

**Approved June 16, 2015**

**ALASKA STATE LEGISLATURE  
SELECT COMMITTEE ON LEGISLATIVE ETHICS**

JANUARY 21, 2015

8:50 AM

**1. CALL THE MEETING TO ORDER: [9:01:06 AM](#)**

Committee Chair Gary Turner called the meeting to order at 9:01 a.m. Members present: Senator Gary Stevens, Senator Dennis Egan, Representative Charisse Millett, Representative Andy Josephson (alternate Member for Representative Chris Tuck), H. Conner Thomas, Herman Walker, Jr., Dennis "Skip" Cook, Chair Gary Turner, Representative Liz Vazquez (alternate Member for Representative Charisse Millett); Absent: Member Janie Leask; Teleconference: Staff present: Jerry Anderson, Administrator; Joyce Anderson, consultant; and Linda Leigh, Administrative Assistant. Ms. Kevin Anslem, Division Director of Banking and Securities of Department of Commerce Community and Economic Development, Assistant Attorney General Renee Wardlaw.

**2. WELCOME NEW LEGISLATORS:** Chair Turner welcomed new members to the committee.

**3. APPROVAL OF AGENDA:** Chair Turner announced that there was a necessary revision of the agenda, and that some items are being tabled to the next Ethics Committee meeting due to other committee meetings taking precedence today. As a result, this meeting will be shorter than initially scheduled. The next Ethics Committee meeting will be Wednesday, May 13, 2015, in Anchorage. [9:03:32 AM](#) Member Thomas presented the following agenda modifications:

Item 8 Annual State Benefit and Loan Review & Discussion - moved to Item 4;

Item 10 Contractor Subcommittee Report - moved to Item 5;

Item 5 Public Comment - moved to Item 6

Item 6 Election of Committee Chairs for 2015-2016 - moved to Item 7

Item 12 Collection of Unpaid Fines - moved to Item 8;

Item 7 Chair/Staff Report - moved to Item 9;

Item 9 Budget - moved to Item 10;

Item 4 Approval of Minutes - moved to Item 11;

Item 11 2015 Legislation Update - moved to Item 12

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Motion to approve the modified agenda was made by Member Walker. No objections.

**4. ANNUAL BENEFIT AND LOAN REVIEW--AS 24.60.050(b) :**

(Was Item 8) [9:05:28 AM](#) Ethics Administrator Jerry Anderson referred members to ITEM 8, green pages in their packets, stating that this was an annual review of state benefit and loan programs that are subject to disclosure. Mr. Anderson explained that letters were mailed to the departments listed regarding their programs. A response was received from the Department of Commerce Community and Economic Development (DCCED) requesting that a new loan program be added to the list and that it be placed under the Alaska Energy Authority as the "Emerging Energy Technology Fund".

Mr. Anderson also stated that DCCED requested that several of their programs be removed from the list. Mr. Anderson announced that Ms. Kevin Anselm, Director of the Division of Banking Securities, would be available shortly via teleconference to answer questions regarding this request.

Members discussed adding the new loan program to the list. Senator Stevens stated that he did not see how a legislator would be able to utilize the "Emerging Energy Technology Fund", and asked members why it would be added to the list of programs.

Chair Turner stated that it could apply if someone were to set up a private business.

Member Thomas added that it would not only apply to legislators but legislative staff and/or anyone subject to the Legislative Ethics Act.

Member Thomas motioned to add the Emerging Energy Technology Fund to the list of programs that must be disclosed if applicable. There were no objections. Program added.

**Members moved on to ITEM 5 until Ms. Anselm became available to testify.**

**5. CONTRACTOR SUBCOMMITTEE REPORT:** (Was Item 10) [9:10:33 AM](#)

Mr. Anderson introduced TJ Presley, staff to Senator Berta Gardner, who is a member of the Ethics Committee Contractor Subcommittee, to present this item on her behalf.

