

12162

HOUSE

JUDICIARY

1 (d) An individual may not engage in any activity as a lobbyist at any time
2 that AS 39.52 prohibits that individual from engaging in activity as a lobbyist. This
3 subsection does not prohibit service as a volunteer lobbyist described in
4 AS 24.45.161(a)(1) or a representational lobbyist as defined under regulations of the
5 Alaska Public Offices Commission.”

6

7 Renumber the following bill sections accordingly.

New Amend #9
AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(), Draft Version "K"

1 Page 7, following line 14:

2 Insert a new bill section to read:

3 **** Sec. 8.** AS 24.60.030(f) is amended to read:

4 (f) A legislative employee may not serve in a position that requires
5 confirmation by the legislature. A legislator or legislative employee who serves
6 [MAY SERVE] on a board of an organization, including a governmental entity, ~~that~~
7 ~~regularly has a substantial interest in the legislative activities of the legislator or~~
8 ~~employee~~ shall disclose [IF THE LEGISLATOR OR EMPLOYEE DISCLOSES] the
9 board membership to the committee. A person [A LEGISLATOR OR
10 LEGISLATIVE EMPLOYEE WHO IS] required to make a disclosure under this
11 subsection shall file the disclosure with the committee by the deadline [DEADLINES]
12 set out in AS 24.60.105 stating the name of each organization on whose board the
13 person serves. The committee shall maintain a public record of the disclosure and
14 forward the disclosure to the appropriate house for inclusion in the journal. This
15 subsection does not require a legislator or legislative employee who is appointed to a
16 board by the presiding officer to make a disclosure of the appointment to the
17 committee if the appointment has been published in the appropriate legislative journal
18 during the calendar year."

19

20 Renumber the following bill sections accordingly.

21

22 Page 22, line 9:

23 Delete "sec. 29"

- 1 Insert "sec. 30"
- 2
- 3 Page 22, line 10:
- 4 Delete "sec. 29"
- 5 Insert "sec. 30"
- 6
- 7 Page 22, line 11:
- 8 Delete "sec. 30"
- 9 Insert "sec. 31"
- 10
- 11 Page 22, line 14:
- 12 Delete "sec. 30"
- 13 Insert "sec. 31"
- 14
- 15 Page 22, line 15:
- 16 Delete "sec. 31"
- 17 Insert "sec. 32"
- 18
- 19 Page 22, line 18:
- 20 Delete "sec. 31"
- 21 Insert "sec. 32"
- 22
- 23 Page 22, line 19:
- 24 Delete "22, and 26"
- 25 Insert "23, and 27"
- 26
- 27 Page 22, line 20:
- 28 Delete "sec. 33"
- 29 Insert "sec. 34"

24.60.130 (Joyce-Ethics)

25-GH1059K.40
Wayne
2/23/07

Amendment Passed

AMENDMENT #10

OFFERED IN THE HOUSE

BY REPRESENTATIVE LYNN

TO: CSHB 109(). Draft Version "K"

Co-bill objects

1 Page 13, following line 9:

2 Insert a new bill section to read:

3 "* Sec. 17. AS 24.60.130 is amended by adding a new subsection to read:

4 (p) Notwithstanding (h) and (n) of this section, if a complaint before the
5 committee alleges a violation of this chapter by a group of legislators that includes a
6 legislative member of the committee and that member's alternate, the member and
7 alternate member are disqualified from serving on the committee with regard to the
8 complaint. If the two disqualified members of the committee are part of the majority
9 caucus, the presiding officer of the house in which the two disqualified members serve
10 shall appoint from that house an alternate to serve with regard to the complaint. If one
11 of the two disqualified legislative members of the committee is not part of the majority
12 caucus, the leader of the minority caucus with the greatest number of members shall
13 appoint from that house an alternate to serve with regard to the complaint. If a
14 complaint alleges a violation of this chapter that includes all legislative members of
15 the majority caucus of one house, the presiding officer of that house shall appoint from
16 the other house an alternate to serve with regard to the complaint. If the complaint
17 alleges a violation of this chapter that includes all legislative members of a minority
18 caucus of one house, the leader of that minority caucus shall appoint from the other
19 house an alternate to serve with regard to the complaint. In this paragraph, "caucus"
20 has the meaning given in AS ^{24.60.130 (o)} ~~24.60.037.~~

21

22 Renumber the following bill sections accordingly.

23

1 Page 22, line 9:

2 Delete "sec. 29"

3 Insert "sec. 30"

4

5 Page 22, line 10:

6 Delete "sec. 29"

7 Insert "sec. 30"

8

9 Page 22, line 11:

10 Delete "sec. 30"

11 Insert "sec. 31"

12

13 Page 22, line 14:

14 Delete "sec. 30"

15 Insert "sec. 31"

16

17 Page 22, line 15:

18 Delete "sec. 31"

19 Insert "sec. 32"

20

21 Page 22, line 18:

22 Delete "sec. 31"

23 Insert "sec. 32"

24

25 Page 22, line 19:

26 Delete "22, and 26"

27 Insert "23, and 27"

28

29 Page 22, line 20:

30 Delete "sec. 33"

31 Insert "sec. 34"

(o) In this section, "minority organizational caucus" means a group of legislators who have organized and elected a minority leader and constitute at least 25 percent of the total membership of the house or senate, as appropriate.

AMENDMENT

New
Amendment # 11
Greenberg
~~11/11~~

OFFERED IN THE HOUSE

BY REPRESENTATIVE Gardner

TO: CS HB 109

passed

1 Page 2, line 9, after the word "Sec. 2."

2 Insert:

3 AS 24.60.085 is amended by adding a new subsection to read:

4 (c) During the term for which elected or appointed ~~(and while so elected)~~ a
5 legislator may not, directly or by authorizing another to act on the legislator's behalf,
6 accept or agree to accept compensation, except from the State of Alaska, for work
7 associated with legislative action or administrative action, as those terms are defined
8 in AS 24.45.171, or political action as defined in AS 24.60.990.

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New
AMENDMENT #13

OFFERED IN THE HOUSE

TO: CSHB 109 (), Draft Version "K"

BY REPRESENTATIVE GRUENBERG

Amendment #__ .

Sec. 24.60.200. Financial disclosure by legislators, public members of the committee, and legislative directors.

A legislator, a public member of the committee, and a legislative director shall file a disclosure statement, under oath and on penalty of perjury, with the Alaska Public Offices Commission giving the following information about the income received by the discloser, the discloser's spouse or domestic partner, the discloser's dependent children, and the discloser's nondependent children who are living with the discloser:

(1) the information that a public official is required to report under AS 39.50.030, other than income received as compensation for personal services, loans or loan guarantees, and information about gifts;

(2) as to income in excess of \$1,000 received as compensation for personal services, the name and address of the source of the income, and a statement describing in detail the nature of the services performed; if the source of income is known or reasonably should be known to have a substantial interest in legislative, administrative, or political action and the recipient of the income is a legislator or legislative director, the amount of the income and the approximate number of hours of services performed to earn that income. [THE AMOUNT OF INCOME RECEIVED FROM THE SOURCE] shall be disclosed, and a statement explaining how the income was earned may be included;

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

24.60.100

not

25-GH1059AK.17
Cook/Wayne
2/21/07

Amendment should have been Offered

AMENDMENT

14

*Tan
Winant
Hans
Anesh*

OFFERED IN THE HOUSE

TO: CSHB 109(), Draft Version "K"

1 Page 1, line 4, following "government;":

2 Insert "restricting representation of others by legislators and legislative
3 employees;"

4
5 Page 11, lines 9 - 17:

*Amend 1 to Amend 14
- strike "a other entity"*

6 Delete all material and insert:

7 "Sec. 24.60.100. Representation. A legislator or legislative employee may
8 not represent [WHO REPRESENTS] another person for compensation before a
9 municipal, legislative, or executive branch [AN] agency, board, [OR] commission,
10 ~~or other entity~~ [OF THE STATE SHALL DISCLOSE THE NAME OF THE
11 PERSON REPRESENTED, THE SUBJECT MATTER OF THE
12 REPRESENTATION, AND THE BODY BEFORE WHICH THE
13 REPRESENTATION IS TO TAKE PLACE TO THE COMMITTEE. THE
14 DISCLOSURE SHALL BE MADE BY THE DEADLINES SET OUT IN
15 AS 24.60.105. THE COMMITTEE SHALL MAINTAIN A PUBLIC RECORD OF A
16 DISCLOSURE UNDER THIS SECTION AND FORWARD THE DISCLOSURE TO
17 THE RESPECTIVE HOUSE FOR INCLUSION IN THE JOURNAL. A
18 LEGISLATOR OR LEGISLATIVE EMPLOYEE MAY NOT REPRESENT
19 ANOTHER PERSON FOR COMPENSATION BEFORE AN AGENCY,
20 COMMITTEE, OR OTHER ENTITY OF THE LEGISLATIVE BRANCH]."

21
22 Page 12, line 2:

23 Delete "matter, interest, or representation"

1 Insert "matter or interest [OR REPRESENTATION]"

2

3 Page 12, lines 14 - 15:

4 Delete all material.

5 Insert "AS 24.60.070 [;

6 (5) REPRESENTATION OF A CLIENT UNDER AS 24.60.100]."

115 answer miles

25-GH1059K.45
Wayne
2/26/07

Amendment 17 Fix

AMENDMENT

public testimony chair

OFFERED IN THE HOUSE

TO: CSHB 109(), Draft Version "K"

1 Page 16, following line 8:

2 Insert a new bill section to read:

3 **** Sec. 22. AS 24.60.210(a) is amended to read:**

4 (a) A person required to file a disclosure statement under AS 24.60.200 shall
5 file an annual report with the Alaska Public Offices Commission, covering the
6 previous calendar year, containing the disclosures required by AS 24.60.200, on or
7 before March 15 of each year, except that a person appointed as a legislator under
8 AS 15.40, a public member of the committee, or a legislative director must file
9 within 30 days after the person's appointment."

10

11 Renumber the following bill sections accordingly.

12

13 Page 22, line 9:

14 Delete "sec. 29"

15 Insert "sec. 30"

16

17 Page 22, line 10:

18 Delete "sec. 29"

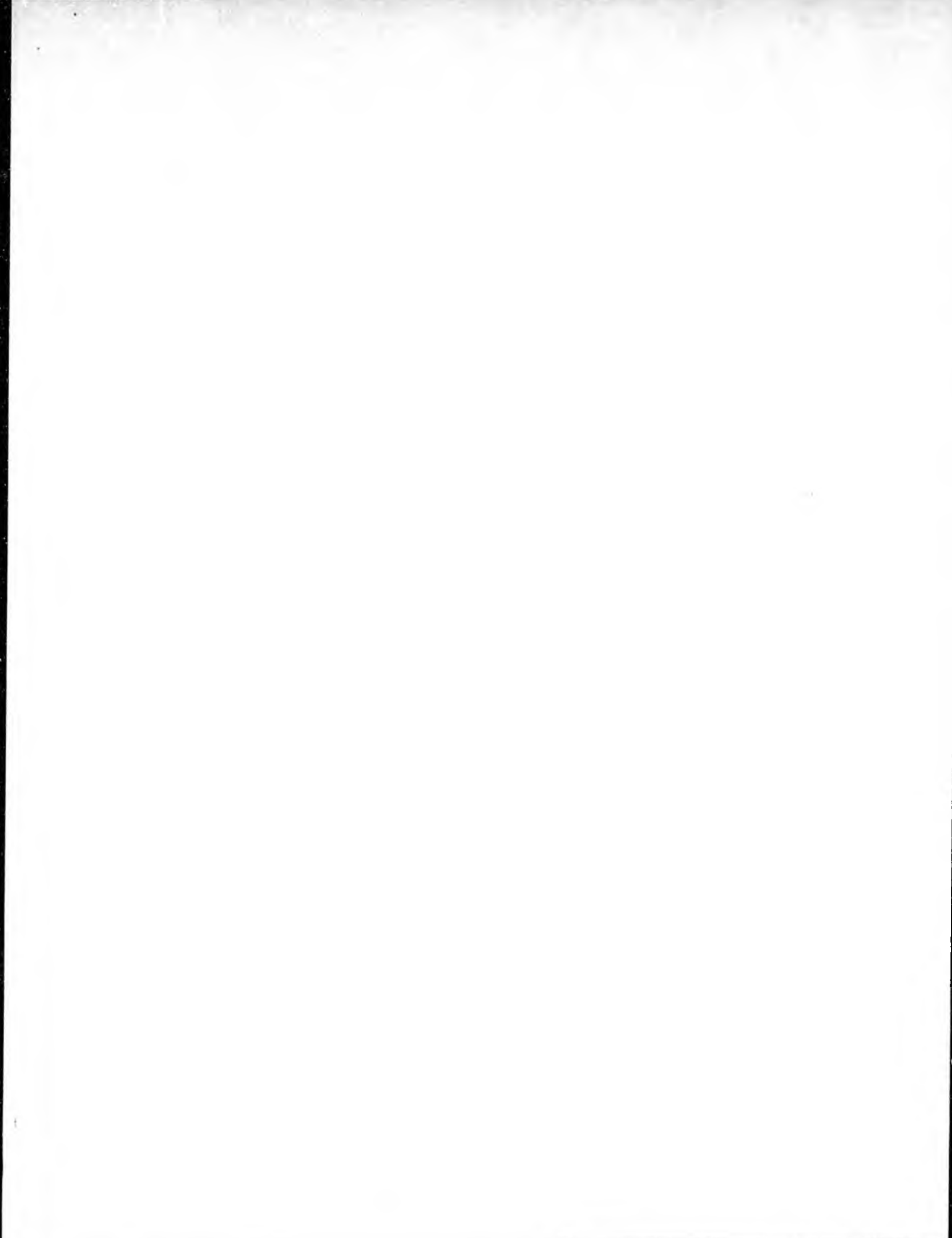
19 Insert "sec. 30"

20

21 Page 22, line 11:

22 Delete "sec. 30"

23 Insert "sec. 31"



1

2 Page 22, line 14:

3 Delete "sec. 30"

4 Insert "sec. 31"

5

6 Page 22, line 15:

7 Delete "sec. 31"

8 Insert "sec. 32"

9

10 Page 22, line 18:

11 Delete "sec. 31"

12 Insert "sec. 32"

13

14 Page 22, line 19:

15 Delete "Sections 2, 22, and 26"

16 Insert "Sections 2, 23, and 27"

17

18 Page 22, line 20:

19 Delete "sec. 33"

20 Insert "sec. 34"

Amendment Passed

1 AS 24.60.210 Governor's Amendment ^{#3} (Electronic Legislative Filing - Title 24)

2
3 OFFERED IN THE HOUSE

BY THE GOVERNOR

Passed

4 STATE AFFAIRS COMMITTEE

5 TO: CSHB 109() (25-GH1059\K; 2/21/07)

6 Page 16, line 10, following "Commission":

7 Delete "may request"

8 Insert "shall require"

*Bob's amend
is attached
filed*

9
10 Page 16, line 11, following "but":

11 Delete "shall"

12 Insert "may, when circumstances warrant an exception,"

13
14 Page 22, following line 18:

15 Insert a new bill section to read:

16 **** Sec. 33. Section 22 of this Act takes effect July 1, 2008.**

17
18 Renumber the following bill sections accordingly.

