

**SELECT COMMITTEE ON LEGISLATIVE ETHICS
Alaska State Legislature**

THE ADVISOR

July 2007

Committee Members: Chair Dennis “Skip” Cook, Senator Gary Stevens, Senator Con Bunde, Representative Bob Roses, Representative Berta Gardner, H. Conner Thomas, Ann Rabinowitz, Gary J. Turner and Herman G. Walker Jr.

Alternate Legislative Members: Senator Hollis French, Senator Gary Wilken, Representative Carl Gatto and Representative Lindsey Holmes.

Staff: Joyce Anderson

QUOTE OF THE MONTH: “Always do the right thing. It will gratify some and astonish the rest.”

Mark Twain

IMPORTANT NEWS:

Governor Palin signed HB 109, the omnibus Ethics Bill, on Monday, July 9, 2007. Changes to the Legislative Ethics Act became effective Tuesday, July 10, 2007.

This newsletter will highlight some of the areas that require your immediate attention. (See areas in **RED**.) The Ethics Office is available to answer any questions you may have concerning the changes and will work with you to determine the ethical parameters regarding specific situations.

NEW GIFT REQUIREMENTS and PROHIBITIONS:

AS 24.60.075 and AS 24.60.080

A gift is defined as: money, services, loans, travel, entertainment, hospitality, promise or other form.

Gifts exceeding \$250 in value fall into two categories:

- 1. allowed but must be disclosed**
- 2. prohibited**

The following information covers new gift restrictions and will guide you in determining whether a gift may be received or is prohibited.

GIFTS - LOBBYIST

- **NEW:** Lobbyist gifts are now **prohibited the entire year and the prohibition includes gifts from the immediate family member of a lobbyist as well.**
(Previously the prohibition was only during the legislative session and from the lobbyist.)
- You may not receive a gift from a lobbyist, **an immediate family member of a lobbyist** or a person acting on behalf of a lobbyist, except for:
 - Food and beverage for immediate consumption
(no dollar limit on food and beverage provided by the same lobbyist)
 - Ticket to a pre-approved charity event
(aggregate value of tickets may not exceed \$250 in a calendar year from the same lobbyist, family member or person acting on behalf of a lobbyist)
 - **Compassionate gift (see explanation in this newsletter)**

NOTE: Immediate family member is defined as: a spouse, domestic partner; or parent, child or sibling IF financially dependent OR shares a substantial financial interest.

Please call the Ethics Office if you have a specific factual situation concerning a potential gift from a lobbyist and are unsure whether you should accept the gift.

Lobbyists must report to APOC any gift of food and beverage for immediate consumption provided to a legislator, legislative employee or the spouse or domestic partner of either that is more than \$15 in value. (The limit does not include tax or tip.) There is no reporting requirement for the legislator or legislative employee.

GIFTS - IMMEDIATE FAMILY MEMBER

- An **immediate family member** of a legislator or legislative employee may not receive a gift prohibited under the gift statute.
(Example: A spouse or domestic partner of a legislator or legislative employee may not accept a gift from a lobbyist other than those defined above.)

GIFTS – COMPASSIONATE REASON

- **Compassionate gifts may be received from anyone (including a lobbyist) as long as the aggregate amount does not exceed \$250 in a calendar year from the same person.**
 - **Compassionate gift requirements apply to legislator, legislative employee and immediate family member**
 - **Compassionate gift: intended to aid or comfort in contending with a catastrophe, tragedy or health-related emergency**
 - **Pre-approval required by Legislative Council and Ethics Committee**

***** DISCLOSURES *****

AS 24.60.105 and AS 24.60.115

The requirement to file a disclosure applies to legislators, staff to legislators, LAA staff, other legislative staff, employees of the Office of the Ombudsman and Office of Victims' Rights.

NEW REPORTING REQUIREMENTS

- **ALL DISCLOSURES are now due within 30 days**
 - of the association
 - or receipt of certain gifts
- **Annual disclosures: “association” disclosures are due annually within the first 30 days of session**
- **Final Day of Service disclosures: any disclosures not previously reported are due within 90 days after final day of service**

Please review the information below to determine if you need to file a disclosure under the new provisions of the Legislative Ethics Act. The ethics web site, found on the Legislature’s home page by clicking on “Ethics” and then “Disclosures,” will show an updated list of current disclosures.

ASSOCIATION DISCLOSURES

- **Membership on a Board of Directors - AS 24.60.030(f) – Are you an officer or board member of any organization?**
NEW – all board memberships must be reported. New board memberships must be disclosed within 30 days of appointment.
ACTION REQUIRED: Complete a disclosure by August 7 of all boards you currently serve on or have served on since April 10, 2007.
- **Participation in Certain State Benefit and Loan Programs - AS 24.60.050(c)(d)- Do you presently have an outstanding benefit or loan amount administered through the state?**

Disclosure depends on award criteria. Call the ethics office to determine if you must disclose.

NEW – must be disclosed within 30 days of participation.

ACTION REQUIRED: Complete a disclosure by August 7 of all state benefit/ loan programs you participate in which have not previously been disclosed this year.

- **Representation Before a State Agency - AS 24.60.100** - Are you on contract/agreement to represent a client before a State agency, board or commission?

NEW – must be disclosed within 30 days of representation.

ACTION REQUIRED: Complete a disclosure by August 7 if you are on contract/agreement to represent a client before a state agency which has not previously been disclosed this year.