Mr. Presley referred members to a draft of a bill that was a result of discussions of the Contractor Subcommittee that was assigned to address the placement of independent contractors and consultants with regards to compliance with the Legislative Ethics Act. Currently, they are lumped into the same definition as "Legislative Employees", and subject to all filing disclosures and complying with all components of the Ethics Act to which Legislative Employees are subject. The subcommittee was tasked with researching modifications that would be more suitable for independent contractors and consultants. With recommendations from Ms. Joyce Anderson (former Ethics Administrator and now on contract), and Mr. Dan Wayne, LAA Legal, a bill was drafted. Mr. Presley noted that interns and volunteers were also previously regarded as "Legislative Employees", and subject to filing disclosures and all of the Ethics Act requirements. The same issue came up and in 2012 interns and volunteers were re-defined with more suitable ethics requirements. The Contractor Subcommittee determined independent contractors and consultants would fit in with the same definition and requirements as interns and volunteers with some additions. They would still be held accountable to the Ethics Act, but under more reasonable Ethics requirements.

Mr. Presley verbally presented a checklist of items that did not make it into today's packet; specifically, the draft refers to statutes 24.60.030 - .039, in Article 2 of Standards of Conduct. Sections covered included:

- prohibitions on conflict of interest and unethical conduct
- restrictions on fundraising
- restrictions on employee candidacies
- protection of whistle blowers
- open meeting guidelines
- prohibitions on discrimination
- confidential information agreement
- some disclosures on gifts

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- legislative ethics training; they will have to take some form of legislative ethics course that tells them what rules are being applied to them
- they are able to get advice by staff and utilize advisory opinions
- complaint proceedings before the committee
- recommendations can be made where a violator is a legislative employee
- sanctions can be recommended by the committee on these legislative consultants if they were to violate the statutes that applied to them.

In conclusion, the draft bill before the committee today is a bill that more reasonably applies the Ethics Act to independent contractors and consultants whereas previously was the entire Ethics Act.

9:14:01 AM Representative Josephson stated that he realizes that Senator Gardner and Mr. Presley worked very hard on this bill but encourages the Ethics Committee to review what's before them, as he was unable to involve himself in this in the fall when it was first addressed; and as an "alternate" member now, he will be reviewing it carefully as well.

Senator Stevens asked what the committee's intention was; specifically, asking if it was a bill that was going to be introduced in the Legislature and if it would be going through all of the committees on each side, and if it was the committee's intention to endorse this bill or allow someone like Senator Gardner to carry it.

Chair Turner stated about six months ago the committee decided the current requirements were too onerous for independent contractors. This approach was a way for the committee to move the issue forward. Senator Gardner suggested the Ethics Committee create a subcommittee to move the issue forward. She volunteered to be the chair. She and the others on the subcommittee worked on it over the summer and fall and this is what they came up with. The issue is now before the committee for further discussion and possible endorsement. Senator Gardner offered to carry this forward as a potential bill.

Senator Stevens stated that he would hesitate to endorse a bill at this level and suggested that it go before the Legislative process where you could testify to it if you

wanted; he stated that he didn't think it was the Ethics Committee's job to come up with Legislation.

Chair Turner interjected that the word "endorse" might not be the right term. In 2007, and in 2011, the committee helped craft some changes in the Ethics statute, and this is what they're doing this time.

Senator Stevens asked for clarity in what the committee was trying to accomplish today.

Several members stated that they didn't foresee a decision being made today on the actual language in the draft bill. But a discussion on the subcommittee's current status and recommendation was necessary today in order to determine the next step in the process.

Representative Millett provided some additional clarity stating that one of the problems the committee had going forward was that these issues had come up and the committee requested possible remedies, which seemed to be legislative in nature. The committee asked for recommendations from the subcommittee not necessarily for an action by the committee, but recommendations for those sitting legislators on the committee to have some clarification on the best avenue to go forward on working with these issues. It was obvious a legislative change was necessary because under the current statute, as the chair stated, it was onerous. In summary, it was more of a recommendation that came in a bill format--maybe bullets would have been a better choice, but most importantly, we were trying to do something about it and being pro-active instead of not doing anything.

9:17:46 AM Member Cook commented that part of the problem was that if these people were subject to the full act, which they technically are under the current language, then we should be getting disclosures from all sorts of people we don't know even exist; it's not practical. There's no way for the Ethics office to handle all of that nor does it seem necessary for contractors or consultants to go through all that.

Senator Stevens stated that he does not object to what the bill says. He suggested we put it through the grinder of being a bill, but reiterated that he does not see it as the Ethics Committee job to endorse it. He suggested

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that Senator Gardner or whoever wants to carry it, get it going as soon as possible. He suggested not hanging onto it for the next few month as it will never get through this Legislature.