19
20 Page 22, line 19, following "Sections 2,"

21 Delete "22"

Amendment Passed

1 AS 39.50.050(a) Governor's Amendment ^{#4} (Electronic Public Official Filing - Title 39)

2 *Passed*

3 OFFERED IN THE HOUSE

BY THE GOVERNOR

4 STATE AFFAIRS COMMITTEE

5 TO: CSHB 109() (25-GH1059\K; 2/21/07)

6 Page 19, line 16, following "commission":

7 Delete "may request"

8 Insert "shall require"

9
10 Page 19, line 17, following "chapter":

11 Insert ", unless it is information required of a municipal officer,"

12
13 Page 19, line 17, following "but":

14 Delete "shall"

15 Insert "may, when circumstances warrant an exception,"

16
17 Page 19, following line 20:

18 Insert "Municipal officers must submit information required under this chapter
19 electronically or in the typed or hand-printed form described in this subsection."
20

21 Page 19, lines 21 - 27:

22 Delete all material.

**Revised Version of
Amendment # 22 (K.43)**

25-GH1059K.50
Cook/Wayne
3/2/07

AMENDMENT

POOB

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: CSHB 109(), Draft Version "K"

1 Page 1, line 4, following "government;":

2 Insert "relating to blind trusts approved by the Alaska Public Offices
3 Commission;"

4

5 Page 19, following line 9:

6 Insert a new bill section to read:

7 "* Sec. 26. AS 39.50.040 is amended to read:

8 **Sec. 39.50.040. Blind trusts.** (a) A public official may transfer all or a portion
9 of the official's assets to a blind trust for the duration of service in public office. The
10 original assets placed in the blind trust shall be listed by the official in a [THE]
11 statement [REQUIRED TO BE] filed under this section, together with a description
12 of the actual or potential conflicts of interest, or appearance of conflict, that the
13 official seeks to avoid by the use of the trust. A copy of the [CHAPTER. THE]
14 instrument creating the blind trust must be included with the statement.

15 (b) For a blind trust to qualify under this section, the following conditions
16 must be met:

17 (1) the trust may not contain investments or assets in which the
18 ownership right or interest is required to be recorded in a public office other
19 than with the Alaska Public Offices Commission, or contain assets with
20 permanency that makes transfer by the trustee improbable or impractical,
21 including businesses, real estate, security interests in personal property, and
22 mortgages [ASSETS TRANSFERRED TO THE TRUST SHALL BE
23 MARKETABLE];

1 (2) the trustee shall be a bank or other institutional fiduciary;

2 (3) the trustee shall have full authority to manage the trust, including
3 the purchase, sale, and exchange of its assets in accordance with fiduciary principles;

4 (4) the trust instrument shall contain a clear statement that its
5 purpose is to remove from the trustor control and knowledge of investment of
6 trust assets so that conflicts between the trustor's responsibilities and duties as a
7 public official and the trustor's personal or financial interests will be eliminated
8 [INFORMATION REGARDING THE IDENTITY AND THE NATURE OF ITS
9 ASSETS SHALL BE CONFIDENTIAL FROM THE TRUSTOR FOR THE
10 DURATION OF THE TRUST];

11 (5) the trustee shall be directed not to disclose to the trustor any
12 information about the identity and nature of any of the assets in the trust, and the
13 trustee shall be required to report any known breach of this confidentiality or the
14 termination of the trust to the commission [OFFICE WHERE THE TRUSTOR IS
15 REQUIRED TO FILE STATEMENTS UNDER THIS CHAPTER]; [AND]

16 (6) the trust shall be irrevocable and shall be terminated only upon
17 the death of the trustor, upon termination of the trustor's status as a public
18 official, or upon order of the commission;

19 (7) the trustee shall be required to

20 (A) prepare and file the trustor's personal income tax
21 returns, withholding from distribution of the trust's net income amounts
22 sufficient to pay the trustor's tax; and to participate in the audit of the
23 trustor's returns during the period of the trust, with authority to
24 compromise the trustor's tax liability; or

25 (B) submit to the trustor, for income tax purposes, a
26 certification of income paid without identifying the assets producing the
27 income;

28 (8) the trustee shall be directed to avoid knowingly making any
29 investment in a corporation, business, or venture over which the trustor is likely
30 to take action by virtue of the trustor's official position;

31 (9) the trustor may not retain control over the trustee, and the

1 trustor is not permitted to make any recommendations or suggestions as to the
2 trust property;

3 (10) the trust instrument agreement must provide that the trustee
4 will give the attorney general or personnel board access to any records or
5 information related to the trust that is necessary when investigating or hearing
6 an accusation alleging a violation of AS 39.52;

7 (11) the trustee shall report to the commission the beginning and
8 ending value of the trust and, if the commission requests, the trustee shall
9 prepare under seal a detailed description of transactions and holdings of the
10 trust; the document prepared by the trustee under seal is not public information
11 unless an accusation under AS 39.52 relevant to the blind trust is filed by the
12 attorney general or the personnel board, and

13 (12) the trust may not become effective until the trust instrument
14 is submitted and approved by the commission [REPEALED]."

15

16 Renumber the following bill sections accordingly.

17

18 Page 22, line 9:

19 Delete "sec. 29"

20 Insert "sec. 30"

21

22 Page 22, line 10:

23 Delete "sec. 29"

24 Insert "sec. 30"

25

26 Page 22, line 11:

27 Delete "sec. 30"

28 Insert "sec. 31"

29

30 Page 22, line 14:

31 Delete "sec. 30"

- 1 Insert "sec. 31"
- 2
- 3 Page 22, line 15:
- 4 Delete "sec. 31"
- 5 Insert "sec. 32"
- 6
- 7 Page 22, line 18:
- 8 Delete "sec. 31"
- 9 Insert "sec. 32"
- 10
- 11 Page 22, line 19:
- 12 Delete "and 26"
- 13 Insert "26, and 27"
- 14
- 15 Page 22, line 20:
- 16 Delete "sec. 33"
- 17 Insert "sec. 34"

#23 *passed*

AS 39.50.200(b) Governor's Amendment (Beards - Title 39)

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OFFERED IN THE HOUSE BY THE GOVERNOR

STATE AFFAIRS COMMITTEE

TO: CSHB 109() (25-GH1059K; 2/21/07)

Page 19, following line 27:

Insert a new bill section to read:

"* Sec. 27. AS 39.50.200(b) is amended by adding new paragraphs to read:

(59) Alaska Industrial Development and Export Authority (AS 44.88);

(60) the board of directors of the Knik Arm Bridge and Toll Authority

(AS 19.75.031 and 19.75.041);

(61) Alaska labor relations agency (AS 23.05.360 - 23.05.390);

(62) the Board of Trustees of the Alaska Mental Health Trust Authority

(AS 47.30.016);

(63) the board of directors of the Alaska Railroad Corporation

(AS 42.40.020 - 42.40.060)."

Renumber the following bill sections accordingly.

#24

AS 39.52.110 Governor's Amendment (Insignificant Business Interest - Title 39)

Also same to 39.52.110(d) from pg 9 of Master

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OFFERED IN THE HOUSE BY THE GOVERNOR
STATE AFFAIRS COMMITTEE

TO: CSHB 109() (25-GH1059AK; 2/21/07)

Page 19, following line 27:

Insert a new bill section to read:

* Sec. 27. AS 39.52.110 is amended by adding a new subsection to read:

(d) Stock or other ownership interest in a business is presumed to be insignificant if
the value of the stock or other ownership interest is less than \$5,000."

Page 19, line 28, through page 20, line 26:

Delete all material.

AMENDMENT 35

OFFERED IN THE HOUSE
TO: HB 109 (STA)

BY REPRESENTATIVE ROSES

1 Page 21, Line 21

2 After the word, "position," Add, "who is required to file a financial disclosure with

3 APOC"

4

39.52.225

25-GH1059K.28-A
Wayne
2/21/07

AMENDMENT

#30

[Handwritten signature]

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 109(), Draft Version 'K'

- 1 Page 22, following line 6:
- 2 Insert a new bill section to read:
- 3 **"* Sec. 32. AS 39.52 is amended by adding a new section to read:**
- 4 **Sec. 39.52.225. Disclosures in connection with executive clemency.** Before
- 5 granting executive clemency to an applicant for executive clemency, the governor
- 6 shall disclose in writing to the attorney general whether granting the clemency would
- 7 benefit a personal or financial interest of the governor. The attorney general shall
- 8 publish ~~and make public~~ a written determination whether granting executive clemency
- 9 to the applicant would violate AS 39.52.110 - 39.52.190. The written determination of
- 10 the attorney general ~~(under this section)~~ is not confidential, but information set out in
- 11 that determination identifying ^{person other than the applicant for clemency who is a} a victim or witness in a criminal matter may not be
- 12 made public."
- 13
- 14 Renumber the following bill sections accordingly.
- 15
- 16 Page 22, line 20:
- 17 Delete "33"
- 18 Insert "34"

AMENDMENT #34

OFFERED IN THE HOUSE

TO: CSHB 109 (), Draft Version "K"

BY REPRESENTATIVE GRUENBERG

Amendment #__

AS 39.50.200 (a)(10) is amended to read:

Insert after professional corporation, limited liability company.

CSHB 109(STA) VERSION "O"
SUBJECT SECTIONAL

REPORTING - LEGISLATORS - TITLE 15 & 24

Section 1. This section eliminates the \$5,000 exemption for all candidates for public office except delegates to a constitutional convention, a judge seeking electoral confirmation, or a candidate for a municipal office.

Section 2. Implements a May 1, 2009 deadline for mandatory electronic filing for all candidates except candidates for municipal office and for those candidates whose circumstances warrant an exception.

Sec. 5. Places a further prohibition for lobbyists on campaign contributions or gifts that would violate AS 39.52 the Alaska Executive Branch Ethics Act.

Sec. 6. Allows a person prohibited from lobbying because of family relationship with a legislator to engage in volunteer or representational lobbying, must register as a representational lobbyist, but is not required to pay the registration fee.

Sec. 7. Modifies language in the applicability section of the Legislative Ethics Act that has at times been misinterpreted as exempting legislators, legislative directors, legislative employees and public members of the committee from disclosure requirements related to the latter part of their time in service.

Sec. 9. Requires a legislator or legislative employee to report board memberships to the Ethics Committee.

Sec. 11. Eliminates legislator from close economic association with a lobbyist report to Ethics since legislators can no longer have a close economic relationship with a lobbyist. Legislative employees continue to be required to file the report.

Sec. 13. Adds gifts received by family members of legislators and legislative employees to the disclosures that are maintained for public record and forwarded to APOC.

Sec. 14. This language puts disclosers on notice that legislators and legislative employees must disclose gifts of family members' to the Ethics Committee. Also see Sec. 14 under APOC and Ethics Committee for further discussion of section 14.

Sec. 17. Streamlines reporting requirements so that unless otherwise provided for, Ethics disclosure deadlines for legislators, legislative employees, and committee members will be "30 days after the commencement of the matter or interest".

Sec. 18. New law requires a former legislator, legislative employee or public member of the Select Committee on Legislative Ethics to file disclosure information for all matters relevant to when that person was a legislator, legislative employee or public member of the Select Committee on Legislative Ethics even though they no longer hold that position. Need a rewrite of section for clarity (see Sec. 30)

Sec. 26. Revises list of financial information a legislator, public member of the committee, or a legislative director is required to disclose, by clarifying that disclosure of income received for personal services, or a loan or loan guarantee, are to be reported to APOC in the Annual Financial Disclosure in Title 24, not Title 39. It also requires that when personal income is reported the approximate numbers of hours worked must be reported along with any other information the earner wishes to report. (This amends the initiative language passed.)

Sec. 27. Requires a person who is appointed after the required annual report as a legislator, public member of the committee, or legislative director, must file a financial disclosure report with APOC within 30 days after the person is appointed.

Sec. 28. Requires mandatory electronic filing of financial disclosures to APOC for legislators, legislative directors, and ethics committee members by July 1, 2008 except in a case where APOC makes an exception.

REPORTING - PUBLIC OFFICIALS - TITLE 39

Sec. 30. Requires that within 30 days after leaving office a former public official shall file a final statement with APOC covering any period during the official's service for which the official did not already file a statement.

Sec. 31. Public officials and candidates will now be required to disclose to APOC in their financial statements all gifts with cumulative value over \$250, and the disclosure of income and gifts will include a description of the income's or gift's source, amount, the recipient and, regarding income, a description of how it was earned.

Sec. 32. This section would substantially amend blind trusts from their current form under AS 39.50.040. Blind trusts would remain optional and applies to public officials. APOC

Sec. 33. Requires information submitted to APOC under 39.50 (public officials and candidates for public office) to be submitted electronically started July 1, 2007 unless APOC makes an exception, but makes electronic filing optional for municipal officers.

Sec. 34. New subsection makes presumption that stock or other ownership valued at less than \$5,000 is insignificant for public officials in the Executive Branch. The value is based on the dollar value at the time the report is filed. **ATTORNEY GENERAL & PERSONNEL BOARD**

Sec. 40. Before a governor grants executive clemency the governor is required to disclose in writing to the attorney general whether granting clemency would benefit a personal or financial interest of the governor. **ATTORNEY GENERAL**

PROCEDURES OF APOC AND THE ETHICS COMMITTEE

Sec. 3. Requires APOC to administer an annually updated training course for lobbyists and employers of lobbyists to promote high ethical standards of professional conduct.

Sec. 4. Instructs APOC to obtain a sworn affirmation by a lobbyist to verify that the lobbyist has completed a training course within a 12-month period preceding the date of registering as a lobbyist.

