

ALASKA LEGISLATURE COMMITTEE FILES 1997-1998 8672

9466 HOUSE STATE AFFAIRS

UNIT: GENERAL GOVERNMENT	SUPERVISORS	LABOR, TRADES, AND CRAFTS	PUBLIC SAFETY	AVTECH	CORRESPONDENCE STUDIES
Notice must include job classifications and work areas affected.	Must notify union within one week of decision to conduct a formal feasibility study, including job classifications and work areas affected.	Contractor must furnish certification of wages and/or certified cost of benefits upon written request.	Must notify union within 2 weeks of decision to initiate study or review operational analyses.	If contracting would displace members, must notify union of decision to conduct formal feasibility study, indicating work to be contracted.	Must notify union of decision to conduct formal feasibility study.
Must notify union of results of feasibility study or review of operational analyses with all pertinent statistical and analytical information to be considered in contacting decision, including total cost savings.	Must notify union at least 30 days in advance of intent to issue bids where result would be displacement of member.		Notice must include job classifications and work areas affected.	Must notify union of results of feasibility study with all pertinent information considered in contacting decision.	After formal feasibility study must notify union at least 30 days in advance of intent to issue bids.

UNIT:	GENERAL GOVERNMENT	SUPERVISORS	LABOR, TRADES, AND CRAFTS	PUBLIC SAFETY	AVTECH	CORRESPONDENCE STUDIES
	Must notify union of final decision regarding contracting.	Notice must include all pertinent information upon which the decision to contract is based, including total cost savings anticipated.		Must notify union of results of feasibility study or review of operational analyses with all pertinent statistical and analytical information to be considered in contacting decision, including total cost savings.	After formal feasibility study must notify union at least 15 working days in advance of intent to issue bids.	During 30 day period, state cannot release any bids.
	If decision is to contract and will directly displace employees, must provide union with 30 days notice of intent.	During 30 day period, state cannot release any bids.		Must notify union of final decision regarding contracting.	During 15 working day period, state cannot release any bids.	During 30 day period, union will have opportunity to submit an alternate plan.
	Union may submit an alternate plan, if submitted within 15 days, plan must receive fair consideration.	During 30 day period, union will have opportunity to submit an alternate plan.		After formal feasibility study must notify union at least 30 days in advance of intent to issue bids if contract will result in layoff of members.	Union will have opportunity to submit an alternate plan.	State must give fair consideration to alternate plan.

UNIT:	GENERAL GOVERNMENT	SUPERVISORS	LABOR, TRADES, AND CRAFTS	PUBLIC SAFETY	AVTECH	CORRESPONDENCE STUDIES
	Placement of affected employees to be discussed during 30 day period.	State must give fair consideration to alternate plan.		Union may submit an alternate plan, if submitted within 15 days, plan must receive fair consideration.	State must give fair consideration to alternate plan.	No bargaining unit work may be contracted which results in layoff unless supported by the formal feasibility study.
	No employee can be laid off and work contracted unless feasibility study or review of operational analyses shows contracting costs less.	No bargaining unit work may be contracted which results in layoff unless the contracting action will cost less.		Placement of affected employees to be discussed during 30 day period.	No bargaining unit work may be contracted which results in layoff unless supported by the formal feasibility study.	
	Must make good faith effort to place employees elsewhere in state government.	Must make every effort to place employees elsewhere in state government.		No employee can be laid off and work contracted unless feasibility study or review of operational analyses shows contracting costs less.	Must make a good faith effort to find a laid off teacher a vacant teaching position in AVTECH or elsewhere in department of education.	
		Where members have been displaced, union may request cost effectiveness audits at state expense.		Must make good faith effort to place employees elsewhere in state government.		

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

NO. _____
BILL No. 1
PUBLISHER: Bill Verson: CS5B 68(FIN)
(S) Publish Date: 3-26-97

Revision Date: _____
Title: "An Act relating to the Task Force on Privatization; and providing for an effective date."
Sponsor: Senator Ward
Requestor: Senate Finance Committee

Department Affected: Legislative Affairs Agency
BRU: All
Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	13.1	10.0	0	0	0	0
CONTRACTUAL	4.8	2.4	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	17.9	12.4	0	0	0	0

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

GENERAL FUND	17.9	12.4	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE						
TOTAL	17.9	12.4	0	0	0	0

POSITIONS:

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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

CS SB68(FIN) establishes a 13 member Task Force on Privatization consisting of 3 members appointed by the Governor, 2 of whom are public members, 4 public members appointed by the presiding officers of the Alaska State Legislature and 6 Legislators. This task force will review and report to the Legislature and the Governor regarding the feasibility of privatization of some government functions.

Prepared By: Karla Schofield, Deputy Director *Karla Schofield* Phone: 465-3852
Division: Administrative Services Date: 3/23/97

Approved By: Pamela A. Varni, Executive Director *Pamela A. Varni*
Agency: Legislative Affairs Agency Date: 3/23/97

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

Travel

Travel costs for one Governor's appointee will be paid for by the Office of the Governor. FY 97 travel costs for the two public members appointed by the Governor, Legislators and public members appointed by the presiding officers will be absorbed within existing Legislative budgets. This Fiscal note contains FY98 and FY99 travel amounts for the public members.

If the task force begins work in FY97 it is expected to travel once in FY97, 4 times in FY98, and 3 times in FY99 to hold meetings. Any other meetings of the task force will be conducted by teleconference.

For the purposes of this fiscal note, 2 public members are assumed to be from Fairbanks, 3 from Anchorage, and 1 from Ketchikan. 2 days of per diem are calculated for each meeting.

	Per Diem	Travel	
<u>FY 98</u>			
2 Anchorage Meetings			
3 Anchorage members	0	0	
2 Fairbanks members	1,736	1,328	
1 Ketchikan member	868	1,240	
1 Fairbanks Meeting			
3 Anchorage members	1,026	996	
2 Fairbanks members	0	0	
1 Ketchikan member	342	690	
1 Juneau Meeting			
3 Anchorage members	1,026	1,398	
2 Fairbanks members	684	1,148	
1 Ketchikan member	342	268	
Total FY98 Travel	6,024	7,068	13,092

<u>FY99</u>			
2 Anchorage Meetings			
3 Anchorage members	0	0	
2 Fairbanks members	1,736	1,328	
1 Ketchikan member	868	1,240	
1 Juneau Meeting			
3 Anchorage members	1,026	1,398	
2 Fairbanks members	684	1,148	
1 Ketchikan member	342	268	
Total FY99 Travel	4,656	5,382	10,038

Contractual

	Phones \$100/month	Postage \$50/month	Advertizing 750/meeting	TOTAL
FY98	1,200	600	3,000	4,800
FY99	700	350	1,500	2,550

Teleconference charges and expenses for printing the report will be absorbed by the Agency.

FISCAL NOTE No. 2

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Bill Verson: CSSB 68 (FIN)

(S) Publish Date: 3-26-97

Revision Date: 2/24/97
Title: An Act relating to the Task Force on Privatization.

Dept. Affected: See analysis below

BRU: _____

Component: _____

Sponsor: Senator Ward
Requester: Senate State Affairs Committee

COMPONENT SERIAL NO. _____

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*****	*****	*****	*****	*****	*****

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						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	*****	*****	*****	*****	*****	*****

Estimate of any current year (FY97) cost: \$ *****

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill would establish a Task Force on Privatization, which would, among other tasks, "identify functions of our state government that could economically and appropriately be privatized, if any."

Most of the state's labor agreements include provisions which require the state to conduct feasibility studies determining potential costs and benefits before any decisions are made on contracting out work currently performed by state employees. Therefore, before any decisions are made on implementation of the Task Force's recommendations to privatize state functions covered by these labor agreements, the feasibility studies required by the labor agreements would need to be conducted.

Prior feasibility studies of this type have cost from approximately \$20,000 to \$50,000 per study. However, because the need for feasibility studies will depend on the recommendations of the Task Force, these costs, and the departments affected, cannot be estimated now. This is why asterisks are shown on this fiscal note.

In addition to feasibility studies, the labor agreements require other procedures to be followed before work can be contracted out.

Prepared by: Annalee McConnell, Director Phone: 465-4560
Division: Office of Management and Budget Date: 2/24/97

Approved by Commissioner: Jim Ayers, Chief of Staff Date: 2/24/97
Agency: Office of the Governor

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FISCAL NOTE

No. 3

Bill Verson: CSSB 68 (FIN)

(S) Publish Date: 3-26-97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Office of the Governor
 Title: "An Act relating to the Task Force on BRU: Executive Operations
 Privatization; ..." Component: Executive Office
 Sponsor: Senators Ward, Wilken
 Requester: Senate Finance Committee COMPONENT SERIAL NO. 6

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL	*****	*****				
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	*****	*****	0.0	0.0	0.0	0.0

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	*****	*****				
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	*****	*****	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The composition of the task force envisioned by the bill involves both executive and legislative membership. This involves constitutional issues, for which the Administration may urge changes in this bill. However, as written the bill states that two of the three members appointed by the Governor will be public members. It is assumed that travel expenses will be incurred by members to attend meetings. Traditionally such costs are budgeted by the agency or branch housing the task force. This fiscal note assumes that the travel costs for all public members are included in the Legislative Affairs fiscal note.

Due to the nature of the subject in this bill, it is likely that the Administration's third appointee would be a state official in the Executive Branch. Historically, agencies involved pay the costs of Executive Branch state official participation. Should this be the case, fiscal impact in travel funding for FY98 would be 2.0, and .6 in FY99.

Prepared by: Michael Nizich, Administrative Director
 Division: Administrative Services
 Approved by Commissioner: Jim Ayers, Chief of Staff
 Agency: Office of the Governor

Phone: 465-3876
 Date: 3/24/97
 Date: _____

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Fiscal note assumes one of the Governor's appointees will be from the Executive Branch and a resident of Juneau. After discussion with Legislative Affairs, the note further assumes travel costs for this appointee to attend task force meetings as follows:

FY98**2.0**

4 meetings total:

2 Anchorage:

airfare -	\$444 x 2 trips =	\$ 888
per diem, lodging, grd. trans.	\$194 x 2 =	\$ 388

1 Fairbanks:

airfare -	\$574 x 1 trip =	\$ 574
per diem, lodging, grd. trans.	=	\$ 194

1 Juneau: no cost

FY99**0.6**

1 Anchorage:

airfare -	\$444 x 1 trip =	\$ 444
per diem, lodging, grd. trans.	=	\$ 194

1 Juneau: no cost

S B

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Alaska State Legislature

Chairman,
Judiciary Committee

Member,
Resources Committee
Rules Committee
Committee on Committees



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Senator Robin L. Taylor

SPONSOR STATEMENT

Senate Bill 77

In 1952, the US Congress resolved that a National Day of Prayer be established, with the specific date subject to Presidential proclamation. On May 5, 1988, President Ronald Reagan signed into law a bill setting aside the first Thursday in May each year as the National Day of Prayer.

Senate Bill 77 would also mark the first Thursday in May as the Alaska Day of Prayer.

Observance of a Day of Prayer is as old as the nation itself and in fact pre-dates the Declaration of Independence. George Washington first proclaimed a day of prayer in 1775, during the First Continental Congress.

Thomas Jefferson, who termed the First Amendment "a wall of separation between church and state", said he was convinced that a man's natural right to religious expression was not in opposition to his political function.

Establishment of a Day of Prayer in Alaska follows a tradition dating back to the Founding Fathers. It would encourage Alaskans to pray without compelling them to do so.

District A:

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

Public Law 100-307
100th Congress

One Hundredth Congress of the United States of America

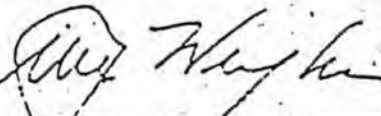
AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-fifth day of January,
one thousand nine hundred and eighty-eight*

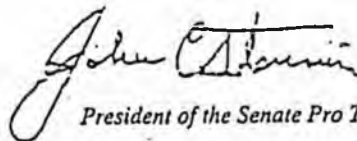
An Act

To provide for setting aside the first Thursday in May as the date on which the
National Day of Prayer is celebrated.

*Be it enacted by the Senate and House of Representatives
of the United States of America in Congress assembled,
That the joint resolution entitled "Joint Resolution
to provide for setting aside an appropriate day as a National
Day of Prayer," approved April 17, 1952 (Public Law 82-
324; 66 Stat. 64), is amended by striking "a suitable day
each year, other than a Sunday", and inserting in lieu
thereof "the first Thursday in May in each year".*



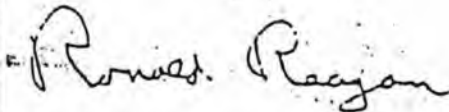
Speaker of the House of Representatives.



President of the Senate Pro Tempore.

APPROVED

MAY - 5 1988





Historical Significance of National Day of Prayer—An American Tradition

The Declaration of Independence—our first statement as Americans of national purpose and identity—made "the Laws of Nature and of Nature's God" the foundation of the United States of America. The Declaration further asserted that people have inalienable rights that are God-given. These rights are not conferred by civil government, whose express task is to secure those "inalienable" rights.

Fifteen years later, the First Amendment to the U.S. Constitution gave a preeminent position to the right of free exercise of religion and to the protection of that right by prohibiting any "law respecting an establishment of religion."

In his (Virginia) Bill for Establishing Religious Liberty, Thomas Jefferson wrote that a person's religious beliefs do not disqualify him from holding public office. He also said that "all men shall be free to profess . . . their opinions in matters of religion . . ." without negatively affecting their standing in the government. Moreover, contrary to popular belief, Jefferson maintained that federal officials could open their meetings with prayer or call the public to prayer on a given day.