9:19:06 AM Chair Turner asked Sen Stevens if he would like to make his comment into a motion for the committee to vote on. Senator Stevens declined.

Representative Millet interjected stating that it was her understanding that a motion was not required of them. It's now up to Senator Gardner to introduce the legislation. The bill is simply "recommendations" from the subcommittee per the request of the Ethics Committee.

9:20:13 AM Mr. Presley further noted that the current situation is slightly untenable in that contractors and consultants are under the Ethics Act 100% but are not technically compliant. He would like to know how comfortable the committee is with the fact that contractors and consultants are not filing ethics disclosures as it isn't entirely doable. Mr. Presley stated that he could not assure the committee that Sen Gardner would be willing and able to carry legislation, but she does have a work draft that is ready to go.

Member Cook responded, stating that this draft of legislation needs to be introduced and made clear it is on behalf of the committee. He further stated he would be happy if Senator Gardner would do that. The committee could follow the hearings, and if any member felt there should be changes, those members could testify.

9:21:34 AM Mr. Presley, concurred with Member Cook in that Senator Gardner was not necessarily requesting endorsement but requesting input and/or recommendations and the involvement the committee to the fullest extent.

**Members returned to ITEM 4 Annual State Benefit & Loan Review**

9:22:01 AM Ms. Kevin Anslem introduced herself via teleconference and stated that Assistant Attorney General Renee Wardlaw was also on teleconference.

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Mr. Anderson stated that the committee had discussed each program by name only, and asked her to explain briefly her reasoning for requesting that each one be deleted from the list of State Benefit and Loans.

Ms. Anslem provided a review of each of the six programs stating that the Deferred Deposit Advances are payday loans; the Bank Charters, Mutual Savings Banks, Credit Unions, etc., are all governed under Alaska Statute and require that anyone involved in these entities meet certain requirements. These requirements are the same for both the public as for everyone else. It doesn't seem that these particular licenses or charters should be included in the current list. Ms. Anslem also stated that they were unable to find out when these programs started to become included on this list and stated that if certain licenses are included, a number of other licenses would need to be included as well. It doesn't make sense for them to be on the list.

Chair Turner thanked Ms. Anslem and provided her an update on the approval of adding "Emerging Energy Technology Fund" to the list of programs and loans.

Mr. Anderson stated that the committee also has no history as to when the programs were added, but that they have been on this list for a long, long time. What the committee wants to know is if these programs meet the standards outlined in statute and stated on the sample letter in today's packet:

1. generally available to members of the public;
2. subject to fixed, objective eligibility standards; and
3. minimal in discretion in determining qualification

Representative Josephson asked Ms. Anslem how the current five items came to be on the list, stating that someone exercised wisdom and put them there, noting that he had a follow-up question for her after this one.

Ms. Anslem replied that she agreed with him in that at some point, someone must've thought they should be on the list, but she did not know why. They have not been able to determine when they came on the list.

Chair Turner interjected stating that Ms. Anderson, former Ethics Administrator may have some background

information and may be able to answer some of these questions.

9:27:03 AM Ms. Joyce Anderson stated in 1992, there was legislation passed that created this particular committee. In 1992 and 1993, from records in the office, there was a massive study that was done with all state departments. At that time, a committee that was set up went through all those programs and loans. She stated that she did not have a copy of the analysis of the study, but after reviewing all of the programs and loans, this particular committee made a recommendation to the Ethics Committee of all loans and benefit programs they felt should be on the list and those that should not be on the list. The Ethics Committee approved the list. The reason that the benefit and loan programs are on the list is because there is no fixed criteria and minimal discretion when approving them.

When legislation passed in 1992, the committee felt that legislators and legislative employees would disclose this information in case there was any type of preference given because s/he was a legislator or legislative employee. It is likely that the programs were added to the list in 1993; the criteria has not changed from then until now. There have not been changes to any sections of that particular statute.

Representative Josephson asked Ms. Anslem if it was her position that because there's objective criteria for qualification, there's sort of a built in protection of fairness, so there's no need to report this.