Sec. 10. Streamlines the Ethics Committees reporting process for disclosures related to loans received or certain programs participated in by legislators or legislative employees changing the "within three weeks" to "next regularly scheduled report". Also allows staff to, upon request, edit information that if disclosed would cause unjustifiable invasion of personal privacy.

Sec. 14. Instructs the Ethics Committee to forward reports of gifts to legislators, legislative employees, and family members to the Alaska Public Offices Commission.

Sec. 19. Allows the chair of the Ethics Committee or a subcommittee to designate the alternate legislative member to attend a meeting if the regular member is unable to attend. Currently the chair can only appoint the alternate if the regular member has a conflict with an item on the meeting agenda.

Sec. 20. Allows the chair of the Ethics Committee or a subcommittee to designate an alternate member to attend a meeting if the regular member and the alternate member are both accused of a violation in the complaint the committee is hearing.

Sec. 21. Adds to duties of the Ethics Committee, requiring that it publish certain educational legislative ethics materials, and in January of each year administer an ethics course to help people covered by the ethics code understand and follow it.

Sec. 23. Adds APOC and Ethics Committee to the list of entities that may request an advisory opinion under AS 24.60.160 and adds the requirement that advisory opinions be redacted before publication to protect the identity of the person involved. It also makes the vote record of the committee a public record.

Sec. 24. Allows persons who have provided legal advice to the Ethics Committee in the past, but no longer do so, to be appointed by the committee to present the case against the person charged. It also grants authority to the committee to approve the change date of a hearing beyond the current 20 - 90 days limit. It also allows the committee to dismiss a complaint if the delay caused by the complainant in the case is not supported by a compelling reason or would result in the person charged being deprived of a fair hearing.

ENFORCEMENT STATUTES APOC AND ETHICS COMMITTEE

Sec. 8. Prohibits a legislator from sending out a constituent newsletter within 30 days of an election. APOC

Sec. 12. This amendment adds the office of victims' rights to the list of legislative employees that do not qualify for the discounts. Special discounts are given to legislators and their staff to make the stay during session more affordable. An example is reduced rates at a local athletic club. ETHICS

Sec. 15. A new section that prohibits serving legislators from "directly or by authorizing another to act on the legislator's behalf, accepting or agreeing to accept compensation from anyone but the state for services related to their work. ETHICS

Sec. 16. Prohibits a legislator or legislative employee from being compensation for representation before a "municipal, legislative, or executive branch" entity. ETHICS

Sec. 22. New section requires legislators, legislative employees, and public members of the Ethics Committee to complete the legislative ethics course offered by the committee. ETHICS

Sec. 25. Defines the victims' advocate as the "appointing authority" for the purpose of determining how to sanction an employee of the Office of Victims' Rights found by the Ethics Committee to have violated the Legislative Ethics Act; and similarly defines the legislature as the "appointing authority" where the question is how to sanction the victims' advocate. ETHICS

Sec. 29. Specifies that when APOC finds a person at the Office of Victims' Rights has failed or refused to file a financial disclosure when required, APOC will notify the Legislative Council. APOC

Sec. 35. Presumes a gift from a lobbyist to a public official or a family member of a public official, regardless of the value, is intended to influence a public official and is prohibited unless the gift is from an immediate family member. APOC

Sec. 36. Prohibits a public officer for two years after leaving position with the state from representing, advising, or assisting a person for compensation regarding a matter that was under consideration by the administrative unit served by that public officer, and in which that public officer participated personally and substantially through exercise of official action, including a case, proceeding, application, contract, determination proposal or consideration of a legislative bill, a resolution, constitutional amendment, or other legislative measures, or proposal, consideration, or adoption of an administrative regulation. ATTORNEY GENERAL

Sec. 37. Adds deputy heads to the list of the governor, lieutenant governor, or department head who are prohibited from lobbying for one year after leaving service. APOC

Sec. 38. Prohibits a public official who is required to file a financial disclosure with APOC from serving on a governing board of certain companies, organizations or other entities, for one year after leaving office, depending on the entity's connection with the person's work as a public officer. APOC

Sec. 39. Expands the definition of "public official" AIDEA, board of directors of the Knik Arm Bridge and Toll Authority, Alaska labor Relations Agency, the Board of Trustees of the Alaska Mental Health Trust Authority, and the Board of Director of the Alaska Railroad Corporation. APOC

LEGAL SERVICES

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

(907) 465-3867 or 465-2450
FAX (907) 465-2029
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State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 12, 2007

SUBJECT: Sectional Summary. (CSHB 109(STA), Draft Version "O";
Work Order No. 25-GH1059\O)

TO: Representative Jay Ramras
Chair of the House Judiciary Committee
Attn: Jane Pierson

FROM: Dan Wayne 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1. Expands the list of persons exempted, in AS 15.13.040(g), from requirements in AS 15.13.040(a) that candidates make a full report which, among other things, lists expenditures made, total contributions received, and, for contributions in excess of \$250 in the aggregate in a calendar year, the name and address of contributors, along with other information related to the contribution. The expanded list exempts constitutional convention delegates, judges, or candidates for municipal office.

Section 2. Requires, beginning with the effective date of the bill, persons, including the Governor, Lieutenant Governor, and proponents of ballot propositions or initiatives, to submit campaign information only in electronic form. It exempts municipal candidates from electronic filing requirements, and exempts legislative candidates from electronic filing requirements until May 1, 2009.¹

Section 3. Adds to the duties of the Alaska Public Office's Commission a duty to administer an annually updated training course for lobbyists and their employers.

¹ It also, on page 3, line 30, deletes the word "legislator," to conform the section to a prohibition on lobbying by legislative spouses that is no longer in the bill. If the spousal lobbying provision is not put back in the bill then in the next draft this conforming change should be reversed.

Section 4. Requires registered lobbyists and volunteer lobbyists to complete the APOC training course annually.

Section 5. On page 5, line 14, adds new limits on circumstances in which a lobbyist is allowed to make a gift to a person serving in the executive branch.

Section 6. Allows persons to engage in volunteer or representational lobbying in spite of limitations on lobbying activity in AS 39.52.²

Section 7. Modifies language in the applicability section of the Legislative Ethics Act that has at times been misinterpreted as exempting legislators, legislative directors, legislative employees and public members of the committee from disclosure requirements related to the latter part of their time in service.

Section 8. On page 7, lines 15 - 18, prohibits a legislator from sending a newsletter to constituents during a 30-day period immediately preceding a state election, if the

² Under this section a volunteer lobbyist is as described in AS 24.45.161(a)(1), which exempts from the requirements of chapter AS 24.45:

- (1) an individual
 - (A) who lobbies without payment of compensation or other consideration and makes no disbursement or expenditure for or on behalf of a public official to influence legislative or administrative action other than to pay the individual's reasonable personal travel and living expenses; and,
 - (B) who limits lobbying activities to appearances before public sessions of the legislature, or its committees or subcommittees, or to public hearings or other public proceedings of state agencies;

A "representational lobbyist" is not defined in statute, only in regulation. 2 AAC 50.511 reads:

Registering and reporting by a representational lobbyist and his employer.
(a) An individual who attempts to influence legislative or administrative action, and receives only reimbursement for his travel and personal living expenses, is considered a representational lobbyist. "Representational lobbyist" means that the individual is not employed by the person or group on whose behalf he is lobbying and receives no salary, fee, retainer, or any economic consideration whatsoever, other than reimbursement of travel and personal living expenses, for his services as a lobbyist. A representational lobbyist need not submit reports pursuant to AS 24.45.051, but must register his representation on a form prescribed by the commission. "Personal living expenses" is considered to be an amount equal to the per diem currently allowed by the Administrative Manual of the State of Alaska. "Travel" means the cost of traveling to the capital city or the location of official proceedings of standing, interim, or special legislative or administrative committees or agencies.

Representative Jay Ramras

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newsletter is produced (as described on page 6, lines 5 - 8) with public funds, facilities, equipment, etc., for a nonlegislative purpose.

Section 9. Requires a legislator or legislative employee who serves on a board of any organization, including a government entity, to disclose the board membership to the committee.

Section 10. Changes the date of publication by the committee, of disclosures related to loans received or certain programs participated in by legislators or legislative employees, to the next regularly scheduled publication date instead of within three weeks of the date of the disclosure. Allows the committee to edit the information published, upon request, if the committee determines making the entire disclosure public would cause an unjustifiable invasion of personal privacy.

Section 11. Conforms AS 24.60.070 to a section no longer in the bill that would have banned most lobbying by spouses or domestic partners of legislators.

Section 12. Adds the persons employed by the Office of Victims' Rights, a legislative agency, to the list of persons not permitted to accept certain discounts and welcome gifts that legislators and their staff employees are permitted to accept during legislative sessions.

Section 13. Adds gifts to family members (made, by a third party, because of the family member's relationship to the legislator or legislative employee), and gifts of legal services, to the list of gift disclosures by legislators and legislative employees that the committee shall make public.

Section 14. Conforms AS 24.60.080(i) to the changes in sec. 13. Changes "reported" to "disclosed," for clarity.

Section 15. A new section that prohibits legislators, while serving, from, "directly or by authorizing another to act on the legislator's behalf," accepting or agreeing to accept compensation from anyone but the state for services related to their work.

Section 16. Changes current law allowing a legislator or legislative employee to be compensated for representing a person before an agency, board, or commission of the state as long as they disclose it to the committee. The new language would prohibit the representation for compensation, if the representation is before a "municipal, legislative, or executive branch."

Section 17. Establishes that, for legislative ethics disclosure deadlines not set elsewhere, AS 24.60.105 sets a uniform deadline of "30 days after the commencement of the matter or interest" that is to be disclosed.

Section 18. Codifies a recent opinion by the Select Committee on Legislative Ethics, interpreting the Legislative Ethics Act to require that persons covered by it do not have to

disclose conflicts and potential conflicts that arise after they leave service, but after they leave service they are still required to disclose every matter that was subject to disclosure by the Act while the person was still serving. The section would require the final disclosure to be filed within 90 days after the person's last day of service.

Section 19. Clarifies the role of the ethics committee in securing the attendance of a regular member's alternate at a meeting, or at a proceeding under the complaint procedure in AS 24.60.170, if the regular member is unable to attend.

Section 20. A new section establishing a procedure for selection of an alternate member of the committee to serve in a complaint proceeding where the regular member and the regular member's alternate are both accused of a violation in the complaint the committee is hearing. The procedure set out in this section is based on the procedure adopted under AS 24.60.037(d), regarding open meetings requirements.

Section 21. Adds to the duties of the ethics committee, requiring that it publish certain educational legislative ethics materials, and administer an ethics course to help people covered by the ethics code understand and follow it.

Section 22. Adds a new section requiring that legislators, legislative employees and public members of the ethics committee complete the legislative ethics course offered by the committee.

Section 23. Adds APOC and the Select Committee on Legislative Ethics to the list of entities that may request an advisory opinion under AS 24.60.160, and also adds language to that statute that requires advisory opinions to be redacted before publication, to protect the identity of persons involved. It adds language that would make the final vote by the committee (the name of the person voting and how they cast their vote) a public record.

Section 24. Amends AS 24.60.170(j), to allow persons who have provided legal advice to the committee in the past, but no longer do so, to be appointed by the committee to present the case against the person charged, if the complaint has reached the formal charge phase. It also adds new language that allows the committee to schedule the hearing on a formal charge to a date outside of the 20 - 90-day period in the statute, and allows the committee to dismiss a complaint or take other appropriate action if a delay caused by a the complainant in the case is not supported by a compelling reason or would result in the person charged being deprived of a fair hearing.

Section 25. Defines the victims' advocate as the "appointing authority" for the purpose of determining how to sanction an employee of the Office of Victims' Rights found by the committee to have violated the Legislative Ethics Act; and similarly defines the legislature as the "appointing authority" where the question is how to sanction the victims' advocate.

Section 26. Revises the list of financial information a legislator, public member of the committee, or a legislative director is required to disclose, by clarifying that disclosure of

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income received for personal services, or a loan or loan guarantee, are to be reported under AS 24.60.200, not AS 39.50.030. The section adds language to AS 24.60.200 requiring that when personal income is reported the approximate hours worked to earn it must be reported as well, along with any other information the earner wishes to disclose.

Section 27. Says that, in addition to the required annual reporting to APOC regarding financial disclosures under AS 24.60.200, a person appointed as a legislator under AS 15.40, a public member of the committee, or a legislative director must also file a disclosure within 30 days after the person's appointment.

Section 28. A new subsection that would require financial disclosures under AS 24.60.210 to be made electronically starting July 1, 2008, except in a given case where APOC makes an exception. (AS 24.60.110 is the statute prescribing deadlines for disclosure, by legislators, legislative directors, and ethics committee members, of information described in AS 24.60.200).

Section 29. Specifies that when APOC finds a person at the Office of Victim's Rights has failed or refused to file a financial disclosure when required, APOC will notify the Legislative Council.

Section 30. Requires that within 90 days after leaving office a former public official shall file a final statement covering any period during the official's service for which the official did not already file a statement.

Section 31. Adds language to AS 39.50.030(b) including gifts as items public officials and candidates for public office must disclose to APOC in their financial statements, and requiring that disclosure of income and gifts also include a description of the income's or the gift's source, amount, recipient and, regarding income, a description of how it was earned.

Section 32. This section would substantially amend blind trusts from their current form under AS 39.50.040. Blind trusts would remain optional.

Section 33. Requires information submitted to APOC under AS 39.50 (public officials and candidates for public office) to be submitted electronically starting July 1, 2007, unless APOC makes an exception, but provides that municipal officers retain the option of submitting information to APOC on paper.

Section 34. Adds a new subsection to AS 39.52.110, in the Executive Branch Ethics Act, which says that stock or other ownership interest is presumed insignificant if its value is less than \$5,000. (By initiative, the public changed the threshold for financial reporting of outside income in the legislative branch from \$5,000 to \$1,000. The threshold here, in the executive branch, is still \$5,000).

Section 35. Adds language saying that a gift from a registered lobbyist to a public officer or public officer's family member is presumed to be intended to influence the

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public officer, unless the person giving the gift is also an immediate family member of the person receiving the gift.

Section 36. AS 39.52.180(a), which this section amends, prohibits public officers from taking some types of work, for two years after leaving office, and allows them to accept other types of work. This section moves a number of types of work from the "permitted" list to the "prohibited" list, by deleting the phrase "but does not include the," on page 26, lines 14 and 15.

Section 37. Adds deputy heads of departments and certain employees of the Office of the Governor to the list of persons already prohibited from lobbying for one year after leaving service.