In his famous 1802 letter to a Connecticut religious association, President Jefferson termed the First Amendment a "wall of separation between church and state," but said he was "convinced that a man's natural right" to religious expression is not in opposition to his political function ("social duties").

James Madison agreed, writing in 1785 in support of Jefferson's bill, that ". . . in matters of religion, no man's right is abridged by the institution of civil society (government)." Both Madison and Jefferson expressed a consensus among the founders of our political system—that the exercise of religious rights, properly understood, did not "interfere" with the performance of governmental duties.

Consequently, all people are free to profess their religious beliefs without governmental interference or prohibition, whether in their capacities as government officials, teachers, neighbors or parents. By extension they are also free to encourage their fellow citizens to pray. The Jeffersonian "separation between church and state," understood correctly in the light of the Declaration of Independence, means only that a church and a civil government are separate and distinct institutions. It does not mean government must be hostile toward religion, or seek to eliminate religious content from public forums. In the *Everson v. Board of Education* (1947) case, in which the U.S. Supreme Court first used the "wall of separation" phrase, the Court summarized its meaning: "Neither a state nor the federal government can set up a church."

To date, the only practices which have been held unconstitutional by the Supreme Court as an "establishment" of religion are religious training, prayer, Bible reading and posting of the Ten Commandments when directed and required by the government, as well as government-directed and authorized periods of silence in public schools.

Because of our founding fathers' faith, civic prayers and national days of prayer have a long and venerable history in our constitutional republic, dating back to the First Continental Congress in 1775. The Supreme Court has affirmed the right of state legislatures to open their sessions with prayer as recently as *Marsh v. Chambers* (1983). The Supreme Court and the U.S. Congress both begin each day with prayer.

The founders understood one other fundamental principle concerning our religious liberty. It is, in the words of the Virginia Declaration of Rights, that religion is a "duty which we owe to our Creator" rather than to men, "according to the dictates of conscience." Religion must not, therefore, be required or enforced by the civil government. Yet the government may encourage its citizens to pray without compelling them to do so.

In 1952, Congress unanimously passed a joint resolution (signed by President Harry Truman) establishing the annual National Day of Prayer. This law was amended in 1988 and signed by President Ronald

Reagan, permanently designating the first Thursday in May as the National Day of Prayer.

In 1994, New Jersey became the first state to pass a law, coinciding with federal law, declaring the first Thursday in May as a day of prayer in that state. Likewise, the Alabama Legislature has passed a state resolution establishing a day of prayer there as well. As a result, many other states are now considering similar legislation.

The National Day of Prayer celebrates our country's rich heritage of prayer. Like any other national celebration, the National Day of Prayer reflects a particular aspect of our history and common culture. In a spirit of tolerance and democracy, the event encourages all American citizens to see beyond themselves, without coercion or specific ideology. Just as our leaders (mayors, governors, even the President) help to promote other events which build up the common good, it is entirely appropriate that they encourage spirituality in us as well. The National Day of Prayer's constitutionality is clearly established by time and use. It gives Americans the choice to join with their leaders in acknowledging their dependence on the highest government of all.

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FISCAL NOTE

No. 1
 Bill Version: SB 77
 (S) Publish Date: 2/26/97

STATE OF ALASKA
 1997 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: NONE
 Title: A DAY OF PRAYER BRU: _____
 Component: _____
 Sponsor: SEN. TAYLOR
 Requester: SENATE STATE AFFAIRS COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

FUND SOURCE	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY97) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: TUCKERMAN BABCOCK
 Division: SPECIAL ASSISTANT
 Approved by Commissioner: Lynne Green
 Agency: LEGISLATIVE

Phone: 465-6600
 Date: _____
 Date: 26 Feb 97

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Senator Robin L. Taylor

MEMORANDUM

**TO: Representative Jeannette James, Chairman
House State Affairs Committee**

FROM: Senator Robin Taylor *R.L.T.*

DATE: 3/7/97

RE: Hearing Request - SB 77

Please consider this my formal request for a hearing before the House State Affairs Committee on Senate Bill 77 at your earliest convenience.

This bill would establish the first Thursday in May as a State Day of Prayer in Alaska, coinciding with the National Day of Prayer established by Congress.

Thank you for your consideration of this request.

District A:

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

(7)

Date Referred to Committee: March 7, 1997

FURTHER REFERRALS:

Date of Committee Action: 3/20/97

The STATE AFFAIRS Committee considered:

SB

SENATE BILL NO. 77

ALASKA DAY OF PRAYER

"An Act relating to the Alaska Day of Prayer."

recommends it be replaced with the following committee substitute _____ the same title a new title

additional referral to _____ Committee attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) _____ zero fiscal note(s) NONE

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Joannette James</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			

CHAIR'S SIGNATURE Joannette James

SB

105



Official Business

Alaska State Legislature

Senate

Rules Committee

State Capitol
Juneau, AK. 99801-1182

MEMORANDUM.

TO: Representatives Hanley and Therriault, Co-Chairmen
House Finance Committee

FROM: Benjamin Brown, Legislative Aide to Senator Kelly

DATE: 23 April 1998

IN RE: revised sectional analysis of House CS for CS for SB 105 (StAff)
(version No. 0-LS0074\R)

"An Act relating to legislative and executive branch ethics; relating to campaign finances for candidates for state or municipal office; relating to the conduct of lobbyists with respect to public officials; relating to the filing of 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 memorandum is meant to summarise and analyse each section of the House State Affairs Committee Substitute for SB 105 (hereinafter referred to as the HCS). Please note that a sectional analysis is not generally considered to be the most authoritative interpretation of a bill; the bill itself is the best statement of its specific effects.

SECTION 1: AS 15.13.072.(d) PROHIBITED SOLICITATION & ACCEPTANCE OF CONTRIBUTIONS. This section amends the State Elections Act to prohibit candidates for election or reelection to the Legislature from *soliciting or accepting* a campaign contribution while the legislature is in regular or special session. A change in the House State Affairs Committee (hereinafter referred to as 'State Affairs') provides for a 90-day exemption to this

session fundraising ban, to allow candidates to raise money in the period immediately preceding an election.

SECTION 2: AS 15.13.074(c) PROHIBITED CONTRIBUTIONS This section prohibits a person or group from *contributing* to a candidate for governor or lieutenant-governor before the date of a proclamation calling for a special election. It further prohibits a person or group from *contributing* to a candidate for the Legislature while the legislature is convened in regular or special session, but a change in State Affairs provides for a 90-day exemption to this session fundraising ban, to allow candidates to raise money in the period immediately preceding an election. Section 2 also lengthens the period of time after an election in which a candidate may continue to raise money to either 60 days after the election or the end of the calendar year, whichever comes first.

SECTION 3: AS 15.13.110(a) POET ACCOUNT REFERENCE IN REPORTING REQUIREMENTS This section changes the name of the account a successful legislative candidate can establish with unused campaign assets under AS 15.13.116, from legislative office account to Public Office Expense Term (POET) account.

SECTION 4: AS 15.13.116(a) DISBURSEMENT OF CAMPAIGN ASSETS This section allows a transfer of unused campaign contributions to a POET account, or to a POET account reserve in accordance with the new subsection which follows. Sections 93, 94, and 95 allow this section and Section 5 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 5: AS 15.13.116(d) DISBURSEMENT OF CAMPAIGN ASSETS This section adds a new subsection (d) which allows a legislator to transfer up to \$5000 per year from a POET account reserve to a POET account. It further allows a transfer of unused campaign assets of up to \$20,000 for senators and \$10,000 for representatives to a POET reserve. (AS 15.13.116 [9][D] currently allows a one time transfer of funds to an office account at \$5000 multiplied by the number of years in the term.) At the end of the legislator's term, a balance in a POET reserve must be disposed of as provided in (a)(3), (a)(5) of this section, which includes charitable donations and repaying contributors. Sections 93, 94, and 95 allow this section and Section 4 to take effect immediately and to be retroactive to the 31st of December 1996.

SECTION 6: AS 23.20.526(d) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT This section makes a conforming amendment based on changes in this bill to the executive branch employment security statutes to ensure that the people who are not eligible for unemployment compensation remain ineligible. (Refer to Attachment 2 - Cramer memo of 13 February '98.)

SECTION 7: AS 24.25.010(e) SUBPOENA POWERS: The Legislative Ethics Code specifically grants the ethics committee the authority to subpoena witnesses under AS 24.60.150(b)(2). The statute to be amended by this bill sets out general authority for legislative subpoenas and includes a reference requiring the concurrence of the Senate President or Speaker of the House. Subsection (e) currently provides that the section does not apply to the Legislative Council or the Legislative Budget & Audit Committee. Like the ethics committee, both Leg Council and LB&A 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 AS 24.25.010(e) exemption was an oversight, given the specific grant of authority to subpoena witnesses in the ethics code itself.

SECTION 8: AS 24.45.041(b) REPORTING SPOUSAL RELATIONSHIPS BY LOBBYISTS This section adds a new provision to the law requiring legislative lobbyists to disclose spousal relationships with legislators, legislative employees, and some public officials. The definition of spousal equivalent at 39.50.030(g) is also cited.

SECTION 9: AS 24.45.171(12) DEFINITIONS This section clarifies the definitions of public official and public officer in relation to the legislative lobbying law, excluding judicial and municipal officers, but including legislative directors.

SECTION 10: AS 24.60.030(a) LEGISLATIVE ETHICS CODE BEHAVIORAL RESTRICTIONS This section amends the Legislative Ethics Code to refine the restrictions on behavior by persons in the legislative branch. It specifically disallows the use of public resources for nonlegislative purposes or for partisan political purposes. It allows limited use of some resources if the cost is nominal or reimbursement is made, and permits facsimile use on the same terms as telephone use. Section 10 allows Leg Council to designate space for health and fitness purposes to allow the Capitol School gym to be designated for legislative use. It also allows legislators to use their private offices in the Capitol during session, and for a five-day window before and after session, for personal or political purposes if there is no cost and the use doesn't interfere with performance of public duties. Finally, Section 14 permits storing campaign records in legislative offices.

SECTION 11: AS 24.60.030(c) POLITICAL MASS MAILING This extends a current provision of the Legislative Ethics Code which 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 HCS prohibits such mailings by legislators and

legislative employees who are candidates for federal or municipal office, or to telephone and electric cooperative boards. 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 prohibition does not apply to a legislator's LAA office allowance, and would therefore primarily restrict the use of committee or leadership funds for a political mass mailing.

SECTION 12: AS 24.60.030(d) CAMPAIGN LITERATURE This section 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 acting on behalf of a legislator while the HCS expands that prohibition to include legislative employees. It allows a legislator to post materials related to a past election in his or her private legislative office.

SECTION 13: AS 24.60.030(f) BOARD MEMBERSHIP This section changes the board membership disclosure period from 30 days to 60 days and requires the committee to publish disclosures in the journal. It exempts legislators and legislative employees whose appointments are already published in the journal from disclosing redundantly.

SECTION 14: AS 24.60.030(g) CONFLICTS OF INTERESTS This section replaces the *prohibition* on taking legislative, administrative, or political action if a legislator or legislative employee has an equity or ownership interest, with a *ban* on a legislator voting on a question if the legislator has an interest.

SECTION 15: AS 24.60.030(h) POLITICAL ACTIVITY DURING THE WORK DAY This section adds a new subsection to the restrictions on legislative behavior, which requires an employee to take leave for the period of time the employee is engaged in political campaign activities, other than incidental campaign activities. It permits political campaign activities on government time if the activities are part of the normal legislative duties, including answering phone calls and handling incoming correspondence.

SECTION 16: AS 24.60.031(a) FUNDRAISING DURING SESSION This section clarifies that the restrictions on fundraising during session are in effect on a day when either the House or the Senate is in regular or special session. A legislator or legislative employee could not solicit or accept contributions for legislative campaigns during session, could not accept money from an event held for legislative political purposes during session, and could not expend money for a legislative campaign if the money was raised during session. State Affairs added an

exemption for contributions made in the 90 days preceding an election in which a legislator is a candidate.

SECTION 17: AS 24.60.031(c) BAN ON FUNDRAISING AFTER TRAVEL AT STATE EXPENSE This section adds new subsections to the fundraising restrictions in the Legislative Ethics Code. Subsection (c) prevents travel at State expense to a place where a fund-raiser is planned within 48 hours of the travel. It allows State-paid travel if the fund-raiser is at least 48 hours after the travel occurs, if a second trip is made between the two locations and is not paid for by the State, or if the travel was to convene or adjourn in legislative session in the capital city. Subsection (e) defines 'campaign fundraising event'.

SECTION 18: AS 24.60.039(b) EMPLOYMENT DISCRIMINATION This section reflects the ethics committee's shared jurisdiction with the State Commission for Human Rights on complaints filed against a legislator or legislative employee concerning violations of the employment discrimination statute, AS 18.80.220. 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 those who file a complaint of employment discrimination to the human rights commission and defer consideration of the complaint until after the commission has completed its proceedings.

SECTION 19: AS 24.60.040(a) CONTRACTS AND LEASES This section broadens contract and lease criteria beyond those currently in the Legislative Ethics Code which restrict a legislator or legislative employee from having a financial interest in a State contract or lease unless it is let through competitive bidding in accordance with the State Procurement Code, is worth \$1000 or less annually, or is standardised under publicly established guidelines and generally available to the public. This allows participation in contracts or leases that are let under AS 36.30, addressing a variety of award methods, including sole-source. It allows participation in contracts or leases let under procedures similar to these, addressing such agencies as the University, the Railroad and the Legislature. The threshold for being involved in a contract or lease is raised from \$1000 to \$5000. Section 19 also requires a legislator or legislative employee to disclose family members' interests in State contracts or leases if known or reasonably ought to be known.