In response to Rep Josephson's question, Ms. Anslem stated that it goes beyond that. Anytime you're dealing with financial issues, we can go pretty far back into background and then also examine all of these entities so that if there is some sort of anomaly or problem they're able to pick that up. She stated that she would be interested in understanding the protection that the committee might be looking for here that isn't being offered under the statute. Obviously, this is something that the committee needs to determine if they want these holdings reported, and if so, there might be other licenses that would be similar. For instance, you have mortgage broker licenses or insurance company licenses. Some of these might fall in the same sort of category.



Representative Josephson asked Ms. Anslem how this came before her; this was not an imposition on her department, it was an imposition on the holder of one of these benefits.

Ms. Anslem stated that the list was sent to all of the directors in their department this year, for the first time in a very long time, which is what brought it to their attention. They're interested in making sure that people don't have additional requirements that don't appear to have a reason for them. Upon looking at these particular programs and all of the other ones the DCCED deals with, they thought that this might be something that could come off the list.

Mr. Anderson explained that the Ethics office annually mails out letters. This year's letter specifically went to the director of the DCCED, which in turn went down to all of the directors, this time. The actual letter was addressed to Jeanne Mungle, director of DCCED, as you can see on the sample letter in the packet. It then went down to those divisions, which is how Ms. Anslem became involved in the process.

Member Thomas asked Mr. Anderson if he or anyone else has analyzed what the discretion is that the department has in awarding these licenses.

Mr. Anderson stated that the only research that has been done was through the website for this particular division, where we downloaded the applications that were related to each of these programs. Some were very extensive and some were very short. From that, one could determine if there was minimal discretion involved in qualification. Some of those appeared to him to have discretion involved in awarding those programs. However, stated Mr. Anderson, he was unfamiliar with each of the programs beyond just looking at that website. Questions like yours could be properly addressed to Ms. Anslem.

Member Thomas asked Mr. Anderson upon his review, which programs he thought might not meet the criteria.

Mr. Anderson stated that he did not review them individually, rather he looked at them as a whole. It

was difficult to make a determination with just looking at the application what is the actual process behind the review. Without going through the process and filling out the paperwork you didn't necessarily get the full flavor of what is the discretion involved in actually getting a loan or benefit under those programs.

9:34:25 AM

Representative Liz Vazquez, alternate Committee Member for Rep Millett, stated that she agreed with Mr. Anderson's assessment. She stated that she has an extensive regulatory background, in that she started her career with the United States Control of the Currency which was a regulatory agency, and then went on to the General Counsel's Office, Department of Treasury, and the Department of Law, etc. Representative Vazquez stated that the applications are not a straight, fill out the form process; in fact, they usually are not; there are several levels of review and several levels of discretion. She stated that when she was in the United States Control of the Currency, they regulated national banks and they were not allowed to have any loans issued by a national bank, credit cards issued by a national bank, or a mortgage issued by a national bank because they did not want any assumption that any influences were used to obtain funds or privileges. She stated that she would tend to lean on the stricter side for the reason of perception. Perception in the world of politics and public service is a reality.

Member Thomas stated that it would be difficult for the committee to make a decision to exclude these before knowing specifically what discretion might be available to the department for each one. They can't be lump all together either because it sounds like they're not all the same. Member Thomas further stated that he did not have enough information to vote on removing any of the programs at this time.

Member Cook stated the he felt that someone needs to take a look at this and asked Rep Vazquez if she would be willing to review the DCCED programs and report back to the committee in May.

Representative Vazquez agreed to Member Cook's proposal and asked the committee for a guideline and contact person.

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Chair Turner stated that Rep Vazquez would be working with Mr. Anderson and Ms. Anslem.

Member Thomas motioned not to remove the five programs from the list and requested that Rep Vazquez review what discretion the department has in granting the licenses.

There were no objections.

9:38:57 AM Representative Millett requested to comment on ITEM 5, Contractor Subcommittee Report; Rep Millett stated that under section 24.60.150 Duties of the Committee, it was brought to her attention that we may recommend introduction of legislation for a motion, also stating that she thought she was wrong when she said that we don't need a motion. We do need a motion to recommend introduction, not recommend or endorse any legislation. If the committee is willing to take a vote, she will make a motion.

Representative Millett motioned that the committee is recommending change be made to this area of legislation and legislation is the only way to accomplish this change; Legislation was brought before us.

No objections. Motion passes.