Section 38. Prohibits heads of departments and certain employees of the Office of the Governor from serving on a governing board of certain companies, organizations or other entities, for one year after leaving office, depending on the entity's connection with the person's work as a public officer.

Section 39. Adds to the list of state commissions or boards in AS 39.50.200(b), which has the effect of expanding the definition of "public official" in AS 39.50.200(a), which, in turn, would make more board or commission members subject to the requirements of AS 39.50.

Section 40. Requires that the Governor make certain advance disclosures to the Attorney General in advance of granting a pardon, and requires that the Attorney General publish a written determination as to whether granting the pardon would be a violation, by the Governor, of the Executive Branch Ethics Act's Code of Ethics.

Section 41. Restricts applicability of the foregoing sections 36, 37, and 38 to persons leaving state service on or after the effective date of the Act.

Section 42. Effective date for section 28.

Section 43. Effective date for section 33.

Section 44. Immediate effective date for the Act, except for secs. 42 and 43.

DCW:ljw
07-129.ljw

cc: Representative Bob Lynn

CSHB 109(STA) Version K
Sectional

Sec. 1. Eliminates the exemption from disclosure for candidates raising less than and spending less than \$5,000, but retains exemption for delegates to a constitutional convention, a judge seeking electoral confirmations, or a municipal candidate.

Sec. 2. Requires candidates for governor and lieutenant governor to file campaign disclosure reports to APOC electronically.

Sec. 3. Requires the APOC Committee to administer annually updated ethics courses to teach lobbyists and employers of lobbyists how to comply with laws regulating lobbyists.

Sec. 4. When lobbyists register with APOC, they must sign a sworn affirmation that they have completed a training course on disclosure laws within the last 12 months.

Sec. 5. Prohibits a spouse or domestic partner of a legislator from lobbying for pay.

Sec. 6. Language clean up to clarify that this subsection applies to Chapter 60, Standards of Conduct.

Sec. 7. Adds a prohibition to a legislator preventing him from sending a newsletter to constituents within a 30-day window prior to a state election.

Sec. 8. Replaces it "written report" with "disclosure" to make language consistent with other sections of the statutes.

Allows a quorum of the committee to refrain from publishing disclosures that would be considered an invasion of the discloser's privacy. Currently a person who is a participant of the Violent Crimes Compensation program would have to disclose and the committee has determined they don't have the authority to withhold publication of a name.

Adds language requiring gift disclosures to be published in the journal along with other with other disclosures.

Sec. 9. Eliminates the requirement of a legislator to file a close economic relationship with a lobbyist. Section 5 prohibits a spouse or domestic partner of a legislator from lobbying, eliminating the ability for a legislator to have close economic relationship.

Sec. 10. Special discounts are given to legislators and their staff to make the stay during session more affordable. An example is reduced rates at a local athletic club.

This amendment adds the office of victims' rights to the list of legislative employees that do not qualify for the discounts.

Sec. 11. Adds gifts of legal services and gifts to family members because of their relationship with a legislator to the disclosures that are maintained for public record and forwarded to APOC.

Sec. 12. Requires a legislator or legislative employee to disclose to the Ethics Committee gifts received by family members because of their relationship with a legislator or legislative employee. The disclosure is to be maintained for public record by the Ethics Committee and forwarded to APOC for online public disclosure.

Sec. 13. Cleanup language

Sec. 14. This amendment requires all disclosures to be filed within 30 days of the association or interest. Filing dates for ethics disclosures are very confusing. Some disclosures are required within 30 days of association at certain times of the year, some annually, and no disclosure are required during the timeframe of 30 days prior to the end of the session.

Sec. 15. Under existing law, once a person leaves service, they no longer are bound by disclosure laws. This new section would require them to report all matters subject to disclosure under 24.60 while they were in public service regardless of the fact they are no longer in service. The ethics committee issued an advisory opinion on December 4, 2006 that sets policy consistent with this change in statute.

Sec. 16. Allows the chair of the committee or a subcommittee to designate the alternate legislative member to attend a meeting if the regular member is unable to attend. Currently the chair can only appoint the alternate if the regular member has a conflict with an with an item on the meeting agenda.

Sec. 17. Puts current practice into statute by deleting the requirement that summaries of public decisions and advisory opinions be published on a semi-annual basis. Public decisions have been published annually since 1999 and advisory opinions have been published annually since 1995.

Sec. 18. Makes ethics classes mandatory for legislators, legislative employees, and public members of the committee. Legislators, legislative employees, and public members of the ethics committee would be required to get the training within 10 days of the first day of the first regular session. If service begins after the tenth day, the legislator, legislative employee, or public member of the ethics committee would be required to get ethics training within 30 days of the first day of service.

Sec. 19. Extends the authority to request an advisory opinion to the ethics committee and APOC. It also requires the committee to make deletions to advisory

opinions that prevent the disclosure of the identity of the person requesting the opinion and any other persons named in the opinion. Finally, it clarifies that advisory opinions are confidential unless the person requesting the opinion waives confidentiality.

Sec. 20. This amendment grants authority to the committee to approve the change date of a hearing. Currently, if a complainant exercises his authority to change the date of a public hearing and requests a six-month extension, the committee cannot extend the hearing for more than 90 days. In addition, the committee may need to extend the hearing beyond the 90-day limit because they lacked a quorum.

Sec. 21. Adds to the list of "appointing authority" the victims' advocate for employees of the office of victims' rights and the legislature for the victims' advocate. When the ethics committee determines an employee has violated standards of conduct, the committee forwards its findings of fact to the employee's appointing authority" or supervisor to determine sanctions for the employee.

Sec. 22 Leaves electronic reporting for all reporters other than Governor and Lt. Governor as optional but adds some requirements for APOC to accept non-electronic disclosures. Candidates for governor and lieutenant governor will be required to file electronically.

Sec. 23. Adds language to address who will be notified if the director of the office of victim's rights fails to file an annual financial report. It requires the APOC to notify the Legislative Council if the director of the office of victim's rights fails to file a financial disclosure report with APOC.

Sec. 24. This makes it clear that former public officials have to file a final disclosure statement after leaving his/her position within 90 days of terminating service. Subsection (b) clarifies former public officials and former municipal officers must comply with disclosure requirements.

Sec. 25. Applies to public officials and candidates. This section would require more detail in the financial disclosures reporting of income and interests exceeding \$5,000 in value. The disclosures must describe the source of the income, the amount received, the number of hours spent to earn the income if reimbursed on an hourly basis, and details regarding the services provided. It also clarifies that the official or candidate must report the gift if the cumulative value over the course of a year is more than \$250.

Sec. 26. This section would provide for permissive electronic filing of candidates' and public officials' financial disclosures with APOC, but makes it mandatory to file electronically for candidates filing for the office of governor or lieutenant governor.

Sec. 27. This section allows action on what is defined as significant business interests where the effect of the action is insignificant or conjectural. It attempts to draw

a bright line for a public officer to know when he or she could be crossing the line in making decisions that could result in a financial gain for them or their immediate family.

Sec. 28. This applies to all state employees a presumption that all gifts from a lobbyist to a public officer or members of the officer's immediate family are improper unless the lobbyist is an immediate family member of the gift's recipient.

Sec. 29. This section would make the post-state employment limitation more restrictive by precluding former public officers from working on particular legislation or regulations, if they personally and substantially participated in work on the same legislation or regulations during their state service.

Sec. 30. Sec. 30 extends the existing one-year ban on lobbying to include deputy heads of principal departments and those holding policy-making positions in the Office of the Governor. Currently, the one-year lobbying ban applies only to the governor, lieutenant governor, and heads of principal departments.

Sec. 31. Prohibits for one-year after leaving a position as a former head of a department in the executive branch from serving on a board or other entity that was regulated by that department which the former department head worked.

Sec. 33. Applicability clause provides that new laws enacted in HB 109 would apply to elected officials and public officers who leave office after the effective date of HB 109.

Sec. 34. The sections of HB 109 that change reporting requirements with APOC have an effective date of July 1, 2007.

Sec. 35. The remainder of the bill becomes effective immediately.

25-GH1059K
Wayne
2/21/07

CS FOR HOUSE BILL NO. 109()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to campaign financing and ethics in state and municipal government,
2 to lobbying, and to employment, service on governing boards, and disclosures by certain
3 public officers and employees who leave state service or leave certain positions in state
4 government; and providing for an effective date."

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

6 * Section 1. AS 15.13.040(g) is amended to read:

7 (g) The provisions of (a) and (l) of this section do not apply to a delegate to a
8 constitutional convention, a judge seeking electoral confirmation, or a candidate
9 for election to a municipal office under AS 15.13.010, if that delegate, judge, or
10 [IF A] candidate

11 (1) indicates, on a form prescribed by the commission, an intent not to
12 raise and not to expend more than \$5,000 in seeking election to office, including both
13 the primary and general elections;

14 (2) accepts contributions totaling not more than \$5,000 in seeking

1 election to office, including both the primary and general elections; and

2 (3) makes expenditures totaling not more than \$5,000 in seeking
3 election to office, including both the primary and general elections.

4 * Sec. 2. AS 15.13.040(m) is amended to read:

5 (m) The commission may request that the information required under this
6 chapter be submitted electronically but shall accept any information required under
7 this chapter that is typed in clear and legible black typeface or hand-printed in dark ink
8 on paper in a format approved by the commission or on forms provided by the
9 commission and that is filed with the commission. However, a candidate for
10 governor or lieutenant governor shall submit the information required under this
11 chapter electronically, but the commission may, when extraordinary
12 circumstances warrant an exception, accept any information required from these
13 candidates under this chapter that is typed in clear and legible black typeface or
14 hand-printed in dark ink on paper in a format approved by the commission or on
15 forms provided by the commission and that is filed with the commission.

16 * Sec. 3. AS 24.45.031(a) is amended to read:

17 (a) In addition to its other duties under this chapter, the commission shall

18 (1) prescribe the forms for registration, reports, statements, notices,
19 and other documents required by this chapter;

20 (2) prepare and publish instructions setting out the methods of
21 accounting, bookkeeping, and preservation of records required to facilitate compliance
22 with and enforcement of this chapter and explaining the duties of persons subject to
23 the provisions of this chapter; the instructions shall be updated periodically;

24 (3) provide assistance to persons in complying with the provisions of
25 this chapter;

26 (4) prepare and publish a biennial report of its activities, findings, and
27 recommendations under this chapter, which shall be made available to the governor,
28 legislature, and to the public by February 1 of each odd-numbered calendar year; the
29 commission shall notify the legislature that the report is available;

30 (5) report suspected violations of this chapter to the attorney general;

31 (6) administer an annually updated training course that promotes

1 adherence to high ethical standards of professional conduct and teaches lobbyists
2 and employers of lobbyists how to comply with laws that regulate lobbyists.

3 * Sec. 4. AS 24.45.041(b) is amended to read:

4 (b) 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 include but are not limited to the
13 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, 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
25 public official to whom the lobbyist is married or who is the domestic partner of the
26 lobbyist; in this paragraph, "domestic partner" has the meaning given in
27 AS 39.50.200(a);

28 (8) a sworn affirmation by the lobbyist that the lobbyist has
29 completed the training course administered by the commission under
30 AS 24.45.031(a) within the 12-month period preceding the date of registration or
31 registration renewal under this chapter, except this paragraph does not apply to

1 a person who is a representational lobbyist as defined under regulations of the
2 commission.

3 * Sec. 5. AS 24.45.121 is amended by adding a new subsection to read:

4 (d) The spouse or domestic partner of a legislator may not engage in an
5 activity as a lobbyist. This subsection does not prohibit the spouse or domestic partner
6 from acting as a volunteer lobbyist under AS 24.45.161 or a representational lobbyist
7 as defined under regulations of the commission.

8 * Sec. 6. AS 24.60.020(a) is amended to read:

9 (a) Except as otherwise provided in this subsection, this chapter applies to a
10 member of the legislature, to a legislative employee, and to public members of the
11 committee. This chapter does not apply to

12 (1) a former member of the legislature or to a person formerly
13 employed by the legislative branch of government unless a [T:IE] provision of this
14 chapter specifically states that it applies;

15 (2) a person elected to the legislature who at the time of election is not
16 a member of the legislature.

17 * Sec. 7. AS 24.60.030(a) is amended to read:

18 (a) A legislator or legislative employee may not

19 (1) solicit, agree to accept, or accept a benefit other than official
20 compensation for the performance of public duties; this paragraph may not be
21 construed to prohibit lawful solicitation for and acceptance of campaign contributions,
22 solicitation or acceptance of contributions for a charity event, as defined in
23 AS 24.60.080(c)(10), or the acceptance of a lawful gratuity under AS 24.60.080;

24 (2) use public funds, facilities, equipment, services, or another
25 government asset or resource for a nonlegislative purpose, for involvement in or
26 support of or opposition to partisan political activity, or for the private benefit of either
27 the legislator, legislative employee, or another person; this paragraph does not prohibit

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

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

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

6 (D) the legislative council, notwithstanding AS 24.05.190,
7 from designating a public facility for use by legislators and legislative
8 employees for health or fitness purposes; when the council designates a facility
9 to be used by legislators and legislative employees for health or fitness
10 purposes, it shall adopt guidelines governing access to and use of the facility;
11 the guidelines may establish times in which use of the facility is limited to
12 specific groups;

13 (E) a legislator from using the legislator's private office in the
14 capital city during a legislative session, and for the 10 days immediately before
15 and the 10 days immediately after a legislative session, for nonlegislative
16 purposes if the use does not interfere with the performance of public duties and
17 if there is no cost to the state for the use of the space and equipment, other than
18 utility costs and minimal wear and tear, or the legislator promptly reimburses
19 the state for the cost; an office is considered a legislator's private office under
20 this subparagraph if it is the primary space in the capital city reserved for use
21 by the legislator, whether or not it is shared with others;

22 (F) a legislator from use of legislative employees to prepare
23 and send out seasonal greeting cards;

24 (G) a legislator from using state resources to transport
25 computers or other office equipment owned by the legislator but primarily used
26 for a state function;

27 (H) use by a legislator of photographs of that legislator;

28 (I) reasonable use of the Internet by a legislator or a legislative
29 employee except if the use is for election campaign purposes;

30 (J) a legislator or legislative employee from soliciting,
31 accepting, or receiving a gift on behalf of a recognized, nonpolitical charitable

1 organization in a state facility;

2 (K) a legislator from sending any communication in the form of
3 a newsletter to the legislator's constituents unless the communication is

4 (i) sent during the 30-day period immediately
5 preceding a state election; or

6 (ii) [, EXCEPT] a communication expressly advocating
7 the election or defeat of a candidate or a newsletter or material in a
8 newsletter that is clearly only for the private benefit of a legislator or a
9 legislative employee; or

10 (L) full participation in a charity event approved in advance by
11 the Alaska Legislative Council;

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
31 public for nonlegislative purposes;

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

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

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

14 (F) use by a legislator of photographs of that legislator.

