070(b) DEADLINE FOR CLOSE ECONOMIC ASSOCIATION.** The current code required disclosure but did not set a deadline. The February 15 deadline is in line with others and the 60 day disclosure for new associations matches the new language for disclosures throughout the bill. (Unchanged by CS)

**\*SECTION 18: AS 24.60.070(d) SPOUSAL/SPOUSAL EQUIVALENT LOBBYIST.** This new section would require legislators and legislative employees who are married to or who are the spousal equivalents of a lobbyist, to disclose, under Close Economic Association, the name and address of each of the lobbyist's clients and the total monetary value received from each client annually. Changes to the list would have to be reported within 48 hours. This section applies to spouses or spousal equivalents of legislators and legislative employees who lobby any branch of state government. Note that Section 3 prohibits spouses or equivalents from lobbying the legislature. (AMENDED BY RULES CS)

**SECTION 19: AS 24.60.080(a): GIFTS.** The bill increases the gift limit from \$100 to \$250 annually. New language has been added that clarifies the restriction on legislators and legislative employees from accepting, from a lobbyist during session, anything of monetary value other than food or beverage for immediate consumption. This change matches the restrictions currently in the APOC statutes for lobbyists. (Technical Change only in RULES CS)

**\*SECTION 20: AS 24.60.080(c) GIFT EXEMPTIONS.** The committee has received inquiries as to whether a stay at a person's vacation home is an exempted gift. This language clarifies that a stay in a vacation home located outside the state, is not an exempted gift. Language would allow legislators and legislative employees to accept unlimited discounts while on state business. (Amended by STA CS)

**\*SECTION 21: AS 24.60.080(d) GIFT REPORTING.** Proposed changes to Sections 24.60.200-260 (discussed further down in this document) of the ethics code, remove APOC out from under the responsibility of dealing with reports of gifts received by legislators and legislative directors. This is an effort to ease confusion over what is reported to whom. Under the proposed changes, all gifts would be reported to the ethics committee. The changes in this section correspond to those made in previous sections e.g. \$250 limit and changing reporting date for gifts not related to legislative status to February 15 deadline and the change from reporting gifts to APOC. Changes the confidential disclosure requirement for gifts "not related to legislative status" from donor, description of gift and value to just donor and description of gift. Gifts that do not relate to legislative status will remain confidential. (Amended by STA CS)

**\*SECTION 22: AS 24.60.080(f) GIFTS FROM GOVERNMENTS.** Allows acceptance of gift from a foreign government, the U.S. government or another state government for protocol purposes so long as the gift is delivered to the legislative council within 60 days. This bill increases the threshold to \$250 to correspond with other changes relating to gifts. (Amended by STA CS)

**\*SECTION 23: AS 24.60.080(g) FAMILY.** Defines the terms in the Gifts Section "Immediate family or family member", when used in relation to gifts received from immediate family and the new subsections in AS 24.60.080: inheritance from a family member (i) or gifts received by a family member (k). (Amended by STA CS, STA added to (B) with a person cohabiting in a conjugal relationship that is not a legal marriage.) (Technical change only in RULES CS)

**\*SECTION 24: AS 24.60.080 GIFTS.** New subsections (h) Permits soliciting and accepting gifts on behalf of charitable organizations, which is in accordance with the advisory opinion issued by the committee last year. Allows the committee to set guidelines concerning these types of gifts. (Unchanged by CS)

(i) Requires reporting of receipt, but not value of, an inheritance from a person other than a family member. The current statute does not address inheritance. This information is currently required under APOC reporting of gifts. The bill reflects the change from reporting gifts to APOC. (Unchanged by CS)

(j) The committee issued an opinion interpreting the restriction on accepting volunteer 'services' over \$100 in value. This bill reflects that opinion and sets out that gifts of volunteer services for legislative purposes may be accepted by a legislator, legislative committee or legislative agency as a gift to the state, so long as the person donating the services is not paid by another source. The CS amends this section by allowing a legislator, legislative committee or legislative agency to accept a UA Intern or JTPA trainee as well as any other educational trainees the committee approves. For purposes of maintaining confidentiality, the ethics committee is not permitted to accept volunteer services. (Amended by STA CS)

This subsection requires volunteers, interns, and educational trainees to generally comply with the ethics code, with the exceptions of the following sections: contracts and leases, close economic associations, nepotism or representation before state agencies. The nepotism exemption allows family members to volunteer their time to legislative offices. (Amended by STA CS. Educational trainees, including UA intern and JTPA added)

(k) The current law does not specifically address whether gifts, from another source, to a family member of a legislator or legislative employee fall within the restrictions and/or reporting requirements. The issue has been discussed by the committee in relation to spouses of legislators receiving gifts of travel to attend conferences with the legislator. The proposed language requires disclosure by a legislator or legislative employee who knows, or reasonably ought to know, that a family member has received a gift because of the family member's connection to the legislator or legislative employee. The bill provides this guideline: if the gift was given directly to the legislator or employee and if it would have to be reported by the legislator or employee, then the same gift, if the gift was given to a family member because of his/her connection to a legislator or legislative employee, would require disclosure. In other words, gifts of travel for matters of legislative concern given to allow the spouse to travel with the legislator, would have to be reported. The same holds true for gifts that legislators or legislative employees would be prohibited from accepting, that are received by family members. For example, gift of over \$250 given to the spouse of a legislator, primarily because of the connection to the legislator, would have to be reported.

The language, "or reasonably ought to know" concerning family members reduces the burden on those covered by the ethics code to research gifts provided to family members with whom there is little or no contact. (Technical Change in RULES CS)

(l) Sets out that the value of the gift is fair market value, to the extent that fair market value can be determined. An example of how this might apply is: a tourism company provides a one hour helicopter ride to show a legislator the area in which they would like to expand their tours. The legislator would use the rate charged to helicopter passengers for a one hour tour in reporting the gift. (Unchanged by CS)

**SECTION 25: AS 24.60.086(a) EARNED INCOME AND HONORARIA.** Allows legislators and legislative employees to accept compensation that is less than fees generally charged. The effect of this change would be to allow an attorney to do pro bono work or an engineer to charge a reduced rate for review of plans for a non-profit organization. (Unchanged by CS)

**SECTION 26: AS 24.60.100 REPRESENTATION.** Current law does not set reporting deadlines for representation before a state agency. This change corresponds to the other changes of February 15 and 60 days for new representation. (Unchanged by CS)

**\*SECTION 27: AS 24.60.111: LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS.** New section allows a legislator or legislative employee to establish a Legal Defense and Election Challenge Fund to assist with payment of attorney fees and other costs related to defense of a civil, criminal or administrative action or related to the prosecution of defense of an administrative or judicial action concerning a arising out of or related to political, legislative, or public policy matters. Sets out that contributions to the fund are not subject to the restrictions on campaign contributions or gifts in the ethics code. Requires APOC to adopt regulations concerning the fund and establishes that a person who violates the regulations is guilty of a Class B misdemeanor and is subject to civil sanctions as recommended by the ethics committee in the complaint process. See Section 28, relating to the Campaign Finance Reform Initiative (Added by STA CS; technical amendment made on Senate Floor)

**\*SECTION 28: AS 24.60.111: LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS.** This section, which also establishes the Legal Defense and Election Fund would only take effect if an initiative relating to campaign financing is approved by the voters in 1996. If initiative is not approved, this section sunsets and the section above stays in effect. Effective dates for this section are included at the end of this bill. (Added by STA CS)

**SECTION 29: AS 24.60.130(f) COMMITTEE PER DIEM AND TRAVEL.** The language formalizes the public members' entitlement to receive per diem and travel compensation, as has been customary with legislative committees that have non-legislative members, such as the Code Revision Committee. The public members are not entitled to be paid for their time in service to the committee. AS 39.20.180 sets the rates and terms for per diem and travel for state boards and commissions. The change would apply those rates and terms to the public members of the committee. (Unchanged by CS)

**SECTION 30: AS 24.60.130(h) MEMBER DISQUALIFICATION.** The process for appointing a new member to serve on the ethics committee in the place of a disqualified member is in new subsection AS 24.60.130(o). (Unchanged by CS)

The new language prohibits an ethics committee member from participating in a complaint proceeding against a subject of a complaint that is supervised by the member. (Unchanged by CS)

**SECTION 31: AS 24.60.130(o) APPOINTMENT OF COMMITTEE ALTERNATES**  
The current law sets out that if a member is disqualified during session, the presiding officer, with 2/3 concurrence, appoints another member for that proceeding. If disqualification is during interim, the presiding officer appoints a new member with the concurrence of that house's subcommittee. Involving either body of the legislature defeats that level of confidentiality and public knowledge of the disqualified member could lead to speculation as to who is the subject of the complaint. The new language directs the presiding officers to appoint alternates to the committee who will serve when the chair of the committee or subcommittee appoints them, due to a legislative member being disqualified in a complaint

proceeding. The appointment of the alternate by the chair is confidential. (Unchanged by CS)

**SECTION 32: AS 24.60.134(a) RESTRICTIONS ON PUBLIC MEMBERS OF THE COMMITTEE.** The proposed language strengthens the political restrictions on the public members, staff to the committee and those under contract to the committee, by clarifying that prohibitions of participation in political management or in a political campaign extend to ballot initiatives and to campaigns for federal, state and local offices, regardless of whether the campaign is partisan or nonpartisan. The restrictions on attending a fundraising event or making a campaign contribution remain, as in current law, tied to the legislature. A public member, employee or contractor to the committee may not attend a fundraiser or make a contribution to a candidate for the legislature, an incumbent legislator or legislative employee who is a candidate for another public office or a person running for another office against an incumbent legislator or legislative employee. The restriction on lobbying activities also remains the same as current law. (Unchanged by CS)

**SECTION 33: AS 24.60.134 RESTRICTIONS: NEW SUBSECTIONS.** The committee advocates further restricting public members, employees and contractors of the committee from participating in or attending a political fundraising event held on behalf of a political party. Current law does not address this issue. New subsection (c) adds this restriction. (TECHNICAL CHANGE IN RULES CS)

Proposed subsection (d) The proposed language permits a contractor with the ethics committee to request the committee to exempt some members of the corporation or partnership from having to comply with some or all prohibitions against political activity. The committee currently contracts for outside legal counsel with an attorney who is part of a large firm with branch offices outside of Alaska. A strict reading of current law prohibits all employees of that law firm to comply with the restrictions in the Alaska legislative ethics code. (TECHNICAL CHANGE IN RULES CS)

**SECTION 34: AS 24.60.150(b) GUIDELINES.** The proposed language permits the committee to adopt guidelines under a public process. A person who acted within the guidelines could not be penalized for violating the ethics code. The current procedure of issuing Advisory Opinions allows interpretations based only on the facts presented by a requestor. Situations have come up wherein the committee feels guidelines, based on a broad set of circumstances and an interpretation of the law, would assist those covered by the code in avoiding inadvertent violations. (Unchanged by CS)

**SECTION 35: AS 24.60.160 ADVISORY OPINIONS.** The proposed language in this section allows the committee to issue an advisory opinion to a person who anticipates becoming a legislative employee, 45 days prior to employment. Current law restricts the committee to issuing opinions to those already in legislative employment, legislators and legislators-elect. Current law sets 30 days as the response time for the committee to a request for an advisory opinion. The proposed change allows the committee 60 days to respond. (Unchanged by CS)

The new language in subsection(b) clarifies that the committee retains the authority to restrict attendance during deliberations in executive session on an advisory opinion. (Unchanged by CS)

**SECTION 36: AS 24.60.170(a) COMPLAINTS.** Current law requires the committee to process a complaint received, even if against all members of the legislature or all members of one house of the legislature. The proposed change, prohibiting the committee to consider a complaint of that nature, would allow the committee to return the complaint without action. Current law prohibits considering a complaint against a terminated legislative employee. Proposed language would allow the committee to reinstate a complaint that was closed upon an employee's termination, if the employee was rehired within five years of date the complaint was filed. New language also allows the committee to follow the same procedure with a former legislator who resumes legislative service within five years of the date of the complaint. (Unchanged by CS)

**\*SECTION 37: AS 24.60.170(b) COMPLAINTS.** Requires the committee to inform the subject of a complaint of the procedures relating to discovery of confidential information as set out in AS 24.60.170(i). (Amended by STA CS)

**SECTION 38: AS 24.60.170(c) COMPLAINTS.** The proposed change would put into law the current adopted procedure of the committee, which is to assign complaints to staff for preliminary examination for legal sufficiency and credibility of information. Staff would then make a recommendation to the committee based on information and evidence contained in the complaint. Staff and the committee would be specifically permitted to solicit additional information from the complainant and the subject. The subject is not obligated to provide information. The new language clarifies that the committee is permitted to dismiss frivolous complaints for lack of credible information. Further clarifies, as is current practice, that proceedings under this subsection are confidential and that confidentiality may be waived by the subject in compliance with AS 24.60.170(i), the subsection dealing with discovery by the subject. (Affected by STA CS changes to AS 24.60.170(i))

**SECTION 39: AS 24.60.170(f) LACK OF PROBABLE CAUSE.** Clarifies that the deliberations and vote on the dismissal order and decision on a finding of "lack of probable cause that a violation of the ethics code occurred" are not open to the public or to the subject of the complaint. (Unchanged by CS)

**\*SECTION 40: AS 24.60.170(g) CORRECTIVE ACTIONS.** Clarifies procedures in the event a person, after a finding of probable cause of a violation of the ethics code, agrees to comply with the committee's recommended corrective actions but later fails to complete the corrective action. Under the new language the committee may formally charge the person or refer the matter to the appropriate house of the legislature or appointing authority. It empowers the legislature or the appointing authority to enforce the actions or to decline to enforce and refer the matter back to the committee. If it is referred back to the committee, the committee maintains the power to formally charge the person. (Amended by STA CS, committee recommended)

**\*SECTION 41: AS 24.60.170(h) CORRECTIVE ACTIONS.** Complies with new language in AS 24.60.170(g), empowering the committee to formally charge a person who fails to complete corrective actions. (Amended by CS, committee recommended)

**\*SECTION 42: AS 24.60.170(i) DISCOVERY.** Subsection (i) in current law is confusing as to when the subject of a complaint may engage in discovery. The

committee feels the appropriate time for discovery and what seems to be the intent of the code, is at the point a person is formally charged. The change from subsection (b) to subsection (h) would clarify that intent. However, the new language permits the committee to adopt procedures concerning discovery which include allowing discovery at an earlier stage than formal charges and imposing reasonable restrictions on release of information to the subject of a complaint, to protect the privacy of persons not under investigation. The Senate State Affairs committee amended this section by adding a requirement that the committee could not impose restrictions on discovery by the subject unless the person filing the complaint agreed to be bound by similar restrictions concerning release of information and the person has not made public the information in or about the complaint or the filing of a complaint. (Amended by STACS)

**\*SECTION 43: AS 24.60.170(I) ATTENDANCE AT EXECUTIVE SESSIONS and WAIVER OF CONFIDENTIALITY.** The Uniform Rules set out that a legislator may not be excluded from an executive session. The proposed language clarifies that all meetings of the committee concerning complaints are closed to the public and to legislators who are not committee members. Senate State Affairs committee amended this section to require the committee to permit the subject of the complaint and the subject's attorney to attend any meeting concerning the complaint, including confidential meetings and to notify the subject of any meetings on the complaint. Proposed language clarifies that the subject of the complaint may waive the confidentiality provisions under this subsection but may not waive the committee's confidentiality duty to others. For example, if a complaint named three subjects and one of the subjects waived confidentiality, the committee would adhere to the confidentiality requirements for the other two. (Amended by CS)

**\*SECTION 44: AS 24.60.174(a) TIMETABLE FOR SANCTIONS.** This sets out a procedure for the ethics committee and the legislature to follow concerning sanctions on legislators. When the committee submits a report recommending sanctions to a legislative body to consider imposing on a legislator who was found in violation of the ethics code, a timetable for compliance with the sanctions must be included. The report may also include recommended fines that the legislative body may impose if the legislator does not comply in a timely manner. (Amended by CS, committee recommended)

**\*SECTION 45: AS 24.60.174 TIMETABLE FOR SANCTIONS.** This subsection requires the legislative body to report to the committee the sanctions and timetable for compliance it has adopted. It further requires the legislator to report compliance with the sanctions according to the timetable to the committee. If the committee determines the legislator or former legislator has not complied fully and in a timely manner, the committee may recommend that the legislative body impose a fine or additional sanctions. (Amended by CS, committee recommended)

**\*SECTION 46: AS 24.60.176: RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE EMPLOYEE.** The current code sets out that the "appointing authority" determines sanctions to be imposed on a violator who is an employee. (Appointing authority is defined in AS 24.60.176(b) of this bill.) The proposed language in this section establishes that those listed in AS 24.60.176(b) have the authority to impose sanctions on violators who are legislative employees. The CS adds language to comply with the changes in AS 24.60.174 of this bill concerning reporting to the committee on a set timetable. (Amended by CS, committee recommended)

**\*SECTION 47: AS 24.60.176(b): APPOINTING AUTHORITY.** This new subsection defines which body or person is the appointing authority for each set of legislative employees. The STA committee changed the appointing authority for employees of individual legislators from the Rules Committee to the legislator who made the hiring decision. The legislator may refer the matter to Rules if he/she so chooses). (Amended by STA CS)

**\*SECTION 48: AS 24.60.178 SANCTIONS.** Current law does not set out possible sanctions that could be recommended by the committee. The new section lists recommendations to be made by the committee for violators of the code for the legislature to impose or require: fines on members who violated the code, divestiture of specified assets or withdrawal from certain associations, additional disclosure, suspension or termination from legislative employment (if an employee), restitution or reimbursement, public or private written reprimand, censure, removal from committee positions, probation, expulsion or any other appropriate measure. Subsection (c) clarifies that the committee may recommend that the subject be required to pay all or some of the costs related to the investigation or adjudication of a complaint. The committee's intent is to allow those covered by the code to be aware of possible sanctions and to empower the legislature to impose or require any of the above sanctions on legislators, including fines. STA committee in subsection (7) added language to the censure clause that a legislator could be removed from a leadership position or committee membership position and a determination that the legislator would not be appointed to a leadership or committee membership position for the remainder of that legislature. (Amended by STA CS)

**\*SECTION 49: AS 24.60.200 FINANCIAL DISCLOSURE BY LEGISLATORS, LEGISLATIVE DIRECTORS, AND CERTAIN LEGISLATIVE EMPLOYEES** Under current law, legislators and legislative directors are required to annually file a complete financial disclosure statement to APOC. The change made in the Rules CS requires legislative employees at a Range 19 and above to file financial disclosures reports. This statement is similar to the conflict of interest statements filed by statewide and local elected officials. The proposed changes to the APOC Legislative Financial Disclosure statement deal only with gifts. All other reporting under this section remains the same and remains the responsibility of APOC. The new language removes the responsibility for dealing with reports of any gifts from APOC. The corresponding change described above in AS 24.60.080(d) places that responsibility solely with the ethics committee. (The RULES CS adds "certain legislative employees" and includes a Technical Change)

**\*SECTION 50: AS 24.60.210 DEADLINES FOR FILING OF DISCLOSURE STATEMENTS.** Adds "a legislative employee who is required to disclose" to those required to file an annual report with APOC. (Added by RULES CS)

**\*SECTION 51: AS 24.60.240 CIVIL PENALTY FOR LATE FILING.** Adds "a legislative employee who is required to disclose" to those required to file an annual report with APOC. (Added by RULES CS)

**\*SECTION 52: AS 24.60.250 EFFECT OF FAILURE TO FILE BY LEGISLATIVE CANDIDATE.** Adds "a legislative employee who is required to disclose" to those required to file an annual report with APOC. (Added by RULES CS)

**SECTION 53: AS 24.60.260(a) FINES.** Current law does not include any penalty for late disclosures to the ethics committee. The proposed changes in this subsection and the new subsection below (c) would allow a person to file a late disclosure but that person would be subject to a fine or to having a complaint filed against them. (Unchanged by CS)

**SECTION 54: AS 24.60.260(c) FINES.** Permits the committee to impose fines for late disclosures. Fines are not to exceed \$2 per day to a maximum of \$25 per disclosure for inadvertent late filing. The committee may impose an additional fine of \$100 for intentionally not filing a disclosure. (Unchanged by CS)

**\*SECTION 55: AS 24.60.990(a)(5) IMMEDIATE FAMILY.** The change to the definition of immediate family affects, in current law, the contracts and leases section (24.60.040), the gifts section (24.60.080 (c)(5) and (g)) and the Legislative Financial Disclosure reporting requirements (24.60.200(4)). (Amended by STA CS).