- **Interests in State Contracts and Leases (including certain family members) - AS 24.60.040** – If you are contemplating a state contract or lease worth more than \$5000, call the ethics office to determine if you may accept the contract or lease.

NEW – must be disclosed within 30 days of participation.

ACTION REQUIRED: Complete a disclosure by August 7 if you currently have a state contract/lease worth more than \$5000 which has not previously been disclosed this year.

- **Close Economic Associations - AS 24.60.070** – Is there a financial relationship between you and a person covered by the Legislative Ethics Code (i.e., legislators, legislative directors, legislative employees if one supervises the other, other public officials who must file a Financial Disclosure with APOC, and registered lobbyists)? Examples: share housing expenses, business partners, or a paid consultant on a legislator’s campaign.

NEW – must be disclosed within 30 days of association.

ACTION REQUIRED: Complete a disclosure by August 7 if have have a close economic association which has not previously been disclosed this year.

- **Close Economic Associations – Legislative Employee – with Lobbyist Spouse or Domestic Partner – AS 24.60.070(c)** - Is your spouse or domestic partner a lobbyist? Always due within 30 days and within 48 hours after a change in client list.

NEW – a legislator’s spouse or domestic partner may not be a lobbyist.

GIFT DISCLOSURES

- **Gifts Not Connected with Legislative Status - AS 24.60.080(c)(6)** – Have you received a gift(s) worth more than \$250 in a calendar year that is not connected to your legislative status from the same person/entity other than an immediate family member?

NEW – must be disclosed within 30 days of receipt of the gift.

ACTION REQUIRED: Complete a confidential gift disclosure by August 7 if you received a gift of this nature which has not previously been disclosed this year.

- **Gift of Travel/Hospitality for Legislative Matters - AS 24.60.080(c)(4)** – Have you taken a trip for legislative matters which was paid with funds other than legislative

funds? Always due within 30 days of receipt of the gift.

- **Gift Received by Family Member Because of Legislative Connection – AS 24.60.080(i) -**
Did an immediate family receive a gift worth \$250 or more because of your legislative connection? For example, did a family member accompany you to a conference and some or all of the costs associated with the conference were paid for by an organization/entity. Always due within 30 days of receipt of the gift.
- **Gift of Legal Services Related to Legislative Matters - AS 24.60.080(c)(8) –** Did you receive a gift of legal services related to legislative matters worth \$250 or more? Monetary gifts to be used for legal services must not exceed the gift limit of \$250. In-kind gifts, i.e., reduced rates, pro- bono services, etc. that is more than \$250 in value must be disclosed. Always due within 30 days of receipt of the gift.
- **Gift for Compassionate Reasons - AS 24.60.075 - (NEW Disclosure)**
Compassionate gifts must be pre-approved by Legislative Council and the Ethics Committee. Compassionate gifts requirements apply to a legislator, legislative employee and immediate family member. A compassionate gift is intended to aid or comfort in contending with a catastrophe, tragedy or health-related emergency. Contact the Ethics Office for more information if this exemption applies to you or an immediate family member.

Gift from Another Government – AS 24.60.080(f) – Have you received a gift from another government or official from another government worth \$250 or more? Must be delivered to Legislative Council within 60 days.

IMPORTANT: Fines are levied for late disclosures. The fine is \$2.00 per day up to a maximum of \$100. Committee policy has been to allow for one late disclosure before levying fines. A late disclosure is a “one time only” waiver.

- **NEW** forms for all disclosures are on the ethics website. Discard old forms.
- Please give the Ethics Office a call if you have questions about what to disclose.

When completing disclosures, please keep in mind:

1. **PLEASE PRINT CLEARLY OR TYPE YOUR DISCLOSURE INFORMATION.** Remember, the Ethics Office and the Senate Secretary or House Clerk must be able to read the information on your disclosure form.
2. **An original copy of the disclosure is not required. A fax copy is acceptable. Keep the original in your Ethics file for future reference if needed.**
3. **Please complete all required information. Remember, these are public disclosures and the public has a right to know.**
4. **Under the ‘address’ section for the discloser, keep in mind if you list your home address, your home address will be printed in the Legislative Journal. It is appropriate to list your legislative office address.**

LEGISLATIVE FINANCIAL DISCLOSURE

AS 24.60.200 – 260 **New reporting requirements** will be implemented for legislators when filing the annual Legislative Financial Disclosure due on March 15, 2008. The Alaska Public Offices Commission will be sending out information on this subject later this year.

Legislators leaving office will be required to file a final Legislative Financial Disclosure within 90 days after leaving service. Individuals appointed to fill a legislative seat must file a Legislative Financial Disclosure within 30 days of appointment.

RESTRICTIONS ON EARNED INCOME

AS 24.60.085 **A legislator may not directly or by authorizing another to act on a legislator's behalf, accept or agree to accept compensation, except from the State of Alaska, for work associated with legislative action, administrative action or political action.**

If you have a question concerning this section of the Legislative Ethics Act, please give the Ethics Office a call.

OTHER CHANGES

AS 11.56.124 **makes it a crime for public servants not to report bribery they know about.**

AS 11.56.130 **prohibits agreements to exchange campaign contributions to elected officials or candidates for changing their votes or positions on a matter of legislative concern.**

The Ethics Office is planning to hold a teleconference training session covering the new requirements of the Legislative Ethics Act later this month. You will be notified of the date and time.

If you have any questions concerning the new requirements and restrictions, please give the office a call.

A new 2007 Standards of Conduct Handbook should be available by the end of the month and will be delivered to each legislative office, LIO office, and other legislative agencies.

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