15 * Sec. 8. AS 24.60.050(c) is amended to read:

16 (c) A legislator or legislative employee who participates in a program or
17 receives a loan that is not exempt from disclosure under (a) of this section shall file [A
18 WRITTEN REPORT] with the committee by the date required under AS 24.60.105 a
19 disclosure stating the amounts of the loans outstanding or benefits received during the
20 preceding calendar year from nonqualifying programs. If the committee requests
21 additional information necessary to determine the propriety of participating in the
22 program or receiving the loan, it shall be promptly provided. The committee shall
23 promptly compile a list of the statements indicating the loans and programs and
24 amounts and send it to the presiding officer of each house who shall have it published
25 in the supplemental journals on or before the next regularly scheduled publication
26 of ethics disclosures. If a [WITHIN THREE WEEKS AFTER THE FILING DATE.
27 A] legislator or legislative employee asks [WHO BELIEVES THAT DISCLOSURE
28 OF PARTICIPATION IN A PROGRAM WOULD BE AN INVASION OF THE
29 PARTICIPANT'S RIGHT TO PRIVACY UNDER THE STATE CONSTITUTION
30 MAY REQUEST] the committee to keep any part of the disclosure confidential and
31 a quorum of the committee determines that making the entire disclosure public

1 would cause an unjustifiable invasion of personal privacy, the committee may
2 elect to [. IF THE COMMITTEE FINDS THAT PUBLICATION WOULD
3 CONSTITUTE AN INVASION OF PRIVACY, THE COMMITTEE SHALL] publish
4 only the fact that a person has participated in the program and the amount of benefit
5 that the unnamed person received. The committee shall maintain the disclosure of the
6 name of the person as confidential and may only use the disclosure in a proceeding
7 under AS 24.60.170. If the disclosure becomes part of the record of a proceeding
8 under AS 24.60.170, the disclosure may be made public as provided in that section.

9 * **Sec. 9.** AS 24.60.070(c) is amended to read:

10 (c) When making a disclosure under (a) of this section concerning a
11 relationship with a lobbyist to whom the [LEGISLATOR OR] legislative employee is
12 married or who is the [LEGISLATOR'S OR] legislative employee's domestic partner,
13 the [LEGISLATOR OR] legislative employee shall also disclose the name and address
14 of each employer of the lobbyist and the total monetary value received by the lobbyist
15 from the lobbyist's employer. The [LEGISLATOR OR] legislative employee shall
16 report changes in the employer of the spouse or domestic partner within 48 hours after
17 the change. In this subsection, "employer of the lobbyist" means the person from
18 whom the lobbyist received amounts or things of value for engaging in lobbying on
19 behalf of the person.

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

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

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

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

28 (B) at a social event or meal;

29 (2) discounts that are available

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

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

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

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

7 (5) gifts from the immediate family of the person;

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

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

19 (8) a gift of legal services in a matter of legislative concern and a gift
20 of other services related to the provision of legal services in a matter of legislative
21 concern;

22 (9) a gift of transportation from a legislator to a legislator if the
23 transportation takes place in the state on or in an aircraft, boat, motor vehicle, or other
24 means of transport owned or under the control of the donor; this paragraph does not
25 apply to travel described in (4) of this subsection or travel for political campaign
26 purposes;

27 (10) tickets from a lobbyist for a charity event at any time, including
28 during a legislative session, except that tickets to or gifts received at a charity event
29 under this paragraph are subject to the calendar year limit on the value of gifts
30 received by a legislator or legislative employee in (a) of this section; in this paragraph,
31 "charity event" means an event the proceeds of which go to a charitable organization

1 with tax-free status under 26 U.S.C. 501(c)(3) and that the Alaska Legislative Council
2 has approved in advance; the tickets may entitle the bearer to admission to the event,
3 to entertainment, to food or beverages, or to other gifts or services involved in the
4 charity event; or

5 (11) contribution to a charity event from any person at any time; in
6 this paragraph, "charity event" has the meaning given in (10) of this subsection.

7 * Sec. 11. AS 24.60.080(d) is amended to read:

8 (d) A legislator or legislative employee who accepts a gift under (c)(4) of this
9 section that has a value of \$250 or more shall disclose to the committee, within 30
10 days after receipt of the gift, the name and occupation of the donor and the
11 approximate value of the gift. A legislator or legislative employee who accepts a gift
12 under (c)(8) of this section that the recipient expects will have a value of \$250 or more
13 in the calendar year shall disclose to the committee, within 30 days after receipt of the
14 gift, the name and occupation of the donor, a general description of the matter of
15 legislative concern with respect to which the gift is made, and the approximate value
16 of the gift. The committee shall maintain a public record of the disclosures it receives
17 relating to gifts under (c)(4), (c)(8), and (i) [AND (8)] of this section and shall
18 forward the disclosures to the appropriate house for inclusion in the journal. The
19 committee shall forward to the Alaska Public Offices Commission copies of the
20 disclosures concerning gifts under (c)(4), (c)(8), and (i) [AND (8)] of this section that
21 it receives from legislators and legislative directors. A legislator or legislative
22 employee who accepts a gift under (c)(6) of this section that has a value of \$250 or
23 more shall disclose to the committee annually on or before March 15 the name and
24 occupation of the donor and a description of the gift. The committee shall maintain
25 disclosures relating to gifts under (c)(6) of this section as confidential records and may
26 only use, or permit a committee employee or contractor to use, a disclosure under
27 (c)(6) of this section in the investigation of a possible violation of this section or in a
28 proceeding under AS 24.60.170. If the disclosure under (c)(6) of this section becomes
29 part of the record of a proceeding under AS 24.60.170, the confidentiality provisions
30 of that section apply to the disclosure.

31 * Sec. 12. AS 24.60.080(i) is amended to read:

1 (i) A legislator or legislative employee who knows or reasonably should know
2 that a family member has received a gift because of the family member's connection
3 with the legislator or legislative employee shall disclose for publication under (d) of
4 this section [REPORT] the receipt of the gift by the family member to the committee
5 if the gift would have to be disclosed [REPORTED] under this section if it had been
6 received by the legislator or legislative employee or if receipt of the gift by a legislator
7 or legislative employee would be prohibited under this section.

8 * Sec. 13. AS 24.60.100 is amended to read:

9 **Sec. 24.60.100. Representation.** A legislator or legislative employee who
10 represents another person for compensation before an agency, board, or commission of
11 the state shall disclose the name of the person represented, the subject matter of the
12 representation, and the body before which the representation is to take place to the
13 committee. The disclosure shall be made by the deadline [DEADLINES] set out in
14 AS 24.60.105. The committee shall maintain a public record of a disclosure under this
15 section and forward the disclosure to the respective house for inclusion in the journal.
16 A legislator or legislative employee may not represent another person for
17 compensation before an agency, committee, or other entity of the legislative branch.

18 * Sec. 14. AS 24.60.105 is amended to read:

19 **Sec. 24.60.105. Deadline [DEADLINES] for filing disclosures.** (a) When a
20 legislator or legislative employee is required to file a disclosure under this chapter and
21 a date by which the disclosure must be filed is not otherwise set by statute, the
22 deadline for filing disclosure shall be 30 days [DEADLINES SET OUT IN THIS
23 SECTION SHALL APPLY. FOR DISCLOSURE OF A MATTER OR AN
24 INTEREST THAT BEGAN OR WAS ACQUIRED DURING THE INTERIM
25 BETWEEN REGULAR LEGISLATIVE SESSIONS, WHETHER OR NOT THE
26 REGULAR SESSION IS EXTENDED OR THERE IS A SPECIAL SESSION, OR
27 DURING THE LAST 30 DAYS OF A REGULAR SESSION, THE LEGISLATOR
28 OR LEGISLATIVE EMPLOYEE SHALL DISCLOSE THE MATTER BY MARCH
29 15. FOR DISCLOSURE OF A MATTER OR AN INTEREST THAT BEGAN OR
30 WAS ACQUIRED DURING A REGULAR LEGISLATIVE SESSION, BUT NOT
31 DURING THE LAST 30 DAYS OF THE REGULAR SESSION, THE

1 DISCLOSURE MUST BE MADE WITHIN 30 DAYS] after the commencement of
2 the matter, interest, or representation.

3 (b) Disclosures under the following statutes are subject to the deadline
4 [DEADLINES] set out in this section:

5 (1) service on the board of an organization as set out in
6 AS 24.60.030(f);

7 (2) an interest in a state contract or lease under AS 24.60.040 and the
8 renegotiation of the terms of a state contract or lease that materially affect the
9 obligations of either party;

10 (3) participation in a state program or receipt of a state loan under
11 AS 24.60.050 and the renegotiation of the terms of the program or loan if the
12 renegotiation materially affects the obligations of either party;

13 (4) formation or maintenance of a close economic association under
14 AS 24.60.070;

15 (5) representation of a client under AS 24.60.100.

16 * Sec. 15. AS 24.60 is amended by adding a new section to article 2 to read:

17 **Sec. 24.60.115. Disclosure required of a legislator, legislative employee, or**
18 **public member of the committee after final day of service.** A person serving as a
19 legislator, legislative employee, or public member of the committee shall, not later
20 than 90 days after the person's final day of service as a legislator, legislative employee,
21 or public member, file a disclosure of every matter that was subject to disclosure under
22 this chapter while the person was serving.

23 * Sec. 16. AS 24.60.130(n) is amended to read:

24 (n) When appointing members of the legislature to serve on the committee, the
25 speaker of the house or the president of the senate, as appropriate, shall appoint an
26 alternate member for each regular member. An alternate must have the same
27 qualifications as the regular member for whom the alternate stands as alternate and is
28 subject to confirmation as required for the regular member. If a regular legislative
29 member of the committee or a subcommittee is unable to attend a meeting, the
30 chair of the committee or a subcommittee shall designate the regular member's
31 alternate to serve in place of the regular member at the meeting and the

1 designated alternate shall serve unless unable to serve for any reason. If a regular
2 legislative member of the committee or a subcommittee is disqualified under (h) of
3 this section from serving on the committee or the subcommittee concerning a
4 proceeding under AS 24.60.170 or if the regular member is unable to attend, the
5 chair of the committee or a subcommittee shall designate the regular member's
6 alternate to serve in place of the regular member in the proceeding unless the alternate
7 is also disqualified from serving. The designation shall be treated as confidential to the
8 same extent that the identity of the subject of a complaint is required to be kept
9 confidential.

10 * Sec. 17. AS 24.60.150(a) is amended to read:

11 (a) The committee shall

12 (1) adopt procedures to facilitate the receipt of inquiries and prompt
13 rendition of its opinions;

14 (2) publish semi-annual summaries of decisions and advisory opinions
15 with sufficient deletions in the summaries to prevent disclosing the identity of the
16 persons involved in the decisions or opinions that have remained confidential;

17 (3) publish legislative ethics materials, including an annually
18 updated handbook on standards of ethical conduct and a bimonthly legislative
19 newsletter, to help educate legislators, legislative employees, and public members
20 of the committee on the subject of legislative ethics;

21 (4) in January of each year and at other times determined by the
22 committee, administer a legislative ethics course that teaches means of
23 compliance with this chapter and an understanding of this chapter's purpose
24 under AS 24.60.010.

25 * Sec. 18. AS 24.60 is amended by adding a new section to read:

26 Sec. 24.60.155. A person who is a legislator, legislative employee, or public
27 member of the committee shall complete the legislative ethics course administered by
28 the committee under AS 24.60.150(a) within 10 days of the first day of the first
29 regular session of each legislature. However, a person who first takes office or begins
30 employment after the 10th day of the first regular session of a legislature shall
31 complete the course required by this section within 30 days after the person's first day

1 of service. The committee may grant a person additional time to complete the course
2 required by this section.

3 * Sec. 19. AS 24.60.160 is amended to read:

4 Sec. 24.60.160. Advisory opinions. (a) On the request of the committee, the
5 Alaska Public Offices Commission, a person to whom this chapter applies, or a
6 person who has been newly elected to the legislature, the committee shall issue an
7 advisory opinion within 60 days as to whether the facts and circumstances of a
8 particular case constitute a violation of ethical standards. If it finds that it is advisable
9 to do so, the committee may issue an opinion under this section on the request of a
10 person who reasonably expects to become subject to this chapter within the next 45
11 days. The 60-day period for issuing an opinion may be extended by the committee if
12 the person requesting the opinion consents.

13 (b) An opinion issued under this section is binding on the committee in any
14 subsequent proceedings concerning the facts and circumstances of the particular case
15 unless material facts were omitted or misstated in the request for the advisory opinion.
16 An opinion issued under this section must be issued with sufficient deletions to
17 prevent disclosing the identity of the person or persons involved. Advisory
18 opinion discussions and deliberations are confidential, unless the requester and
19 anyone else named in the request who is covered by this chapter waives
20 confidentiality. The committee's final vote on the advisory opinion is a public
21 record [EXCEPT AS PROVIDED IN THIS CHAPTER, AN ADVISORY OPINION
22 IS CONFIDENTIAL BUT SHALL BE MADE PUBLIC IF A WRITTEN REQUEST
23 BY THE PERSON WHO REQUESTED THE OPINION IS FILED WITH THE
24 COMMITTEE].

25 * Sec. 20. AS 24.60.170(j) is amended to read:

26 (j) If the committee has issued a formal charge under (h) of this section, and if
27 the person charged has not admitted the allegations of the charge, the committee shall
28 schedule a hearing on the charge. The committee may appoint an individual to present
29 the case against the person charged if that individual does not provide other [AND
30 HAS NOT PROVIDED] legal advice to the committee except in the course of
31 presenting cases under this subsection. The hearing shall be scheduled for a date more

1 than 20 and less than 90 days after service of the charge on the person charged, unless
2 the committee schedules [THE PERSON AGREES TO] a later hearing date. If the
3 complainant prevents the hearing from starting before the 90-day deadline passes
4 and a quorum of the committee determines the delay is not supported by a
5 compelling reason or will result in the person charged being deprived of a fair
6 hearing, the committee may dismiss the complaint with prejudice or enter some
7 other order the committee determines is appropriate. At the hearing, the person
8 charged shall have the right to appear personally before the committee, to subpoena
9 witnesses and require the production of books or papers relating to the proceedings, to
10 be represented by counsel, and to cross-examine witnesses. A witness shall testify
11 under oath. The committee is not bound by the rules of evidence, but the committee's
12 findings must be based upon clear and convincing evidence. Testimony taken at the
13 hearing shall be recorded, and evidence shall be maintained.