SECTION 20: AS 24.60.040(c) CONTRACTS AND LEASES This section adds a new subsection that clarifies that a grant, contract, or lease that falls under one of the state loan or benefit programs in AS 24.60.050, is not subject to this section. The ethics committee annually publishes a list of programs that do not meet the criteria in AS 24.60.050(a) and requires disclosure of participation in any of the

listed programs. Section 20 clarifies that a grant that results in a contract is subject to this section.

SECTION 21: AS 24.60.050(c) REFRAINING FROM PUBLICATION This section mandates disclosure of involvement in State programs and loans by the deadline established in 24.60.105. It allows the ethics committee to protect an individual's right to privacy concerning participation in State loan or benefit program, following a decision by the committee in 1994 not to publish the name of a person who got a benefit from the Violent Crimes Compensation Board, only that a person covered by the ethics code had received a benefit.

SECTION 22: AS 24.60.060(b) PROTECTIVE ORDER This section adds a new subsection that sets out that the subject of an ethics complaint may not release information deemed confidential under a protective order issued under 24.60.170(i). This allows the committee to broaden discovery by the subject while still protecting any innocent, or 'not involved' parties.

SECTION 23: AS 24.60.070(b) DEADLINE FOR CLOSE ECONOMIC ASSOCIATION DISCLOSURE This section cites 24.60.105 as the deadline for disclosure of close economic associations, and adds a 60-day timeline for new associations.

SECTION 24: AS 24.60.070(d) SPOUSE/SPOUSAL EQUIVALENT LOBBYIST DISCLOSURE This section adds a new subsection which requires a legislator or legislative employee who is married to (or who is the spousal equivalent 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.

SECTION 25: AS 24.60.080(a) GIFT RESTRICTIONS This section increases the maximum cumulative annual gift limit in the Legislative Ethics Code from \$100 to \$250. It clarifies that the general prohibition on accepting gifts worth more than \$250 does not apply to types of gifts specifically exempted elsewhere in this part of the Code. Section 25 clearly states that the ban on solicitation, acceptance, or receipt of anything of monetary value from a lobbyist during session does not apply to food or beverage for immediate consumption.

SECTION 26: AS 24.60.080(c) GIFT RESTRICTION EXEMPTIONS This section clarifies that a stay in a vacation home located outside the State is not an exempted gift. It allows legislators and legislative employees to accept discounts while on State business if the discount benefits the State. It allows legislators and

their personal staff (but not other legislative employees) to accept discounts and welcoming gifts in the capital city during session.

SECTION 27: AS 24.60.080(d) GIFT REPORTING This section increases the reference to the maximum cumulative annual gift limit from \$100 to \$250. It mandates reporting of gifts of travel and hospitality within 30 days of receipt of the gift. It changes the reporting deadline for gifts not related to legislative status to the 15th of March of the following year, and specifies that the disclosure need include only a description of the gift and the giver's identity (not the actual value). Section 27 also calls for the ethics committee to forward gift disclosures by legislators and legislative directors to APOC.

SECTION 28: AS 24.60.080(e) 'LOW BUDGET' CAMPAIGNS This section makes a technical change to conform with the State Elections Act, to allow certain smaller campaign contributions to fall within the exemption from coverage by the Legislative Ethics Code.

SECTION 29: AS 24.60.080(f) GOVERNMENT GIFTS This section allows acceptance of a gift from a foreign government, the U.S. government, another state government, or a municipal government, on behalf of the Legislature. The gift must be delivered to Leg Council within 60 days. Section 29 also increases the reference to the maximum allowable gift from \$100 to \$250.

SECTION 30: AS 24.60.080(g) IMMEDIATE FAMILY This section expands the meaning of the terms 'immediate family' and 'family member' to include spousal equivalents; parents, siblings, grandparents, aunts, and uncles of a spouse or spousal equivalent; and, stepparents, stepsisters, stepbrothers, stepgrandparents, stepparents, and stepuncles of a person, a person's spouse, or a person's spousal equivalent.

SECTION 31: AS 24.60.080 NEW GIFT RESTRICTION EXEMPTIONS This section adds new exempting subsections to the ban on receiving gifts. New subsection (h) permits soliciting and accepting gifts on behalf of charitable organizations, which is in accordance with advisory opinions issued by the ethics committee. New subsection (i) 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. Subsection (i) further allows a legislator, legislative committee, or legislative agency to accept a University intern or Job Training Partnership Act trainee as well as any other educational trainee the committee approves. (To maintain confidentiality, the ethics committee is not permitted to accept volunteer services.) Subsection (i) also requires volunteers, interns, and educational trainees to comply generally with the Legislative Ethics Code, with the exceptions

of certain sections: contracts and leases, close economic associations, nepotism, and representation before state agencies and affords them the protection of the ethics complaint process under 24.60.170. New subsection (j) sets out that gifts from another source to a family member of a legislator or legislative employee fall within restrictions and reporting requirements. Subsection (j) further 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. New subsection (k) states that the value of a gift is fair market value, to the extent that fair market value can be determined.

SECTION 32: AS 24.60.085(a) EARNED INCOME & HONORARIA This section would allow legislators and legislative employees to accept compensation that is less than fees generally charged, (E.G., allowing an attorney to do pro bono work or an engineer to charge a reduced rate for review of plans for a non-profit organization).

SECTION 33: AS 24.60.100 REPRESENTATION This section sets a deadline for reporting representation before a State agency, citing 24.60.105.

SECTION 34: AS 24.60.105 DEADLINE FOR FILING DISCLOSURES This section establishes a deadline of the 15th of March of the following year for most disclosures in the Legislative Ethics Code including board memberships, interests in state contracts or leases, participation in State programs and loans; close economic associations, and representation of clients. It mandates disclosure within 30 days of an interest begun or acquired during the regular session, except for session's final 30 days, which must be reported by the 15th of March of the following year.

SECTION 35: AS 24.60.130(f) COMMITTEE PER DIEM & TRAVEL This section authorises the ethics committee's public members to receive per diem and travel compensation, as has been customary with legislative committees that have non-legislative members (E.G., the Code Revision Committee). Public members are not entitled to actual pay for their time. Rates and terms for per diem and travel for state boards and commissions (set in 39.20.180) apply to public members of the ethics committee.

SECTION 36: AS 24.60.130(h) MEMBER DISQUALIFICATION

This section prohibits a legislative member of the ethics committee from participating in a complaint proceeding if the subject of the complaint is the member, or the subject supervised by the member. The process for designating a new member to serve on the ethics committee in the place of a disqualified member is in new subsection 24.60.130(o), added by Section 37 of the bill.

SECTION 37: AS 24.60.130(o) APPOINTMENT OF COMMITTEE

ALTERNATES This section adds a new subsection which sets out that each presiding officer appoints an alternate legislative member of the ethics committee when appointing regular members. Alternate members must have the same qualifications as regular members and must be confirmed just as a regular member is. If a regular member is disqualified from serving, the ethics committee chairman or subcommittee chairman confidentially designates the alternate to serve for the course of that proceeding.

SECTION 38: AS 24.60.134(a) RESTRICTIONS ON COMMITTEE

MEMBERS This section expands the restrictions on the ethics committee's public members, staff, and contractors by prohibiting participation in political management or political campaigns for federal, state and local office (regardless of whether the campaign is partisan or nonpartisan), or participation in campaigns for or against ballot measures. Section 38 further prohibits the ethics committees' public members, staff, and contractors from attending fund-raisers or contributing to political parties, to legislative candidates, to incumbent legislators or legislative employee running for other public office, or to a person running for another office against an incumbent legislator or legislative employee. Section 38 maintains the existing restriction on lobbying activities.

SECTION 39: AS 24.60.134(c) EXEMPTION FROM CODE OF SOME

CONTRACTORS This section permits a contractor with the ethics committee to request an exemption for some members of the corporation or partnership from compliance with some or all prohibitions against political activity. If the committee contracts for outside legal counsel with an attorney who is part of a large firm with branches Outside, a strict reading of current law might mandate that all employees of the firm comply with the Legislative Ethics Code. This section gives the committee the latitude to grant such request.

SECTION 40: AS 24.60.160 ADVISORY OPINIONS This section provides that the ethics committee must issue an advisory opinion to a newly elected legislator within 60 days of a request from such a person, doubling the current response deadline of 30 days. It further allows the committee to issue an advisory opinion to a person who anticipates becoming a legislative employee within 45 days.

SECTION 41: AS 24.60.170(a) INITIATION OF COMPLAINTS This section changes the statute of limitations for consideration of ethics complaints from five to two years, consistent with the time limit for the Executive Branch Ethics Act, and coterminous with the length of a single House term, and establishes that a

complaint against a legislator must be filed within a year of the legislator's departure from the Legislature. Section 41 prevents the ethics committee from considering complaints against all members of the legislature, all members of one its houses, or against former employees. It further allows the committee to reinstate a complaint closed upon an employee's termination if the employee is rehired within two years of the date the complaint was filed, and provides for the same procedure with a former legislator who resumes legislative service within two years of the date of the complaint, affecting former staffers who are elected to the legislature and former legislators who are hired as staffers.

SECTION 42: AS 24.60.170(b) REQUIREMENTS OF COMPLAINANT This section allows any person to file a written complaint under oath stating that the complainant has reason to believe a violation occurred and describing known facts in support of the complaint. It mandates that the ethics committee provide a complaint form, and advise complainants that they may be asked to testify in support of their complaints. Section 42 further sets out that the committee can only accept new complaints or release public information on pending complaints outside of campaign periods as defined in subsections (o) and (p), added by Section 49 of the bill. Section 42 provides that the committee must immediately provide subjects of complaints with copies.

SECTION 43: AS 24.60.170(c) PRELIMINARY TREATMENT OF COMPLAINTS This section allows the ethics committee to have staff preliminarily examine complaints for legal sufficiency and credibility of information, then recommend action to the committee based on information and evidence contained in the complaint. It explicitly allows the committee and staff to solicit additional information from the complainant and subject, though neither is obligated to provide information. Section 43 allows for dismissal of complaints that are frivolous, lack credible information, or fall outside the committee's jurisdiction. It further clarifies that proceedings under this subsection are confidential and that confidentiality may be waived by the subject in compliance with subsection (i).

SECTION 44: AS 24.60.170(f) LACK OF PROBABLE CAUSE This section states that if there is lack of probable cause that a violation of the ethics code occurred, the complaint must be dismissed, and that unsubstantiable portions may be dismissed. It mandates that the committee issue a decision explaining the dismissal, and establishes that deliberation and vote on the dismissal order and decision are not open to the public or to the subject of the complaint. It further calls for copies of a dismissal order and decision to be sent to the complainant and the subject.

SECTION 45: AS 24.60.170(g) CORRECTIVE ACTIONS This section allows the ethics committee to issue an opinion (which must go to both the complainant and the subject) recommending corrective action after finding probable cause that a violation occurred. It lets the subject comply with the opinion or request a hearing under subsection (j), and lets the committee amend or affirm the opinion after this hearing. Section 45 sets out that if a subject agrees to comply with an opinion but fails to do so in a timely manner, the committee may formally charge the person under subsection (h) or refer the matter to a supervisory authority. It empowers the supervisory authority to enforce corrective actions, or decline to do so and refer the matter back to the committee which retains the power formally to charge the person.

SECTION 46: AS 24.60.170(h) FORMAL CHARGES BEYOND CORRECTION ACTIONS This section conforms subsection (h) to the new language in subsection (g), empowering the committee formally to charge a person who fails to complete corrective actions, or if investigation reveals a violation requiring sanctions instead of, or in addition to, corrective actions.

SECTION 47: AS 24.60.170(i) DISCOVERY This section allows the subject of a complaint to engage in discovery under Alaska Rules of Civil Procedure, and lets the ethics committee adopt procedures concerning discovery, including 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). It further prevents the committee from imposing restrictions on discovery by the subject unless the complainant agrees to be bound by similar restrictions concerning release of information, and has not made public the information in or about the complaint or the filing of the complaint.

SECTION 48: AS 24.60.170(l) CONFIDENTIALITY This section sets out that ethics committee proceedings are confidential until the determination of probable cause, and that complaints and all documents produced or disclosed in the course of an investigation are confidential as well. It mandates that the committee transmit information obtained in the course of an investigation to appropriate enforcement authorities. Section 48 clarifies that all meetings of the committee concerning complaints are closed to the public and non-members of the committee, though the committee may permit the subject of a complaint to attend a meeting other than deliberation on probable cause. It further limits a complainant's ability to waive confidentiality for others.

SECTION 49: AS 24.60.174(o) (p) (q) MORATORIA ON NEW COMPLAINTS/RELEASE OF PUBLIC INFORMATION This section adds

three new subsections which concern handling of complaints by the ethics committee during campaign periods. Subsection (o) provides that the committee shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. It provides that the committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (p) sets out that the committee may not proceed beyond the point of confidentiality on a complaint concerning a candidate that is pending when a campaign period begins, preventing action under subsections (f), (g), and (h), unless the subject waives the right to suspension of proceedings. Subsection (q) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 50: AS 24.60.174(a) TIMETABLE FOR COMPLIANCE/ RECOMMENDED FINES This section sets out procedures for the Legislature and the ethics committee to follow concerning sanctions on legislators. It mandates that the committee include a suggested timetable for compliance reports when recommending sanctions on a legislator found in violation of the Code. Section 50 allows the committee to recommend fines that the legislative body may impose if the legislator does not comply in a timely manner.