**6. PUBLIC COMMENT:** (Was Item 5) None.

**7. ELECTION OF COMMITTEE CHAIRS FOR 2015-2016:** (Was Item 6)  
Member Thomas nominated Member Cook as Senate Subcommittee Chair who will also serve as the Full Chair. No further nominations. No objections. Nominations approved without objection.

Member Cook nominated Member Walker as Vice Chair for Senate Subcommittee. No further nominations. No objections. Nominations approved without objection.

Member Walker nominates Member Leask as House Subcommittee Chair. No further nominations. No objections. Nominations approved without objection.

Member Walker nominates Member Thomas as Vice Chair for House Subcommittee. No further nominations. No objections. Nominations approved without objection.

Ms. Anderson offered to explain the committee election process to the committee for new members and the public.

Ms. Anderson stated that the process was in members' packet found under AS 24.60.130, and read them aloud for anyone who did not have a packet.

- The members of each subcommittee shall elect a chair and a vice-chair who serve a term of two years.
- Neither chair nor vice-chair may be a member of the legislature.
- An officer may not hold the same office for more than two consecutive terms.
- The vice-chair shall act as chair in the absence of the chair.
- The chair selected by the SENATE subcommittee shall chair the full committee beginning the first day of the regular session in odd-numbered years – 2015.
- The chair selected by the HOUSE subcommittee shall chair the full committee beginning the first day of the regular session in even-numbered years – 2016.

**8. COLLECTION OF UNPAID FINES:** (Was Item 12) [9:44:17 AM](#)

Chair Turner stated that this was a continuation from the Ethics Committee meeting on October 28, 2014, and introduced Dan Wayne, LAA Legal, to the floor.

Mr. Wayne referred members to a memo in today's packet that was drafted by Mr. Doug Gardner, Director of Legal Services. Also in the packet, is a letter dated October 27, 2014, from Mr. Brent Cole, contract attorney for the Ethics Committee who advises that currently, there was not a way for the committee to collect unpaid fines, if a person chooses not to pay them. The committee is not authorized by statute to file a law suit for collection.

Mr. Gardner's letter covers all of the issues, such as the pitfalls and possible consequences in connection with each of them. At the end of his letter, he lists some possible options for the committee, although he could not recommend any of the four over the other. At this point, he is willing to continue working on the issue following the direction of the committee.

Representative Josephson asked in reference to the first two bulleted recommendations that if a committee makes a finding as it did with a former legislator who had a hefty fine, and it was well known to the public, it would undermine this body's findings if a complaint were filed and the whole thing was re-litigated and revisited. The message that the person might get is to demur, or just

stand down and do nothing because s/he will challenge this in court and think they will never be able to collect. Usually, an appellate standard would be if there was a huge abusive discretion on the facts, there could be re-litigation of those facts; but generally, you would look for other sorts of error. He asked Mr. Wayne if he had any response to that and stated that someone needs to look at the third bullet which is look at new legislation.

Mr. Wayne stated that he and Mr. Gardner agreed that that is one of the things that could happen--it might depend on the facts of the particular case. In some cases where people owe money, the problem in collecting is that they cannot be located.

Mr. Wayne also stated that it's been his experience in court is that they establish that there's a debt and then it's just a question of are they going to pay it and when.

Senator Stevens stated that it should not be the Ethic Committee's job to be collecting fines or suing legislators. He'd like to look into this more carefully, but it would seem to him the third bullet would be the best choice, and that is introducing legislation.

Representative Millett requests testimony from Ms. Anderson and stated that most of the fines she has seen during her terms as an Ethics Committee member are small in nature, and has seen one fine that was large. She asked Ms. Anderson how big of a problem this issue is for the committee.

Ms. Anderson stated that in the past, there have been fines in the range of \$5,000 that have been paid. The fine Rep Josephson alluded to was about \$18,000. Only a couple thousand has been paid on it. It was due on October 1, 2014. This was the first time a fine has not been paid, which brought to light the fact that the committee had no options to pursue collection.

Ms. Anderson stated that in response to Rep Josephson's comments, there is no judicial review of the committee decisions. The committee's decision is final. There was a case in the 90s where that became apparent.

Representative Josephson stated that that was not what Mr. Gardner's letter says. Anytime a complaint is filed, by definition, you could lose the complaint/suit.