14 * Sec. 21. AS 24.60.176(b) is amended to read:

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

16 (1) the legislative council for employees of the Legislative Affairs
17 Agency and of the legislative council and for legislative employees not otherwise
18 covered under this subsection;

19 (2) the Legislative Budget and Audit Committee for the legislative
20 fiscal analyst and employees of the division of legislative finance, the legislative
21 auditor and employees of the division of legislative audit, and employees of the
22 Legislative Budget and Audit Committee;

23 (3) the appropriate finance committee for employees of the senate or
24 house finance committees;

25 (4) the appropriate rules committee for employees of

26 (A) standing committees of the legislature, other than the
27 finance committees;

28 (B) the senate secretary's office and the office of the chief clerk
29 of the house of representatives; and

30 (C) house records and senate records;

31 (5) the legislator who made the hiring decision for employees of

1 individual legislators; however, the legislator may request the appropriate rules
2 committee to act in the legislator's stead;

3 (6) the ombudsman for employees of the office of the ombudsman,
4 other than the ombudsman;

5 (7) the legislature for the ombudsman;

6 (8) the victims' advocate for employees of the office of victims'
7 rights, other than the victims' advocate;

8 (9) the legislature for the victims' advocate.

9 * Sec. 22. AS 24.60.210 is amended by adding a new subsection to read:

10 (c) The Alaska Public Offices Commission may request that the reports
11 required under this section be submitted electronically but shall accept any
12 information required under this section that is typed in clear and legible black typeface
13 or hand-printed in dark ink on paper in a format approved by the commission or on
14 forms provided by the commission and that is filed with the commission.

15 * Sec. 23. AS 24.60.250(c) is amended to read:

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

22 * Sec. 24. AS 39.50.020 is amended to read:

23 **Sec. 39.50.020. Report of financial and business interests.** (a) A public
24 official other than the governor or the lieutenant governor shall file a statement giving
25 income sources and business interests, under oath and on penalty of perjury, within 30
26 days after taking office as a public official. Candidates for state elective office other
27 than a candidate who is subject to AS 24.60 shall file the statement with the director of
28 elections at the time of filing a declaration of candidacy or a nominating petition or
29 becoming a candidate by any other means. Candidates for elective municipal office
30 shall file the statement at the time of filing a nominating petition, declaration of
31 candidacy, or other required filing for the elective municipal office. Refusal or failure

1 to file within the time prescribed shall require that the candidate's filing fees, if any,
2 and filing for office be refused or that a previously accepted filing fee be returned and
3 the candidate's name removed from the filing records. A statement shall also be filed
4 by public officials no later than March 15 in each following year. On or before the
5 90th day after leaving office, a former public official shall file a final statement
6 covering any period during the official's service in that office for which the public
7 official has not already filed a statement. Persons who are members of boards or
8 commissions not named in AS 39.50.200(b) are not required to file financial
9 statements.

10 (b) A public official or former public official other than an elected or
11 appointed municipal officer shall file the statement with the Alaska Public Offices
12 Commission. Candidates for the office of governor and lieutenant governor and, if the
13 candidate is not subject to AS 24.60, the legislature shall file the statement under
14 AS 15.25.030 or 15.25.180. Municipal officers, former municipal officers, and
15 candidates for elective municipal office, shall file with the municipal clerk or other
16 municipal official designated to receive their filing for office. All statements required
17 to be filed under this chapter are public records.

18 * Sec. 25. AS 39.50.030(b) is amended to read:

19 (b) Each statement filed by a public official or candidate under this chapter
20 must include the following:

21 (1) for [THE SOURCE OF] all sources of income over \$5,000 during
22 the preceding calendar year, including taxable [AND NONTAXABLE] capital gains,
23 and for all gifts from a single source with a cumulative value exceeding \$250 in a
24 calendar year, received by the person, the person's spouse or domestic partner, or the
25 person's dependent child,

26 (A) each source of the income or gift;

27 (B) the recipient of the income or gift;

28 (C) the amount of the income or value of the gift;

29 (D) a brief statement describing whether the income was
30 earned by commission, by the job, by the hour, or by some other method;

31 (E) if the income was earned by the hour, the approximate

1 number of hours worked; and

2 (F) unless required by law to be kept confidential, a
3 description sufficient to make clear to a person of ordinary understanding
4 the nature of each service performed and the date the service was
5 performed [EXCEPT THAT A SOURCE OF INCOME THAT IS A GIFT
6 MUST BE INCLUDED IF THE VALUE OF THE GIFT EXCEEDS \$250];

7 (2) the identity, by name and address, of each business in which the
8 person, the person's spouse or domestic partner, or the person's dependent child has an
9 interest or was a stockholder, owner, officer, director, partner, proprietor, or employee
10 during the preceding calendar year, except that an interest of less than \$5,000 in the
11 stock of a publicly traded corporation need not be included;

12 (3) the identity and nature of each interest in real property, including
13 an option to buy, owned at any time during the preceding calendar year by the person,
14 the person's spouse or domestic partner, or the person's dependent child;

15 (4) the identity of each trust or other fiduciary relation in which the
16 person, the person's spouse or domestic partner, or the person's dependent child held a
17 beneficial interest exceeding \$5,000 during the preceding calendar year, a description
18 and identification of the property contained in each trust or relation, and the nature and
19 extent of the beneficial interest in it;

20 (5) any loan or loan guarantee of more than \$5,000 made to the person,
21 the person's spouse or domestic partner, or the person's dependent child, and the
22 identity of the maker of the loan or loan guarantor and the identity of each creditor to
23 whom the person, the person's spouse or domestic partner, or the person's dependent
24 child owed more than \$5,000; this paragraph requires disclosure of a loan, loan
25 guarantee, or indebtedness only if the loan or guarantee was made, or the indebtedness
26 incurred, during the preceding calendar year, or if the amount still owing on the loan,
27 loan guarantee, or indebtedness was more than \$5,000 at any time during the
28 preceding calendar year;

29 (6) a list of all contracts and offers to contract with the state or an
30 instrumentality of the state during the preceding calendar year held, bid, or offered by
31 the person, the person's spouse or domestic partner, or the person's dependent child, a

1 partnership or professional corporation of which the person is a member, or a
2 corporation in which the person or the person's spouse, domestic partner, or dependent
3 child [CHILDREN], or a combination of them, hold a controlling interest; and

4 (7) a list of all mineral, timber, oil, or any other natural resource lease
5 held, or lease offer made, during the preceding calendar year by the person, the
6 person's spouse or domestic partner, or the person's dependent child, a partnership or
7 professional corporation of which the person is a member, or a corporation in which
8 the person or the person's spouse, [OR] domestic partner, or dependent child
9 [CHILDREN], or a combination of them, holds a controlling interest.

10 * Sec. 26. AS 39.50.050(a) is amended to read:

11 (a) The Alaska Public Offices Commission created under AS 15.13.020(a)
12 shall administer the provisions of this chapter. The commission shall prepare and keep
13 available for distribution standardized forms on which the reports required by this
14 chapter shall be filed. The commission shall print the forms provided under this
15 section so that the front and back of each page have the same orientation when the
16 page is rotated on the vertical axis of the page. The commission may request that the
17 information required under this chapter be submitted electronically but shall accept
18 any information required under this chapter that is typed in clear and legible black
19 typeface or hand-printed in dark ink on paper in a format approved by the commission
20 or on forms provided by the commission and that is filed with the commission.
21 However, the governor or lieutenant governor shall submit the information
22 required under this chapter electronically, but the commission may, when
23 extraordinary circumstances warrant an exception, accept any information
24 required from these public officers under this chapter that is typed in clear and
25 legible black typeface or hand-printed in dark ink on paper in a format approved
26 by the commission or on forms provided by the commission and that is filed with
27 the commission.

28 * Sec. 27. AS 39.52.110(b) is repealed and reenacted to read:

29 (b) Notwithstanding (a) of this section, a public officer's action or influence
30 with respect to the officer's personal or financial interest in a specific matter is not a
31 violation of public trust or a violation of this chapter

1 (1) if the public officer's action or influence in the matter would have
2 only an insignificant or conjectural effect on the matter; or

3 (2) if the public officer's

4 (A) personal or financial interest is of a type that is possessed
5 generally by the public or a large class of persons to which the public officer
6 belongs;

7 (B) personal interest is insignificant; or

8 (C) financial interest is solely in regard to a business and
9 neither the public officer nor a member of the public officer's immediate
10 family

11 (i) owns a controlling interest in the business and the
12 controlling interest has a fair market value of \$5,000 or more;

13 (ii) owns stock or options to buy stock that, when
14 combined, equal more than one percent of the stock in the business or
15 have a total fair market value of more than \$5,000;

16 (iii) owns or has an option to buy an equity interest in
17 the business the fair market value of which is more than \$5,000 or one
18 percent of the total fair market value of the business, whichever is less;

19 (iv) is a member of the board of directors or another
20 governing body of the business;

21 (v) is an officer of the business;

22 (vi) provides or has an option to provide personal or
23 professional services to the business;

24 (vii) has a contract or an option for a contract with the
25 business; or

26 (viii) is an employee of the business.

27 * Sec. 28. AS 39.52.130(a) is amended to read:

28 (a) A public officer may not solicit, accept, or receive, directly or indirectly, a
29 gift, whether in the form of money, service, loan, travel, entertainment, hospitality,
30 employment, promise, or in any other form, that is a benefit to the officer's personal or
31 financial interests, under circumstances in which it could reasonably be inferred that

1 the gift is intended to influence the performance of official duties, actions, or
2 judgment. A gift from a person required to register as a lobbyist under
3 AS 24.45.041 to a public officer or a public officer's immediate family member is
4 presumed to be intended to influence the performance of official duties, actions,
5 or judgment unless the giver is an immediate family member of the person
6 receiving the gift.

7 * Sec. 29. AS 39.52.180(a) is amended to read:

8 (a) A public officer who leaves state service may not, for two years after
9 leaving state service, represent, advise, or assist a person for compensation regarding a
10 matter that was under consideration by the administrative unit served by that public
11 officer, and in which the officer participated personally and substantially through the
12 exercise of official action. For the purposes of this subsection, "matter" includes a
13 case, proceeding, application, contract, [OR] determination, [BUT DOES NOT
14 INCLUDE THE] proposal or consideration of a legislative bill [BILLS], a resolution,
15 a [RESOLUTIONS AND] constitutional amendment [AMENDMENTS], or other
16 legislative measure, [MEASURES;] or [THE] proposal, consideration, or adoption of
17 an administrative regulation [REGULATIONS].

18 * Sec. 30. AS 39.52.180(d) is amended to read:

19 (d) A former governor, lieutenant governor, [OR] head or deputy head of a
20 principal department in the executive branch, or employee of the Office of the
21 Governor in a policy-making position may not engage in activity as a lobbyist under
22 AS 24.45 for a period of one year after leaving service as the governor, lieutenant
23 governor, [OR] department head or deputy head, or employee of the Office of the
24 Governor in a policy-making position. as appropriate. This subsection does not
25 prohibit service as a volunteer lobbyist described in AS 24.45.161(a)(1) or a
26 representational lobbyist as defined under regulations of the Alaska Public Offices
27 Commission.

28 * Sec. 31. AS 39.52.180 is amended by adding a new subsection to read:

29 (e) A former head of a principal department in the executive branch may not,
30 for a period of one year after leaving service as the head of that department, serve on
31 the governing board of a company, organization, or other entity that was regulated by

1 that department or with which the former department head worked as part of an
2 official duty as the department head. A former employee of the Office of the Governor
3 in a policy-making position may not, for a period of one year after leaving
4 employment in that office, serve on the governing board of a company, organization,
5 or other entity with which the former employee worked as part of an official duty for
6 the Office of the Governor.

7 * Sec. 32. The uncodified law of the State of Alaska is amended by adding a new section to
8 read:

9 APPLICABILITY. (a) AS 39.52.180(a), as amended by sec. 29 of this Act, applies to
10 a person who leaves state service on or after the effective date of sec. 29 of this Act.

11 (b) AS 39.52.180(d), as amended by sec. 30 of this Act, applies to a person who
12 leaves service as governor, lieutenant governor, head or deputy head of a principal department
13 in the executive branch, or employee of the Office of the Governor in a policy-making
14 position on or after the effective date of sec. 30 of this Act.

15 (c) AS 39.52.180(e), as added by sec. 31 of this Act, applies to a department head or
16 employee of the Office of the Governor in a policy-making position who leaves employment
17 as a department head or employee of the Office of the Governor in a policy-making position
18 on or after the effective date of sec. 31 of this Act.

19 * Sec. 33. Sections 2, 22, and 26 of this Act take effect July 1, 2007.

20 * Sec. 34. Except as provided in sec. 33 of this Act, this Act takes effect immediately under
21 AS 01.10.070(c).

SARAH PALIN
GOVERNOR

GOVERNOR@GOV.STATE.AK.US



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

P.O. BOX 110001
JUNEAU, ALASKA 99811-0001
(907) 465-3500
FAX (907) 465-3532
WWW.GOV.STATE.AK.US

January 24, 2007

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to reports to the Alaska Public Offices Commission and relating to the Alaska Executive Branch Ethics Act.

This bill would (1) generally require candidates, groups, legislators, public officials, and others to submit required reports electronically to the Alaska Public Offices Commission; (2) require legislators and other public officials to make financial disclosures when they leave office; (3) require candidates, legislators, and other public officials to disclose information about services performed for compensation and about certain income, gifts, and other financial matters; (4) establish a presumption that an interest of less than \$5,000 in a business is an "insignificant" interest for purposes of the Alaska Executive Branch Ethics Act; (5) establish a presumption that gifts from a lobbyist to a public officer and the public officer's immediate family members are prohibited under the Alaska Executive Branch Ethics Act, unless the lobbyist is an immediate family member of the gift recipient; and (6) tighten certain restrictions on employment after leaving state service for purposes of the Alaska Executive Branch Ethics Act.

The public's confidence in its government and governmental officials is essential. This bill would foster the openness in government that I have advocated and one means to increase that confidence.