**\*SECTION 56: AS 24.60.990 (a)(15) DEFINITIONS.** "A legislative employee who is required to disclose" is defined as a legislative employee, other than a legislator or a legislative director, who is compensated at a Range 19 or above who will now be subject to financial and conflict of interest disclosure. (Added by RULES CS)

**\*SECTION 57: AS 39.25.070. POWERS AND DUTIES OF THE PERSONNEL BOARD.** Reflects the changes made in Sections 90-100 of this bill, which replace the Attorney General with the Personnel Board for many of the duties related to handling complaints. (Added by Rules CS)

**\*SECTION 58: AS 39.25.160 (j) STATE PERSONNEL ACT.** Amends the State Personnel Act by adding a specific prohibition on state employees engaging in campaign activities on behalf of political candidate on government time. Clarifies that Division of Election employees may carry out duties related to elections and members and employees of the Commission on Judicial Conduct may carry out duties related to evaluation of judges. (Added by STA CS)

**\*SECTION 59: AS 39.50.020 REPORT OF FINANCIAL AND BUSINESS INTERESTS.** Subsection (a) Amends the non-legislative Conflict of Interest statutes. This section sets out that the public officials listed in AS 39.50.200 (8) must file a financial report within 30 days after taking office as a public official. The Tourism Marketing Council director is the only change from previous definition. In reference to filing requirements for candidates, the Rules CS deletes the 30 day grace period for a "person who becomes a candidate by any other means" thereby requiring immediate filing. Subsection (b) sets out that public officials are to file with APOC. (Amended by STA CS)

**\*SECTION 60: AS 39.50.030(a) CONTENTS OF FINANCIAL STATEMENTS.** Deletes the unnecessary reference to assets or liabilities under \$500, household goods and personal effects, to clarify that only those items listed in subsection (b) are to be reported. (Amended by RULES CS)

**\*SECTION 61: AS 39.50.030(b) CONTENTS OF FINANCIAL STATEMENTS.** Changes the reporting requirements for the executive branch public officials to the same level of legislators; interests over \$1000. Previous reporting level was \$100. Adds requirement for public officials to report any income of over \$250 that is a gift. Deletes requirement for reporting of a state contract or natural resource lease held, bid or offered by the officials mother or father, adds reporting of state

contract held, bid or offered by a partnership or professional corporation of which the official is a member. Adds official's spouse to the list of those the official must report if the spouse holds a natural resource lease. (Amended by RULES CS)

**\*SECTION 62: AS 39.50.070 FAILURE TO REPORT BY CERTAIN STATE EMPLOYEES.** Amends language to conform with changes on who must report, in Section AS 39.50.020 and AS 39.50.207. (Amended by RULES CS)

**\*SECTION 63: AS 39.50.080 FAILURE TO REPORT BY A COMMISSION OR BOARD CHAIR OR MEMBER.** Amends language to conform with changes on who must report, in Section AS 39.50.020 and AS 39.50.200. (Added by RULES CS)

**\*SECTION 64: AS 39.50.200(a)(8) DEFINITIONS.** Combined with following section, changes the definition of who must file a financial report. Adds to the current list, all state employees in the executive branch in the exempt of partially exempt service who are at a Range 21 or above. (Added by RULES CS)

**\*SECTION 65: AS 39.50.200(a)(10) DEFINITIONS.** Combined with above section, changes the definition of who must file a financial report. Adds to the current list, all state employees in the executive branch in exempt or partially exempt service who are at a Range 21 or above or a monthly salary of \$4,200. Does not include an employee who is a member of collective bargaining unit like state ferry workers. (Added by RULES CS and technical amendment added on Senate Floor)

**\*SECTION 66: AS 39.52.010(a) FINDINGS AND PURPOSE.** Generally adds the findings of the legislative ethics act to those in the executive branch ethics code. (Added by RULES CS)

**\*SECTION 67: AS 39.52.110(c) SCOPE OF CODE.** Conforming change related to removal of Attorney General from certain actions related to administering the executive ethics code, see Sections 90-100. (Amended by Rules CS).

**\*SECTION 68: AS 39.52.120(b) MISUSE OF OFFICIAL POSITION.** This section clarifies that the Governor and Lt. Governor may accept campaign contributions and that public officers and Lt. Governor and Governor may accept lawful gifts. (Added by RULES CS)

**\*SECTION 69: AS 39.52.125 MISUSE OF OFFICIAL POSITION BY STATE OFFICIALS.** New section. Adds a new section to the executive branch ethics code which sets out additional prohibitions for state officials (as defined in Section 104), as generally found in the legislative ethics act, and includes changes made to the legislative ethics act through this legislation. (Added by RULES CS)

**\*SECTION 70: AS 39.52.130(c). GIFTS** This section and other sections change the reporting, advising and enforcing authority relating to gifts for the executive ethics code from the Attorney General's office to the Personnel Board. (Added by RULES CS)

**\*SECTION 71: AS 39.52.130(c-n) GIFTS .** New subsections. Changes language regarding state officials to match legislative gift restrictions and reporting and adds the list, as proposed in this bill, of exempted gifts under the legislative ethics code, including voluntary services, to the executive branch ethics act. Gifts from another government to be delivered to the Office of the Governor. (Added by RULES CS)

**\*SECTION 72: AS 39.52.155 RESTRICTIONS ON FUNDRAISING.** New Subsections. Section 39.52.132: Sets the same restrictions on campaign fundraising for state officials including the governor and lieutenant governor as for legislators and legislative employees. Section 39.52.134 prohibits a state official in the exempt or partially exempt service from filing a letter of intent or declaration of candidacy for the legislature. Section 39.52.136 adds state officials to those that must comply with the open meetings law. (Added by RULES CS)

**\*SECTION 73: AS 39.52.150(d) IMPROPER INFLUENCE IN STATE GRANTS, CONTRACTS, LEASES, LOANS.** Changes receipt of report of participation in state contracts, grants, leases, loans from AG office to Personnel Board. (Added by RULES CS)

**\*SECTION 74: AS 39.52. DISCLOSURE OF CLOSE ECONOMIC ASSOCIATIONS.** Requires state official to disclose to supervisor and APOC, which shall maintain a public record, close economic associations with those listed in this section. Sets disclosure deadlines to conform with legislative ethics act. Subsection (c) requires state officials who are married to or living with a lobbyist to report the name of each employer of the lobbyist and the total monetary value received from the employer. Changes must be reported within 48 hours. (Added by RULES CS)

**\*SECTION 75: AS 39.52.170 OUTSIDE EMPLOYMENT RESTRICTED.** Adds a clause that restricts state officials from accepting outside employment if the compensation is significantly greater than the value of the services. Conforms with legislative ethics language. (Added by RULES CS)

**\*SECTION 76: AS 39.52.170 (c) OUTSIDE EMPLOYMENT.** Adds an honorarium restriction for state officials which matches legislative ethics act restriction. (Added by RULES CS)

**\*SECTION 77: AS 39.52.180(b) RESTRICTIONS ON EMPLOYMENT AFTER LEAVING STATE SERVICE.** This references change in new subsection (d) below, restricting agencies from contracting with a former state official for services which would include lobbying before a state agency or the legislature. (Added by RULES CS)

**\*SECTION 78: AS 39.52.180(c) RESTRICTIONS ON EMPLOYMENT AFTER LEAVING STATE SERVICE.** References new subsection (d) below and sets a one year limit on waiving restrictions set out in this section regarding lobbying. (Added by RULES CS)

**\*SECTION 79: AS 39.52.180(d) RESTRICTIONS ON EMPLOYMENT AFTER LEAVING STATE SERVICE.** New subsection. (d) restricts agencies from contracting with a former public officer for services which would include lobbying before a state agency or the legislature. (Added by RULES CS)

**\*SECTION 80: AS 39.52.210(a-c) DECLARATION OF POTENTIAL VIOLATIONS.** Requires public employees to report potential violations to Personnel Board as well as to supervisor. Requires supervisor to provide a copy of written determination of potential violation to public employee and personnel board. (Added by RULES CS)

**\*SECTION 81: AS 39.52.220 DECLARATION OF POTENTIAL VIOLATIONS BY MEMBERS OF BOARDS AND COMMISSIONS.** Requires members of boards or

commissions to disclose a matter that may result in a violation on the public record and in writing to supervisor and to the personnel board. Replaces AG office with Personnel Board as advisors in matters of potential violation. (Added by RULES CS)

**\*SECTION 82: AS 39.52.230 REPORTING OF POTENTIAL VIOLATIONS.** A complaint is filed against a state official with the supervisor. The supervisor is required to file a copy of the complaint with the personnel board. (Added by RULES CS)

**\*SECTION 83: AS 39.52.240(a) ADVISORY OPINIONS.** Adds state officials to those that may request an advisory opinion and sets the personnel board as the body to issue the opinion. (Added by RULES CS)

**\*SECTION 84: AS 39.52.240(b) ADVISORY OPINIONS.** Replaces the AG office with the personnel board as the body offering oral advice. (Added by RULES CS)

**\*SECTION 85: AS 39.52.240(c) ADVISORY OPINIONS.** Replaces the AG office with the personnel board as the advising body. (Added by RULES CS)

**\*SECTION 86: AS 39.52.240(e) ADVISORY OPINIONS.** Replaces the AG office with the personnel board as the advising body. (Added by RULES CS)

**\*SECTION 87: AS 39.52.240(h) ADVISORY OPINIONS.** Replaces the AG office with Personnel Board for purpose of publishing advisory opinions. (Added by RULES CS)

**\*SECTION 88: AS 39.52.250 ADVICE TO FORMER PUBLIC OFFICERS.** Replaces the AG office with the personnel board as the advising body. (Added by RULES CS)

**\*SECTION 89: AS 39.52.260 DESIGNATED SUPERVISOR'S REPORT AND PERSONNEL BOARD REVIEW.** Replaces the AG office with the personnel board as the body accepting reports of potential violations. (Added by RULES CS)

**\*SECTIONS 90-99: AS 39.52.310, 320, 330, 340. COMPLAINTS:** The changes made in the Rules CS in sections 90-99 have the effect of removing the AG from handling complaints and placing that responsibility with the Personnel Board. (Added by RULES CS)

**\*SECTION 100. AS 39.52.350 PROBABLE CAUSE FOR HEARING.** Changes the current role of the AG from determining probable cause and initiating hearings to that of "prosecutor" in the hearing. Establishes the Personnel Board as the body to conduct preliminary review, determine probable cause and initiate hearings. (Added by Rules CS)

**\*SECTION 101: AS 39.52.920 AGENCY POLICIES.** Replaces the AG office with the personnel board as the body which reviews and approves agency policies that restrict a public officers acquisition of personal interest in certain entities and acceptance of gifts. (Added by RULES CS)

**\*SECTION 102: AS 39.52.950. REGULATIONS.** Sets out that the AG office may adopt regulations under the Administrative Procedures Act and that the personnel board may adopt regulations necessary to interpret and implement sections other than complaints. (Added by RULES CS)

**\*SECTION 103: AS 39.52.960(11) DEFINITION OF IMMEDIATE FAMILY.** Changes definition in the executive act to match the legislative act. (Added by RULES CS)

**\*SECTION 104: AS 39.52.960 (23) DEFINITION OF STATE OFFICIAL.** Means governor, lieutenant governor, a person hired or appointed as the head or deputy head of a department in the executive branch or as the director of a division in a department in the executive branch, the chair member of a state commission or board, the executive director of the Alaska Tourism Marketing Council, an assistant to the governor or lieutenant governor, a state investment officer, the state comptroller in the Department of Revenue, and a state employee who is not otherwise listed in this definition who is employed in a position in the executive branch of state government in the exempt or partially exempt service and who is compensated at Range 21 A or above on the state salary schedule or at more than \$4200 per month. (This may effect people at lower ranges who are further out in step.) Does not include an employee who is a member of collective bargaining unit like state ferry workers. (Added by RULES CS)

**\*SECTION 105: AS 44.62.175(a) ALASKA ADMINISTRATIVE JOURNAL.** Adds advisory opinions of the personnel board to the list of those things to be published in the journal. (Added by RULES CS)

**\*SECTION 106: AG OPINIONS.** Sets out that a public officer or former public officer may rely upon the opinion of the AG's office prior to this act taking effect. (Added by RULES CS)

**\*SECTION 107** Clarifies that Section 28, the Legal Defense and Election Challenge Fund, takes effect only if the campaign finance reform initiative is approved in 1996. (Amended by STA CS)

**\*SECTION 108:** Further clarifies that Section 28, the Legal Defense Fund would take effect on the day after the initiative takes effect. (Amended by STA CS)

**\*SECTION 109: EFFECTIVE DATE.** APOC has recommended that a January 1 effective date would correspond to their calendar year reporting. The CS amends the year to 1997, with the exception of section 108. (Amended by STA CS)

## DEFINITIONS F.Y.I.

**AS 39.50.200 (8) DEFINITION OF PUBLIC OFFICIAL.** Means a judicial officer, the governor, the lieutenant governor, a person hired or appointed as the head or deputy head of, or director of a division, a department in the executive branch, chair or member of a state commission or board, the executive director of the Alaska Tourism Marketing Council, ~~another state employee subject to this chapter,~~ and each appointed or elected municipal officer.

(SEE SECTION 62 of CS SB 141 version Z)

**AS 39.50.200 (a) (10) DEFINITION OF ANOTHER STATE EMPLOYEE SUBJECT TO THIS CHAPTER.** Means a state employee who is employed in a position in the executive branch of state government in the exempt or partially exempt service and who is compensated at Range 21 or above on the state salary schedule under AS 39.27.011, an assistant to the governor, an assistant to the lieutenant governor, a state investment officer, and the state comptroller in the Department of Revenue, but does not include a state officer or employee who is otherwise included in the definition of "public official" under this section."

(SEE SECTION 63 of CS SB 141 version Z)

**AS 39.52.960(21)(A-C) DEFINITION OF PUBLIC OFFICER.** Means (A) a public employee; (B) a member of a board or commission; and (C) a state officer designated by the governor to act as trustee of the trust or a person to whom the trustee has delegated trust duties; in this paragraph, "trust" has the meaning given in AS 37.14.450

(NOT AMENDED BY THIS BILL)

**AS 39.52.960 (23) DEFINITION OF STATE OFFICIAL.** Means governor, lieutenant governor, a person hired or appointed as the head or deputy head of a department in the executive branch or as the director of a division in a department in the executive branch, the chair or member of a state commission or board, the executive director of the Alaska Tourism Marketing Council, an assistant to the governor or lieutenant governor, a state investment officer, the state comptroller in the Department of Revenue, and a state employee who is not otherwise listed in this definition who is employed in a position in the executive branch of state government in the exempt or partially exempt service and who is compensated at Range 21 or above on the state salary schedule under AS 39.27.011.

(SEE SECTION 90 of CS SB 141 version Z)

*Public Official  
- to be  
with Bill V*

9-LS0174VZ  
Cramer  
4/27/96

CS FOR SENATE BILL NO. 141( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
NINETEENTH LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE LEGISLATIVE COUNCIL FOR  
THE SELECT COMMITTEE ON LEGISLATIVE ETHICS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to legislative and executive branch ethics; ~~relating to the~~  
2 ~~conduct of lobbyists with respect to public officials relating to campaigning by~~  
3 ~~state employees~~ relating to the filing of financial disclosures by certain state  
4 employees and officials; ~~making a conforming amendment to the definition of~~  
5 'public official' for ~~employment security statutes~~ and providing for an effective  
6 date."

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

8 • ~~Section 7~~ AS 23.20.526(d) is amended to read:

9 (d) For the purposes of AS 23.20.525(a)(4) - (6) and (14), the term  
10 "employment" does not apply to service performed

11 (1) by a duly ordained, commissioned, or licensed minister of a church  
12 in the exercise of the person's ministry or by a member of a religious order in the  
13 exercise of duties required by the order.