Ms. Anderson stated that this is strictly about the collection of the fine. For example, the Alaska of Public Offices Commission (APOC) has a process for the collection of fines. It was her understanding that what the committee is looking for is a process to follow for collection of fines. For example, such as statutory language that would say that if a fine is not collected, the Ethics Committee may refer it to the AG's office.

Member Walker added that the impetus for bringing up this subject is really the credibility of the committee. If the committee is issuing fines, and people decide not to pay, what credibility does the committee have in their final orders?

Chair Turner stated that he agreed with Member Walker and would like something in place the next time the committee faces this issue. An established procedure is required.

Chair Turner recommended research on how other states handle collection of unpaid fines and a discussion of the findings at the next committee meeting in May. He requested this exploration be done by Mr. Wayne and Mr. Anderson.

**9. CHAIR/STAFF REPORT:** (Was Item 7)

**a. Comments from Administrator**

Mr. Anderson updated members that the Ethics office has moved back into the LIO Building on 4<sup>th</sup> Avenue.

**b. Informal Advice Staff Report**

Mr. Anderson stated that there was no report in today's packet. He noted that he has adopted a new standardized form to manually record inquiries for input into the computerized Management Log entries.

**c. Committee Member Appointments [9:56:04 AM](#)**

Mr. Anderson stated that Chief Justice Dana Fabe will issue a letter today regarding public member appointments to the committee.

**d. Ethics Training** - Mr. Anderson reported that there were two Ethics Training sessions last week for non-political legislative employees, held at Centennial Hall, 100 and 106 in attendance.

There was also individualized training last week for the eight new legislators. Representative Kito, who was appointed during the 2014 legislative session, also attended.

On January 15, there was a training session for new and returning legislative employees with 126 in attendance.

There were training sessions on January 19 and 20 for returning legislators with 33 and 17 in attendance respectively. One Representative was unable to attend due to an emergency. Arrangements for a later training date are being made.

There are two remaining sessions for legislative employees who were unable to make any of the previous training sessions.

There will also be another training class in Anchorage in early February, which will be teleconferenced for outlying LIO staff.

**e. Ethics Disclosures** - Mr. Anderson referred members to the pink pages in the packet, and noted that there were 470 disclosures filed in 2014, and 605 in 2013; the difference is due to the number of Gifts of Travel and/or Hospitality disclosures filed which was higher in 2103, as it was not a campaign year.

**f. Publications** - Mr. Anderson reported that there was one advisory opinion issued in 2014, which was AO 14-01, regarding a cell phone shared calling plan and a close economic association, which will be read into the Legislative Journal.

Mr. Anderson returned to Item d. Ethics Training adding that he wanted to return to an item discussed at a 2013 committee meeting in regards to an "audience response" system, or training tool, basically called a "clicker", which allows anonymous responses from the audience. The price has gone down considerably; from

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\$4,300 in 2013 to \$2,950 for 100 clickers or \$1,599 for 50, and recommended obtaining it. The benefit of using this feature is to present concepts and receive responses from the audience, which may generate more interest in terms of training. Other agencies in the Legislature have expressed interest in obtaining this tool, as well. This is really a very interactive tool that could be used at Ethics Training.

Chair Turner added that many University systems across the country use this tool, particularly in their large lecture classes, where you can get an idea of the learning that is taking place or might not be taking place. This would assist Ethics in determining where to narrow or expand training. For example, if a lot of time is spent on "Gifts", and everybody gets it, then maybe it's not something to spend a lot of time on. If filing close economic associations seems to be a little fuzzy with many in the audience, then more time should be spent here in greater detail.

Senator Stevens commented that he attended training this year and stated that it is dreaded by all of the legislators as they been to it so many times. However, the questions asked in class are very interesting, and asked over and over again. Not everyone always gets it at the same time, which must be discouraging for the trainer, but he stated that there is a real value to it. He stated that he was glad to have gone through it and learns something each time and offered a well-done compliment.

Chair Turner requested that Mr. Anderson follow up on this idea with Executive Director Pam Varni, and see if this tool would be shared with other departments in the Legislature, and determine from where the cost would be derived.

Member Thomas asked which quantity they should consider obtaining. Chair Turner recommended obtaining 100.