In preparing this bill, I have taken into consideration the advice and counsel of numerous individual Alaskans. The issues addressed by the provisions within this bill have largely been publicly discussed, and may even be addressed in other bills currently pending in the Legislature. For example, provisions to establish a

The Honorable John Harris
January 24, 2007
Page 2

presumption regarding "insignificant" interests were addressed in legislation last year that passed the Senate and moved all the way to the House Rules Committee.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in cursive script that reads "Sarah Palin". The signature is written in dark ink and is positioned above the printed name and title.

Sarah Palin
Governor

Analysis of Governor Palin's Ethics Bill

To help restore public trust in government and make governance more open and transparent, Governor Palin's ethics bill addresses six major areas:

1 – Filing political campaign reports electronically

The bill requires candidates, groups, legislators, and public officials to file disclosure forms electronically with the Alaska Public Offices Commission. At the same time, it would allow the agency to grant exceptions under extraordinary circumstances. (Sections 1, 4, and 7)

2 – Requiring more detail in financial disclosures

If lawmakers get more than \$1,000 for work, they must specify how much they got, how many hours they worked to earn it, and describe in detail the nature of their work. (Section 2)

If candidates and public officials get more than \$1,000 for work or receive gifts worth more than \$250, they must disclose the source and amount of the income or gift. They must also report the number of hours of services performed, if any, and a detailed description of the nature of the services performed. The bill requires more extensive reports by reducing the reporting threshold from \$5,000 to \$1,000 – the same threshold that legislators must follow now. (Section 6)

3 – Disclosing financial and business interests promptly after leaving public office

The legislation requires lawmakers and other public officials who leave office to report financial and business interests within 90 days upon leaving office. (Sections 3 and 5)

4 – Conflict of interest

The measure helps clear up ambiguities about when public officials have a conflict of interest. Those who work for the executive branch would have standards defining when the value of their stock or an ownership interest in a business is significant. An official with an ownership interest worth \$5,000 or more would be presumed to have a disqualifying interest in any matter affecting that business. (Section 8)

5 – Banning gifts from lobbyists to public officials

The bill prohibits public officials from accepting gifts from a lobbyist unless the lobbyist is an immediate member of the family. (Section 9)

6 – Restricting lobbying and similar activities after leaving public office

The bill tightens restrictions that now apply for two years after leaving service in the executive branch by eliminating the existing exception to those restrictions for work on legislation or regulations. (Section 10)

It also extends the existing one-year ban on lobbying to apply to deputy heads of departments and to persons holding policy-making positions in the Office of the Governor. The lobbying ban now applies only to the governor, lieutenant governor, and heads of departments. (Section 11)

Sectional Analysis of Governor's Ethics Bill

Section 1: This section would amend AS 15.13.040(m) to require electronic filing of campaign disclosure reports that candidates, groups, and others file with the Alaska Public Offices Commission. The section would allow the APOC to grant an exception in extraordinary circumstances.

Section 2: This section would amend AS 24.60.200 to require more detail in the financial disclosures that legislators, public members of the Select Committee on Legislative Ethics, and legislative directors file with the APOC. It would require that, for all income exceeding \$1,000, the disclosures describe the amount received, the number of hours spent to earn the income, and details regarding the services provided.

Section 3: This section would amend AS 24.60.210 to require former legislators, former public members of the Select Committee on Legislative Ethics, and former legislative directors to file financial disclosures with the APOC within 90 days of leaving service in those positions.

Section 4: This section would amend AS 24.60.210 to require electronic filing of financial disclosures that legislators, public members of the Select Committee on Legislative Ethics, and legislative directors file with the APOC, but would allow the APOC to grant an exception in extraordinary circumstances.

Section 5: This section would amend AS 39.50.020 to require financial disclosures from former public officials within 90 days of leaving service in their official positions. This requirement would apply to the governor and other high-ranking executive branch officials, judges and other judicial officers, and certain municipal officers, as well as some others.

Section 6: This section would amend AS 39.50.030(b) to require more detail in the financial disclosures that candidates and public officials file with the APOC. The current law requires reporting of income and interests exceeding \$5,000 in value; this section would require more extensive reporting by reducing that reporting threshold to \$1,000. In addition, it would require that, for all income exceeding \$1,000, the disclosures describe the source of the income, the amount received, the number of hours spent to earn the income, and details regarding the services provided. It would also require disclosure of all stock holdings, trust or similar interests, loans, loan guarantees, and indebtedness exceeding \$1,000 in value.

Section 7: This section would amend AS 39.50.050(a) to require electronic filing of candidates' and public officials' financial disclosures with the APOC. The section would allow the APOC to grant an exception in extraordinary circumstances.

Section 8: This section would amend AS 39.52.110 by defining an "insignificant financial interest" for purposes of the Executive Branch Ethics Act. It would make stock or an ownership interest in a business presumptively insignificant if the value of the interest is less than \$5,000.

Section 9: This section would amend the Executive Branch Ethics Act (AS 39.52.130(a)) to establish a presumption that all gifts from a lobbyist to a public officer (or a member of the officer's immediate family) are improper unless the lobbyist is an immediate family member of the gift's recipient.

Section 10: This section would amend the Executive Branch Ethics Act (AS 39.52.180(a)) by deleting some of the language defining "matter" for purposes of the two-year restrictions that apply to employment after leaving state service. The deleted language excludes work on legislation and regulations from the definition of "matter." The effect of this section would be to make the post-state employment limitations more restrictive by precluding former public officials from working on particular legislation or regulations after leaving state service if they personally and substantially participated in work on the same legislation or regulations during their state service.

Section 11: This section would amend the Executive Branch Ethics Act (AS 39.52.180(d)) to extend the existing one-year ban on lobbying to include deputy heads of principal departments and those holding policy-making positions in the Office of the Governor. Currently, the one-year lobbying ban applies only to the governor, lieutenant governor, and heads of principal departments.

Section 12: This section would restrict application of sections 10 (deletion of the legislation and regulations language from the post-state employment restrictions) and 11 (extension of the lobbying restrictions) to those who leave state service on or after the effective date of this enactment.

Section 13: This section would make sections 1, 4, and 7 (the sections addressing electronic filing with the APOC) effective on July 1, 2007.

Section 14: This section would make the remaining sections of the enactment effective immediately.

To: Rep. Jay Ramras, Chair
House Judiciary Committee

From: Heidi Drygas, General Counsel
Alaska District Council of Laborers

Date: March 19, 2007

Re: HB 109

Thank you for the opportunity to provide comments on HB 109.

Alaska has a long-standing nepotism statute, AS 39.90.020, and regulations, 2 AAC 07.950, which prohibit family members from working together in a *supervisory* relationship.

But in August 2005, the Department of Administration promulgated a new policy, Alaska Administrative Manual (AAM) 100.050, which prohibits employees from being in an "*employment relationship*" with an immediate family member, including conjugal relationships, up to the second degree of kindred.

This provision was enacted in response to a Department of Law memorandum issued in March 2005 on how the Executive Branch Ethics Act (Ethics Act) applies when a supervisor and a subordinate are in a conjugal relationship. The AG's opinion was that the relationship violated the Ethics Act.

But the AG's opinion was just that--- the Ethics Act would prevent a **supervisor** and another employee from working together if they were family members or living in a conjugal relationship. The Dept. of Administration, in promulgating AAM 100.050, has taken that opinion and dramatically expanded its scope.

In defining an "*employment relationship*," the Department expanded it to include a vast number of actions typically completed by non-supervisory employees. As it stands, the Department's new policy, based on its interpretation of the Ethics Act and the March 2005 AG memorandum, has had devastating effects on Alaska's public employees, especially those living and working in rural and Native communities. The policy prohibits one family member from being hired, promoted, or transferred if it results in an employment relationship with another family member. This is true even if neither one of them is a supervisor, based solely on the minutest possibility that one family member may be promoted to a lead or foreman position even if only for a day. As most of you know, many Alaskan communities are so small that most individuals *are* related in some way. The impact on non-supervisory employees is substantial and unnecessary, as it

essentially prohibits both supervisory and non-supervisory relationships between family members.

The Department of Administration's policy is affecting everyday working Alaskans in such a way that was never intended by this legislation. Family members who seek to work together in a non-supervisory employment relationship are held to an even stricter standard than legislative branch employees.

Under long-standing state regulations promulgated by the Alaska Labor Relations Agency, a "supervisory employee" is essentially defined as an individual who has authority to act on behalf of the public employer in carrying out supervisory functions, if the exercise of that authority is not just routine but requires the exercise of independent judgment. "Supervisory functions" are defined as the ability to take action in the area of:

- Employment** (hiring, transfers, lay offs, recall),
- Discipline** (suspension, discharge, demotion, issuance of written warnings) or
- Grievance adjudication** (response to a first level grievance under a collective bargaining agreement)

The Department's new nepotism policy, however, prohibits far more than just supervisory relationships.

It bears mentioning that the Ethics Act, in AS 39.52.110(a)(3), was meant to "*distinguish between those minor and inconsequential conflicts that are unavoidable in a free society, and those conflicts of interests that are substantial and material.*"

It is noteworthy that AS 39.52.910(b) of the Ethics Act states: "*The provisions of this chapter supersede the common law on conflicts of interest that may apply to a public officer of an executive-branch agency and any personnel rules relating to conflicts of interests, excluding nepotism, adopted under AS 39.25.*" It is the Union's position that this means the Ethics Act does not and should not supersede the long-standing nepotism statute and regulations, which is the result of the Department of Administration's policy. However, the Union concedes that AS 39.52.910(b) is ambiguous.

The Union suggests an amendment which would limit the affect of the Ethics Act to what the legislature likely intended: to clarify that Ethics Act issues arise in *supervisory* relationships between family members.

This amendment would add a section "(d)" to the Ethics Act provision AS 39.52.910 which would read as follows:

"Nothing in this Act shall supersede the provisions of AS 39.90.020, nor preclude individuals from being in an employment relationship with an immediate family member where neither family member is a supervisor who has authority to act or to effectively recommend action in the interest of the public employer in one of the following

supervisory functions, if the exercise of that authority is not merely routine but requires the exercise of independent judgment:

- (a) employing, including hiring, transferring, laying off, or recalling;
- (b) discipline, including suspension, discharge, demotion, or issuance of written warnings; or
- (c) grievance adjudication, including responding to a first level grievance under a collective bargaining agreement.”

We believe that such an amendment would clarify the scope of the Ethics Act and protect working Alaskans, especially those working in small rural and native communities, yet also strike a balance by highlighting the ethical issues involved in familial supervisory relationships.

Thank you.

An Amendment to add a new section to AS 39.52.910 which would read as follows:

(d) Nothing in this Act shall supersede the provisions of AS 39.90.020, nor preclude individuals from being in an employment relationship with an immediate family member where neither family member is a supervisor who has authority to act or to effectively recommend action in the interest of the public employer in one of the following supervisory functions, if the exercise of that authority is not merely routine but requires the exercise of independent judgment:

(a) employing, including hiring, transferring, laying off, or recalling;

(b) discipline, including suspension, discharge, demotion, or issuance of written warnings; or

(c) grievance adjudication, including responding to a first level grievance under a collective bargaining agreement.

HB 109

Sec 8 – newsletters:

New language proposed in AS 24.60.030(a)(2)(K) prohibiting the mailing of a newsletter within 30 days of an election needs review in relation to the current 90 day prohibition in AS 24.60.030(c).

HB 109, Section 8, Page 7, Lines 14-20

AS 24.60.030(a)(2)(K)

- (a) A legislator or legislative employee may not
- (2) use public funds, facilities, equipment, services, or another government asset or resource for a nonlegislative purpose, for involvement in or support of or opposition to partisan political activity, or for the private benefit of either the legislator, legislative employee, or another person; this paragraph does not prohibit
- (K) a legislator from sending any communication in the form of a newsletter to the legislator's constituents **unless the communication is**
- (i) sent during the 30-day period immediately preceding a state election; or**
- (ii) [, EXCEPT] a communication expressly advocating the election or defeat of a candidate or a newsletter or material in a newsletter that is clearly only for the private benefit of a legislator or a legislative employee; or**

Current language in AS 24.60.030(c)

(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.

- STATE FUNDS: Include but are not limited to Finance Committee funds, other committee funds, leadership funds, and the use of the LAA print shop.
- Timeframe from 2006 campaign season with the 90 day prohibition:
 - May 9 – legislative session ends
 - May 24 – last day to use state funds to print a legislative newsletter
 - May 25 – 90 days prior to Primary Election (August 22) and start of ban on the use of state funds for a legislative newsletter
 - November 8 – ban on use of state funds for a legislative newsletter lifted (the day after the General Election)
- Timeframe from 2006 campaign season if the 30 day prohibition were in place:
 - May 9 – legislative session ends
 - July 22 – last day to use state funds to print a legislative newsletter
 - July 23 -90 days to Primary Election (August 22) and start of ban on the use of state funds for a legislative newsletter
 - November 8 – ban on use of state funds for a legislative newsletter lifted (the day after the General Election)

Legislators have used the following funds to send out a newsletter

- STATE FUNDS
- OFFICE ALLOWANCE ACCOUNT FUNDS under AS 24.10.110
- PUBLIC OFFICE EXPENSE TERM (POET) ACCOUNT FUNDS under AS 15.13.116

Back-up
Exhibit # 37

**SCHEDULE A
SOURCES OF INCOME OVER \$5000**

Self-Employment

If NONE reportable, check box

Self-employment results when the person whose income is being reported worked in any of the following: a corporation in which you, your spouse, domestic partner, dependent children, nondependent children living with you or a combination of them held a controlling interest, or a sole proprietorship, limited liability company, partnership, or professional corporation in which the person whose income is being reported has an ownership interest.

List the name, address, and nature of services provided for each self-employment source of income from whom more than \$5000 was received as compensation for personal services by you or a family member. Provide enough detail when describing the nature of services to tell a reader what work was performed for the compensation received.

If the business is non-retail, list the nature of services performed and the name and address of each client or customer who paid the business over \$5000 during calendar year 2005.

Report the amount of income you received from a client, patient or customer when the client, patient, or customer:

- Hired a lobbyist or was a lobbyist;
- Had or sought contracts with the legislature or agency of the state that exceeded \$10,000;
- Was a municipality or local government entity; or
- Was affected financially by an action of the legislature or any other state agency in an amount exceeding \$5,000 including actions concerning professional or occupational licenses, natural resource permits or quotas, rates of assessment or taxation, health, safety or environmental standards and insurance or business practices.

Use copies of this page if you need additional space to complete this section.
See pages 8-10 of the LFD manual for more help with this section.