6 (2) in a facility conducted for the purpose of carrying out a program  
7 of rehabilitation for individuals whose earning capacity is impaired by age or physical  
8 or mental deficiency or injury or providing remunerative work for individuals who,  
9 because of their impaired physical or mental capacity, cannot be readily absorbed in  
10 the competitive labor market by an individual receiving the rehabilitation or  
11 remunerative work;

12 (3) as part of an unemployment work-relief or work-training program  
13 assisted or financed in whole or in part by any federal agency or any agency of a state  
14 or political subdivision of the state, by an individual receiving work relief or work  
15 training;

16 (4) for a state hospital by an inmate of a prison or correctional  
17 institution;

18 (5) in the employ of a school, college, or university [,] if the service  
19 is performed by a student who is enrolled and is regularly attending classes at the  
20 school, college, or university;

21 (6) by an individual under the age of 22 who is enrolled at a nonprofit  
22 or public educational institution that [WHICH] normally maintains a regular faculty  
23 and curriculum and normally has a regularly organized body of students in attendance  
24 at the place where its educational activities are carried on as a student in a full-time  
25 program, taken for credit at ~~the~~ institution, that [WHICH] combines academic  
26 instruction with work experience, if the service is an integral part of the program, and  
27 the institution has so certified to the employer, except that this paragraph does not  
28 apply to service performed in a program established for or on behalf of an employer  
29 or group of employers;

30 (7) in the employ of a hospital, if the service is performed by a patient  
31 of the hospital, as defined in AS 23.20.520;

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

(A) as a judicial officer, the governor, the lieutenant  
governor, a person hired or appointed as the head or deputy head of a  
department in the executive branch, a person hired or appointed as the

1 director of a division of a department in the executive branch, an assistant  
 2 to the governor, a chair or member of a state commission or board, state  
 3 investment officers and the state comptroller in the Department of  
 4 Revenue, the executive director of the Alaska Tourism Marketing Council,  
 5 an appointed or elected municipal officer ("PUBLIC OFFICIAL"  
 6 AS DEFINED IN AS 39.50.200(a)), any other elected official, the fiscal analyst  
 7 of the legislative finance division, the legislative auditor of the legislative audit  
 8 division, the executive director of the Legislative Affairs Agency, and the  
 9 directors of the divisions within the Legislative Affairs Agency;

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

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

14 (9) in the employ of

15 (A) a church or a convention or association of churches; or

16 (B) an organization ~~that~~ [WHICH] is operated primarily for  
 17 religious purposes and ~~that~~ [WHICH] is operated, supervised, controlled, or  
 18 principally supported by a church or a convention or association of churches.

19 • Sec. 2. AS 24.25.010(e) is amended to read:

20 (e) This section does not apply to the legislative council, the Selects  
 21 Committee on Legislative Ethics, or [NOR TO] the Legislative Budget and Audit  
 22 Committee.

23 • Sec. 3. ~~AS 24.25.010~~ 171(12) is amended to read:

24 (12) "public official" or "public officer" means a

25 (A) public official as defined in AS 39.50.200(a) but does not  
 26 include a judicial officer or an elected or appointed municipal officer;

27 (B) (.) a member of the legislature; (.) or

28 (C) a legislative director or another legislative employee who  
 29 is subject to disclosure as defined in AS 24.60.990(a) [; HOWEVER, IT  
 30 DOES NOT INCLUDE A JUDICIAL OFFICER OR AN ELECTED OR  
 31 APPOINTED MUNICIPAL OFFICER].

1 • Sec. 4. AS 24 60.030(a) is amended to read:

2 (a) A legislator or legislative employee may not

3 (1) solicit, agree to accept, or accept a benefit other than official  
4 compensation for the performance of public duties; this paragraph may not be  
5 construed to prohibit lawful solicitation for and acceptance of campaign contributions  
6 or the acceptance of a lawful gratuity under AS 24 60.080.

7 (2) use public funds, facilities, equipment, services, or another  
8 government asset or resource for a nongovernmental purpose or for the private benefit  
9 of either the legislator, legislative employee, or another person; this paragraph does not  
10 prohibit

11 (A) [LIMITED] use of state property and resources for personal  
12 purposes if the use does not interfere with the performance of public duties and  
13 either the cost or value related to the use is nominal or the legislator or  
14 legislative employee reimburses the state for the cost; a legislative  
15 employee shall comply with the policy on use of state property adopted by  
16 the employee's supervisor; this subparagraph does not apply to telephone  
17 or facsimile use.

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

21 (C) telephone or facsimile use; however, a legislator or  
22 legislative employee who incurs a special charge for use of the telephone  
23 or facsimile machine shall reimburse the state for the cost [THAT DOES  
24 NOT CARRY A SPECIAL CHARGE].

25 (3) knowingly seek, accept, use, allocate, grant, or award public funds  
26 for a purpose other than that approved by law, or make a false statement in connection  
27 with a claim, request, or application for compensation, reimbursement, or travel  
28 allowances from public funds.

29 (4) require a legislative employee to perform services for the private  
30 benefit of the legislator or employee at any time, or allow a legislative employee to  
31 perform services for the private benefit of a legislator or employee on government

1 time: it is not a violation of this paragraph if the services were performed in an  
 2 unusual or infrequent situation and the person's services were reasonably necessary to  
 3 permit the legislator or legislative employee to perform official duties:

4 (.) use or authorize the use of state funds, facilities, equipment,  
 5 services, or another government asset or resource for the purpose of political fund  
 6 raising or campaigning: this paragraph does not prohibit

7 (A) ~~(LIMITED)~~ use of state property and resources for personal  
 8 purposes if the use does not interfere with the performance of public duties and  
 9 either the cost or value related to the use is nominal or the legislator or  
 10 legislative employee reimburses the state for the cost: a legislative  
 11 employee shall comply with the policy on use of state property adopted by  
 12 the employee's supervisor: this subparagraph does not apply to telephone  
 13 or facsimile use:

14 (B) the use of mailing lists, computer data, or other information  
 15 lawfully obtained from a government agency and available to the general public  
 16 for nongovernmental purposes: (OR)

17 (C) telephone or facsimile use: however, a legislator or  
 18 legislative employee who incurs a special charge for use of the telephone  
 19 or facsimile machine shall reimburse the state for the cost: or

20 (D) ~~maintaining campaign records, including records~~  
 21 ~~required by or relating to the Alaska Public Offices Commission, in a~~  
 22 ~~legislator's office: however, an employee may not work on campaign~~  
 23 ~~records on government time (THAT DOES NOT CARRY A SPECIAL~~  
 24 ~~CHARGE).~~

25 • Sec. 5. AS 24.60.030(c) is repealed and re enacted to read:

26 (c) Unless approved by the committee, during a campaign period for an  
 27 election in which the legislator or legislative employee is a candidate, a legislator or  
 28 legislative employee may not use or permit another to use state funds, other than funds  
 29 to which the legislator is entitled as an office allowance, to print or distribute a  
 30 political mass mailing to individuals eligible to vote for the candidate. In this  
 31 subsection,

1 (1) a "campaign period" is the period that

2 (A) begins 90 days before an election to the board of an electric  
3 or telephone cooperative organized under AS 10.25, a municipal election or a  
4 primary election or that begins on the date of the governor's proclamation  
5 calling a special election; and

6 (B) ends the day after the cooperative election, municipal  
7 election, or the general or special election;

8 (2) a mass mailing is considered to be political if it is from or about a

9 (A) legislator who is a candidate for reelection to the legislature  
10 or election to another federal, state, or municipal office or to the board of a  
11 telephone or electric cooperative;

12 (B) legislative employee who is a candidate for election to the  
13 legislature or another federal, state, or municipal elective office or to the board  
14 of a telephone or electric cooperative;

15 (C) person other than a legislator or a legislative employee who  
16 is a candidate for election to a federal, state, or municipal office or to the board  
17 of a telephone or electric cooperative.

18 • Sec. 6. AS 24.60.030(d) is amended to read:

19 (d) A legislator, a legislative employee, or another person on behalf of the  
20 legislator or legislative employee, or a campaign committee of the legislator or  
21 legislative employee, may not distribute or post campaign literature, placards, posters,  
22 fund-raising notices, or other communications intended to influence the election of  
23 a candidate in an election in public areas in a facility ordinarily used to conduct state  
24 government business. For purposes of this subsection, the office of a legislator is  
25 not considered to be a public area.

26 • Sec. 7. AS 24.60.030(f) is amended to read:

27 (f) A legislative employee may not serve in a position that requires  
28 confirmation by the legislature. A legislator or legislative employee may serve on a  
29 board of an organization, including a governmental entity, that regularly has a  
30 substantial interest in the legislative activities of the legislator or employee, if the  
31 legislator or employee discloses the board membership to the committee. A legislator

1 or legislative employee who is required to make a disclosure under this subsection  
2 shall file an annual written report with the committee by February 15 of each  
3 year stating the name of each organization on whose board the person serves. If  
4 the legislator or legislative employee becomes a member of a board after filing the  
5 annual disclosure statement, or after February 15 if no annual disclosure  
6 statement is filed, the legislator or legislative employee shall file a supplemental  
7 disclosure within 60 days after appointment or election to the board. The  
8 committee shall maintain a public record of the disclosure and forward the  
9 disclosure to the appropriate house for inclusion in the journal. This subsection  
10 does not require a legislator or legislative employee who is appointed to a board  
11 by the presiding officer to make a disclosure of the appointment to the committee  
12 if the appointment has been published in the appropriate legislative journal  
13 during the calendar year.

14 • Sec. 8. AS 24.60.030(g) is repealed and reenacted to read:

15 (g) A legislator or legislative employee who has a substantial financial interest  
16 that may be affected by legislative, administrative, or political action may not take the  
17 legislative, administrative, or political action unless the legislator or legislative  
18 employee first discloses the financial interest as required by this subsection. Before  
19 acting on a matter subject to this subsection in a legislative committee or a house of  
20 the legislature, a legislator or legislative employee shall orally disclose the financial  
21 interest to the committee or the legislative house, as appropriate. The disclosure shall  
22 be reported in the journal or in the committee minutes, as appropriate. If the action  
23 is not taken in a legislative committee or a house of the legislature, the legislator or  
24 legislative employee shall disclose the financial interest to the committee in writing,  
25 to be received by the committee within seven days after the legislator or legislative  
26 employee took the action. This written disclosure is a public document. The  
27 committee shall promptly forward the disclosure to the clerk of the house or the senate  
28 secretary for publication in the journal. A disclosure under this subsection, whether  
29 written or oral, must include the nature of the financial interest and a short description  
30 of how the action taken affects the interest. In this subsection, a financial interest  
31 includes

1 (1) an equity or ownership interest in a business, investment, real  
2 property, lease, or other enterprise if the effect of the action on that interest is greater  
3 than the effect on a substantial class of persons to which the legislator or legislative  
4 employee belongs as a member of a profession, occupation, industry, or region;

5 (2) an interest based on employment of the legislator or legislative  
6 employee or the spouse or dependent child of the legislator or legislative employee;

7 (3) an interest based on a contract in which the legislator or legislative  
8 employee or the spouse or dependent child of the legislator or legislative employee is  
9 entitled to receive a benefit from a business or other entity, including a personal  
10 services contract;

11 (4) an interest created by membership on the board of directors of a  
12 corporation regardless of whether the effect of the action on that interest is greater than  
13 the effect on a substantial class of persons to which the legislator or legislative  
14 employee belongs as a member of a profession, occupation, industry, or region.

15 • Sec. 9. AS 24.60.030 is amended by adding a new subsection to read:

16 (h) In this section, when determining whether an employee is considered to be  
17 performing a task on government time, the committee shall consider the employee's work  
18 schedule as set by the employee's immediate supervisor. An employee who engages in  
19 political campaign activities other than incidental campaign activities as described in this  
20 subsection during the employee's work day shall take leave for the period of  
21 campaigning. Political campaign activities while on government time are permissible if  
22 the activities are part of the normal legislative duties of the employee, including  
23 answering telephone calls and handling of incoming correspondence.

24 • Sec. 10. AS 24.60.031(a) is amended to read:

25 (a) A legislator or legislative employee may not

26 (1) on a day when either house of [WHILE] the legislature is in regular  
27 or special session, solicit or accept a contribution or a promise or pledge to make a  
28 contribution for a state legislative campaign;

29 (2) accept money from an event held on a day when either house of the  
30 legislature is in regular or special [DURING A LEGISLATIVE] session if a substantial  
31 purpose of the event is [EITHER] to raise money on behalf of the member or legislative  
32 employee for [CAMPAIGN PURPOSES OR TO RAISE MONEY FOR] state legislative

1 political purposes; or

2 (3) expend money in a state legislative campaign that was raised by or  
3 on behalf of a legislator on a day when either house of the legislature was in  
4 [DURING] a legislative session under a declaration of candidacy or a general letter of  
5 intent to become a candidate for public office.

6 • Sec. 11. AS 24.60.039 is amended by adding a new subsection to read:

7 (b) If a person files a complaint with the committee under AS 24.60.170  
8 alleging a violation of this section, the committee may refer the complainant to the State  
9 Commission on Human Rights and may defer its consideration of the complaint until  
10 after the complainant establishes to the satisfaction of the committee that the commission  
11 has completed its proceedings in the matter.

12 • Sec. 12. AS 24.60.040(a) is amended to read:

13 (a) A legislator or legislative employee, or a member of the immediate family  
14 of a legislator or legislative employee may not be a party to or have an interest in a state  
15 contract or lease unless the contract or lease is let [THROUGH COMPETITIVE  
16 SEALED BIDDING] under AS 36.30 (State Procurement Code) or, for agencies that  
17 are not subject to AS 36.30, under similar procedures or the total annual amount of  
18 the state contract or lease is \$5,000 [\$1,000] or less, or is a standardized contract or lease  
19 that was developed under publicly established guidelines and is generally available to the  
20 public at large, members of a profession, occupation, or group. A person has an interest  
21 in a state contract or lease under this section if the person receives direct or indirect  
22 financial benefits. A legislator or legislative employee who participates in, or who  
23 knows or reasonably ought to know that a family member is participating in, a state  
24 contract or lease that has an annual value of \$5,000 or more shall disclose the  
25 participation to the committee by February 15 of each year. The disclosure must  
26 state the amount of the contract or lease and the name of the state agency issuing  
27 the contract or lease, and must identify the procedures under which the contract  
28 or lease was issued. If the disclosure concerns a contract or lease in which a family  
29 member of the discloser is participating, the disclosure must identify the  
30 relationship between the participant and the discloser.

31 • Sec. 13. AS 24.60.040 is amended by adding a new subsection to read:

32 (c) This section does not apply to a contract or lease issued under a state

1 program or loan that is subject to AS 24.60.050. A grant that results in a contract but  
2 that is not subject to AS 24.60.050 is subject to this section.

3 • Sec. 14. AS 24.60.050(c) is amended to read:

4 (c) A legislator or legislative employee who participates in a program or receives  
5 a loan that is not exempt from disclosure under (a) of this section shall file a written  
6 report with the committee by February 15 of each year stating the amounts of the loans  
7 outstanding or benefits received during the preceding calendar year from nonqualifying  
8 programs. If the committee requests additional information necessary to determine the  
9 propriety of participating in the program or receiving the loan, it shall be promptly  
10 provided. The committee shall promptly compile a list of the statements indicating the  
11 loans and programs and amounts and send it to the presiding officer of each house who  
12 shall have it published in the supplemental journals within three weeks ~~after~~ [OF] the  
13 filing date. A legislator or legislative employee who believes that disclosure of  
14 participation in a program would be an invasion of the participant's right to  
15 privacy under the state constitution may request the committee to keep the  
16 disclosure confidential. If the committee finds that publication would constitute an  
17 invasion of privacy, the committee shall publish only the fact that a person has  
18 participated in the program and the amount of benefit that the unnamed person  
19 received. The committee shall maintain the disclosure of the name of the person  
20 as confidential and may only use the disclosure in a proceeding under AS 24.60.170.  
21 If the disclosure becomes part of the record of a proceeding under AS 24.60.170,  
22 the disclosure may be made public as provided in that section.

23 • Sec. 15. AS 24.60.060 is amended by adding a new subsection to read:

24 (b) A legislator or legislative employee who is the subject of a complaint under  
25 AS 24.60.170 violates this section if the legislator or legislative employee violates a  
26 protective order issued under AS 24.60.170(i).

27 • Sec. 16. AS 24.60.070(b) is amended to read:

28 (b) A legislator or legislative employee required to make a disclosure under  
29 this section shall make an annual disclosure no later than February 15 of each year  
30 of the legislator's or legislative employee's close economic associations then in  
31 existence. If the legislator or legislative employee forms a close economic association  
32 after that date, the disclosure must be made within 60 days after forming the

1 association. A disclosure under this section must be sufficiently detailed that a reader  
2 of the disclosure can ascertain the nature of the association.

3 • Sec. 17. AS 24.60.070 is amended by adding a new subsection to read:

4 (d) When making a disclosure under (a) of this section concerning a relationship  
5 with a lobbyist to whom the legislator or legislative employee is married or who is the  
6 legislator's or legislative employee's spousal equivalent, the legislator or legislative  
7 employee shall also disclose the name and address of each employer of the lobbyist and  
8 the total monetary value received from the lobbyist's employer. The legislator or  
9 legislative employee shall report changes in the employer of the spouse or spousal  
10 equivalent within 48 hours after the change. In this subsection,

11 (1) "employer of the lobbyist" means the person from whom the lobbyist  
12 received amounts or things of value for engaging in lobbying on behalf of the person;

13 (2) "spousal equivalent" means a person with whom the legislator or  
14 legislative employee is living in a conjugal relationship not a legal marriage.

15 • Sec. 18. AS 24.60.080(a) is amended to read:

16 (a) Except as provided in this section, a [A] legislator or legislative employee  
17 may not solicit, accept, or receive, directly or indirectly, a gift worth \$250 [\$100] or  
18 more, whether in the form of money, services, a loan, travel, entertainment, hospitality,  
19 promise, or other form, or gifts from the same person worth less than \$250 [\$100] that  
20 in a calendar year aggregate to \$250 [\$100] or more in value, Except for food or  
21 beverage for immediate consumption, a legislator or legislative employee [, AND]  
22 may not solicit, accept, or receive during a legislative session a gift with any monetary  
23 value from a lobbyist or a person acting on behalf of a lobbyist.

24 • Sec. 19. AS 24.60.080(c) is amended to read:

25 (c) Notwithstanding (a) of this section, it is not a violation of this section for a  
26 legislator or legislative employee to accept

27 (1) hospitality, other than hospitality described in (4) of this subsection

28 (A) with incidental transportation at the residence of a person;  
29 however, a vacation home located outside the state is not considered a  
30 residence for the purposes of this subparagraph; or

31 (B) at a social event or meal;

32 (2) discounts that are available

1 (A) generally to the public or to a large class of persons to which  
2 the person belongs; or

3 (B) when on state business;

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

6 (4) travel and hospitality primarily for the purpose of obtaining  
7 information on matters of legislative concern;

8 (5) gifts from the immediate family of the person; or

9 (6) gifts that are not connected with the recipient's legislative status.