SECTION 51: AS 24.60.174(e) TIMETABLE FOR SANCTIONS This section adds a new subsection requiring a legislative body to report to the ethics committee the sanctions and timetable for compliance it has adopted. It further requires a legislator to report to the committee on compliance with the sanctions, in accordance with the timetable. Section 51 lets the committee determine if the legislator has failed to comply fully and in a timely manner, and recommend imposition of fines or additional sanctions.

SECTION 52: AS 24.60.176(a) RECOMMENDATIONS WHERE VIOLATOR IS A LEGISLATIVE EMPLOYEE This section sets out that the ethics committee will recommend sanctions for a legislative employee to the employee's appointing authority, defined in 24.60.176(b) by Section 53 of this bill. It establishes that appointing authorities may impose the sanctions recommended by the committee or different sanctions, and that the appointing authority enforces the sanctions and reports to the committee on the employee's compliance.

SECTION 53: AS 24.60.176(b) APPOINTING AUTHORITY. This section adds a new subsection which defines which person or committee is the appointing authority for all legislative employees.

SECTION 54: AS 24.60.178 RECOMMENDED SANCTIONS This section adds a new section which lists sanctions the committee may recommend for violations of the Code, enumerated in subsection (b). Subsection (c) lets the committee recommend that the subject be required to pay all or some of the costs related to the investigation or adjudication of the complaint.

SECTION 55: AS 24.60.200 FINANCIAL DISCLOSURE BY LEGISLATORS, LEGISLATIVE DIRECTORS & PUBLIC MEMBERS This section adds public members of the ethics committee to the group of persons who must file Legislative Financial Disclosures (LFD). It adds spousal equivalents to the group of persons about whom income information must be disclosed, and deletes the requirement that gift information be included in the LFD.

SECTION 56: AS 24.60.210 DEADLINES FOR FILING This section changes the deadline for filing an LFD from the 15th of April to the 15th of March.

SECTION 57: AS 24.60.250 EFFECT OF FAILURE TO FILE This section sets out that APOC must notify the Lieutenant-Governor of a legislative candidate's failure to file an LFD, which results in that person's forfeiture of office. It calls for APOC to notify Leg Council or LB&A if a legislative director or the Ombudsman fails to file.

SECTION 58: AS 24.60.260(a) REFERENCE TO FINES This section prohibits false statements in disclosures, and establishes that filing after the deadline constitutes a violation of the Legislative Ethics Code.

SECTION 59: AS 24.60.260(c) FINES FOR FAILURE TO FILE This section permits the committee to impose fines for late disclosures, not to exceed \$2 per day, to a maximum of \$100 per late disclosure, unless the lateness was inadvertent which makes the maximum fine \$25.

SECTION 60: AS 24.60.990(a)(5) IMMEDIATE FAMILY This section expands the general definition of immediate family for the Code.

SECTION 61: AS 24.60.990(a)(15) & (a)(16) SPOUSAL EQUIVALENT/STATE OFFICE DEFINITIONS This section provides new general definitions of spousal equivalent and state office to the Code.

SECTION 62: AS 39.25.070 PERSONNEL BOARD POWERS AND DUTIES This section simplifies the reference to the Executive Branch Ethics Act (39.52 - hereinafter referred to as 'the Act') in the State Personnel Act (39.25).

SECTION 63: AS 39.25.160(e) BAN ON CANDIDACY OF EXEMPT EMPLOYEES This section adds extends the ban on candidacy for State or national elective political office by State employees to include the exempt service. It exempts some members of the exempts service from this ban.

SECTION 64: AS 39.25.160(j) PROHIBITION ON POLITICAL ACTIVITY ON GOVERNMENT TIME This section adds a news subsection to the State Personnel Act which explicitly prohibits State employees from engaging in campaign activities on behalf of political candidate on government time. It 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, and exempts elected State officials from the ban.

SECTION 65: AS 39.50.020 REPORT OF FINANCIAL AND BUSINESS INTERESTS This section changes the requirements for Public Official Financial Disclosures, setting out that public officials listed in 39.50.200 must file reports within 30 days after taking office as a public official. It changes the filing deadline to the 15th of March, and specifies that all non-municipal officials file with APOC, while municipal officials file with appropriate local authorities.

SECTION 66: AS 39.50.030(a) CONTENTS OF FINANCIAL REPORTS This section lists that reports must contain information specified in subsections (b) and (d), and deletes the unnecessary reference to assets or liabilities under \$500, household goods, and personal effects.

SECTION 67: AS 39.50.030(b) CONTENTS OF FINANCIAL REPORTS This section changes the reporting requirements for executive branch public officials to include income sources over \$1000. It adds a requirement for public officials to report any income of over \$250 that is a *gift*. It changes the requirement to report trust or fiduciary relationships or loans *only* when they exceed \$1000. Section 67 mandates reporting state contracts held, bid, or offered by a partnership or professional corporation of which an official is a member; deletes a requirement for reporting a state contract or natural resource lease held, bid, or offered by an official's mother or father; and, adds an official's spouse to the group on whom an official must report if the spouse holds a natural resource lease.

SECTION 68: AS 39.50.030(d) CONTENTS OF FINANCIAL REPORTS. This section adds new subsections which alter requirements for Public Official Financial Disclosures. Subsection (d) calls for public officials to report close economic associations with legislators, other public officials, lobbyists, or any public officer for

the governor and lieutenant-governor. Subsection (e) sets out that new close economic associations must be reported within 60 days of their formation. Subsection (f) calls for disclosure of client information for lobbyists with whom the public official has a close economic association, and for updating of this information within 48 hours for new lobbying contracts. Subsection (g) defines several terms for the purposes of this section.

SECTION 69: AS 39.50.070 FAILURE TO REPORT BY CERTAIN STATE EMPLOYEES This section provides for penalties for most public officials who fail to file reports.

SECTION 70: AS 39.50.200(a)(8) DEFINITIONS This section redefines public official to include judicial officers, the governor, the lieutenant-governor, commissioners, directors, deputy directors, and many persons in the governor's office.

SECTION 71: AS 39.52.010(a) FINDINGS AND PURPOSE This section augments the preamble to the Executive Branch Ethics Act.

SECTION 72: AS 39.52.120(b) MISUSE OF OFFICIAL POSITION This section sets out what sorts of behavioral restrictions apply to executive branch employees. It explicitly bans coercion of subordinates and use of state resources for partisan political purposes, and defines partisan political purposes.

SECTION 73: AS 39.52.120(d) BAN ON FUNDRAISING AFTER TRAVEL AT STATE EXPENSE This section adds new subsections to the behavioral restrictions in the Act. Subsection (d) prevents travel at State expense to a place where a fund-raiser is planned within 48 hours of the travel. It allows State-paid travel if the fund-raiser is at least 48 hours after the travel occurs, if a subsequent trip is made between the two locations and is not paid for by the State, or if the travel was to the capital city. Subsection (e) defines campaign fundraising event. Subsection (f) adds criteria for determining whether or not a public officer is considered to be on government time, and mandates that leave be taken for political campaign activities that are not minor, inconsequential, and unavoidable.

SECTION 74: AS 39.52.130(b) GIFTS This section increases the value of a gift that may be received in the executive branch from \$50 to \$150. It requires disclosure of a gift received due to a public officer's governmental status whether or not the officer can take or withhold official action that affects the giver.

SECTION 75: AS 39.52.130(e) & (f) GOVERNMENT GIFTS This section adds new subsections, the first of which allows acceptance of a gift from a foreign

government, the U.S. government, another state government, or a municipal government, on behalf of the State. The recipient must notify the governor's office within 60 days for instructions on appropriate disposition of the gift.

SECTION 76: AS 39.52.170(c) OUTSIDE EMPLOYMENT This section adds a new subsection which bans commissioners from accepting outside employment for compensation.

SECTION 77: AS 39.52.180(d) RESTRICTIONS ON POST-OFFICE EMPLOYMENT This section adds a new subsection which restricts the governor, lieutenant-governor, and commissioners from lobbying for compensation for a year after leaving service.

SECTION 78: AS 39.52.210(a) DECLARATION OF POTENTIAL VIOLATIONS This section requires public employees to report potential violations to the attorney-general as well as to a supervisor.

SECTION 79: AS 39.52.210(b) DECLARATION OF POTENTIAL VIOLATIONS This section requires an employees supervisor to provide a written determination of whether or not a violation reported under subsection (a) exists, to both the employee and the attorney-general.

SECTION 80: AS 39.52.220(a) VIOLATIONS BY MEMBERS OF BOARDS AND COMMISSIONS This section 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 attorney-general. It further requires board or commission member's ethics supervisor to provide a written determination of whether or not a violation exists, to both the member and the attorney-general.

SECTION 81: AS 39.52.230 REPORTING OF POTENTIAL VIOLATIONS This section requires a supervisor to provide a copy of a report of potential violation of the Act to the attorney-general.

SECTION 82: AS 39.52.260 SUBMISSION OF QUARTERLY REPORTS TO THE PERSONNEL BOARD This section requires the attorney-general to submit copies of quarterly reports from ethics supervisors, and the attorney-general's review of these reports, to the Personnel Board.

SECTION 83: AS 39.52.270 DISCLOSURE STATEMENTS This section adds a new section which makes filing of disclosure statements a provision of the Act. Subsection (a) calls for the statements to be true, correct, and complete. Subsection (b) sets out that ethics supervisors must review disclosures and report potential

violations disclosed therein to the attorney-general. Subsection (c) defines disclosure statement to include reports filed under 39.52.210 - 240.

SECTION 84: AS 39.52.310(a) MORATORIUM ON INITIATION OF COMPLAINTS/RELEASE OF PUBLIC INFORMATION This section prevents the attorney-general from initiating a complaint against the governor or lieutenant-governor who is a candidate during a campaign period, defined in subsection (k).

SECTION 85: AS 39.52.310(c) MORATORIUM ON RECEIPT OF COMPLAINTS This section prevents the Personnel Board from accepting a complaint against the governor or lieutenant-governor who is a candidate during a campaign period, defined in subsection (k). It further allows the Personnel Board to contract for or hire independent counsel without consulting the Department of Law.

SECTION 86: AS 39.52.310(j) & (k) MORATORIUM ON CONSIDERATION OF COMPLAINTS This section adds new subsections. Subsection (j) provides that the Personnel Board shall return a complaint concerning a candidate received during a campaign period unless the subject waives the right to suspension of consideration within 11 days. It provides that the committee must notify the would-be complainant of the right to refile the complaint at the end of the campaign period. Subsection (k) defines a campaign period for this section as beginning on the later of 45 days before the primary election in which one is a candidate or the day one files for office, and ending the day of the general or special election, the day after primary results are certified, or the day a candidate withdraws.

SECTION 87: AS 39.52.320 DISMISSAL BEFORE FORMAL PROCEEDINGS This section sets out that the attorney-general must dismiss complaints if there is no probable cause that a violation occurred, and notify the complainant and the subject under the terms of 39.52.335(c).

SECTION 88: AS 39.52.335 SUMMARY OF DISPOSITION OF COMPLAINTS & REVIEW BY PERSONNEL BOARD This section adds a new section which expands the Personnel Board's oversight of the Executive Branch Ethics Act as enforced by the attorney-general. Subsection (a) mandates forwarding of all complaints received by the attorney-general to the Personnel Board. Subsection (b) requires monthly reporting of the status of pending complaints. Subsection (c) sets out that if a complaint is dismissed or resolved, the attorney-general must report this to the Board, the subject, and the complainant. Subsection (d) allows the complainant to file comments with the Board within 15

days. Subsection (e) calls for the Board to review the summary at its next meeting, allows the Board to compel attendance of the subject, complainant, and attorney-general, and to compel production of documents. Subsection (f) allows the Board to issue a report on the disposition of the complaint. Subsection (g) governs the confidentiality of its report if the summary filed by the attorney-general is confidential. Subsection (h) sets out the steps the Board may take if its recommendation is that the resolution or dismissal be made public.

SECTION 89: AS 39.52.340(a) CONFIDENTIALITY This section sets out that ethics proceedings are confidential and that complaints and all documents produced or disclosed in the course of an investigation are confidential as well. It mandates that the attorney-general transmit information obtained in the course of an investigation to appropriate enforcement authorities.

SECTION 90: AS 39.52.960(11) DEFINITION OF IMMEDIATE FAMILY This section changes the general definition of immediate family member for the Act.

SECTION 91: POET RESERVES FOR INCUMBENTS This section allows current legislators to transfer unused campaign assets to a POET account reserve under the provisions of Section 5 of this bill.

SECTION 92: RETROACTIVITY FOR POET ACCOUNT RESERVE This section makes Sections 4, 5, and 91 retroactive to the 31st of December 1996.

SECTION 93: PARTICULAR EFFECTIVE DATE This section makes Sections 1, 2, 4, 5, 91, and 92 effective immediately under 01.01.070(c).

SECTION 94: GENERAL EFFECTIVE DATE This section makes Sections 3 and 6 through 90 effective on the 1st of January 1999.

0-LS0074R.1
Cramer
4/23/98

#

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 1, following line 7:

2 Insert a new bill section to read:

3 **** Section 1.** AS 15.13.040 is amended by adding a new subsection to read:

4 (i) The permission of the owner of real or personal property to post political
5 signs, including bumper stickers, on property is not considered to be a contribution
6 under this chapter unless the owner customarily charges a fee or receives payment for
7 permitting the posting of political signs. The fact that the owner customarily charges
8 a fee or receives payment for posting signs that are not political signs is not
9 determinative of whether the owner customarily does so for political signs."