Member Walker asked for clarification on the function of the "clicker". Mr. Anderson explained that the trainer has a pad in front of him/her of a question with a multiple choice answer. The audience sees the question and multiple choice answers on the screen and



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answers anonymously, using a hand device, the answer of their choice. The results appear after the audience has made their selection.

Chair Turner re-invited Ms. Anderson back to the floor to explain the appointment process since there were new members on the committee and a new legislator, as well as people in the audience.

Ms. Anderson stated that there were two members up for appointment, which are Herman Walker and Dennis "Skip" Cook. The Chief Justice of the Supreme Court makes the appointments to the committee through letter, which as Mr. Anderson noted would be received today. Before, this occurs, the Ethics office sends notices out to all legislators and LIO offices who posts them. If anyone wants to apply to serve on the committee, s/he can submit a letter to the Chief Justice. The Chief Justice sends a letter to the House and Senate, which are read across the floor. The members who were appointed by Chief Justice Fabe will then go through an appointment process through the judiciary committee in both the House and Senate. The floor votes on the appointments.

**g. COGEL (Council of Government Ethics Laws) Conference**  
**[10:07:26 AM](#)**

Mr. Anderson provided an overview of the conference he attended, stating that it was a very worthwhile conference for anyone involved in Ethics. The attendees are from across the Lower 48 and Canada. The conference in December was held in Pittsburgh. The classes he attended are listed in today's packet, and there were many from which to choose. He stated that he picked up many useful tips and will incorporate them in Ethics Training; the tri-fold business card he has been distributing at the training classes is one of the ideas he implemented after learning about it at the conference. The last class he attended was the most important to him, which was called "Tips and Tricks-Maximizing Your Effectiveness with Your Commissioners;" the committee members being the equivalent. After hearing stories of very short terms and members that did not have a lot of institutional knowledge being on these committees and how the administrators had struggled with this, Mr. Anderson stated that he was grateful for the public members who

have had extensive experience and multiple terms, with whom he was working, especially with him being a new administrator. Not to mention the legislative members who have had multiple terms. Some of the concerns others shared made him appreciative of how the system was set up in Alaska. The exchange of information is obtained from attending these conferences. For example, Alaska is ahead of a lot of states in terms of technology. Many are trying to go more electronic and less paper records. We've been encouraging electronic filing of disclosures so they are searchable. Many states don't have a searchable database of advisory opinions like we do, either.

Mr. Anderson stated that he recommends that the state continue to send members to future COGEL conferences.

- 10. BUDGET:** (Was Item 9) [10:11:04 AM](#)
- a. FY15 Budget Update - Mr. Anderson stated that the first report in the packet (white pages) is a reflection of the current fiscal year, and balance available as of January 11, 2015, noting the report was generated on January 12. The balances are all greater than 50%, as we are 50% into the fiscal year at this time. Travel was the largest expense, which is due to travel to Juneau and occurring at the second half of the fiscal year. Other than that, there were no issues on FY15.
  - b. FY16 Budget - Mr. Anderson stated that in terms of change, the committee received an email which is included in packet that states the cost of living allowance was increased from a 1% to a 2.5%. Other than that, we have a maintenance budget, due to the change in administrators, which is stated in the email, as well.
- 11. APPROVAL OF MINUTES:** (Was Item 4) [10:13:00 AM](#)
- a. Motion to approve the October 28, 2014 Full Committee Meeting was made by Member Cook. No objections. Motion passes.
  - b. Motion to approve October 28, 2014 Senate Subcommittee Meeting was made by Member Thomas. No objections. Motion passes.
  - c. Motion to approve October 28, 2014 House Subcommittee Meeting was made by Member Cook. No objections. Motion passes.

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- d. Motion to approve November 10, 2014 Contractor Subcommittee Meeting was made by Member Thomas. No objections. Motion passes.
  - e. Motion to approve November 19, 2014 Contractor Subcommittee Meeting was made by Member Walker. No Objections. Motion passes.
- 12. OTHER BUSINESS: [10:14:45 AM](#)** Chair Turner reminded members of the next Ethics Committee meeting which will be held in Anchorage on Wednesday, May 13, 2015. Mr. Anderson will follow up with details by email.
- 13. ADJOURN: [10:15:44 AM](#)** Motion to adjourn was made by Member Walker at 10:15 a.m.