10 \* Sec. 20. AS 24.60.080(d) is amended to read:

11 (d) A legislator or legislative employee who accepts a gift under (c)(4) [OR (6)]  
12 of this section shall disclose the gift if it has a value of \$250 [~~\$100~~] or more; the [.  
13 THE] disclosure must include the name and occupation of the person making the gift and  
14 the approximate value of the gift. A gift under (c)(4) of this section required to be  
15 disclosed under this subsection shall be disclosed to the committee within 30 days after  
16 [OF] the receipt of the gift. Except as provided in (i) of this section, a gift [TO THE  
17 COMMITTEE. GIFTS] under (c)(6) of this section that has a value of \$250 or more  
18 shall be disclosed to the committee annually on or before February 15 [APRIL 15] of  
19 the following calendar year; the [AND THE] disclosure needs to include only a  
20 description of the gift and the identity of the donor [THE VALUE ONLY IF THE  
21 VALUE OF THE GIFT EXCEEDS \$250]. The committee shall maintain a public record  
22 of the disclosure it receives relating to gifts under (c)(4) of this section and shall forward  
23 the disclosure to the appropriate house for inclusion in the journal. Disclosures relating  
24 to gifts under (c)(6) of this section shall be maintained, but are confidential and may only  
25 be used by the committee and its employees and contractors in the investigation of a  
26 possible violation of this section or in a proceeding under AS 24.60.170. If the  
27 disclosures become part of the record of a proceeding under AS 24.60.170, the  
28 confidentiality provisions of that section apply to the disclosures. The committee shall  
29 forward disclosures it receives from legislators concerning gifts under (c)(4) of this  
30 section to the Alaska Public Offices Commission.

31 \* Sec. 21. AS 24.60.080(f) is amended to read:

32 (f) Notwithstanding (a) of this section, a legislator or legislative employee may

1 accept a gift of property worth \$250 [\$100] or more, other than money, from a foreign  
 2 government or from the government of the United States or another state or from  
 3 an official of a foreign government or of the government of the United States or  
 4 another state if the person accepts the gift on behalf of the legislature. The person shall,  
 5 within 60 days after [OF] receiving the gift, deliver the gift to the legislative council,  
 6 which shall determine the appropriate disposition of the gift.

7 \* Sec. 22. AS 24.60.080(g) is amended to read:

8 (g) In this section, "immediate family" or "family member" means

9 (1) the spouse of the person;

10 (2) another person cohabiting with the person in a conjugal

11 relationship with the person that is not a legal marriage;

12 (3) a child, including a stepchild and an adoptive child, of the person;

13 (4) a parent, sibling, grandparent, aunt, or uncle of the person; and

14 (5) a parent, sibling, grandparent, aunt, or uncle of the person's

15 spouse [HAS THE MEANING GIVEN IN AS 24.60.990(a)(5) AND INCLUDES THE  
 16 GRANDPARENTS, AUNTS, AND UNCLES OF A PERSON, AND ALSO INCLUDES  
 17 A PERSON DESCRIBED IN THIS SUBSECTION OR AS 24.60.990(a)(5) WHO IS  
 18 RELATED TO THE PERSON BY MARRIAGE].

19 \* Sec. 23. AS 24.60.080 is amended by adding new subsections to read:

20 (h) Notwithstanding (a) of this section, a legislator or legislative employee may  
 21 solicit, accept, or receive a gift on behalf of a recognized, nonpolitical charitable  
 22 organization in accordance with guidelines adopted by the committee.

23 (i) A legislator or legislative employee who receives an inheritance from a  
 24 person other than a family member shall disclose the fact of the receipt of an  
 25 inheritance and the identity of the person from whom it was received to the committee  
 26 within 60 days after receiving notice of the inheritance. The committee shall maintain  
 27 a public record of the disclosure. This subsection does not require disclosure of the  
 28 value of the inheritance.

29 (j) A legislator, a legislative committee other than the Select Committee on  
 30 Legislative Ethics, or a legislative agency may accept (1) a gift of volunteer services  
 31 for legislative purposes so long as the person making the gift of services is not  
 32 receiving compensation from another source for the services or (2) a gift of the

*Technical amendments*

1 services of a trainee who is participating in an educational program approved by the  
 2 committee if the services are used for legislative purposes. The committee shall  
 3 approve training under a program of the University of Alaska and training under 29  
 4 U.S.C. 1501 - 1792b (Job Training Partnership Act). A legislative volunteer or  
 5 educational trainee shall be considered to be a legislative employee for purposes of  
 6 compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.158  
 7 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer  
 8 or educational trainee has violated the provisions of one of those sections, the person  
 9 may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to  
 10 the proceeding. This subsection does not permit a legislator or legislative employee  
 11 to accept a gift of services for nonlegislative purposes.

12 (k) A legislator or legislative employee who knows or reasonably ought to  
 13 know that a family member has received a gift because of the family member's  
 14 connection with the legislature through the legislator or legislative employee shall  
 15 report the receipt of the gift by the family member to the committee if the gift would  
 16 have to be reported under this section if it had been received by the legislator or  
 17 legislative employee or if receipt of the gift by a legislator or legislative employee  
 18 would be prohibited under this section.

19 (l) In this section, the value of a gift shall be determined by the fair market  
 20 value of the gift to the extent that the fair market value can be determined.

21 ~~AS 24.60.030~~ <sup>24.60.035(a)</sup> amended to read:

22 (a) A legislator or legislative employee may not

23 (1) seek or accept compensation for personal services that is  
 24 significantly greater than the value of [INVOLVES PAYMENTS THAT ARE NOT  
 25 COMMENSURATE WITH] the services rendered taking into account the higher rates  
 26 generally charged by specialists in a profession; or

27 (2) accept a payment of anything of value, except for actual and  
 28 necessarily incurred travel expenses, for an appearance or speech by the legislator or  
 29 legislative employee; this paragraph does not apply to the salary paid to a legislator  
 30 or legislative employee for making an appearance or speech as part of the legislator's  
 31 or legislative employee's normal course of employment.

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~~Sec. 25.~~ AS 24.60.100 is amended to read:

Sec. 24.60.100. REPRESENTATION. A legislator or legislative employee who represents another person for compensation before an agency, board, or commission of the state shall disclose the name of the person represented, the subject matter of the representation, and the body before which the representation is to take place to the committee. The disclosure shall be made within 60 days after beginning the representation. In addition, a legislator or legislative employee shall, no later than February 15, make an annual disclosure of all of the clients represented during the previous calendar year. The committee shall maintain a public record of a [THE] disclosure under this section and forward the disclosure to the respective house for inclusion in the journal. A legislator or legislative employee may not represent another person for compensation before an agency, committee, or other entity of the legislative branch.

• Sec. 26. AS 24.60 is amended by adding a new section to article 2 to read:

Sec. 24.60.111. LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS.

(a) A legislator or legislative employee may establish a fund to assist with the payment of attorney fees and other costs arising from the legislator's or employee's defense of a civil, criminal, or administrative action brought against the legislator or employee, or from the prosecution or defense of an administrative or judicial action concerning a contested election in which the legislator or employee is a candidate. Contributions to a fund under this section are not subject to the restrictions of AS 24.60.080.

(b) The Alaska Public Offices Commission shall adopt regulations relating to the methods of establishing a fund under this section, the accounting requirements for a fund, the uses for which money from the fund may be expended, and the disposition of surplus money in the fund. A person who violates these regulations is guilty of a class B misdemeanor and is subject to civil sanctions as recommended by the committee under AS 24.60.178.

• Sec. 27. AS 24.60.111 is repealed and reenacted to read:

Sec. 24.60.111. LEGAL DEFENSE AND ELECTION CHALLENGE FUNDS.

(a) A legislator or legislative employee may establish a fund to assist with the

1 payment of attorney fees and other costs arising from the legislator's or employee's  
2 defense of a civil, criminal, or administrative action brought against the legislator or  
3 employee, or from the prosecution or defense of an administrative or judicial action  
4 concerning a contested election in which the legislator or legislative employee was a  
5 candidate.

6 (b) Notwithstanding the deadlines imposed by AS 15.13.070(d), contributions  
7 to the fund may be solicited, offered, and accepted at any time permitted under this  
8 chapter. Notwithstanding AS 15.13.070(e), a legislator or legislative employee may  
9 solicit and accept contributions to a fund established under this section at any time  
10 whether or not the legislature is in session. Notwithstanding AS 15.13.072, a legislator  
11 or legislative employee may use the fund for the purposes set out in (a) of this section.  
12 Notwithstanding AS 15.13.073, a legislator or legislative employee may distribute  
13 money in the candidate's campaign fund or other assets of the campaign remaining  
14 after the date of an election to a fund established under this section.

15 (c) Contributions to a fund under this section are not subject to the restrictions  
16 of AS 24.60.031 or 24.60.080.

17 (d) The Alaska Public Offices Commission shall adopt regulations relating to  
18 the methods of establishing a fund under this section, the accounting requirements for  
19 a fund, the uses for which money from the fund may be expended, and the disposition  
20 of surplus money in the fund. A person who violates these regulations is guilty of a  
21 class B misdemeanor and is subject to civil sanctions as recommended by the  
22 committee under AS 24.60.178.

23 \* Sec. 28. AS 24.60.130(f) is amended to read:

24 (f) The committee may contract for professional services and may employ staff  
25 as it considers necessary. A committee employee, including a person who provides  
26 personal services under a contract with the committee, may not be a legislator, an  
27 elected or appointed official of a state or local governmental entity, an officer of a  
28 political party, a candidate for public office, or a registered lobbyist. The legislative  
29 council shall provide office space, equipment, and additional staff support for the  
30 committee. The committee shall submit a budget for each fiscal year to the finance  
31 committees of the legislature and shall annually submit an estimated budget to the

1 governor for information purposes in preparation of the state operating budget. Public  
2 members of the committee serve without compensation for their services, but are  
3 entitled to travel and per diem expenses authorized for members of state boards  
4 and commissions under AS 39.20.180.

5 \* Sec. 29. AS 24.60.130(h) is amended to read:

6 (h) A member is disqualified from participating as a member in any  
7 proceeding before the committee involving a complaint against the member or an  
8 employee whose work is supervised by the member or an advisory opinion  
9 requested by the member. If a regular legislative member is disqualified under this  
10 subsection, an alternate shall be appointed under (o) of this section. [IF THE  
11 LEGISLATURE IS IN SESSION WHEN A LEGISLATIVE MEMBER IS  
12 DISQUALIFIED UNDER THIS SUBSECTION, THE PRESIDING OFFICER OF  
13 THAT MEMBER'S HOUSE SHALL, WITH THE CONCURRENCE BY ROLL  
14 CALL VOTE OF TWO-THIRDS OF THE FULL MEMBERSHIP OF THAT HOUSE,  
15 APPOINT ANOTHER MEMBER FROM THAT HOUSE TO ACT AS A MEMBER  
16 OF THE COMMITTEE IN THE PROCEEDING. IF THE LEGISLATURE IS NOT  
17 IN SESSION WHEN A LEGISLATIVE MEMBER IS DISQUALIFIED, THE  
18 PRESIDING OFFICER OF THE HOUSE OF WHICH THE DISQUALIFIED  
19 LEGISLATOR IS A MEMBER SHALL APPOINT ANOTHER MEMBER FROM  
20 THAT HOUSE, WITH A RECORDED CONCURRENCE OF A MAJORITY VOTE  
21 OF THE SUBCOMMITTEE OF THAT HOUSE, TO ACT AS A MEMBER OF THE  
22 COMMITTEE IN THE PROCEEDING.]

23 \* Sec. 30. AS 24.60.130 is amended by adding a new subsection to read:

24 (o) When appointing members of the legislature to serve on the committee, the  
25 speaker of the house or the president of the senate, as appropriate, shall appoint an  
26 alternate member for each regular member. An alternate must have the same  
27 qualifications as the regular member for whom the alternate stands as alternate and is  
28 subject to confirmation as required for the regular member. If a regular legislative  
29 member of the committee or a subcommittee is disqualified under (h) of this section  
30 from serving on the committee or the subcommittee during a proceeding under  
31 AS 24.60.170, the chair of the committee or a subcommittee shall appoint the regular

1 member's alternate to serve in place of the regular member in the proceeding unless  
2 the alternate is also disqualified from serving. The appointment shall be treated as  
3 confidential to the same extent that the identity of the subject of a complaint is  
4 required to be kept confidential.

5 \* Sec. 31. AS 24.60.134(a) is amended to read:

6 (a) Except as provided in (d) of this section, in [IN] addition to the  
7 requirements of this chapter, a public member of the committee, an employee of the  
8 committee, or a person under contract to provide personal services to the committee  
9 may not, during the person's term of office or employment or during the life of  
10 the contract, participate in

11 (1) [PARTICIPATE IN] political management or in a political  
12 campaign for a candidate for election to federal, state, or local office, regardless  
13 of whether the campaign is partisan or nonpartisan, or for a ballot measure of  
14 any type [DURING THE PERSON'S TERM OF OFFICE, EMPLOYMENT, OR  
15 CONTRACT];

16 (2) [PARTICIPATE IN] the campaign of, attend campaign fund-raising  
17 events for, or make a financial contribution to

18 (A) a candidate for the legislature;

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

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

23 (3) [PARTICIPATE IN] lobbying activities that would require the  
24 person to register as a lobbyist except as required to inform the legislature concerning  
25 legislation requested by the committee or other matters related to the committee.

26 \* Sec. 32. AS 24.60.134 is amended by adding new subsections to read:

27 (c) In addition to the prohibitions under (a) of this section, a public member  
28 of the committee, an employee of the committee, or a person under contract to provide  
29 personal services to the committee may not, during the duration of the person's term  
30 of office or employment, or during the life of the contract, participate in or attend a  
31 fund-raising event held on behalf of a political party.

1 (d) A person under contract to provide personal services to the committee who  
2 is part of a corporation or partnership that includes individuals who will not be  
3 participating directly in the work performed by the entity for the committee may  
4 request the committee to exclude members of the entity from some or all of the  
5 provisions of this section. The committee may grant the request if it finds that doing  
6 so will not lead to the appearance that the committee is subject to undue political  
7 influence and if there is no appearance of impropriety.

8 \* Sec. 33. AS 24.60.150(b) is amended to read:

9 (b) The committee may

10 (1) recommend legislation to the legislature the committee considers  
11 desirable or necessary to promote and maintain high standards of ethical conduct in  
12 government;

13 (2) subpoena witnesses, administer oaths, and take testimony relating  
14 to matters before the committee, and may require the production for examination of  
15 any books or papers relating to any matter under investigation before the committee;

16 (3) adopt guidelines to implement this chapter; in adopting  
17 guidelines, the committee shall provide notice of its intended action and an  
18 opportunity for public comment; a person who reasonably relies on a guideline  
19 adopted by the committee may not be penalized for having violated a conflicting  
20 provision of this chapter.

21 \* Sec. 34. AS 24.60.160 is amended to read:

22 Sec. 24.60.160. ADVISORY OPINIONS. (a) The committee shall issue an  
23 advisory opinion within 60 [30] days on the request of a person to whom the chapter  
24 applies or a person elected to the legislature who at the time of election is not a  
25 member of the legislature as to whether the facts and circumstances of a particular case  
26 constitute a violation of ethical standards. If it finds that it is advisable to do so, the  
27 committee may issue an opinion under this section on the request of a person who  
28 reasonably expects to become subject to this chapter within the next 45 days. The  
29 60-day [30-DAY] period for issuing an opinion may be extended by the committee if  
30 the person requesting the opinion consents.

31 (b) An [THE] opinion issued under this section is binding on the committee

1 in any subsequent proceedings concerning the facts and circumstances of the particular  
2 case unless material facts were omitted or misstated in the request for the advisory  
3 opinion. Except as provided in this chapter, an advisory opinion is confidential but  
4 shall be made public if a written request by the person who requested the opinion is  
5 filed with the committee. A person who requested an opinion, including a  
6 legislator, may not require admittance to an executive session of the committee  
7 when it is deliberating concerning the advisory opinion request.

8 \* Sec. 35. AS 24.60.170(a) is amended to read:

9 (a) The committee shall consider a complaint alleging a violation of this  
10 chapter if the alleged violation occurred within five years before [OF] the date that the  
11 complaint is filed with the committee and, when the subject of the complaint is a  
12 former member of the legislature, the complaint is filed within one year after [OF] the  
13 subject's departure from the legislature. The committee may not consider a complaint  
14 filed against all members of the legislature, against all members of one house of  
15 the legislature, or against a person employed by the legislative branch of government  
16 after the person has terminated legislative service. However, the committee may  
17 reinstitute proceedings concerning a complaint that was closed because a former  
18 employee terminated legislative service or because a legislator left the legislature  
19 if the former employee or legislator resumes legislative service, whether as an  
20 employee or legislator, within five years after the alleged violation. The committee  
21 may also initiate complaints on its own motion, subject to the same time limitations.  
22 The time limitations of this subsection do not bar proceedings against a person who  
23 intentionally prevents discovery of a violation of this chapter.

24 \* Sec. 36. AS 24.60.170(b) is amended to read:

25 (b) A complaint may be initiated by any person. The complaint must be in  
26 writing and signed under oath by the person making the complaint. The committee  
27 shall upon request provide a form for a complaint to a person wishing to file a  
28 complaint. The committee shall immediately provide a copy of the complaint to the  
29 person who is the subject of the complaint. The committee shall advise the  
30 complainant of the provisions concerning release of confidential information set  
31 out in (i) of this section.