10 Page 1, line 8:

11 Delete "Section 1"

12 Insert "Sec. 2"

13 Renumber the following bill sections accordingly.

14 Page 56, line 5:

15 Delete "1, 2, 4, 5, 91, and 92"

16 Insert "1 - 3, 5, 6, 92, and 93"

17 Renumber internal references to bill sections in accordance with this amendment. Internal
18 bill section references occur at the following places:

19 Page 55, line 29

20 Page 56, line 2

0-LS0074R.1

- 1 Page 56, line 4
- 2 Page 56, line 5
- 3 Page 56, line 7

0-LS0074\R.2
Cramer
4/23/98

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 6, following line 26:

2 Insert a new bill section to read:

3 * Sec. 5. AS 15.13.116(b) is amended to read:

4 (b) After a general, special, municipal, or municipal runoff election, a
5 candidate may retain the ownership of one computer and one printer and of personal
6 property, except money, that was acquired by and for use in the campaign. The
7 current fair market value of the property retained, exclusive of the computer and
8 printer, may not exceed \$2,500. All other property shall be disposed of, or sold and
9 the sale proceeds disposed of, in accordance with (a) or (c) of this section.
10 Notwithstanding any other provision of this chapter, a candidate may (1) retain
11 a bulk mailing permit that was paid for with campaign funds, and (2) use
12 personal funds, campaign funds, or unused campaign contributions transferred
13 to a public office expense term account under AS 15.13.116(a)(8) to pay the
14 continuing charges for the permit after the election. Money used to continue the
15 life of the permit is not considered to be a contribution under this chapter. In
16 addition to any other use permitted under this chapter, during the candidate's
17 term of office, the candidate may use the bulk mailing permit for mailings
18 associated with service in the office to which the candidate was elected. During
19 the candidate's term of office, if the candidate files a declaration of candidacy or
20 a letter of intent to become a candidate for the same or a different elective office,
21 the candidate may also use the bulk mailing permit in that election campaign."

22 Renumber the following bill sections accordingly.

23 Page 20, line 16, following "AS 15.13.040(c)":

0-1.S0074R.2

1 Insert "The use of a bulk mailing permit owned by a legislator's campaign
2 committee or used in a legislator's election campaign is not a gift to that legislator under
3 this section"

4 Page 56, line 7:

5 Delete "Sections 3 and 6 - 90"

6 Insert "Sections 3, 5, and 7 - 91"

7 Renumber internal references to bill sections in accordance with this amendment. Internal
8 bill section references occur at the following places:

9 Page 55, line 29

10 Page 56, line 2

11 Page 56, line 4

12 Page 56, line 5

13 Page 56, line 7

0-1.S0074R.3
Cramer
4/23/98

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 1, following line 7:

2 Insert a new bill section to read:

3 * Section 1. AS 15.13.070 is amended by adding a new subsection to read:

4 (e) For purposes of the contribution limit in this section, it is not a campaign
5 contribution under this section for a candidate to use up to a total of \$1,000 from
6 campaign contributions in a year to pay the cost of

7 (1) attendance by a candidate or guests of the candidate at an event
8 or other function sponsored by a political party or by a subordinate unit of a political
9 party;

10 (2) membership in a political party, subordinate unit of a political
11 party, or other entity within a political party, or subscription to a publication from a
12 political party; or

13 (3) co-sponsorship of an event or other function sponsored by a
14 political party or by a subordinate unit of a political party."

15 Page 1, line 8:

16 Delete "Section 1"

17 Insert "Sec. 2"

18 Renumber the following bill sections accordingly.

19 Page 4, following line 17:

20 Insert a new bill section to read:

21 * Sec. 5. AS 15.13.112 is amended by adding a new subsection to read:

22 (c) A candidate may use up to a total of \$1,000 in campaign contributions in

- 1 a year to pay the cost of
- 2 (1) attending, or paying the cost for guests of the candidate to attend,
- 3 an event or other function sponsored by a political party or subordinate unit of a
- 4 political party;
- 5 (2) membership in a political party, subordinate unit of a political
- 6 party, or other entity within a political party, or subscription to a publication from a
- 7 political party; and
- 8 (3) co-sponsorship of an event or other function sponsored by a
- 9 political party or by a subordinate unit of a political party."

10 Renumber the following bill sections accordingly.

11 Page 56, line 7:

12 Delete "3 and 6 - 90"

13 Insert "1, 4, 5, and 8 - 92"

14 Renumber internal references to bill sections in accordance with this amendment. Below are
15 all internal bill section references in this bill:

16 Page 55, line 29

17 Page 56, line 2

18 Page 56, line 4

19 Page 56, line 5

20 Page 56, line 7

0-LS0074R.5
Cramer
4/23/98

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 36, lines 2 - 3:

2 Delete "legislator and a legislative director"

3 Insert "person required to file a disclosure statement under AS 24.60.200

4 [LEGISLATOR AND A LEGISLATIVE DIRECTOR]"

5 Page 36, following line 5:

6 Insert a new bill section to read:

7 **** Sec. 57. AS 24.60.240 is amended to read:**

8 **Sec. 24.60.240. Civil penalty for late filing. A person required to file a**
9 **disclosure statement under AS 24.60.200 [LEGISLATOR OR A LEGISLATIVE**
10 **DIRECTOR] who fails to file a properly completed report under AS 24.60.200 is**
11 **subject to a civil penalty of not more than \$10 a day for each day the delinquency**
12 **continues as the Alaska Public Offices Commission determines, subject to appeal to**
13 **the superior court. An affidavit stating facts in mitigation may be submitted to the**
14 **Alaska Public Offices Commission by the person against whom the civil penalty is**
15 **assessed. However, the imposition of the penalties prescribed in this section does not**
16 **excuse the person from filing reports required by AS 24.60.200."**

17 **Renumber the following bill sections accordingly.**

18 Page 36, line 7, following "candidate":

19 Insert "public member of the committee."

20 Page 36, lines 15 - 20:

21 Delete "In addition to the sanctions described in AS 24.60.260, if the Alaska

0-1.S0074\R.5

1 Public Offices Commission finds that a legislative director has failed or refused to file
 2 a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify the
 3 Alaska Legislative Council or the Legislative Budget and Audit Committee, as
 4 appropriate. For the ombudsman, the Alaska Legislative Council shall be notified."

5 Page 36, following line 20:

6 Insert a new bill section to read:

7 **"* Sec. 59.** AS 24.60.250 is amended by adding new subsections to read:

8 (b) In addition to the sanctions described in AS 24.60.260, if the Alaska
 9 Public Offices Commission finds that a member of the committee has failed or
 10 refused to file a report under AS 24.60.200 by a deadline established in AS 24.60.210,
 11 it shall notify the presiding officer of the appropriate legislative body. In the case of
 12 a public member of the committee, the commission shall notify both presiding
 13 officers.

14 (c) In addition to the sanctions described in AS 24.60.260, if the Alaska
 15 Public Offices Commission finds that a legislative director has failed or refused to file
 16 a report under AS 24.60.200 by a deadline established in AS 24.60.210, it shall notify
 17 the Alaska Legislative Council or the Legislative Budget and Audit Committee, as
 18 appropriate. For the ombudsman, the Alaska Legislative Council shall be notified."

19 Renumber the following bill sections accordingly.

20 Page 40, line 15:

21 Delete "or 15 days after the person files a federal income tax return in each following
 22 year, whichever comes first"

23 Insert "[OR 15 DAYS AFTER THE PERSON FILES A FEDERAL INCOME TAX
 24 RETURN] in each following year [, WHICHEVER COMES FIRST]"

25 Renumber internal references to bill sections in accordance with this amendment. Below are
 26 all internal bill section references in this bill:

27 Page 55, line 29

0-LS0074R.5

- 1 Page 56, line 2
- 2 Page 56, line 4
- 3 Page 56, line 5
- 4 Page 56, line 7

AMENDMENT

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 15, lines 15 - 17:

2 Delete all material and insert:

3 "(2) legislator, within 48 hours before the fund raising event, made one
4 or more trips at state expense to the place in which the fund raising event was to be
5 held, each time leaving the place, and then, within the 48 hours, made a final trip to
6 the place and the cost of the trip that immediately preceded the campaign fund raising
7 event was not paid for at state expense; or"

8 Page 15, line 24, following "asks":

9 Delete "for"

10 Insert "directly for financial"

11 Page 47, lines 29 - 31:

12 Delete all material and insert:

13 "(2) official, within 48 hours before the fund raising event, made one
14 or more trips at state expense to the place in which the fund raising event was to be
15 held, each time leaving the place, and then, within the 48 hours, made a final trip to
16 the place and the cost of the trip that immediately preceded the campaign fund raising
17 event was not paid for at state expense."

18 Page 48, line 5, following "asks":

19 Delete "for"

20 Insert "directly for financial"

0-I.50074\R.7
Cramer
4/23/98

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 24, following line 1:

2 Insert a new bill section to read:

3 **** Sec. 36. AS 24.60.130(g) is amended to read:**

4 (g) Each legislative member serves for the duration of the legislature during
5 which the member is appointed. Each public member serves for a term that
6 commences on the date the member is ratified and ends on the first day of the third
7 regular session that follows the ratification. A public member whose term has expired
8 continues in office until a successor has been appointed and ratified or until the 30th
9 calendar day of the first legislative session that follows the successor's appointment,
10 whichever is earlier A member of the committee may be removed from
11 membership on the committee for failure to carry out the person's duties as a
12 member of the committee. A legislator may be removed with the concurrence
13 by roll call vote of two-thirds of the full membership of the house of the
14 legislature to which the member belongs. A public member may be removed
15 with the concurrence by roll call vote of two-thirds of the full membership of
16 each house of the legislature."

17 Renumber the following bill sections accordingly.

18 Renumber internal references to bill sections in accordance with this amendment. Below are
19 all internal bill section references in this bill:

20 Page 55, line 29

21 Page 56, line 2

22 Page 56, line 4

1 Page 56, line 5

2 Page 56, line 7

A M E N D M E N T

OFFERED IN THE HOUSE

TO: HCS CSSB 105(STA)

1 Page 44, following line 18:

2 Insert a new bill section to read:

3 **** Sec. 70. AS 39.50.200(a)(1) is amended to read:**

4 (1) "assistant to the governor or lieutenant governor" includes any
5 executive, legislative, special, administrative, or press assistant to the governor or
6 lieutenant governor, and any person similarly employed in a policy-making
7 position;"

8 Renumber the following bill sections accordingly.

9 Page 44, line 31, through page 45, line 18:

10 Delete all material and insert:

11 **"(D) an assistant to the governor or lieutenant governor;"**

12 Page 45, line 25:

13 Delete "and"

14 Page 45, line 26, following "(I)":

15 Insert "the executive director of the Alaska Human Resource Investment Council;

16 and

17 or"

18 Renumber internal references to bill sections in accordance with this amendment. Below are
19 all internal bill section references in this bill:

- 1 Page 55, line 29
- 2 Page 56, line 2
- 3 Page 56, line 4
- 4 Page 56, line 5
- 5 Page 56, line 7

HOUSE COMMITTEE REPORT

(7)
Date referred to Committee: April 22, 1997

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/21/98

The STATE AFFAIRS Committee considered:

CSSB 105(FIN) am

CS FOR SENATE BILL NO. 105(FIN) am

ETHICS/LOBBYING/CAMPAIGN FINANCE

"An Act relating to legislative and executive branch ethics; relating to campaign finances for candidates for state office; relating to the conduct and regulation of lobbyists with respect to public officials; relating to the filing of 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."

recommends it be replaced with the following committee substitute House CS for CS SB 105 (STA) the same title a new title

additional referral to _____ Committee

attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal note(s) LAW

fiscal note(s) _____

zero fiscal note(s) STING COMM.

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Shannelle James</u>			✓	
<u>[Signature]</u>			✓	
<u>[Signature]</u>			✓	
<u>[Signature]</u>			✓	
<u>[Signature]</u>			✓	
<u>[Signature]</u>			✓	

CHAIR'S SIGNATURE Shannelle James

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. HCS CS SB 105 (STA)

Title: Relating to legislative and executive
branch ethics...
Sponsor: Senate Rules
Requestor: _____

Dept. Affected: Select Comm on Legislative Ethics
BRU: _____
Components: _____
Serial #: _____

EXPENDITURE/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared by: Susan Barnett Staff
Select Comm on Legis. Ethics

Date: 4-21-98
Phone: (907) 258-8172
Phone: _____

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. HCS CS SB 105 (STA)

Title: Relating to legislative and executive branch ethics.....
Sponsor: Senate Rules
Requestor: _____

Dept. Affected: Select Comm on Legislative Ethics
BRU: _____
Components: _____
Serial #: _____

EXPENDITURE&REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 98	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared by: Susan Barnett, staff
Select Comm on Legis. Ethics

Date: 4.21.98
Phone: (907) 258-8172
Phone: _____

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 105 (STA)

Revision Date (Note if correction) _____	Dept. Affected <u>Law</u>
Title <u>An Act relating to legislative and executive branch ethics</u>	BRU <u>Civil</u>
Sponsor <u>Senate Rules</u>	Component <u>Commercial Section</u>
Requester <u>House State Affairs</u>	Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	5.0	5.0	5.0	5.0	5.0	5.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	5.0	5.0	5.0	5.0	5.0	5.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF	5.0	5.0	5.0	5.0	5.0	5.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	5.0	5.0	5.0	5.0	5.0	5.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

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

HCS CSSB 105(STA) concerns campaign finance, APOC reporting, legislative ethics, and executive ethics. Its fiscal impact on the Department of Law stems largely from the amendments to the Executive Branch Ethics Act, AS 39.52, which is administered by the Department. Although several sections of the bill will require increased attorney time—for example, in enforcement, training, and attending Personnel Board meetings, the Department will manage these increases in attorney time without seeking an increased appropriation.