Name of filer, spouse, domestic partner, or child: _____

Business Name: _____

Retail Non-Retail (If you check non-retail, list clients/customers and amounts if required, below.)

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

Assist with the development of construction-related projects, including arranging and conducting meetings, performing research, and developing plans and strategies.

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

MAR 15 2006

I

Legislator

**SCHEDULE A
SOURCES OF INCOME OVER \$5000**

Self-Employment

If NONE reportable, check box

Self-employment results when the person whose income is being reported worked in any of the following: a corporation in which you, your spouse, domestic partner, dependent children, nondependent children living with you or a combination of them held a controlling interest, or a sole proprietorship, limited liability company, partnership, or professional corporation in which the person whose income is being reported has an ownership interest.

List the name, address, and nature of services provided for each self-employment source of income from whom more than \$5000 was received as compensation for personal services by you or a family member. Provide enough detail when describing the nature of services to tell a reader what work was performed for the compensation received.

If the business is non-retail, list the nature of services performed and the name and address of each client or customer who paid the business over \$5000 during calendar year 2005.

Report the amount of income you received from a client, patient or customer when the client, patient, or customer:

- Hired a lobbyist or was a lobbyist;
- Had or sought contracts with the legislature or agency of the state that exceeded \$10,000;
- Was a municipality or local government entity; or
- Was affected financially by an action of the legislature or any other state agency in an amount exceeding \$5,000 including actions concerning professional or occupational licenses, natural resource permits or quotas, rates of assessment or taxation, health, safety or environmental standards and insurance or business practices.

Use copies of this page if you need additional space to complete this section.
See pages 8-10 of the LFD manual for more help with this section.

Name of filer, spouse, domestic partner, or child: _____

Business Name: _____

Retail Non-Retail (If you check non-retail, list clients/customers, and amounts if required, below.)

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 33,600

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 24,000

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 50,000

260169
Legislator #2

SCHEDULE A
SOURCES OF INCOME OVER \$5000

Self-Employment

If NONE reportable, check box

Self-employment results when the person whose income is being reported worked in any of the following: a corporation in which you, your spouse, domestic partner, dependent children, nondependent children living with you or a combination of them held a controlling interest, or a sole proprietorship, limited liability company, partnership, or professional corporation in which the person whose income is being reported has an ownership interest.

List the name, address, and nature of services provided for each self-employment source of income from whom more than \$5000 was received as compensation for personal services by you or a family member. Provide enough detail when describing the nature of services to tell a reader what work was performed for the compensation received.

If the business is non-retail, list the nature of services performed and the name and address of each client or customer who paid the business over \$5000 during calendar year 2005.

Report the amount of income you received from a client, patient or customer when the client, patient, or customer:

- Hired a lobbyist or was a lobbyist;
- Had or sought contracts with the legislature or agency of the state that exceeded \$10,000;
- Was a municipality or local government entity; or
- Was affected financially by an action of the legislature or any other state agency in an amount exceeding \$5,000 including actions concerning professional or occupational licenses, natural resource permits or quotas, rates of assessment or taxation, health, safety or environmental standards and insurance or business practices.

Use copies of this page if you need additional space to complete this section.
See pages 8-10 of the LFD manual for more help with this section.

Name of filer, spouse, domestic partner, or child: _____

Business Name: _____

Retail Non-Retail (If you check non-retail, list clients/customers, and amounts if required, below.)

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 16,800

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: Business Services

Amount: \$ 57,000

Name of client/customer: _____

Client/Customer Address: _____

Nature of Services Provided: _____

Amount: \$ _____

2
Pg 2 of 2

#2
Legislator

Emily Stancliff

From: Heidi Drygas [hdrygas@alaskalaborers.com]
Sent: Thursday, March 22, 2007 11:26 AM
To: Emily Stancliff
Subject: Re: HB 109

This is from Mary Coulman, who is the administrative manager at the Tok DOT station.

-----Original Message-----

From: Mary Coulman [mailto:mary_coulman@dot.state.ak.us]
Sent: Thursday, March 22, 2007 12:08 PM
To: hdrygas@alaskalaborers.com
Subject: Nepotism

I do not agree with how the nepotism waiver has been used in the hiring of clerical employees. A clerical employee in the district office can not be related to any maintenance worker in any station in that district. We do not have any supervisory duties over these employees, so I do not believe this should narrow our ability to get employment.

Also limiting any relative from being employed in a maintenance position in our district, which in this case is 7 maintenance stations. In small communities this greatly narrows a persons ability to find employment.

1

Originator - Paul D. Kendall = One mans contribution to a dialogue for better public servant conduct.

ETHICS - A ROUGHLY PROPOSED DRAFT
(throw down thoughts/wrinkled thinking)

Wednesday, January 4, 2007

NOTE: The following constitutional amendment, statue, law, regulation or what ever you call it, shall be invoked, used, or applied when the conduct of a public servant is called into question or review:

- a. Following a normal trial,
- b. During a normal trial (in parallel with),
- c. In addition to a trial,
- d. Or in a stand alone event where there is enough self evident in its nature: evidence, suspicion, events sufficiently suspect in their nature, indicatg
- e. Or other public concerns that would warrant its sole and immediate application so as to protect the publics interest or punish a self evident abuse of public service,
- f. Or where a contrived, conspired, or construct of a corrupted or "Less than Honorable Conduct" may exist,s,ed or will exist.....
- g. Also, all public servants should receive this declaration and sign for its understanding

----Public Service Conduct/Ethics Cont. next page

(Complete truths and individual free will are
fundamental requisites for a free and viable society)

1

----Public Service Conduct/Ethics Cont.----

Paul D. Kendall

January 4, 2007

A determination and findings of the Conduct of a public servant:

HONORABLE Conduct --- (OR) --- LESS than HONORABLE Conduct

Any and all public servants brought into review in regards to being "questionable, unethical, suspect, inappropriate or of other like concern actions" in reference to conducting the public's business shall be reviewed and judged by the following ruling or process:

Any and all public servants (1) conducting the public's business (1a) in anyway (2) shall conduct the public's business in an "open to the public's view"(3) and shall represent the public's business with "Honorable Conduct"; And, not in a "Less than Honorable Conduct" manner.

All conduct by public servants as mentioned above shall be judged (4) as either "Honorable Conduct" or "Less than Honorable Conduct"(5) and be subject to the mandatory sentencing, fines and actions attached to the determination of findings.

1. Elected, appointed, titled, employed, entrusted, assigned, contracted, represented, part time or full time, exempt or non-exempt, to, for, in.
- 1a. All public matters deemed to be the public's business --- matters of public assets, projects, financial and /or other matters.
2. Shape, or form, either directly, indirectly, implied, inferred, or on behalf of , or for the public's interests, or, at the direction of , etc..
3. Shall always be conducted in an open to the public manner and not just or only upon request from the public citizenry; With camera broadcast; And, all and any testimony shall be considered as under oath or sworn in testimony.
4. By a jury of their peers- standard jury - in a priority and expedited means
5. Once conduct determination or findings by the jury has been determined, the following sentences, penalties and actions shall apply as per each offence: as described in (a) thru (f) under the findings sections

FINDINGS of conduct by the jury ----- determinations, descriptions, sentences and actions

Finding #s -- findings ----descriptions -----sentencing and actions

- 1. **Honorable Conduct** --- ----- **self explanatory and self evident**
- 2. **Less than Honorable Conduct / with good intentions or ineptness only---**
 ---- well intended, bullied by duress,
 poor judgment, self evident in true
 conduct, conned, unsuspectingly
 conned,
 ---- verbal admonishment, probation, suspension,
 probation, and fine -- no jail time ?
- 3. **Less than Honorable Conduct / Inconclusive ----**
 ---- unable to detect confirmation of
 intent to do less than honorable
 conduct and is suspect at best , unable
 to determine collaboration or motive
 for the process or occurrence of less
 than honorable conduct
 ---- probation ??
- 4. **Less than Honorable Conduct --level \$ 0 to \$500.00 penalty is a) + b) + c) +**
- 5. **Les than Honorable Conduct --level\$501.00 ---to--\$1,000.00 a), b) - < 90 days
 mandatory, c), d),
 e) - <\$2,000.00 fine**
- 6. **Less than Honorable Conduct --\$1,001.00 --to---\$\$\$ any amount over -- a), b) + very
 heavy fines and jail sentences; Again very large fines and jail time + other actions**

Findings cont. nxt pg.

Findings cont.

Notes: the above findings of sentencing, fines, and actions are determined by assessments of or degrees of damage / impacts as listed below reflected by all of the conduct of the public official being reviewed.

- a) Immediate "loss of employment" and "not for hire" with any current or future public servant entity.
- b) Loss of all current and future retirement, medical, life or other benefit or compensation.
- *1c) Must pay fine in the minimum amount of \$1,000.00 (should go up !!)
- *2d) Immediate jail incarceration for a period of 30 days with no bail or parole
- e) Must repay all court costs, injuries, harms, damages, jail, and transport costs back within one year following completion of jail sentence
- f) Make it a felony and loss of voting for a 2 year period...???

*1 - Minimum fines shall be \$1,000.00 and then increase with severity with assessment determination from jury ---Then, go very large if over \$1,000.00 jury determination

*2 - Minimum mandatory jail shall increase in severity with assessment from \$0 to \$1,000.00 and up --i. e. \$0 to \$500 = 30 days, --- \$501.00 to \$1,000.00 = 90 days etc. Again, we must impose large and impacting sentences if determination or finding of impact is larger than \$1,000.00.—3 to 5 years mandatory.

**NOTES, THOUGHTS, VIEWS, CONSIDERATIONS AND SUPPORT
COMMENTALRY----**

It has become common knowledge to us, the general citizenry, that many of those to whom we have conveyed the "highest honor in the land"(*1), are failing us in their representations of our publics business affairs and matters; Thereby jeopardizing our general welfare, safety, well being and the pursuit of happiness.

The time has come for us citizens to impose a higher standard of expectations and performances from our public servants behaviors; And in order to achieve a greater degree of responsible, honest, fair, and truthful conduct we must declare, design and impose a higher magnitude of penalty;

And, in order to stop the continued skirting, eroding, dodging, and re-drafting of the laws we pass in hoping to curtail these ever continuing corrupted "Less than Honorable Conduct" actions by public servants and officials;

We must give our jury system the latitude (discretion?) to make the "final determination of a description of a public servants deeds" as either "Honorable Conduct or "Less than Honorable Conduct"(*2),

Along with the severest penalties, fines and actions so as to stop the continuing malaise of corrupted conduct by our public servants.

In constructing this long overdo procedure of punishing aberrant or corrupted public officials for their deceitful, deceptive, and self indulgent betrayal of the publics "full faith and trust";

We must try to use words other than transparency, ethics, etc.(*3); Rather, simple words with little misunderstandings.

If we do not protect and establish integrity and value for the fundamental laws that govern our society and hold accountable those who we elect to represent those values and us with "Honorable Conduct", then we have in essence undermined our entire legal system and the very fabric our society itself.

We must in all fairness, set a bar and a standard that gives a clear and obvious forewarning, and notification that any public servant who betrays the "full faith and trust" of the general citizenry will pay a heavy and just price with short and long term impacts and consequences in an expedient manner of trial and sentencing.(*4)

*1 The conveyance of our full faith and trust of the Alaskan/American people who comprise our families, loved ones, homes, communities, and states (the voting process and other)

- *2 We must maintain the capacity for the general citizenry to "by its own merits" via the jury system determine what is "Honorable Conduct" and what is "Less than Honorable Conduct"; Any vagueness here must be maintained so the jury can use a subjective and or objective means of determination because history has shown us that political bodies will attempt to circumvent a given specific law of exactness with their ability to draft legislation or warp its interpretations and applications.
- *3 It is time to use simple words with clear and common understandings, applications, and meanings, i.e. open, clear, simple, etc. (not lawyered up words)
- *4 Punishment of corrupted public servants, officials, etc. must exemplify sentencing and actions of the firmest, strongest, and severest application possible- as well as expediency in trial as a priority.

Words used as indicators of Conduct ??---

Advisement – arrangements – agreements –actions – discussions – directions –decisions –determinations – involvement – instructions – contributions – participations – understandings –communications –judgments—representations—presentations, etc.

In closing, I believe that time is of the essence, or at least at hand for us, today, to end this historical continuing and ongoing betrayal of the publics' conveyance of their "full faith and trust" in our public leadership.

I realize we have focused primarily on our need to and means of judgment and penalties here in this writing;

Because we have to begin our work on those foundational aspects to begin correcting our political representations, infrastructure, and process; Those foundational aspects being the establishment of clear and meaningful reward and punishment for ones actions.—

Considering the damage and / or the grave consequences we have suffered as a community, people, city, county, state, nation, family, species, environment, society, laws, happiness, loss of loved ones; Along with

The ability, if not the consequences of our elected and represented public officials to do harm to and on us and all of the most sacred things we hold to;
Is astronomical in its proportions.

The ability of our public servants to weave false hoods, irresponsible acts, omissions, false and misleading proclamations, combined with the full might and power of the assets of the collective peoples nation or community is just undeniably catastrophic on our entire lifes' realm of nearly the entire planet and all living creatures and good or GOD forces.

How can we hold to accountability the common criminal for an impact born out of an act of desperation while we let the those who represent the "highest law and honor of the land" go nearly scott free for an act of unmitigated greed and self indulgence with impacts far beyond what that individual criminal might do??

LET US HERE IN THE GREAT STATE OF ALASKS BEGIN TO RIGHT THE WRONG -
TO SET THE STANDARD.
THE BEGINNING OF OUR TRUE NEXT LEGACY FOR NOT JUST US , BUT THE REST OF OUR SOCIETY.
LET US MAKE THE HISTORY RATHER THAN WATCH HISTORY BEING MADE BY ANOTHER .

WE ALL KNOW THAT THE ABOVE MENTIONED WILL HAPPEN SOMEWHERE SOMETIME, SOMEPLACE BY SOMEONE ---

LET US LEAD this resolution in this matter of political corruption by public servants TO BE THAT MOMENT AND THAT EVENT IN THIS MATTER WHICH CRIES OUT TO BE RESOLVED AND HAVE JUSTICE SERVED—

Sincerely an^d Respectfully,

Paul D. Kendall _____

h 907-222-7882 cell 702-403-3656 (I know, vegas made me a deal on air time but lied on prefix change)

Dated: January, 4, 2007 _____

-----ADDITIONAL ANNEDOTAL VIEWS AND SUPOPORT -----
See next page