1 • Sec. 37. AS 24.60.170(c) is amended to read:

2 (c) When the committee receives a complaint under (a) of this section, it may  
3 assign the complaint to a staff person. The staff person shall conduct a  
4 preliminary examination of the complaint and recommend to the committee  
5 whether the allegations of the complaint, if true, constitute a violation of this  
6 chapter and whether there is credible information to indicate that a further  
7 investigation and proceeding is warranted. The recommendation shall be based  
8 on the information and evidence contained in the complaint as supplemented by  
9 the complainant and the subject of the complaint, if requested to do so by the  
10 staff member. The committee shall consider the recommendation of the staff  
11 member and shall determine whether the allegations of the complaint, if true,  
12 constitute a violation of this chapter. If the committee determines that the allegations,  
13 if proven, would not give rise to a violation, that the complaint is frivolous on its  
14 face, that there is insufficient credible information that can be uncovered to  
15 warrant further investigation by the committee, or that (IF) the committee's lack  
16 of jurisdiction is apparent on the face of the complaint, the committee shall dismiss the  
17 complaint (. ) and shall notify the complainant and the subject of the complaint of the  
18 dismissal. The committee may ask the complainant to provide clarification or  
19 additional information before it makes a decision under this subsection and may  
20 request information concerning the matter from the subject of the complaint. The  
21 subject of a complaint is not obligated to provide the information. A proceeding  
22 conducted under this subsection, documents that are part of a proceeding, and a  
23 dismissal under this subsection are confidential as provided in (l) of this section  
24 unless the subject of the complaint waives confidentiality as provided in that  
25 subsection.

26 • Sec. 38. AS 24.60.170(f) is amended to read:

27 (f) If the committee determines after investigation that there is not probable  
28 cause to believe that the subject of the complaint has violated this chapter, the  
29 committee shall dismiss the complaint. The committee may also dismiss portions of  
30 a complaint if it finds no probable cause to believe that the subject of the complaint  
31 has violated this chapter as alleged in those portions. The committee shall issue a

1 decision explaining its dismissal. Committee deliberations and vote on the  
2 dismissal order and decision are not open to the public or the subject of the  
3 complaint. A copy of the dismissal order and decision shall be sent to the  
4 complainant and to the subject of the complaint. Notwithstanding (l) of this section,  
5 a dismissal order and decision is open to inspection and copying by the public.

6 • Sec. 39. AS 24.60.170(g) is amended to read:

7 (g) If the committee investigation determines that a probable violation of this  
8 chapter exists that may be corrected by action of the subject of the complaint and that  
9 does not warrant sanctions other than correction, the committee may issue an opinion  
10 recommending corrective action. This opinion shall be provided to the complainant  
11 and to the subject of the complaint, and is open to inspection by the public. The  
12 subject of the complaint may comply with the opinion or may request a hearing before  
13 the committee under (j) of this section. After the hearing the committee may amend  
14 or affirm the opinion. If the subject of the complaint agrees to comply with the  
15 opinion but later fails to complete the corrective action in a timely manner, the  
16 committee may formally charge the person as provided in (h) of this section or  
17 may refer the matter to the appropriate house of the legislature, in the case of a  
18 legislator, or, in the case of a legislative employee, to the employee's appointing  
19 authority. The appropriate house of the legislature or the appointing authority,  
20 as appropriate, may take action to enforce the corrective action or may decline  
21 to take action and refer the matter to the committee. In that case, the committee  
22 may formally charge the person under (h) of this section.

23 • Sec. 40. AS 24.60.170(h) is amended to read:

24 (h) If the subject of a complaint fails to comply with an opinion and the  
25 committee formally charges the person [ISSUED] under (g) of this section, or if the  
26 committee determines after investigation that there is probable cause to believe that the  
27 subject of the complaint has committed a violation of this chapter that may require  
28 sanctions instead of or in addition to corrective action, the committee shall formally  
29 charge the person. The charge shall be served on the person charged, in a manner  
30 consistent with the service of summons under the rules of civil procedure, and a copy  
31 of the charge shall be sent to the complainant. The person charged may file a

1 responsive pleading to the committee admitting or denying some or all of the  
2 allegations of the charge.

3 • Sec. 41. AS 24.60.170(i) is amended to read:

4 (i) A person charged under ~~(h)~~ ~~[(b)]~~ of this section may engage in discovery  
5 in a manner consistent with the Alaska Rules of Civil Procedure. The committee may  
6 adopt procedures that

7 (1) impose reasonable restrictions on the time for this discovery and on  
8 the materials that may be discovered;

9 (2) permit a person who is the subject of a complaint to engage in  
10 discovery at an earlier stage of the proceedings;

11 (3) impose reasonable restrictions on the release of information that  
12 the subject of a complaint acquires from the committee in the course of discovery,  
13 or on information obtained by use of the committee's authority, in order to  
14 protect the privacy of persons not under investigation to whom the information  
15 pertains; however, the committee may not impose restrictions on the release of  
16 information by the subject of the complaint unless the complainant has agreed to  
17 be bound by similar restrictions and has not made public the information  
18 contained in the complaint, information about the complaint, or the fact of filing  
19 the complaint.

20 • Sec. 42. AS 24.60.170(l) is amended to read:

21 (l) Proceedings of the committee relating to complaints before it are  
22 confidential until the committee determines that there is probable cause to believe that  
23 a violation of this chapter has occurred. The complaint and all documents produced  
24 or disclosed as a result of the committee investigation are confidential and not subject  
25 to inspection by the public. If in the course of an investigation or probable cause  
26 determination the committee finds evidence of probable criminal activity, the  
27 committee shall transmit a statement and factual findings limited to that activity to the  
28 appropriate law enforcement agency. If the committee finds evidence of a probable  
29 violation of AS 15.13, the committee shall transmit a statement to that effect and  
30 factual findings limited to the probable violation to the Alaska Public Offices  
31 Commission. All meetings of the committee before the determination of probable

1 cause are closed to the public and to legislators who are not members of the  
2 committee. However, the committee shall permit the subject of the complaint and  
3 the subject's attorney to attend any meeting concerning the complaint, including  
4 confidential meetings. The committee shall notify the subject of the complaint of  
5 the schedule of its proceedings. The confidentiality provisions of this subsection may  
6 be waived by the subject of the complaint, except that the subject of the complaint  
7 may not waive the confidentiality duty the committee owes to others.

8 • Sec. 43. AS 24.60.174(a) is amended to read:

9 (a) If the person found to have violated this chapter is or was a member of the  
10 legislature, the committee's recommendations shall be forwarded by the chair of the  
11 committee to the presiding officer of the appropriate house of the legislature. If the  
12 committee recommends sanctions other than expulsion from the legislature, the  
13 committee recommendation

14 (1) must include a suggested timetable for the compliance reports  
15 required under (e) of this section, if any; and

16 (2) may include recommended fines that the legislature may impose  
17 if the legislator who was found to have violated this chapter does not comply with  
18 the sanctions imposed by the legislature in a timely manner.

19 • Sec. 44. AS 24.60.174 is amended by adding a new subsection to read:

20 (e) When a house of the legislature imposes a sanction other than expulsion  
21 on a member or former member, it shall advise the committee at the time of imposing  
22 the sanction of the terms it has imposed and of the timetable for compliance adopted  
23 with the sanctions. A legislator or former legislator on whom sanctions other than  
24 expulsion have been imposed shall report to the committee as required by the  
25 timetable. If the committee determines that the legislator or former legislator has not  
26 complied fully and in a timely manner with the sanctions imposed by the legislature,  
27 the committee may recommend that the legislature impose a fine or additional  
28 sanctions.

29 • Sec. 45. AS 24.60.176 is amended to read:

30 Sec. 24.60.176. RECOMMENDATIONS WHERE VIOLATOR IS A  
31 LEGISLATIVE EMPLOYEE. If the person found to have violated this chapter is or

1 was a legislative employee, the committee's recommendations shall be forwarded to  
2 the appropriate appointing authority that shall, as soon as is reasonably possible,  
3 determine the sanctions, if any, to be imposed. The appointing authority may not  
4 question the committee's findings of fact. The appointing authority shall assume the  
5 validity of the committee's findings [.] and determine and impose the appropriate  
6 sanctions. The appointing authority has the power to impose a sanction  
7 recommended by the committee or to impose a different sanction. The appointing  
8 authority shall enforce the sanction and shall report to the committee at a time  
9 specified by the committee concerning the employee's compliance with the  
10 sanction.

11 • Sec. 46. AS 24.60.176 is amended by adding a new subsection to read:

12 (b) In this section, "appointing authority" means

13 (1) the legislative council for employees of the Legislative Affairs  
14 Agency and of the legislative council and for legislative employees not otherwise  
15 covered under this subsection;

16 (2) the Legislative Budget and Audit Committee for the legislative  
17 fiscal analyst and employees of the division of legislative finance, the legislative  
18 auditor and employees of the division of legislative audit, and employees of the  
19 Legislative Budget and Audit Committee;

20 (3) the appropriate finance committee for employees of the senate or  
21 house finance committees;

22 (4) the appropriate rules committee for employees of standing  
23 committees of the legislature other than the finance committees, for employees of the  
24 senate secretary's office and the office of the chief clerk of the house of  
25 representatives;

26 (5) the legislator who made the hiring decision for employees of  
27 individual legislators; however, the legislator may request the appropriate rules  
28 committee to act in the legislator's stead;

29 (6) the ombudsman for employees of the office of the ombudsman,  
30 other than the ombudsman;

31 (7) the legislature for the ombudsman.

1     • Sec. 47. AS 24.60 is amended by adding a new section to read:

2             Sec. 24.60.178. RECOMMENDED SANCTIONS. (a) When the committee  
3 finds that a person has violated this chapter, the committee may recommend  
4 appropriate sanctions, including sanctions set out in (b) of this section.

5             (b) The sanctions that the committee may recommend include

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

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

10                (3) additional, detailed disclosure, either as a public disclosure or as a  
11 confidential disclosure to the committee;

12                (4) in the case of a legislative employee, suspension of employment  
13 with or without pay for a stated period of time or until stated conditions are met, or  
14 termination from legislative employment;

15                (5) restitution of property or reimbursement of improperly received  
16 benefits;

17                (6) public or private written reprimand;

18                (7) censure, including, in the case of a legislator, removal from a  
19 leadership position or committee membership and a determination that the legislator  
20 will not be appointed to serve in a leadership position or on a committee during the  
21 remainder of that legislature;

22                (8) placing the person on probationary status;

23                (9) in the case of a legislator, expulsion from the house of the  
24 legislature;

25                (10) any other appropriate measure.

26             (c) In addition to or in place of a sanction recommended under (b) of this  
27 section, the committee may recommend that the subject of a complaint be required to  
28 pay all or a portion of the costs related to the investigation and adjudication of a  
29 complaint.

30     • Sec. 48. AS 24.60.200 is amended to read:

31             Sec. 24.60.200. FINANCIAL DISCLOSURE BY LEGISLATORS, [AND]

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LEGISLATIVE DIRECTORS, ~~AND CERTAIN LEGISLATIVE EMPLOYEES~~ <sup>AND CERTAIN LEGISLATIVE EMPLOYEES</sup> A  
 legislator, [AND] a legislative director, ~~and a legislative employee who is~~ <sup>and a legislative employee who is</sup>  
~~required to disclose~~ shall file a disclosure statement, under oath and on penalty of perjury, with  
 the Alaska Public Offices Commission giving the following information about the  
 income received by them, their spouses, their dependent children, and their  
 nondependent children who are living with them:

(1) the information that a public official is required to report under  
 AS 39.50.030; ~~however, a legislator, legislative director,~~ <sup>or legislative employee is</sup>  
~~not required to report any gifts~~ [, EXCEPT THAT SOURCES OF INCOME OTHER  
 THAN GIFTS OF \$1,000 OR LESS, AND LOANS OF \$1,000 OR LESS NEED NOT  
 BE REPORTED];

(2) as to income in excess of \$1,000 received as compensation for  
 personal services, the name and address of the source of the income, and a statement  
 describing the nature of the services performed; if the source of income is known or  
 reasonably should be known to have a substantial interest in legislative, administrative,  
 or political action and the recipient of the income is a legislator, [OR] a legislative  
 director; ~~or a legislative employee,~~ <sup>or a legislative employee</sup> the amount of income received from the source  
 shall be disclosed;

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

(4) THE SOURCE OF A GIFT, OTHER THAN AN INHERITANCE,  
 RECEIVED DURING THE PRECEDING CALENDAR YEAR BY THE PERSON,  
 THE PERSON'S SPOUSE OR DEPENDENT CHILD, OR A NONDEPENDENT  
 CHILD OF THE PERSON WHO IS LIVING WITH THE PERSON, IF THE  
 AMOUNT OF THE GIFT EXCEEDS \$100 AND IS RECEIVED FROM A PERSON  
 WHO IS NOT A MEMBER OF THE RECIPIENT'S FAMILY].

• ~~SEC 390~~ AS 24.60.210 is amended to read:

Sec. 24.60.210. DEADLINES FOR FILING OF DISCLOSURE

1 STATEMENTS. A legislator, [AND] a legislative director, and a legislative  
2 employee who is required to disclose shall file an annual report with the Alaska  
3 Public Offices Commission, covering the previous calendar year, containing the  
4 disclosures required by AS 24.60.200, on or before April 15 of each year.

5 \* ~~Sec. 51. AS 24.60.240~~ is amended to read:

6 Sec. 24.60.240. CIVIL PENALTY FOR LATE FILING. A legislator, [OR]  
7 a legislative director, or a legislative employee who is required to disclose who fails  
8 to file a properly completed report under AS 24.60.200 is subject to a civil penalty of  
9 not more than \$10 a day for each day the delinquency continues as the Alaska Public  
10 Offices Commission determines, subject to appeal to the superior court. An affidavit  
11 stating facts in mitigation may be submitted to the Alaska Public Offices Commission  
12 by the person against whom the civil penalty is assessed. However, the imposition of  
13 the penalties prescribed in this section does not excuse the person from filing reports  
14 required by AS 24.60.200.

15 \* ~~Sec. 51. AS 24.60.250~~ is amended to read:

16 Sec. 24.60.250. EFFECT OF FAILURE TO FILE BY LEGISLATIVE  
17 CANDIDATE. In addition to the sanctions described in AS 24.60.260, if the Alaska  
18 Public Offices Commission finds that a candidate for the legislature who is an  
19 incumbent legislator, [OR A] legislative director, or legislative employee who is  
20 required to disclose has failed or refused to file a report under AS 24.60.200 by a  
21 deadline established in AS 24.60.210, it shall notify the lieutenant governor. The  
22 candidate shall forfeit nomination to office and may not be seated in office. The  
23 lieutenant governor may not certify the person's nomination for office or election to  
24 office and nomination to the office shall be certified as provided in AS 39.50.060(b).

25 \* Sec. 52. AS 24.60.260(a) is amended to read:

26 (a) A person required to make a disclosure under this chapter may not  
27 knowingly make a false or deliberately misleading or incomplete disclosure to the  
28 committee or to the Alaska Public Offices Commission. A person who files [, OR  
29 FILE] a disclosure after a deadline set by this chapter or by a regulation adopted by  
30 the committee or by the Alaska Public Offices Commission has violated this chapter  
31 and may be subject to imposition of a fine as provided in (c) of this section or

1 AS 24.60.240.

2 \* Sec. 53. AS 24.60.260 is amended by adding a new subsection to read:

3 (c) The committee may impose a fine on a person who files a disclosure after  
4 a deadline set by this chapter. The amount of the fine imposed under this subsection  
5 may not exceed \$2 for each day to a maximum of \$25 per disclosure for an  
6 inadvertent late disclosure. If the committee finds that a person intentionally waited  
7 until after a deadline had passed to file a disclosure or, knowing a disclosure was  
8 required under this chapter, intentionally failed to make the disclosure, the committee  
9 may impose an additional fine of \$100 under this subsection.

10 \* Sec. 54. AS 24.60.990(a)(5) is amended to read:

11 (5) "immediate family" means

12 (A) the spouse of the person;

13 (B) another person cohabiting with the person in a conjugal  
14 relationship with the person that is not a legal marriage; or

15 (C) a parent, child [, PARENTS, CHILDREN], including a  
16 stepchild and an adoptive child, and sibling [SIBLINGS] of a person if the  
17 parent, child, or sibling resides with the person, is financially dependent  
18 on the person, or shares a substantial financial interest with the person;

19 ~~AS 24.60.990(a)~~ AS 24.60.990(a) is amended by adding a new paragraph to read:

20 (15) "legislative employee who is required to disclose" means a  
21 legislative employee, other than a legislator or a legislative director, who is  
22 compensated at Range 19 or above of the state salary schedule under AS 39.27.011.

23 \* Sec. 56. AS 39.25.160 is amended by adding a new subsection to read:

24 (j) A state employee, whether in the classified, partially exempt, or exempt  
25 service, may not campaign on behalf of a political candidate on government time.  
26 This subsection does not prohibit the employees of the division of elections from  
27 carrying out duties related to elections or the members and employees of the  
28 commission on judicial conduct from carrying out duties relating to the evaluation of  
29 justices and judges.

30 \* Sec. 57. AS 39.50.020 is amended to read:

31 Sec. 39.50.020. REPORT OF FINANCIAL AND BUSINESS INTERESTS.

1 (a) A public official as defined in AS 39.50.200 (JUDICIAL OFFICER,  
2 COMMISSIONER, CHAIR OR MEMBER OF A STATE COMMISSION OR BOARD  
3 SPECIFIED IN AS 39.50.200(b), A PERSON HIRED OR APPOINTED AS HEAD  
4 OR DEPUTY HEAD OF, OR DIRECTOR OF A DIVISION WITHIN, A  
5 DEPARTMENT IN THE EXECUTIVE BRANCH, A PERSON APPOINTED  
6 AS ASSISTANT TO THE GOVERNOR, A STATE INVESTMENT OFFICER AND  
7 THE STATE COMPTROLLER IN THE DEPARTMENT OF REVENUE, AND A  
8 MUNICIPAL OFFICER) shall file a statement giving income sources and business  
9 interests, under oath and on penalty of perjury, within 30 days after taking office as  
10 a public official. Candidates for state elective office other than a candidate who is  
11 subject to AS 24.60 shall file the [SUCH A] statement with the director of elections  
12 at the time of filing a declaration of candidacy or a nominating petition [,] or  
13 [WITHIN 30 DAYS OF] becoming a candidate by any other means. Candidates for  
14 elective municipal office shall file the [SUCH A] statement at the time of filing a  
15 nominating petition, declaration of candidacy, or other required filing for the elective  
16 municipal office. Refusal or failure to file within the time prescribed shall require that  
17 the candidate's filing fees, if any, and filing for office be refused or that a previously  
18 accepted filing fee be returned and the candidate's name removed from the filing  
19 records. A statement shall also be filed by public officials no later than April 15 or 15  
20 days after the person files a federal income tax return in each following year,  
21 whichever comes first. Persons who are members of boards or commissions not named  
22 in AS 39.50.200(b) are not required to file financial statements.