HCS CSSB 105(STA), however, also greatly increases the reporting functions of the Department. Under this bill, the Department will now receive self-reports of potential violations, and the designated supervisor's response to the reports. Sections 79, 80, & 81. The Department will also now receive reports of potential violations from third parties. Section 82. Section 83 gives the Department has a new duty to submit copies of quarterly reports to the Personnel

Prepared by <u>Joan Kasson</u>	Phone <u>465-3600</u>
Division <u>Attorney General's Office</u>	Date <u>4/21/98</u>
Approved by Commissioner <u>Bruce M. Botelho, Attorney General</u>	Date _____
Agency <u>Department of Law</u>	

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FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 105(STA)

ANALYSIS CONTINUATION

89 requires the Department to forward complaints to the Personnel Board and prepare a monthly status report of outstanding complaints for the Personnel Board to Review.

Current reporting duties under the Ethics Act are not performed by attorneys, but are assigned to a paraprofessional in the department. A paralegal can perform these duties more efficiently and at much less cost than an attorney. HCS CSSB 105(STA) will significantly increase the reporting duties of the department, but there are no general funds available to pay a paralegal for these tasks.

We estimate that increased reporting duties will require approximately 5.8 hours of paralegal time per month. Paralegal time currently costs the department \$71.94 per hour. This translates into a fiscal note of \$5,000 per year. First-year costs will be significantly greater due to the requirement of training and creation of new forms. Given that the bill does not become effective until the middle of the fiscal year, however, a \$5,000 fiscal note for FY99 should cover paralegal start-up expenses.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILLNO. HCS CSSB 105(STA)

Revision Date: 4/23/98
 Title: "An act relating to legislative and executive branch ethics...."
 Sponsor: (S) Rules
 Requestor: (H) STA

Department Affected: Administration
 BRU: AK Public Offices Commission
 Component: AK Public Office Commission
 COMPONENT SERIAL NO. 70

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL	1.7	1.7	0.7	0.7	0.7	0.7
CONTRACTUAL	17.5	2.1	2.1	2.1	2.1	2.1
SUPPLIES	1.4	0.7	0.7	0.7	0.7	0.7
EQUIPMENT	0.5					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	21.1	4.5	3.5	3.5	3.5	3.5

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	21.1	4.5	3.5	3.5	3.5	3.5
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	21.1	4.5	3.5	3.5	3.5	3.5

Estimate of any current year (FY 98) cost: \$ none

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

(See attached)

Received
4/24/98

Prepared by: Karen Boorman, Director
 Division: Alaska Public Office Commission

Phone: 276-4176
 Date: _____

Approved by Commissioner: Mark Boyer *Mark Boyer*
 Agency: Department of Administration

Date: 4/23/98

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FISCAL NOTE
STATE OF ALASKA **BILL NO. HCS CSSB 105(STA)**

1998 LEGISLATIVE SESSION

ANALYSIS: (continued)

Additional Public officials must file Conflict of Interest Statements (COI). Public members of the Select Committee on Legislative Ethics (SCLE) must file Legislative Financial Disclosure Statements (LFD). Some Public Officials must file a Disclosures of Close Economic Association.

There are several parts of this bill which would impact the four laws the Alaska Public Offices Commission administers. Section 55, amending AS 24.60.200, requires the five public members of the SCLE and Section 70, amending AS 39.50.200(a), requires additional employees of the executive branch to file personal financial disclosure statements. Section 68 adding AS 39.50.030(d) requires that public officials of the executive branch, other than state boards or commission members, who file personal financial disclosure statements also file disclosures of close economic association with the APOC. The date for filing all financial disclosure statements is changed from April 15th, which it has been the deadline since 1974, to March 15.

Currently, the Commission receives about 800 personal financial disclosure statements from all state filers including 65 from legislators and legislative directors. Approximately 1100 municipal officials file municipal financial disclosure statements. Under the proposed changes to AS 24.60 the 5 public members of SCLE would be required to file annual Legislative Financial Disclosure (LFD) Reports. Approximately 180 additional state employees plus 10% annual turnover would be required to file annual Conflict of Interest (COI) Statements under AS 39.50. Under AS 39.50.030(d), up to 400 new and experienced state employee filers would be required to file annual disclosures of close economic association and update them within sixty days of forming new close economic associations, or in the case of a public official married to a lobbyist, within 48 hours.

Current staffing to advise and train filers, provide manuals and forms, review completed statements, assess penalties and report to the Commission is provided by one Paralegal Assistant. At current staffing levels, review of all municipal filings is not possible and review of state filings is sometimes delayed. However, no additional staff are requested with this fiscal note.

Most of these provisions will take effect midway through FY 99, on January 1, 1999. The first filing deadline for personal financial disclosure filers under the new requirements would be March 15th. Approximately 205 new Financial Disclosure Statements would be due. Additional manuals and forms will be necessary to provide immediate help. To provide long term guidance and enforcement, the Commission would provide advisory opinions, assess civil penalties and adjudicate complaints. Approximately 400 new and existing state official filers would have to file "disclosures of close economic association" with APOC. These filings would be available to the public upon request.

The significant changes to the Conflict of Interest and Legislative Financial Disclosure laws as well as amendments to the Lobbying and Campaign Disclosure (laws) will require extensive education of all disclosure filers and other participants in the political process. Additional funds are requested for travel and training of new filers (in Juneau) through seminars in the first two years (FY99 & FY00) of implementation and video training materials available long term.. Equipment costs in FY99 cover one filing cabinet. Contractual and supply costs cover printing and mailing of new manuals, forms and other necessary correspondence for FY99 and subsequent years. FY99 contractual costs also include upgrading and reprogramming the financial disclosure database, streamlining filing procedures and the development of video training materials.

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. HCS CSSB 105 (STA)

Revision Date: 4/21/98
 Title: "An Act relating to legislative and executive branch ethics, . . ."
 Sponsor: (S) Rules
 Requestor: (H) STA

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

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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						
1005 GF/Program Receipts						
1037 GF/Mental Health						
OTHER						
TOTAL	0	0	0	0	0	0

Estimate of any current year (FY 97) cost: \$0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.);

This bill does not fiscally impact the Division of Personnel.

Prepared by: Beverly Reaume
 Division: Division of Personnel

Phone: 465-4429
 Date: _____

Approved by Commissioner: Mark Boyer
 Agency: Department of Administration

Date: 4/23/98

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24 = Legis Ethics

39 = Exec Ethics
State Personnel

CFD =
Leg Ethics
Fin. Disclosure

adopted

HOUSE CS FOR CS FOR SENATE BILL NO. 105()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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

A BILL
FOR AN ACT ENTITLED

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

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

8 * Section 1. AS 15.13.072(d) is amended to read:

9 (d) A candidate or an individual who has filed with the commission the
10 document necessary to permit that individual to incur election-related expenses under
11 AS 15.13.100 for election or reelection to the state legislature may not solicit or
12 accept a contribution while [IF] the legislature is convened in a regular or special
13 legislative session unless [, AND] the solicitation or acceptance occurs during the

1 90 days immediately preceding an election in which the candidate or individual is
2 a candidate [MEMBER OF THE LEGISLATURE, OR EMPLOYED AS A MEMBER
3 OF THE LEGISLATOR'S STAFF OR AS A MEMBER OF THE STAFF OF A
4 LEGISLATIVE COMMITTEE].

5 * Sec. 2. AS 15.13.074(c) is amended to read:

6 (c) A person or group may not make a contribution

7 (1) to a candidate for governor or lieutenant governor or an individual
8 who files with the commission the document necessary to permit that individual to
9 incur certain election-related expenses as authorized by AS 15.13.100 for governor or
10 lieutenant governor, [WHEN THE OFFICE IS TO BE FILLED AT A GENERAL
11 ELECTION,] before the later of the following dates:

12 (A) the date the individual

13 (i) becomes a candidate; or

14 (ii) files with the commission the document necessary
15 to permit the individual to incur certain election-related expenses
16 as authorized by AS 15.13.100; or

17 (B) January 1 of the year of the [GENERAL] election when the
18 office is to be filled at a general election or the date of the proclamation
19 when the office is to be filled at a special election;

20 (2) to a candidate for the state legislature or an individual who files
21 with the commission the document necessary to permit that individual to incur certain
22 election-related expenses as authorized by AS 15.13.100 for the state legislature [,
23 WHEN THE OFFICE IS TO BE FILLED AT A GENERAL ELECTION,] while the
24 legislature is convened in a [ITS] regular or special legislative session, unless the
25 contribution is made during the 90 days immediately preceding an election in
26 which the candidate or individual is a candidate, or [AND] before the later of the
27 following dates:

28 (A) the date the individual

29 (i) becomes a candidate; or

30 (ii) files with the commission the document necessary
31 to permit the individual to incur certain election-related expenses as

1 authorized by AS 15.13.100; or

2 (B) January 1 of the year of the [GENERAL] election;

3 (3) to a candidate or an individual who files with the commission the
4 document necessary to permit that individual to incur certain election-related expenses
5 as authorized by AS 15.13.100 for an office that is to be filled at a [SPECIAL
6 ELECTION OR] municipal election before the later of the following dates:

7 (A) the date the individual

8 (i) becomes a candidate; or

9 (ii) files with the commission the document necessary
10 to permit that individual to incur certain election-related expenses as
11 authorized by AS 15.13.100;

12 (B) the date that is nine months before the date of the
13 [GENERAL OR REGULAR] municipal election [OR THAT IS BEFORE THE
14 DATE OF THE PROCLAMATION OF THE SPECIAL ELECTION AT
15 WHICH THE CANDIDATE OR INDIVIDUAL SEEKS ELECTION TO
16 PUBLIC OFFICE]; or

17 (4) to any candidate later than the 45th day

18 (A) after the date of a primary election if the candidate

19 (i) has been nominated at the primary election or is
20 running as a write-in candidate; and

21 (ii) is not opposed at the general election;

22 (B) after the date of the primary election if the candidate was not
23 nominated at the primary election; or

24 (C) after the date of the general election, or after the date of a
25 municipal or municipal runoff election, if the candidate was opposed at the
26 general, municipal, or municipal runoff election.

27 * Sec. 3. AS 15.13.110(a) is amended to read:

28 (a) Each candidate and group shall make a full report in accordance with
29 AS 15.13.040 for the period ending three days before the due date of the report and
30 beginning on the last day covered by the most recent previous report. If the report is
31 a first report, it shall cover the period from the beginning of the campaign to the date

1 three days before the due date of the report. If the report is a report due February 15,
2 it shall cover the period beginning on the last day covered by the most recent previous
3 report or on the day that the campaign started, whichever is later, and ending on
4 December 31 of the prior year. The report shall be filed

5 (1) 30 days before the election; however, this report is not required if
6 the deadline for filing a nominating petition or declaration of candidacy is within 30
7 days of the election;

8 (2) one week before the election;

9 (3) 10 days after the election; and

10 (4) February 15 for expenditures made and contributions received that
11 were not reported during the previous year, including, if applicable, all amounts
12 expended from a public [LEGISLATIVE] office expense term account established
13 under AS 15.13.116(a)(9) and all amounts expended from a municipal office account
14 under AS 15.13.116(a)(10), or when expenditures were not made or contributions were
15 not received during the previous year.

16 * Sec. 4. AS 15.13.116(a) is amended to read:

17 (a) A candidate who, after the date of the general, special, municipal, or
18 municipal runoff election or after the date the candidate withdraws as a candidate,
19 whichever comes first, holds unused campaign contributions shall distribute the amount
20 held within 90 days. The distribution may only be made to

21 (1) pay bills incurred for expenditures reasonably related to the
22 campaign and the winding up of the affairs of the campaign, and to pay expenditures
23 associated with post-election fund raising that may be needed to raise funds to pay off
24 campaign debts;

25 (2) pay for a victory or a thank you party costing less than \$500, or to
26 give a thank you gift of a value of less than \$50 to a campaign employee or volunteer;

27 (3) make donations, without condition, to

28 (A) a political party;

29 (B) the state's general fund;

30 (C) a municipality of the state; or

31 (D) the federal government;

1 (4) make donations, without condition, to organizations qualified as
2 charitable organizations under 26 U.S.C. 501(c)(3), provided the organization is not
3 controlled by the candidate or a member of the candidate's immediate family;

4 (5) repay loans from the candidate to the candidate's own campaign
5 under AS 15.13.078(b);

6 (6) repay contributions to contributors, but only if repayment of the
7 contribution is made pro rata in approximate proportion to the contributions made
8 using one of the following, as the candidate determines:

9 (A) to all contributors;

10 (B) to contributors who have contributed most recently; or

11 (C) to contributors who have made larger contributions;

12 (7) establish a fund for, and from that fund to pay, attorney fees or
13 costs incurred in the prosecution or defense of an administrative or civil judicial action
14 that directly concerns a challenge to the victory or defeat of the candidate in the
15 election;

16 (8) transfer all or a portion of the unused campaign contributions to an
17 account for a future election campaign; a transfer under this paragraph is limited to

18 (A) \$50,000, if the transfer is made by a candidate for governor
19 or lieutenant governor;

20 (B) \$10,000, if the transfer is made by a candidate for the state
21 senate;

22 (C) \$5,000, if the transfer is made by a candidate for the state
23 house of representatives; and

24 (D) \$5,000, if the transfer is made by a candidate for an office
25 not described in (A) - (C) of this paragraph;

26 (9) transfer all or a portion of the unused campaign contributions to a
27 public [LEGISLATIVE] office expense term account or to a public office expense
28 term account reserve in accordance with (d) of this section; a transfer under this
29 paragraph is subject to the following:

30 (A) the authority to transfer is limited to candidates who are
31 elected to the state legislature;

1 (B) the public [LEGISLATIVE] office expense term account
2 established under this paragraph may be used only for expenses associated with
3 the candidate's serving as a member of the legislature;

4 (C) all amounts expended from the public [LEGISLATIVE]
5 office expense term account shall be annually accounted for under
6 AS 15.13.110(a)(4); and

7 (D) a transfer under this paragraph is limited to \$5,000
8 multiplied by the number of years in the term to which the candidate is elected;
9 and

10 (10) transfer all or a portion of the unused campaign contributions to
11 a municipal office account; a transfer under this paragraph is subject to the following:

12 (A) the authority to transfer is limited to candidates who are
13 elected to municipal office, including a municipal school board;

14 (B) the municipal office account established under this
15 paragraph may be used only for expenses associated with the candidate's
16 serving as mayor or as a member of the assembly, city council, or school
17 board;

18 (C) all amounts expended from the municipal office account
19 shall be annually accounted for under AS 15.13.110(a)(4); and

20 (D) a transfer under this paragraph is limited to \$5,000.