23 (b) A public official other than an elected or appointed municipal officer  
24 [THE GOVERNOR, LIEUTENANT GOVERNOR, JUDICIAL OFFICERS, EACH  
25 COMMISSIONER, HEAD OR DEPUTY HEAD OF, OR DIRECTOR OF A  
26 DIVISION WITHIN, A DEPARTMENT IN THE EXECUTIVE BRANCH,  
27 ASSISTANT TO THE GOVERNOR, STATE INVESTMENT OFFICERS AND THE  
28 STATE COMPTROLLER IN THE DEPARTMENT OF REVENUE, OR CHAIR OR  
29 MEMBER OF A COMMISSION OR BOARD REQUIRED TO REPORT UNDER  
30 THIS CHAPTER.] shall file the statement with the Alaska Public Offices Commission.  
31 Candidates for the office of governor and lieutenant governor and, if the candidate is

1 not subject to AS 24.60, the legislature shall file the statement under AS 15.25.030 or  
2 15.25.180. Municipal officers, and candidates for elective municipal office, shall file  
3 with the municipal clerk or other municipal official designated to receive their filing  
4 for office. All statements required to be filed under this chapter are public records.

5 \* ~~Sec. 59. AS~~ AS 39.50.030(a) is amended to read:

6 (a) Each statement must [SHALL] be an accurate representation of the  
7 financial affairs of the public official or candidate and must [SHALL] contain the  
8 same information for each member of the person's family, as specified in (b) of this  
9 section, to the extent that it is ascertainable by the public official or candidate. [AN  
10 ASSET OR LIABILITY UNDER \$500, HOUSEHOLD GOODS, AND PERSONAL  
11 EFFECTS NEED NOT BE IDENTIFIED.]

12 \* Sec. 59. AS 39.50.030(b) is amended to read:

13 (b) Each statement filed by a public official or candidate under this chapter  
14 must [SHALL] include the following:

15 (1) the source of all income over \$1,000 [\$100] during the preceding  
16 calendar year, including taxable and nontaxable capital gains, received by the person,  
17 the person's spouse or dependent child, or a nondependent child of the person who is  
18 living with that person, except that a source of income that is a gift must be  
19 included if the value of the gift exceeds \$250;

20 (2) the identity, by name and address, of each business in which the  
21 person, the person's spouse or dependent child, or a nondependent child of the person  
22 who is living with that person was a stockholder, owner, officer, director, partner,  
23 proprietor, or employee during the preceding calendar year;

24 (3) the identity and nature of each interest owned in any business  
25 during the preceding calendar year by the person, the person's spouse or dependent  
26 child, or a nondependent child of the person who is living with that person;

27 (4) the identity and nature of each interest in real property, including  
28 an option to buy, owned at any time during the preceding calendar year by the person,  
29 the person's spouse or dependent child, or a nondependent child of the person who is  
30 living with that person;

31 (5) the identity of each trust or other fiduciary relation in which the

1 person, the person's spouse or dependent child, or a nondependent child of the person  
2 who is living with that person held a beneficial interest exceeding \$1,000 during the  
3 preceding calendar year, a description and identification of the property contained in  
4 each trust or relation, and the nature and extent of the beneficial interest in it;

5 (6) any loan or loan guarantee of more than \$1,000 made to the  
6 person, the person's spouse or dependent child, or a nondependent child of the person  
7 who is living with that person, and the identity of the maker of the loan or loan  
8 guarantor and the identity of each creditor to whom the person, the person's spouse or  
9 dependent child, or a nondependent child of the person who lives with that person  
10 owed more than \$1,000: this paragraph requires disclosure of a loan, loan  
11 guarantee, or indebtedness only if the loan or guarantee was made, or the  
12 indebtedness incurred, during the preceding calendar year, or if the amount still  
13 owing on the loan, loan guarantee, or indebtedness was more than \$1,000 at any  
14 time during the preceding calendar year [\$500 OR MORE];

15 (7) a list of all contracts and offers to contract with the state or an  
16 instrumentality of the state during the preceding calendar year held, bid, or offered by  
17 the person, the person's spouse or dependent child, a nondependent child of the person  
18 who is living with that person, a partnership or professional corporation of which  
19 the person is a member [THE PERSON'S MOTHER OR FATHER], or a corporation  
20 in which the person or the person's spouse or children, or a combination of them, hold  
21 a controlling interest; and

22 (8) a list of all mineral, timber, oil, or any other natural resource lease  
23 held, or lease offer made, during the preceding calendar year by the person, the  
24 person's spouse or dependent child, a nondependent child of the person who is living  
25 with that person, [THE PERSON'S MOTHER OR FATHER.] a partnership or  
26 professional corporation of which the person is a member, or a corporation in which  
27 the person or the person's spouse or children, or a combination of them, holds a  
28 controlling interest.

29 • Sec. 60. AS 39.50.070 is amended to read:

30 Sec. 39.50.070. FAILURE TO REPORT BY CERTAIN STATE  
31 EMPLOYEES [DEPARTMENT, DIVISION, OR DEPUTY DEPARTMENT

1 HEADS]. A person hired or appointed as the head or deputy head of, or director of  
2 a division within, a department in the executive branch or another state employee  
3 subject to this chapter who refuses or fails to file a report of financial interests  
4 required under this chapter when due may not hold office, and the person's name may  
5 not be submitted to the legislature for confirmation, until the person complies. The  
6 person may not be confirmed, hired, or appointed, and the person forfeits and may not  
7 be paid any salary, per diem, or travel expenses, until the person complies. If, after  
8 installation as the head or deputy head of, or director of a division within, a  
9 department, or, for other state employees, after beginning employment in the  
10 position subject to this chapter, the person refuses or fails to file the required  
11 statement when due, the person is guilty of a misdemeanor and upon conviction is  
12 punishable by a fine of not less than \$100 nor more than \$1,000 and shall be removed  
13 from office if compliance is not made within 30 days after the due date of the report.

14 • Sec. 61. AS 39.50.080 is amended to read:

15 Sec. 39.50.080. FAILURE TO REPORT BY A COMMISSION OR BOARD  
16 CHAIR [CHAIRMAN] OR MEMBER. A person hired or appointed as a  
17 commissioner, chair, [CHAIRMAN] or member of a state commission or board  
18 specified in AS 39.50.200(b), including the executive director of the Alaska  
19 Tourism Marketing Council, who fails to file a report of financial interests required  
20 under this chapter when due may not hold office, and the person's name may not be  
21 submitted to the legislature until the person complies. The person may not be  
22 confirmed, and the person forfeits and may not be paid any salary, per diem or travel  
23 expenses, until the person complies. If, after being seated as commissioner, chair,  
24 [CHAIRMAN] or member of the [SUCH A] commission or board the person refuses  
25 or fails to file the required statement when due, the person is guilty of a misdemeanor  
26 and upon conviction is punishable by a fine of not less than \$100 nor more than  
27 \$1,000 and shall be removed from office if compliance is not made within 30 days  
28 after the due date.

29 • Sec. 62. AS 39.50.200(a)(8) is amended to read:

30 (8) "public official" means a judicial officer, the governor, the  
31 lieutenant governor, a person hired or appointed as the head or deputy head of, or

1 director of a division, a department in the executive branch, [AN ASSISTANT TO  
2 THE GOVERNOR,] chair or member of a state commission or board, [STATE  
3 INVESTMENT OFFICERS AND THE STATE COMPTROLLER IN THE  
4 DEPARTMENT OF REVENUE,] the executive director of the Alaska Tourism  
5 Marketing Council, another state employee subject to this chapter, and each  
6 appointed or elected municipal officer;

7 \* Sec. 63. AS 39.50.200(a) is amended by adding a new paragraph to read:

8 (10) "another state employee subject to this chapter" means a state  
9 employee who is employed in a position in the executive branch of state government  
10 in the exempt or partially exempt service and who is compensated at Range 21 or  
11 above on the state salary schedule under AS 39.27.011, an assistant to the governor,  
12 ~~an assistant to the governor~~ <sup>Asst. to the G. Gov.</sup> a state investment officer, and the state  
13 comptroller in the Department of Revenue, but does not include a state officer or  
14 employee who is otherwise included in the definition of "public official" under this  
15 section.

16 \* ~~Sec 64~~ AS 39.52.010(a) is amended to read:

17 (a) It is declared that

18 (1) [THAT] high moral and ethical standards among public officers in  
19 the executive branch are essential to assure the trust, respect, and confidence of the  
20 people of this state; [TO THE CONDUCT OF FREE GOVERNMENT; AND]

21 (2) [THAT THE LEGISLATURE BELIEVES THAT] a code of ethics  
22 for the guidance of public officers will

23 (A) discourage those officers from acting upon personal or  
24 financial interests in the performance of their public responsibilities;

25 (B) [, WILL] improve standards of public service; and

26 (C) [, AND WILL] promote and strengthen the faith and  
27 confidence of the people of this state in their public officers;

28 (3) [. IT IS FURTHER DECLARED THAT] holding public office or  
29 employment is a public trust and that as one safeguard of that trust, the people require  
30 public officers to adhere to a code of ethics;

31 (4) a fair and open government requires that executive branch

1 public officers conduct the public's business in a manner that preserves the  
2 integrity of the governmental process and avoids conflicts of interest or even  
3 appearances of conflicts of interest;

4 (5) in order for the rules governing conduct to be respected both  
5 during and after leaving public service, the code of ethics must be administered  
6 fairly without bias or favoritism;

7 (6) no code of conduct, however comprehensive, can anticipate all  
8 situations in which violations may occur nor can it prescribe behaviors that are  
9 appropriate to every situation; in addition, laws and regulations regarding ethical  
10 responsibilities cannot legislate morality, eradicate corruption, or eliminate bad  
11 judgment; and

12 (7) compliance with a code of ethics is an individual responsibility;  
13 thus all who serve the state have a solemn responsibility to avoid improper  
14 conduct and prevent improper behavior by colleagues and subordinates.

15 \* ~~Sec. 65.~~ AS 39.52.120(b) is amended to read:

16 (b) A public officer may not

17 (1) seek other employment or contracts through the use or attempted  
18 use of official position;

19 (2) accept, receive, or solicit compensation for the performance of  
20 official duties or responsibilities from a person other than the state; this paragraph  
21 may not be construed to prohibit the governor or the lieutenant governor from  
22 the lawful solicitation for and acceptance of campaign contributions or a public  
23 officer from the acceptance of a lawful gift, other than a campaign contribution,  
24 under AS 39.52.130;

25 (3) use state time, property, equipment, or other facilities to benefit  
26 personal or financial interests;

27 (4) take or withhold official action in order to affect a matter in which  
28 the public officer has a personal or financial interest; or

29 (5) attempt to benefit a personal or financial interest through coercion  
30 of a subordinate.

31 \* ~~Sec. 66.~~ AS 39.52 is amended by adding a new section to read:

1 ~~Sec~~ 39.52.125. MISUSE OF OFFICIAL POSITION BY STATE OFFICIALS.

2 (a) In addition to the prohibitions under AS 39.52.120, a state official may not

3 (1) take or withhold official action or exert official influence that could  
4 substantially benefit or harm the financial interest of a person with whom the state  
5 official is negotiating for employment;

6 (2) knowingly seek, accept, use, allocate, grant, or award public funds  
7 for a purpose other than that approved by law, or make a false statement in connection  
8 with a claim, request, or application for compensation, reimbursement, or travel  
9 allowances from public funds;

10 (3) require another public officer to perform services for the private  
11 benefit of the state official at any time, or allow a public officer to perform services  
12 for the private benefit of the state official on government time; or

13 (4) use or authorize the use of state funds, facilities, equipment,  
14 services, or another government asset or resource for the purpose of political fund  
15 raising or campaigning.

16 (b) Except for the governor and the lieutenant governor, a state official may  
17 not on government time assist in political party or candidate activities, campaigning,  
18 or fund raising. A state official, including the governor and the lieutenant governor,  
19 may not require another public officer to perform an act in violation of this subsection.

20 (c) Unless approved by the personnel board, during a campaign period for an  
21 election in which the state official is a candidate, a state official may not use or permit  
22 another to use state funds to print or distribute a political mass mailing to individuals  
23 eligible to vote for the candidate. In this subsection,

24 (1) a "campaign period" is the period that

25 (A) begins 90 days before an election to the board of an electric  
26 or telephone cooperative organized under AS 10.25, a municipal election, or  
27 a primary election or that begins on the date of the governor's proclamation  
28 calling a special election; and

29 (B) ends the day after the cooperative election, municipal  
30 election, or the general or special election;

31 (2) a mass mailing is considered to be political if it is from or about

1 a

2 (A) state official who is a candidate for election to a federal,  
3 state, or municipal elective office or to the board of a telephone or electric  
4 cooperative;

5 (B) another person who is a candidate for election to a federal,  
6 state, or municipal elective office or to the board of a telephone or electric  
7 cooperative.

8 (d) A state official, or another person on behalf of the official, or a campaign  
9 committee of the official, may not distribute or post campaign literature, placards,  
10 posters, fund-raising notices, or other communications intended to influence the  
11 election of a candidate in an election in public areas in a facility ordinarily used to  
12 conduct state government business.

13 (e) A state official may not directly, or by authorizing another to act on the  
14 official's behalf,

15 (1) agree to, threaten to, or state or imply that the official will take or  
16 withhold an official action as a result of a person's decision to provide or not provide  
17 a political contribution, donate or not donate to a cause favored by the official, or  
18 provide or not provide a thing of value; or

19 (2) state or imply that the official will perform or refrain from  
20 performing a lawful governmental service as a result of a person's decision to provide  
21 or not provide a political contribution, donate or not donate to a cause favored by the  
22 official or provide or not provide a thing of value.

23 (f) A state official may serve on a board of an organization, including a  
24 governmental entity, that regularly has a substantial interest in the official actions of  
25 the official, if the official discloses the board membership to the personnel board.

26 (g) In this section, when determining whether a state official is considered to  
27 be performing a task on government time, the personnel board shall consider the  
28 official's work schedule as set by the official's immediate supervisor, if any. An  
29 official other than the governor and lieutenant governor who engages in political  
30 campaign activities other than incidental campaign activities as described in this  
31 subsection during the work day shall take leave for the period of campaigning.

1 Political campaign activities while on government time are permissible if the activities  
2 are part of the normal governmental duties of the official, including answering  
3 telephone calls and handling of incoming correspondence.

4 • ~~Sec. 67~~ AS 39.52.130(c) is amended to read:

5 (c) In accordance with AS 39.52.240, a designated supervisor or a state  
6 official may request guidance from the personnel board [ATTORNEY GENERAL]  
7 concerning whether acceptance of a particular gift is prohibited.

8 • ~~Sec. 68~~ AS 39.52.130 is amended by adding new subsections to read:

9 (e) In addition to the requirements of (a) and (b) of this section, and except  
10 as provided in (f) - (n) of this section, a state official may not solicit, accept, or  
11 receive, directly or indirectly, a gift worth \$250 or more, whether in the form of  
12 money, service, loan, travel, entertainment, hospitality, employment, promise, or in any  
13 other form, or gifts from the same person worth less than \$250 that in a calendar year  
14 aggregate to \$250 or more in value. Except for food or beverage for immediate  
15 consumption, a state official may not solicit, accept, or receive during a legislative  
16 session a gift with any monetary value from a lobbyist or a person acting on behalf  
17 of a lobbyist.

18 (f) A state official who accepts a gift under (g)(4) of this section shall disclose  
19 the gift if it has a value in excess of \$250, including the name and occupation of the  
20 giver and a description of the gift and its approximate value, to the personnel board  
21 within 30 days after the date of its receipt. Except as provided in (j) of this section,  
22 a gift under (g)(6) of this section that has a value of \$250 or more shall be disclosed  
23 to the personnel board annually on or before February 15 of the following calendar  
24 year; the disclosure must include only a description of the gift and the identity of the  
25 donor. The personnel board shall maintain a public record of the disclosures received  
26 of gifts under (g)(4) of this section. Disclosures relating to gifts under (g)(6) of this  
27 section shall be maintained but are confidential and may only be used by the attorney  
28 general or the personnel board and its employees and contractors in the investigation  
29 of a possible violation of this section or in a proceeding under AS 39.52.310 -  
30 39.52.390. If the disclosures become part of the record of a proceeding under  
31 AS 39.52.310 - 39.52.390, the confidentiality provisions in AS 39.52.340 apply to the

*Handwritten notes:*  
15-17  
18-20  
21-23  
24-26  
27-29  
30-31

1 disclosures. The personnel board shall forward disclosures it receives from a state  
2 official concerning gifts under (g)(4) of this section to the Alaska Public Offices  
3 Commission.

4 (g) Notwithstanding (e) of this section, it is not a violation of this section for  
5 a state official to accept

6 (1) hospitality, other than hospitality described in (4) of this subsection

7 (A) with incidental transportation at the residence of a person;  
8 however, a vacation home located outside the state is not considered a  
9 residence for the purposes of this subparagraph; or

10 (B) at a social event or meal;

11 (2) discounts that are available

12 (A) generally to the public or to a large class of persons to  
13 which the person belongs; or

14 (B) when on state business;

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

17 (4) travel and hospitality primarily for the purpose of obtaining  
18 information on matters of governmental concern;

19 (5) gifts from the immediate family of the person; or

20 (6) gifts that are not connected with the recipient's governmental status.

21 (h) Notwithstanding (e) of this section, a state official may accept a gift of  
22 property worth \$250 or more, other than money, from a foreign government or from  
23 the government of the United States or another state or from an official of a foreign  
24 government or of the government of the United States or another state if the person  
25 accepts the gift on behalf of the state. The person shall, within 60 days after receiving  
26 the gift, deliver the gift to the ~~Office of the Governor~~ shall determine the  
27 appropriate disposition of the gift.

28 (i) Notwithstanding (e) of this section, a state official may solicit, accept, or  
29 receive a gift on behalf of a recognized, nonpolitical charitable organization in  
30 accordance with guidelines adopted by the personnel board.

31 (j) A state official who receives an inheritance from a person other than a

1 family member shall disclose the fact of the receipt of an inheritance and the identity  
2 of the person from whom it was received to the personnel board within 60 days after  
3 receiving notice of the inheritance. The personnel board shall maintain a public record  
4 of the disclosure. This subsection does not require disclosure of the value of the  
5 inheritance.

6 (k) A state official or public agency may accept (1) a gift of volunteer services  
7 for governmental purposes so long as the person making the gift of services is not  
8 receiving compensation from another source for the services or (2) a gift of the  
9 services of a trainee who is participating in an educational program approved by the  
10 personnel board if the services are used for governmental purposes. The personnel  
11 board shall approve training under a program of the University of Alaska and training  
12 under 29 U.S.C. 1501 - 1792b (Job Training Partnership Act). A governmental  
13 volunteer or educational trainee shall be considered to be a public employee for  
14 purposes of compliance with this chapter other than AS 39.52.150, 39.52.155, and  
15 39.52.160. If a person believes that a governmental volunteer or educational trainee  
16 has violated the provisions of one of those sections, the person may file a complaint  
17 under AS 39.52.310. The provisions of AS 39.52.310 - 39.52.390 apply to the  
18 proceeding. This subsection does not permit a state official to accept a gift of services  
19 for nongovernmental purposes.

20 (l) A state official who knows or reasonably ought to know that a family  
21 member has received a gift because of the family member's connection with the  
22 official's public office shall report the receipt of the gift by the family member to the  
23 personnel board if the gift would have to be reported under this section if it had been  
24 received by the public officer or if receipt of the gift by a public officer would be  
25 prohibited under this section.

26 (m) In this section, the value of a gift shall be determined by the fair market  
27 value of the gift to the extent that the fair market value can be determined.

28 (n) In this section, "immediate family" or "family member" means

- 29 (1) the spouse of the person;  
30 (2) another person cohabiting with the person in a conjugal relationship  
31 with the person that is not a legal marriage;

- 1 (3) a child, including a stepchild and an adoptive child, of the person;  
2 (4) a parent, sibling, grandparent, aunt, or uncle of the person; and  
3 (5) a parent, sibling, grandparent, aunt, or uncle of the person's spouse.

4 • **Sec. 69.** AS 39.52 is amended by adding new sections to read:

5 **Sec. 39.52.132. RESTRICTIONS ON FUND RAISING.** (a) A state official,  
6 including the governor and the lieutenant governor, may not

7 (1) on a day when either house of the legislature is in regular or special  
8 session, solicit or accept a contribution or a promise or pledge to make a contribution  
9 for a candidate for state office;

10 (2) accept money from an event held on a day when either house of the  
11 legislature is in regular or special session if a substantial purpose of the event is to  
12 raise money on behalf of the state official for a campaign for state office; or

13 (3) expend money in a campaign for state office that was raised by or  
14 on behalf of a state official on a day when either house of the legislature was in a  
15 legislative session under a declaration of candidacy or general letter of intent to  
16 become a candidate for public office.

17 (b) In this section, "contribution" has the meaning given in AS 15.13.130.

18 **Sec. 39.52.134. RESTRICTIONS ON EMPLOYEE CANDIDACIES.** A state  
19 official in the exempt, partially exempt, or classified service, other than the governor  
20 and the lieutenant governor, may not file a letter of intent to become a candidate or  
21 file a declaration of candidacy for the legislature.

22 **Sec. 39.52.136. OPEN MEETINGS LAW.** State officials shall abide by the  
23 open meetings law under AS 44.62.310 - 44.62.312.

24 • **Sec. 70.** AS 39.52.150(d) is amended to read:

25 (d) A public officer shall report in writing to the personnel board and the  
26 designated supervisor a personal or financial interest held by the officer, or an  
27 immediate family member, in a state grant, contract, lease, or loan that is awarded,  
28 executed, or administered by the agency the officer serves.

29 • **Sec. 71.** AS 39.52 is amended by adding a new section to read:

30 **Sec. 39.52.155. DISCLOSURE OF CLOSE ECONOMIC ASSOCIATIONS.**

31 (a) A state official shall disclose to the official's designated supervisor and to the

1 Alaska Public Offices Commission, which shall maintain a public record of the  
2 disclosure, the formation or maintenance of a close economic association involving a  
3 substantial financial matter with

4 (1) a supervisor who is not a public officer who has responsibility or  
5 authority, either directly or indirectly, over the person's employment, including  
6 preparing or reviewing performance evaluations, or granting or approving pay raises  
7 or promotions;

8 (2) legislators;

9 (3) a public official who is required to file a financial disclosure  
10 statement under AS 39.50 and is not an appointed municipal officer;

11 (4) a registered lobbyist; or

12 (5) a public officer if the person required to make the disclosure is the  
13 governor or the lieutenant governor.

14 (b) A state official required to make a disclosure under this section shall make  
15 an annual disclosure no later than February 15 of each year of the individual's close  
16 economic associations then in existence. If the official forms a close economic  
17 association after that date, the disclosure must be made within 60 days after forming  
18 the association. A disclosure under this section must be sufficiently detailed that a  
19 reader of the disclosure can ascertain the nature of the association.

20 (c) When making a disclosure under (a) of this section concerning a  
21 relationship with a lobbyist to whom the state official is married or who is the  
22 official's spousal equivalent, the state official shall also disclose the name and address  
23 of each employer of the lobbyist and the total monetary value received from the  
24 lobbyist's employer. The state official shall report changes in the employer of the  
25 spouse or spousal equivalent within 48 hours after the change. In this subsection,

26 (1) "employer of the lobbyist" means the person from whom the  
27 lobbyist received amounts or things of value for engaging in lobbying on behalf of  
28 the person;

29 (2) "spousal equivalent" means a person with whom the state official  
30 is living in a conjugal relationship not a legal marriage.

31 (d) In this section, "close economic association" means a financial relationship

1 that exists between a state official and some other person or entity, including but not  
2 limited to relationships where the state official serves as a consultant or advisor to, is  
3 a member or representative of, or has a financial interest in, any association,  
4 partnership, business, or corporation.

5 \* ~~Sec. 72~~ AS 39.52.170 is amended to read:

6 Sec. 39.52.170. OUTSIDE EMPLOYMENT RESTRICTED. (a) A public  
7 employee may not render services to benefit a personal or financial interest or engage  
8 in or accept employment outside the agency which the employee serves, if the outside  
9 employment or service is incompatible or in conflict with the proper discharge of  
10 official duties ~~or, in the case of a state official, if the compensation sought or~~  
11 ~~accepted for the personal services is significantly greater than the value of the~~  
12 ~~services rendered, taking into account the higher rates generally charged by~~  
13 ~~specialists in a profession.~~

14 (b) A public employee rendering services for compensation, or engaging in  
15 employment outside the employee's agency, shall report by July 1 of each year the  
16 outside services or employment to the personnel board and to the employee's  
17 designated supervisor. During the year, any change in an employee's outside service  
18 or employment activity must be reported to the designated supervisor as it occurs.

19 \* ~~Sec. 73~~ AS 39.52.170 is amended by adding a new subsection to read:

20 (c) A state official may not accept a payment of anything of value, except for  
21 actual and necessarily incurred travel expenses, for an appearance or speech by the  
22 state official; this paragraph does not apply to the salary paid to a state official for  
23 making an appearance or speech as part of the official's normal course of employment.

24 \* ~~Sec. 74~~ AS 39.52.180(b) is amended to read:

25 (b) Except as provided in (d) of this section, this [THIS] section does not  
26 prohibit an agency from contracting with a former public officer to act on a matter on  
27 behalf of the state.

28 \* ~~Sec. 75~~ AS 39.52.180(c) is amended to read:

29 (c) Except as provided in (d) of this section, and, in the case of a state  
30 official, only after the elapse of one year from the date the state official left state  
31 service, the [THE] head of an agency may waive application of (a) of this section

1 after determining that representation by a former public officer is not adverse to the  
2 public interest. The waiver must be in writing and a copy of the waiver must be  
3 provided to the attorney general for approval or disapproval.

4 \* ~~Sec. 76.~~ AS 39.52.180 is amended by adding a new subsection to read:

5 (d) An agency may not enter into a contract with a state official who has left  
6 state service and the head of an agency may not waive application of (a) of this section  
7 if the purpose of the proposed contract or representation includes lobbying before a  
8 state agency or the state legislature.

9 \* ~~Sec. 77.~~ AS 39.52.210 is amended to read:

10 Sec. 39.52.210. DECLARATION OF POTENTIAL VIOLATIONS BY  
11 PUBLIC EMPLOYEES. (a) A public employee who is involved in a matter that may  
12 result in a violation of AS 39.52.110 - 39.52.190 shall

13 (1) refrain from taking any official action relating to the matter until  
14 a determination is made under this section; and

15 (2) immediately disclose the matter in writing to the designated  
16 supervisor and the personnel board.

17 (b) A public employee's designated supervisor shall make a written  
18 determination whether an employee's involvement violates AS 39.52.110 - 39.52.190  
19 and shall provide a copy of the written determination to the public employee and  
20 to the personnel board. If the supervisor determines that a violation could exist or  
21 will occur, the supervisor shall,

22 (1) reassign duties to cure the employee's potential violation, if feasible;  
23 or

24 (2) direct the divestiture or removal by the employee of the personal  
25 or financial interests that give rise to the potential violation.

26 (c) A state official or a designated supervisor may request guidance from the  
27 personnel board [ATTORNEY GENERAL], in accordance with AS 39.52.240, when  
28 determining whether a public employee is involved in a matter that may result in a  
29 violation of AS 39.52.110 - 39.52.190.

30 \* ~~Sec. 78.~~ AS 39.52.220 is amended to read:

31 Sec. 39.52.220. DECLARATION OF POTENTIAL VIOLATIONS BY

1 MEMBERS OF BOARDS OR COMMISSIONS. (a) A member of a board or  
 2 commission who is involved in a matter that may result in a violation of AS 39.52.110  
 3 - 39.52.190 shall disclose the matter on the public record and in writing to the  
 4 designated supervisor and to the personnel board. The supervisor shall determine  
 5 whether the member's involvement violates AS 39.52.110 - 39.52.190 and shall  
 6 provide a copy of the written determination to the board or commission member  
 7 and to the personnel board. If a member of the board or commission objects to the  
 8 ruling of the supervisor, or if the supervisor discloses an involvement requiring a  
 9 determination, the members present at a meeting, excluding the involved member, shall  
 10 vote on the matter. If the supervisor or a majority of the members voting determine  
 11 that a violation will exist if the member continues to participate, the member shall  
 12 refrain from voting, deliberating, or participating in the matter.

13 (b) The member of the board or commission, the designated supervisor, or  
 14 the board or commission may request guidance from the personnel board  
 15 [ATTORNEY GENERAL], in accordance with AS 39.52.240, when determining  
 16 whether a member of a board or commission is involved in a matter that may result  
 17 in a violation of AS 39.52.110 - 39.52.190.

18 • ~~Sec. 75~~ AS 39.52.230 is amended to read:

19 Sec. 39.52.230. REPORTING OF POTENTIAL VIOLATIONS. A person may  
 20 report to a public officer's designated supervisor, under oath and in writing, a potential  
 21 violation of AS 39.52.110 - 39.52.190 by the public officer. The supervisor shall  
 22 provide a copy of the report to the officer who is the subject of the report and to the  
 23 personnel board, and shall review the report to determine whether a violation may  
 24 exist. The supervisor shall act in accordance with AS 39.52.210 or 39.52.220 if the  
 25 supervisor determines that the matter may result in a violation of AS 39.52.110 -  
 26 39.52.190.

27 • ~~Sec. 75~~ AS 39.52.240(a) is amended to read:

28 (a) Upon the written request of a state official, designated supervisor, or a  
 29 board or commission, the personnel board [ATTORNEY GENERAL] shall issue  
 30 opinions interpreting this chapter. The requester must supply any additional  
 31 information requested by the personnel board [ATTORNEY GENERAL] in order to

1 issue the opinion. Within 60 days after receiving a complete request, the personnel  
2 board [ATTORNEY GENERAL] shall issue an advisory opinion on the question.

3 \* ~~Sec. 81.~~ AS 39.52.240(b) is amended to read:

4 (b) The personnel board [ATTORNEY GENERAL] may offer oral advice if  
5 delay would cause substantial inconvenience or detriment to the requesting party.

6 \* ~~Sec. 82.~~ AS 39.52.240(c) is amended to read:

7 (c) In the case of a request for advice from a designated supervisor or a  
8 board or commission, the [THE] designated supervisor or the [A] board or  
9 commission shall make a written determination based on the advice of the personnel  
10 board [ATTORNEY GENERAL]. If the advice [OF THE ATTORNEY GENERAL]  
11 provides more than one way for a public officer to avoid or correct a problem found  
12 under AS 39.52.110 - 39.52.190, the designated supervisor or the board or commission  
13 shall, after consultation with the officer, determine the alternative that is most  
14 appropriate and advise the officer of any action required of the officer to avoid or  
15 correct the problem.

16 \* ~~Sec. 83.~~ AS 39.52.240(e) is amended to read:

17 (e) The personnel board [ATTORNEY GENERAL] may reconsider, revoke,  
18 or modify an advisory opinion at any time, including upon a showing that material  
19 facts were omitted or misstated in the request for the opinion.

20 \* ~~Sec. 84.~~ AS 39.52.240(h) is amended to read:

21 (h) The personnel board [ATTORNEY GENERAL] shall publish in the  
22 Alaska Administrative Journal, with sufficient deletions to prevent disclosure of the  
23 persons whose identities are confidential under (g) of this section, the advisory  
24 opinions issued under this section that the personnel board [ATTORNEY GENERAL]  
25 determines to be of ~~major~~ import because of their general applicability to executive  
26 branch officers.

27 \* ~~Sec. 85.~~ AS 39.52.250 is amended to read:

28 Sec. 39.52.250. ADVICE TO FORMER PUBLIC OFFICERS. (a) A former  
29 public officer may request, in writing, an opinion from the personnel board  
30 [ATTORNEY GENERAL] interpreting this chapter. The personnel board  
31 [ATTORNEY GENERAL] shall give advice in accordance with AS 39.52.240(a) or

1 (b) and publish opinions in accordance with AS 39.52.240(h).

2 (b) A former public officer is not liable under this chapter for any action  
3 carried out in accordance with the advice of the personnel board [ATTORNEY  
4 GENERAL] issued under this section, if the public officer fully disclosed all relevant  
5 facts reasonably necessary to the issuance of the advice.

6 \* ~~Sec. 86.~~ AS 39.52.260 is amended to read:

7 Sec. 39.52.260. DESIGNATED SUPERVISOR'S REPORT AND  
8 PERSONNEL BOARD [ATTORNEY GENERAL] REVIEW. (a) A designated  
9 supervisor shall quarterly submit a report to the personnel board that [ATTORNEY  
10 GENERAL WHICH] states the facts, circumstances, and disposition of any disclosure  
11 made under AS 39.52.210 - 39.52.240.

12 (b) The personnel board [ATTORNEY GENERAL] shall review  
13 determinations reported under this section. The personnel board [ATTORNEY  
14 GENERAL] may request additional information from a supervisor concerning a  
15 specific disclosure and its disposition.

16 (c) The report prepared under this section is confidential and not available for  
17 public inspection unless formal proceedings under AS 39.52.350 are initiated based on  
18 the report. If formal proceedings are initiated, the relevant portions of the report are  
19 public documents open to inspection. The personnel board [ATTORNEY  
20 GENERAL] shall, however, make available to the public a summary of the reports  
21 received under this section, with sufficient deletions to prevent disclosure of a person's  
22 identity.

23 \* ~~Sec. 87.~~ AS ~~39.52.920~~ is amended to read:

24 Sec. 39.52.920. AGENCY POLICIES. Subject to the review and approval of  
25 the personnel board [ATTORNEY GENERAL], an agency may adopt a written policy  
26 that, in addition to the requirements of this chapter, limits the extent to which a public  
27 officer in the agency or an administrative unit of the agency may

28 (1) acquire a personal interest in an organization or a financial interest  
29 in a business or undertaking that may benefit from official action taken or withheld by  
30 the agency or unit;

31 (2) have a personal or financial interest in a state grant, contract, lease.

1 or loan administered by the agency or unit; or  
2 (3) accept a gift.

3 \* ~~Sec. 88.~~ AS ~~39.52.950~~ is amended to read:

4 Sec. 39.52.950. REGULATIONS. The attorney general may adopt regulations  
5 under AS 44.62 ( [THE] Administrative Procedure Act) necessary to interpret and  
6 implement the provisions concerning complaints under this chapter. The personnel  
7 board may adopt regulations under AS 44.62 (Administrative Procedure Act)  
8 necessary to interpret and implement the other provisions of this chapter.

9 \* ~~Sec. 89.~~ AS ~~39.52.960~~(11) is amended to read:

10 (11) "immediate family member" means

11 (A) the spouse of the person;

12 (B) another person cohabiting with the person in a conjugal  
13 relationship (with the person) that is not a legal marriage; or

14 (C) a parent, child including a stepchild and an adoptive  
15 child, and sibling of a person if the parent, child, or sibling resides with  
16 the person, is financially dependent on the person, or shares a substantial  
17 financial interest with the person [A PUBLIC OFFICER'S SPOUSE, A  
18 RELATION BY BLOOD WITHIN AND INCLUDING THE SECOND  
19 DEGREE OF KINDRED, AND A REGULAR MEMBER OF THE OFFICER'S  
20 HOUSEHOLD];

21 \* ~~Sec. 90.~~ AS ~~39.52.960~~ is amended by adding a new paragraph to read:

22 (23) "state official" means the governor, the lieutenant governor, a  
23 person hired or appointed as the head or deputy head of a department in the executive  
24 branch or as the director of a division in a department in the executive branch, the  
25 chair or member of a state commission or board, the executive director of the Alaska  
26 Tourism Marketing Council, an assistant to the governor or the lieutenant governor,  
27 a state investment officer, the state comptroller in the Department of Revenue, and a  
28 state employee who is not otherwise listed in this definition who is employed in a  
29 position in the executive branch of state government in the exempt or partially exempt  
30 service and who is compensated at Range 21 or above on the state salary schedule  
31 under AS 39.27.011.