21 * Sec. 5. AS 15.13.116 is amended by adding a new subsection to read:

22 (d) After a general or special election, a candidate for the state legislature who
23 has been elected to the state legislature in that election may, from the amount retained
24 in the public office expense term account reserve under this subsection, transfer to a
25 public office expense term account not more than \$5,000 each calendar year for use
26 only for expenses associated with the candidate's serving as a member of the
27 legislature. A candidate for the senate may transfer up to \$20,000 from unused
28 campaign contributions to a public office expense term account reserve. A candidate
29 for the house of representatives may transfer up to \$10,000 from unused campaign
30 contributions to a public office expense term account reserve. The public office
31 expense term account reserve may only be used to make transfers to the public office

1 expense term account. At the end of the candidate's term of office, a balance in the
2 public office expense term account reserve must be disposed of as provided in (a) of
3 this section but may not be disposed of as provided in (a)(1), (2), (5), or (7) - (10) of
4 this section. All amounts expended under this subsection shall be annually accounted
5 for under AS 15.13.110(a)(4).

6 * Sec. 6. AS 23.20.526(d) is amended to read:

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

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

12 (2) in a facility conducted for the purpose of carrying out a program
13 of rehabilitation for individuals whose earning capacity is impaired by age or physical
14 or mental deficiency or injury or providing remunerative work for individuals who,
15 because of their impaired physical or mental capacity, cannot be readily absorbed in
16 the competitive labor market by an individual receiving the rehabilitation or
17 remunerative work;

18 (3) as part of an unemployment work-relief or work-training program
19 assisted or financed in whole or in part by any federal agency or any agency of a state
20 or political subdivision of the state, by an individual receiving work relief or work
21 training;

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

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

27 (6) by an individual under the age of 22 who is enrolled at a nonprofit
28 or public educational institution that [WHICH] normally maintains a regular faculty
29 and curriculum and normally has a regularly organized body of students in attendance
30 at the place where its educational activities are carried on as a student in a full-time
31 program, taken for credit at the institution, that [WHICH] combines academic

1 instruction with work experience, if the service is an integral part of the program, and
2 the institution has so certified to the employer, except that this paragraph does not
3 apply to service performed in a program established for or on behalf of an employer
4 or group of employers;

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

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

9 (A) as a judicial officer, the governor, the lieutenant
10 governor, a person hired or appointed as the head or deputy head of a
11 department in the executive branch, a person hired or appointed as the
12 director of a division of a department in the executive branch, an assistant
13 to the governor, a chair or member of a state commission or board, state
14 investment officers and the state comptroller in the Department of
15 Revenue, the executive director of the Alaska Tourism Marketing Council,
16 an appointed or elected municipal officer ["PUBLIC OFFICIAL"
17 AS DEFINED IN AS 39.50.200(a)], any other elected official, the fiscal analyst
18 of the legislative finance division, the legislative auditor of the legislative audit
19 division, the executive director of the Legislative Affairs Agency, and the
20 directors of the divisions within the Legislative Affairs Agency;

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

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

25 (9) in the employ of

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

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

30 * Sec. 7. AS 24.25.010(e) is amended to read:

31 (e) This section does not apply to the legislative council, the Select

1 Committee on Legislative Ethics, or [NOR TO] the Legislative Budget and Audit
2 Committee.

3 * Sec. 8. AS 24.45.041(b) is amended to read:

4 The registration form prescribed by the commission must include

5 (1) the lobbyist's full name and complete permanent residence and
6 business address and telephone number, as well as any temporary residential and
7 business address and telephone number in the state capital during a legislative session;

8 (2) the full name and complete address of each person by whom the
9 lobbyist is retained or employed;

10 (3) whether the person from whom the lobbyist receives compensation
11 employs the person solely as a lobbyist or whether the person is a regular employee
12 performing other services for the employer that [WHICH] include but are not limited
13 to the influencing of legislative or administrative action;

14 (4) the nature or form of the lobbyist's compensation for engaging in
15 lobbying, including salary, fees, or reimbursement for expenses received in
16 consideration for, or directly in support of or in connection with, the influencing of
17 legislative or administrative action;

18 (5) a general description of the subjects or matters on which the
19 registrant expects to lobby or to engage in the influencing of legislative or
20 administrative action;

21 (6) the full name and complete address of the person, if other than the
22 registrant, who has custody of the accounts, books, papers, bills, receipts, and other
23 documents required to be maintained under this chapter;

24 (7) the identification of a legislator, legislative employee, or public
25 official to whom the lobbyist is married or who is the spousal equivalent of the
26 lobbyist; in this paragraph, "spousal equivalent" has the meaning given in
27 AS 39.50.030(g).

28 * Sec. 9. AS 24.45.171(12) is amended to read:

29 (12) "public official" or "public officer" means

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

1 (B) [,] a member of the legislature; [,] or
2 (C) an upper-level employee [A LEGISLATIVE DIRECTOR]
3 as defined in AS 24.60.990(a) [; HOWEVER, IT DOES NOT INCLUDE A
4 JUDICIAL OFFICER OR AN ELECTED OR APPOINTED MUNICIPAL
5 OFFICER].

6 * Sec. 10. AS 24.60.030(a) is amended to read:

7 (a) A legislator or legislative employee may not
8 (1) solicit, agree to accept, or accept a benefit other than official
9 compensation for the performance of public duties; this paragraph may not be
10 construed to prohibit lawful solicitation for and acceptance of campaign contributions
11 or the acceptance of a lawful gratuity under AS 24.60.080;

12 (2) use public funds, facilities, equipment, services, or another
13 government asset or resource for a nonlegislative [NONGOVERNMENTAL] purpose,
14 for involvement in or support of or opposition to partisan political activity, or for
15 the private benefit of either the legislator, legislative employee, or another person; this
16 paragraph does not prohibit

17 (A) limited use of state property and resources for personal
18 purposes if the use does not interfere with the performance of public duties and
19 either the cost or value related to the use is nominal or the legislator or
20 legislative employee reimburses the state for the cost of the use;

21 (B) the use of mailing lists, computer data, or other information
22 lawfully obtained from a government agency and available to the general public
23 for nonlegislative [NONGOVERNMENTAL] purposes; [OR]

24 (C) telephone or facsimile use that does not carry a special
25 charge;

26 (D) the legislative council, notwithstanding AS 24.05.190,
27 from designating a public facility for use by legislators and legislative
28 employees for health or fitness purposes; when the council designates a
29 facility to be used by legislators and legislative employees for health or
30 fitness purposes, it shall adopt guidelines governing access to and use of
31 the facility; the guidelines may establish times in which use of the facility

1 is limited to specific groups; or

2 (E) a legislator from using the legislator's private office in
3 the capital city during a legislative session, and for the five days
4 immediately before and the five days immediately after a legislative
5 session, for nonlegislative purposes if the use does not interfere with the
6 performance of public duties and if there is no cost to the state for the use
7 of the space and equipment, other than utility costs and minimal wear and
8 tear, or the legislator promptly reimburses the state for the cost; an office
9 is considered a legislator's private office under this subparagraph if it is
10 the primary space in the capital city reserved for use by the legislator,
11 whether or not it is shared with others;

12 (3) knowingly seek, accept, use, allocate, grant, or award public funds
13 for a purpose other than that approved by law, or make a false statement in connection
14 with a claim, request, or application for compensation, reimbursement, or travel
15 allowances from public funds;

16 (4) require a legislative employee to perform services for the private
17 benefit of the legislator or employee at any time, or allow a legislative employee to
18 perform services for the private benefit of a legislator or employee on government
19 time; it is not a violation of this paragraph if the services were performed in an
20 unusual or infrequent situation and the person's services were reasonably necessary to
21 permit the legislator or legislative employee to perform official duties;

22 (5) use or authorize the use of state funds, facilities, equipment,
23 services, or another government asset or resource for the purpose of political fund
24 raising or campaigning; this paragraph does not prohibit

25 (A) limited use of state property and resources for personal
26 purposes if the use does not interfere with the performance of public duties and
27 either the cost or value related to the use is nominal or the legislator or
28 legislative employee reimburses the state for the cost of the use;

29 (B) the use of mailing lists, computer data, or other information
30 lawfully obtained from a government agency and available to the general public
31 for nonlegislative [NONGOVERNMENTAL] purposes; [OR]

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(C) telephone or facsimile use that does not carry a special charge;

(D) storing or maintaining, consistent with (b) of this section, election campaign records in a legislator's office; or

(E) a legislator from using the legislator's private office in the capital city during a legislative session, and for the five days immediately before and the five days immediately after a legislative session, for nonlegislative purposes if the use does not interfere with the performance of public duties and if there is no cost to the state for the use of the space and equipment, other than utility costs and minimal wear and tear, or the legislator promptly reimburses the state for the cost; an office is considered a legislator's private office under this subparagraph if it is the primary space in the capital city reserved for use by the legislator, whether or not it is shared with other.

* Sec. 11. AS 24.60.030(c) is repealed and reenacted to read:

(c) Unless approved by the committee, during a campaign period for an election in which the legislator or legislative employee is a candidate, a legislator or legislative employee may not use or permit another to use state funds, other than funds to which the legislator is entitled under AS 24.10.110, to print or distribute a political mass mailing to individuals eligible to vote for the candidate. In this subsection,

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

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

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

(2) a mass mailing is considered to be political if it is from or about a legislator, legislative employee, or another person who is a candidate for election or reelection to the legislature or another federal, state, or municipal office or to the board of an electric or telephone cooperative.

1 * Sec. 12. AS 24.60.030(d) is amended to read:

2 (d) A legislator, legislative employee, or another person on behalf of the
3 legislator or legislative employee, or a campaign committee of the legislator or
4 legislative employee, may not distribute or post campaign literature, placards, posters,
5 fund-raising notices, or other communications intended to influence the election of
6 a candidate in an election in public areas in a facility ordinarily used to conduct state
7 government business. This prohibition applies whether or not the election has been
8 concluded. However, a legislator may post, in the legislator's private office,
9 communications related to an election that has been concluded.

10 * Sec. 13. AS 24.60.030(f) is amended to read:

11 (f) A legislative employee may not serve in a position that requires
12 confirmation by the legislature. A legislator or legislative employee may serve on a
13 board of an organization, including a governmental entity, that regularly has a
14 substantial interest in the legislative activities of the legislator or employee [,] if the
15 legislator or employee discloses the board membership to the committee. A legislator
16 or legislative employee who is required to make a disclosure under this subsection
17 shall file the disclosure with the committee by the deadlines set out in
18 AS 24.60.105 stating the name of each organization on whose board the person
19 serves. The committee shall maintain a public record of the disclosure and
20 forward the disclosure to the appropriate house for inclusion in the journal. This
21 subsection does not require a legislator or legislative employee who is appointed
22 to a board by the presiding officer to make a disclosure of the appointment to the
23 committee if the appointment has been published in the appropriate legislative
24 journal during the calendar year.

25 * Sec. 14. AS 24.60.030(g) is amended to read:

26 (g) Unless required by the Uniform Rules of the Alaska State Legislature, a
27 legislator [OR LEGISLATIVE EMPLOYEE] may not vote on a question
28 [PARTICIPATE IN LEGISLATIVE, ADMINISTRATIVE, OR POLITICAL ACTION]
29 if the legislator [OR LEGISLATIVE EMPLOYEE] has an equity or ownership interest
30 in a business, investment, real property, lease, or other enterprise if the interest is
31 substantial and the effect of the action to be voted on on that interest is greater than

1 the effect on a substantial class of persons to which the legislator [OR LEGISLATIVE
2 EMPLOYEE] belongs as a member of a profession, occupation, industry, or region.

3 * Sec. 15. AS 24.60.030 is amended by adding a new subsection to read:

4 (h) An employee who engages in political campaign activities other than
5 incidental campaign activities during the employee's work day shall take leave for the
6 period of campaigning. Political campaign activities while on government time are
7 permissible if the activities are part of the normal legislative duties of the employee,
8 including answering telephone calls and handling incoming correspondence.

9 * Sec. 16. AS 24.60.031(a) is amended to read:

10 (a) A legislator or legislative employee may not

11 (1) on a day when either house of [WHILE] the legislature is in
12 regular or special session, solicit or accept a contribution or a promise or pledge to
13 make a contribution for a campaign for the state legislature; however, a legislator
14 may solicit or accept a contribution, promise, or pledge for a campaign for the
15 state legislature that occurs during the 90 days immediately preceding an election
16 in which the legislator is a candidate for the state legislature [STATE
17 LEGISLATIVE CAMPAIGN];

18 (2) accept money from an event held on a day when either house of
19 the legislature is in regular or special [DURING A LEGISLATIVE] session if a
20 substantial purpose of the event is [EITHER] to raise money on behalf of the member
21 or legislative employee for [CAMPAIGN PURPOSES OR TO RAISE MONEY FOR]
22 state legislative political purposes; however, this paragraph does not prohibit a
23 legislator from accepting money from an event held during the 90 days
24 immediately preceding an election in which the legislator is a candidate for the
25 state legislature; or

26 (3) in a campaign for the state legislature, expend money that was
27 raised on a day when either house of the legislature was in a [STATE] legislative
28 session [CAMPAIGN THAT WAS RAISED] by or on behalf of a legislator [DURING
29 A LEGISLATIVE SESSION] under a declaration of candidacy or a general letter of
30 intent to become a candidate for public office; however, this paragraph does not
31 apply to money raised during the 90 days immediately preceding an election in

1 which the legislator is a candidate for the state legislature.

2 * Sec. 17. AS 24.60.031 is amended by adding new subsections to read:

3 (c) A legislator may not travel at state expense to a place in which the
4 legislator plans to hold a campaign fund raising event if the travel occurs less than 48
5 hours before the event is scheduled to begin. This subsection does not prohibit a
6 legislator from holding a campaign fund raising event in a place to which the legislator
7 traveled at state expense if the

8 (1) travel to the place is completed at least 48 hours before the event
9 was scheduled to begin;

10 (2) legislator made a trip at state expense to a place, returned from that
11 place, and then, within 48 hours, made a second trip to the place and the cost of the
12 second trip was not paid for at state expense; or

13 (3) travel was to the capital city immediately before the beginning of
14 a legislative session or from the capital city to the legislator's home immediately after
15 the final adjournment of a regular or special legislative session.

16 (d) In (c) of this section, an event is considered to be a campaign fund raising
17 event only if the legislator, or another person acting on behalf of the legislator with
18 the legislator's express or implied permission,

19 (1) asks for contributions for the legislator's campaign at the event;

20 (2) announces that the legislator will accept contributions for the
21 legislator's campaign at the event; or

22 (3) otherwise uses the event in a manner that clearly demonstrates that
23 a primary purpose of the event is to raise contributions for the legislator's campaign;
24 the fact that a legislator received campaign contributions at an event is insufficient,
25 without other evidence, to satisfy the proof required by this paragraph.

26 * Sec. 18. AS 24.60.039 is amended by adding a new subsection to read:

27 (b) If a person files a complaint with the committee under AS 24.60.170
28 alleging a violation of this section, the committee may refer the complainant to the
29 State Commission for Human Rights and may defer its consideration of the complaint
30 until after the complainant establishes to the satisfaction of the committee that the
31 commission has completed its proceedings in the matter.

1 * Sec. 19. AS 24.60.040(a) is amended to read:

2 (a) A legislator or legislative employee, or a member of the immediate family
3 of a legislator or legislative employee, may not be a party to or have an interest in a
4 state contract or lease unless the contract or lease is let [THROUGH COMPETITIVE
5 SEALED BIDDING] under AS 36.30 (State Procurement Code) or, for agencies that
6 are not subject to AS 36.30, under similar procedures, or the total annual amount
7 of the state contract or lease is \$5,000 [\$1,000] or less, or is a standardized contract
8 or lease that was developed under publicly established guidelines and is generally
9 available to the public at large, members of a profession, occupation, or group. A
10 person has an interest in a state contract or lease under this section if the person
11 receives direct or indirect financial benefits. A legislator or legislative employee who
12 participates in, or who knows or reasonably should know that a family member
13 is participating in, a state contract or lease that has an annual value of \$5,000 or
14 more shall disclose the participation to the committee by the date required under
15 AS 24.60.105. The legislator or legislative employee shall also disclose the
16 renegotiation of a state contract or lease if the original had to be disclosed under
17 this section or if, as a result of renegotiation, disclosure is required under this
18 section. The disclosure must state the amount of the contract or lease and the
19 name of the state agency issuing the contract or lease and must identify the
20 procedures under which the contract or lease was issued. If the disclosure
21 concerns a contract or lease in which a family member of the discloser is
22 participating, the disclosure must identify the relationship between the participant
23 and the discloser.

24 * Sec. 20. AS 24.60.040 is amended by adding a new subsection to read:

25 (c) This section does not apply to a contract or lease issued under a state
26 program or loan that is subject to AS 24.60.050. A grant that results in a contract but
27 that is not subject to AS 24.60.050 is subject to this section.

28 * Sec. 21. AS 24.60.050(c) is amended to read:

29 (c) A legislator or legislative employee who participates in a program or
30 receives a loan that is not exempt from disclosure under (a) of this section shall file
31 a written report with the committee by the date required under AS 24.60.105

1 [FEBRUARY 15 OF EACH YEAR] stating the amounts of the loans outstanding or
2 benefits received during the preceding calendar year from nonqualifying programs. If
3 the committee requests additional information necessary to determine the propriety of
4 participating in the program or receiving the loan, it shall be promptly provided. The
5 committee shall promptly compile a list of the statements indicating the loans and
6 programs and amounts and send it to the presiding officer of each house who shall
7 have it published in the supplemental journals within three weeks after [OF] the filing
8 date. A legislator or legislative employee who believes that disclosure of
9 participation in a program would be an invasion of the participant's right to
10 privacy under the state constitution may request the committee to keep the
11 disclosure confidential. If the committee finds that publication would constitute
12 an invasion of privacy, the committee shall publish only the fact that a person has
13 participated in the program and the amount of benefit that the unnamed person
14 received. The committee shall maintain the disclosure of the name of the person
15 as confidential and may only use the disclosure in a proceeding under
16 AS 24.60.170. If the disclosure becomes part of the record of a proceeding under
17 AS 24.60.170, the disclosure may be made public as provided in that section.

18 * Sec. 22. AS 24.60.060 is amended by adding a new subsection to read:

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

22 * Sec. 23. AS 24.60.070(b) is amended to read:

23 (b) A legislator or legislative employee required to make a disclosure
24 under this section shall make a disclosure by the date set under AS 24.60.105 of
25 the legislator's or legislative employee's close economic associations then in
26 existence. A disclosure under this section must be sufficiently detailed that a reader
27 of the disclosure can ascertain the nature of the association.

28 * Sec. 24. AS 24.60.070 is amended by adding a new subsection to read:

29 (d) When making a disclosure under (a) of this section concerning a
30 relationship with a lobbyist to whom the legislator or legislative employee is married
31 or who is the legislator's or legislative employee's spousal equivalent, the legislator or

1 legislative employee shall also disclose the name and address of each employer of the
2 lobbyist and the total monetary value received by the lobbyist from the lobbyist's
3 employer. The legislator or legislative employee shall report changes in the employer
4 of the spouse or spousal equivalent within 48 hours after the change. In this
5 subsection, "employer of the lobbyist" means the person from whom the lobbyist
6 received amounts or things of value for engaging in lobbying on behalf of the person.

7 * Sec. 25. AS 24.60.080(a) is amended to read:

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

17 * Sec. 26. AS 24.60.080(c) is amended to read:

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

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

21 (A) with incidental transportation at the residence of a person;

22 however, a vacation home located outside the state is not considered a
23 residence for the purposes of this subparagraph; or

24 (B) at a social event or meal;

25 (2) discounts that are available

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

28 (B) when on official state business, but only if receipt of the
29 discount benefits the state;

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

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

3 (5) gifts from the immediate family of the person; [OR]

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

5 or

6 (7) a discount for all or part of a legislative session, including time
7 immediately preceding or following the session, or other gift to welcome a
8 legislator or legislative employee who is employed on the personal staff of a
9 legislator or by a standing or special committee to the capital city or in
10 recognition of the beginning of a legislative session if the gift or discount is
11 available generally to all legislators and the personal staff of legislators and staff
12 of standing and special committees; this paragraph does not apply to legislative
13 employees who are employed by the Legislative Affairs Agency, the office of the
14 chief clerk, the office of the senate secretary, the legislative budget and audit
15 committee, or the office of the ombudsman.

16 * Sec. 27. AS 24.60.080(d) is amended to read:

17 (d) A legislator or legislative employee who accepts a gift under (c)(4) [OR
18 (6)] of this section shall disclose the gift if it has a value of \$250 [\$100] or more; the
19 [. THE] disclosure must include the name and occupation of the person making the
20 gift, [AND] the approximate value of the gift, and [. A GIFT UNDER (c)(4) OF
21 THIS SECTION REQUIRED TO BE DISCLOSED UNDER THIS SUBSECTION]
22 shall be disclosed to the committee within 30 days after [OF] the receipt of the gift,
23 Except as provided in (i) of this section, a gift [TO THE COMMITTEE. GIFTS]
24 under (c)(6) of this section that has a value of \$250 or more shall be disclosed to the
25 committee annually on or before February 15 [APRIL 15] of the following calendar
26 year; the [AND THE] disclosure needs to include only a description of the gift and
27 the identity of the donor [THE VALUE ONLY IF THE VALUE OF THE GIFT
28 EXCEEDS \$250]. The committee shall maintain a public record of the disclosure it
29 receives relating to gifts under (c)(4) of this section and shall forward the disclosure
30 to the appropriate house for inclusion in the journal. Disclosures relating to gifts under
31 (c)(6) of this section shall be maintained, but are confidential and may only be used

1 by the committee and its employees and contractors in the investigation of a possible
 2 violation of this section or in a proceeding under AS 24.60.170. If the disclosures
 3 become part of the record of a proceeding under AS 24.60.170, the confidentiality
 4 provisions of that section apply to the disclosures. The committee shall forward to
 5 the Alaska Public Offices Commission copies of the disclosures concerning gifts
 6 under (c)(4) of this section that it receives from legislative employees who are
 7 required to file financial disclosure statements under AS 24.60.200 and from
 8 legislators.

9 * Sec. 28. AS 24.60.080(e) is amended to read:

10 (e) A political contribution [THAT IS REPORTED UNDER AS 15.13.040] is
 11 not a gift under this section if it is reported under AS 15.13.040 or is exempt from
 12 the reporting requirement under AS 15.13.040(g).

13 * Sec. 29. AS 24.60.080(f) is amended to read:

14 (f) Notwithstanding (a) of this section, a legislator or legislative employee may
 15 accept a gift of property worth \$250 [\$100] or more, other than money, from another
 16 [A FOREIGN] government or from an official of another [A FOREIGN] government
 17 if the person accepts the gift on behalf of the legislature. The person shall, within 60
 18 days after [OF] receiving the gift, deliver the gift to the legislative council, which
 19 shall determine the appropriate disposition of the gift. In this subsection, "another
 20 government" means a foreign government or the government of the United States,
 21 another state, a municipality, or another jurisdiction.

22 * Sec. 30. AS 24.60.080(g) is amended to read:

23 (g) In this section, "immediate family" or "family member" means
 24 (1) the spouse of the person;
 25 (2) the person's spousal equivalent;
 26 (3) a child, including a stepchild and an adoptive child, of the
 27 person or of the person's spousal equivalent;
 28 (4) a parent, sibling, grandparent, aunt, or uncle of the person; and
 29 (5) a parent, sibling, grandparent, aunt, or uncle of the person's
 30 spouse or the person's spousal equivalent; and
 31 (6) a stepparent, stepsister, stepbrother, step-grandparent, step-

1 aunt, or step-uncle of the person, the person's spouse, or the person's spousal
2 equivalent [HAS THE MEANING GIVEN IN AS 24.60.990(a)(5) AND INCLUDES
3 THE GRANDPARENTS, AUNTS, AND UNCLES OF A PERSON, ALSO
4 INCLUDES A PERSON DESCRIBED IN THIS SUBSECTION OR
5 AS 24.60.990(a)(5) WHO IS RELATED TO THE PERSON BY MARRIAGE].

6 * Sec. 31. AS 24.60.080 is amended by adding new subsections to read:

7 (h) Notwithstanding (a) of this section, a legislator or legislative employee may
8 solicit, accept, or receive a gift on behalf of a recognized, nonpolitical charitable
9 organization.

10 (i) A legislator, a legislative committee other than the Select Committee on
11 Legislative Ethics, or a legislative agency may accept (1) a gift of volunteer services
12 for legislative purposes so long as the person making the gift of services is not
13 receiving compensation from another source for the services or (2) a gift of the
14 services of a trainee who is participating in an educational program approved by the
15 committee if the services are used for legislative purposes. The committee shall
16 approve training under a program of the University of Alaska and training under 29
17 U.S.C. 1501 - 1792b (Job Training Partnership Act). A legislative volunteer or
18 educational trainee shall be considered to be a legislative employee for purposes of
19 compliance with AS 24.60.030 - 24.60.039, 24.60.060, 24.60.080, 24.60.085, 24.60.158
20 - 24.60.170, 24.60.176, and 24.60.178. If a person believes that a legislative volunteer
21 or educational trainee has violated the provisions of one of those sections, the person
22 may file a complaint under AS 24.60.170. The provisions of AS 24.60.170 apply to
23 the proceeding.

24 (j) A legislator or legislative employee who knows or reasonably should know
25 that a family member has received a gift because of the family member's connection
26 with the legislator or legislative employee shall report the receipt of the gift by the
27 family member to the committee if the gift would have to be reported under this
28 section if it had been received by the legislator or legislative employee or if receipt of
29 the gift by a legislator or legislative employee would be prohibited under this section.

30 (k) In this section, the value of a gift shall be determined by the fair market
31 value of the gift to the extent that the fair market value can be determined.