*New  
in 2"  
only*

1 \* ~~Sec. 91.~~ AS 44.62.175(a) is amended to read:

2 (a) The lieutenant governor shall publish or contract for the publication of the  
3 Alaska Administrative Journal. The journal shall be published weekly. The journal  
4 must include

5 (1) notices of proposed actions given under AS 44.62.190(a);

6 (2) notices of state agency meetings required under AS 44.62.310(e),  
7 even if the meeting has been held;

8 (3) notices of solicitations to bid issued under AS 36.30.130;

9 (4) notices of state agency requests for proposals issued under  
10 AS 18.55.255, 18.55.320; AS 36.30.210; AS 37.05.316; AS 38.05.120; and  
11 AS 43.40.010;

12 (5) executive orders and administrative orders issued by the governor;

13 (6) written delegations of authority made by the governor or the head  
14 of a principal department under AS 44.17.010;

15 (7) the text or a summary of the text of a regulation or order of repeal  
16 of a regulation for which notice is given under AS 44.62.190(a), including an  
17 emergency regulation or repeal whether or not it has taken effect;

18 (8) a summary of the text of recently issued formal opinions and  
19 memoranda of advice of the attorney general;

20 (9) a list of vacancies on boards, commissions, and other bodies whose  
21 members are appointed by the governor; and

22 (10) in accordance with AS 39.52.240(h), advisory opinions of the  
23 personnel board [ATTORNEY GENERAL].

24 \* ~~Sec. 92.~~ Notwithstanding the amendments made to AS 39.52.240 - 39.52.250 by secs.  
25 80 - 85 of this Act, a public officer or a former public officer may rely on an advisory opinion  
26 given by the attorney general under AS 39.52.240 - 39.52.250 before the effective date of this  
27 bill section to the same extent that the public officer or former public officer could have relied  
28 on the opinion if those sections had not been amended by this Act.

29 \* Sec. 93. Section 27 of this Act takes effect only if an initiative relating to election  
30 campaign financing and the Alaska Public Offices Commission is approved by the voters in  
31 1996.

- 1 \* Sec. 94. If sec. 27 of this Act takes effect, it takes effect on the day after the initiative
- 2 described in sec. 92 of this Act takes effect.
- 3 \* Sec. 95. Except as provided in sec. 94 of this Act, this Act takes effect January 1, 1997.

FISCAL NOTE

No. 4

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Version: CSSB/41(RLS)

(S) Publish Date: 5/1/96

Revision Date: \_\_\_\_\_  
An Act relating to legislative and executive branch ethics.  
Sponsor: Sen. Rules Comm by Req. of Leg Council  
Requestor: Senate Rules Committee

Department Affected: Administration  
BRU: Personnel  
Component: Personnel  
COMPONENT SERIAL NO. 56

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	109.0	219.1	219.1	219.1	219.1	219.1
TRAVEL	7.5	15.0	15.0	15.0	155.0	15.0
CONTRACTUAL	7.6	15.1	15.1	15.1	15.1	15.1
SUPPLIES	.8	1.5	1.5	1.5	1.5	1.5
EQUIPMENT	17.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>141.9</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	141.9	250.7	250.7	250.7	250.7	250.7
1005 GF/Program Receipts						
1007 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>141.9</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>

Estimate of any current year (FY 96) cost: \$0.0

POSITIONS:

FULL-TIME	4	4	4	4	4	4
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary.) This analysis is based on the draft committee substitute ("Z") and the conceptual amendments adopted by the Senate Rules Committee. Bill Section numbers may not match the numbers in the final bill.

Beginning with Section 67 of the draft committee substitute, additional duties are added and/or shifts in duties from the Department of Law to the Personnel Board are made. These changes are summarized as follows:

Section 67. Additional persons can request guidance concerning whether acceptance of a particular gift is prohibited, and the work is transferred.

Section 68. New prohibitions added. New reporting to the Personnel Board added. New requirement for guidance by the Personnel Board on recognized, nonpolitical charitable organizations. New reporting requirement on inheritances. New requirement for the Personnel Board to approve training programs for gifts of volunteer services.

Prepared by: Beverly Reaume *Beverly Reaume* Phone: 465-4429  
Division: Division of Personnel Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer *Mark Boyer* Date: 4/30/96  
Agency: Department of Administration

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FISCAL NOTE

No. 3

Bill Version: CS 8141 (RLS)

(S) Publish Date: 5/1/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Session Date: \_\_\_\_\_  
"An Act Relating to Legislative Ethics."

Department Affected: Administration  
BRU: Public Offices Commission  
Component: Public Offices Commission  
Requestor: Senate Rules Committee  
COMPONENT SERIAL NO. 70

Sponsor: Senate Rules Committee by Request of the  
Legislative Council for the Select Committee on Leg. Ethics

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	64.4	83.1	57.1	57.1	57.1	57.1
TRAVEL	2.0	0	0	0	0	0
CONTRACTUAL	8.3	6.8	5.9	5.9	5.9	5.9
SUPPLIES	7.2	1.2	1.1	1.1	1.1	1.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>81.9</b>	<b>91.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	81.9	91.1	64.1	64.1	64.1	64.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>81.9</b>	<b>91.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

FULL-TIME	3	3	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

There are several parts of this bill which have fiscal impact upon APOC: Sections 26 and 27, AS 24.60.111 enable legislators and legislative employees to set up legal defense and election challenge funds. Section 55 requires all legislative employees compensated at Range 19 and above to file Legislative Financial Disclosure Statements. Section 63, AS 39.50.200(a) requires partially exempt and exempt executive branch employees range 21 and over to file Conflict of Interest Statements, and Section 71 requires that state officials file a "disclosure of close economic association" with APOC

See attached

Prepared by: Karen Boorman  
Division: Public Offices Commission

Phone: 278-4178  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer  
by: Department of Administration

Date: 4/5/96

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# CORRECTION

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ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services  
Department of Education  
State of Alaska

FISCAL NOTE

No. 4

Version: CSSB/41/RLS

(S) Publish Date: 5/1/96

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Session Date: \_\_\_\_\_  
An Act relating to legislative and executive branch ethics.  
Sponsor: Sen. Rules Comm by Reg. of Leg Council  
Requestor: Senate Rules Committee

Department Affected: Administration  
BRU: Personnel  
Component: Personnel

COMPONENT SERIAL NO. 56

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	109.0	219.1	219.1	219.1	219.1	219.1
TRAVEL	7.5	15.0	15.0	15.0	155.0	15.0
CONTRACTUAL	7.6	15.1	15.1	15.1	15.1	15.1
SUPPLIES	.8	1.5	1.5	1.5	1.5	1.5
EQUIPMENT	17.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>141.9</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	141.9	250.7	250.7	250.7	250.7	250.7
1005 GF/Program Receipts						
1007 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>141.9</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>	<b>250.7</b>

Estimate of any current year (FY 96) cost: \$0.0

POSITIONS:

FULL-TIME	4	4	4	4	4	4
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.) This analysis is based on the draft committee substitute ("Z") and the conceptual amendments adopted by the Senate Rules Committee. Bill Section numbers may not match the numbers in the final bill.

Beginning with Section 67 of the draft committee substitute, additional duties are added and/or shifts in duties from the Department of Law to the Personnel Board are made. These changes are summarized as follows:

Section 67. Additional persons can request guidance concerning whether acceptance of a particular gift is prohibited, and the work is transferred.

Section 68. New prohibitions added. New reporting to the Personnel Board added. New requirement for guidance by the Personnel Board on recognized, nonpolitical charitable organizations. New reporting requirement on inheritances. New requirement for the Personnel Board to approve training programs for gifts of volunteer services.

Prepared by: Beverly Reaume  
Division: Division of Personnel

Phone: 465-4429  
Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer  
Agency: Department of Administration

Date: 4/30/96

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STATE OF ALASKA  
1996 LEGISLATIVE SESSION

## ANALYSIS (continued)

- Section 69. New prohibitions added.
- Section 70. Duplicate reporting (to Personnel Board) of personal or financial interests in grants, contract, or loans.
- Section 71. New disclosure requirements added.
- Section 72. New prohibitions added. Duplicate reporting to the Personnel Board added.
- Section 73. New prohibition added.
- Sections 74-6. New restrictions added on post separation employment.
- Section 77. Duplicate reporting to the Personnel Board added. Additional persons can request guidance from the Personnel Board.
- Section 78. Duplicate reporting to the Personnel Board added.
- Section 79. Providing Personnel Board with copy of report of potential violation added.
- Section 80, 83, 84, 85. Responsibility to issue interpretative opinions transferred to the Personnel Board. Additional persons can request opinions.
- Sections 81-82. Option of oral advise transferred to Personnel Board.
- Section 86. Reports of designated supervisors to be submitted to and reviewed by Personnel Board.
- Section 87. Personnel Board to review and approve agency policies on conflicts of interest.
- Section 88. Regulation authority transferred from Department of Law to Personnel Board. Additional regulation authority added.
- Section 89. Definition rewritten so that current records of Department of Law lose their precedential value.
- Section 90. Definition rewritten to include more positions subject to reporting.

An amendment adopted by the Senate Rules Committee also transfers the investigation responsibility from the Department of Law to the Personnel Board.

We estimate the need for four positions and associated costs for the Personnel Board to carry out these new requirements. The Personnel Board is authorized to employ staff members by AS 39.25.070(7). One position would be an attorney who would do the legal research and drafting of advise as directed by the Personnel Board. A paralegal position would be responsible for assisting in the legal research and ensuring that all noticing requirements are properly completed. A clerical position would be responsible for the maintenance of the physical files. An investigator will conduct all the investigations, both to determine if a complaint, if true, would constitute a violation and to determine if a violation did indeed occur.

The Department of Law staff currently responsible for formal and informal advise estimates that a full time position is required for this purpose. The Department of Law further advises that the equivalent of approximately one-half of a position conducts investigations. With the increased disclosure, and additional prohibited actions, we expect the volume of work to increase.

We estimate the need for the Personnel Board to meet on a monthly basis under the changes proposed here. Two of three meetings could probably be conducted by teleconference. A quarterly meeting in person would be required. Estimated public notice expenses and travel expenses are included.

Since a January 1, 1997, effective date is proposed (Section 5j), the FY 97 costs are estimated for one-half year. Costs for FY 98 and beyond are estimated full year costs.

FISCAL NOTE

No. 3

Bill Version: CS SB 141 (RLS)  
 (S) Publish Date: 5/1/96

STATE OF ALASKA  
 1996 LEGISLATIVE SESSION

Effective Date: \_\_\_\_\_  
 "An Act Relating to Legislative Ethics..."

Department Affected: Administration  
 BRU: Public Offices Commission  
 Component: Public Offices Commission  
 Requestor: Senate Rules Committee  
 COMPONENT SERIAL NO. 70

Sponsor: Senate Rules Committee by Request of the  
Legislative Council for the Select Committee on Leg. Ethics

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	64.1	83.1	57.1	57.1	57.1	57.1
TRAVEL	2.0	0	0	0	0	0
CONTRACTUAL	8.3	8.8	5.9	5.9	5.9	5.9
SUPPLIES	7.2	1.2	1.1	1.1	1.1	1.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>81.9</b>	<b>91.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Maich						
1004 GF	81.9	91.1	64.1	64.1	64.1	64.1
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
<b>TOTAL</b>	<b>81.9</b>	<b>91.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>	<b>64.1</b>

Estimate of any current year (FY 96) cost: \$ 0

POSITIONS:

FULL-TIME	3	3	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

There are several parts of this bill which have fiscal impact upon APOC: Sections 26 and 27, AS 24.60.111 enable legislators and legislative employees to set up legal defense and election challenge funds. Section 55 requires all legislative employees compensated at Range 19 and above to file Legislative Financial Disclosure Statements. Section 63, AS 39.50.200(a) requires partially exempt and exempt executive branch employees range 21 and over to file Conflict of Interest Statements, and Section 71 requires that state officials file a "disclosure of close economic association" with APOC

See attached

Prepared by: Karen Boorman  
 Division: Public Offices Commission

Phone: 278-4178  
 Date: \_\_\_\_\_

Approved by Commissioner: Mark Boyer  
 Title: Department of Administration

Date: 4/30/96

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## FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. CSSB 141 (RLS)

ANALYSIS: (continued)

Partially Exempt and Exempt Executive Branch Employees Range 21 and over must file Conflict of Interest Statements (COI). Legislative Employees Range 19 and over must file Legislative Financial Disclosure Statements (LFD). State Officials must file a disclosure of close economic association.

These provisions will take effect midway through FY 97. The first major filing deadline for new filers under the new requirements would be 30 days after the bills effective date, when approximately 528 new Conflict of Interests Statements and 190 LFD Statements would be due. These provisions would require extensive education of all new filers. Turnover will add another 200 filers over the course of a year. Additional manuals and forms would be necessary to provide immediate help. Civil penalty assessments, advisory opinions and adjudication of complaints would provide long term guidance. 1450 state official filers would have to file "disclosures of close economic association" with APOC and their designated ethics supervisor. APOC would make these available to the public.

Positions would not be established until January 1, 1997. An Administrative Clerk III Range 10 would be responsible for processing filed statements as well as accurate and prompt input of data. This person would assist an existing Paralegal Assistant and a new seasonal Paralegal Assistant to evaluate Conflict of Interest Statements to determine their accuracy, obtain more information from filers whose statements are inaccurate, and answer questions from the public about filers' Conflict of Interest Statements. This position would assign work to and supervise an existing Administrative Clerk II and answer inquiries from the public.

A six month full time seasonal Paralegal Assistant, Range 13, is needed to deal with the increase of Conflict of Interest and Legislative Financial Disclosure filers. This seasonal position would be active from January to June when filing demands are the greatest. This is a flex position once training has been completed. This position would compare and examine reports, interpret statutes and regulations, draft informal advice and proposed advisory opinions and prepare civil penalty recommendations for orders of the Commission.

Travel costs in FY 97 cover training in Fairbanks and Juneau. Contractual and supply costs cover printing and mailing new manuals and forms and other necessary correspondence. Equipment costs in FY 97 cover computer equipment for one of the new positions.

### Legal Defense and Election Challenge Funds

This provision will vary depending upon whether the campaign finance reform legislative package passes. This provision applies to the 60 legislators and the approximately 250 legislative employees that fall under AS 24.60. This provision would require the rapid development and implementation of regulations and the provision of informal advice and advisory opinions to legislators and legislative employees until regulations are effective. It is not clear who will administer this section beyond regulations development. No funds are included in this fiscal note for administration.

Funds are needed for a temporary position, a Regulations Specialist II, Range 16. This position would be established for 6 months full time and one year part time to develop regulations, work with the Commission on their adoption and shepherd them through the legal process to enactment. This position would provide informal advice and draft advisory opinions for the Commission. Other costs include postage for mailing to legislators, legislative employees, supplies and advertising funds for required legal notices of proposed regulations.

# FISCAL NOTE

Bill Version: No. 9  
CSSB215(FIN)

BILL(S) Publish Date: 5/1/96

## STATE OF ALASKA 1996 LEGISLATIVE SESSION

Revision Date: Original Dept Affected Natural Resources  
Title: An Act streamlining the functions of state BRU Resource Development  
government, including... Component Mining Development  
Sponsor: Rules by request of the Governor  
Requestor: Senate Finance Component Serial No. 442

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

CAPITAL EXPENDITURES	00	00	00	00	00	00
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CHANGE IN REVENUES ( )						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

Estimate of any current year (FY96) cost: \$ none

POSITIONS

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

**ANALYSIS:** (Attach a separate page if necessary)

The Exploration Incentives Credit bill (HB197) enacted during the last session contained a fiscal note that was not approved. This left an annual unfunded mandate of approximately \$620. Before signing the bill, the department contacted the mineral industry to determine how to reduce the overall unfunded administrative costs of the new program. Industry, the department, and the Department of Revenue worked together over the summer and fall to develop a consensus position that resolved the funding shortfall addressed in HB416/38216 and streamlining measures contained in HB415/38215. With enactment of both HB415/38215 and HB416/38216, the overall net existing shortfall for funding the exploration incentives credit program to the department will be significantly reduced and the decision/application process streamlined. This is because the streamlining aspects in HB415/38215 provide for abolishing the requirement for annual filing and processing with an automatic approval of the commissioner when no action is taken, and substituting a requirement for CPA certification of annual exploration credits exceeding \$40,000 in any one year and a threshold of \$250,000 for filing an application unless the lesser amount is associated with a mine ready to go into production. We estimate there will be 12-14 applications a year, less than 1/2 filed in the first year with only a limited part of the exploration period eligible for credits. \$10,000 additional revenue is shown on the fiscal note for HB416/38216.

Prepared by: Jules Treston, Director Phone: 289-6825  
Division: Mining and Water Management Date: 24-Apr-96  
Approved by Commissioner: [Signature] Date: 24-Apr-96  
Agency: Natural Resources

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# Alaska State Legislature

## Select Committee on Legislative Ethics

716 W. 4th, Suite 230  
Anchorage, AK  
(907) 258-0173  
FAX 258-3106

Mailing Address  
P.O. Box 101460  
Anchorage, AK  
99510 - 1460

DATE: May 1, 1996

TO: All Senators

FROM: ~~Surge Barnett, Staff~~  
Select Committee on Legislative Ethics

RE: Review of CS SB 141(RLS)

"An Act relating to legislative and executive branch ethics; relating to the conduct of lobbyist with respect to public officials; relating to campaigning by state employees; relating to the filing of financial disclosures by certain state employees and officials; making a conforming amendment to the definition of 'public official' for employment security statutes; and providing for an effective date."

This document is intended to supplement CS SB 141(RLS) and provide an ethics committee analysis of the bill. (Herein, "committee" refers to ethics committee.) The \*asterisks indicate sections amended by the Senate State Affairs Committee and by the Senate Rules Committee.

**\*LETTER OF INTENT:** States that it is the intent of the legislature that nothing in the legislation shall be construed as prohibiting a legislator from being employed or being retained on a contractual basis by any political subdivision of the state. (Added in STA CS)

**\*SECTION 1: AS 23.20.626(d) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT.** Conforming amendment to employment security statutes to ensure that exempt and partially exempt employees referenced in this bill remain eligible for unemployment benefits. (Added in Rules CS)

**SECTION 2: AS 24.25.010(e) SUBPOENA POWERS.** The ethics code specifically grants the ethics committee the authority to subpoena witnesses under AS 24.60.150(b)(2). AS 24.25.010, sets out general guidance for legislative subpoenas and includes a reference requiring the concurrence of the Senate President or Speaker of the House. Subsection (e) provides that the concurrence requirement does not apply to the Legislative Council or the Legislative Budget and Audit Committee. Like the ethics committee, both the council and LBA are permanent interim committees and both have express grants of authority to subpoena witnesses. It is the opinion of the ethics committee and the committee's legal counsel, that not including the ethics committee in the exemption was an oversight, especially given the specific grant of authority. (Unchanged by CS)

**\*SECTION 3: AS 24.45.165: APOC REGULATION OF LOBBYISTS.** Adds a new section to the lobbying law which prohibits the spouse of a legislator or another