



# Legislature passes SB 89; amends Ethics Act

Legislature passed SB 89 on April 24, 2019; due back from governor May 24, 2019

## AN ACT

01 Relating to the Legislative Ethics Act; and providing for an effective date.

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03 \* **Section 1.** [AS 24.60.010](#) is amended by adding a new paragraph to read:

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(9) a fair and open government requires that constituents have

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unencumbered access to legislators about issues important to the state pursuant to art. I,

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secs. 5 and 6, Constitution of the State of Alaska, which protect the right of a legislator

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and a constituent to meet and the right of a person to petition the government, and this

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chapter is not intended to restrict those rights.

09 \* **Sec. 2.** [AS 24.60.030\(e\)](#) is amended to read:

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(e) A legislator may not directly, or by authorizing another to act on the

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legislator's behalf,

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(1) agree to, threaten to, or state or imply that the legislator will take or

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withhold a legislative, administrative, or political action, including support for or

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opposition to a bill, employment, nominations, and appointments, as a result of a

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person's decision to provide or not provide a political contribution, donate or not

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## Senate Bill 89 Q & A

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### What does “financial interest” mean?

ANSWER: A substantial equity or ownership interest in a business, investment, real property, lease, or other enterprise. *See* Section 5 of SB 89 (AS 24.60.030(j)(3)).

The goal with this legislation is to ensure that personal enrichment does not occur. That’s why “equity or ownership interest” has been chosen. It’s the proper balance between ensuring that corruption doesn’t occur, while still allowing legislators to represent their constituents on issues that affect the state.

### When does a legislator have to declare a conflict?

ANSWER: Before voting on a question in a **committee** or on the **floor** if:

- I. The effect of the vote is likely to substantially benefit or harm the financial interest of:
  - a. The legislator;
  - b. The legislator’s spouse;
  - c. A person with whom the legislator or the legislator’s spouse is employed; or
  - d. A person with whom the legislator or the legislator’s spouse is negotiating for employment.

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01 donate to a cause favored by the legislator, or provide or not provide a thing of value;  
02 (2) state or imply that the legislator will perform or refrain from  
03 performing a lawful constituent service as a result of a person's decision to provide or  
04 not provide a political contribution, donate or not donate to a cause favored by the  
05 legislator, or provide or not provide a thing of value; or

06 (3) **unless required by the Uniform Rules of the Alaska State**  
07 **Legislature** [EXCEPT AS PROVIDED IN (g) OF THIS SECTION OR WHILE  
08 PARTICIPATING IN A PUBLIC DISCUSSION OR DEBATE], take or withhold  
09 **legislative** [OFFICIAL] action [OR EXERT OFFICIAL INFLUENCE] that **is likely**  
10 **to** [COULD] substantially benefit or harm the financial interest of **the legislator, the**  
11 **legislator's spouse, or** a person

12 [(A) WHO IS A MEMBER OF THE LEGISLATOR'S  
13 IMMEDIATE FAMILY;

14 (B) BY WHOM THE LEGISLATOR OR A MEMBER OF  
15 THE LEGISLATOR'S IMMEDIATE FAMILY IS EMPLOYED;

16 (C) with whom the legislator **or the legislator's spouse is**  
17 **employed or** is negotiating for employment [;

18 (D) FROM WHOM THE LEGISLATOR OR A MEMBER OF  
19 THE LEGISLATOR'S IMMEDIATE FAMILY HAS, IN THE  
20 IMMEDIATELY PRECEDING 12-MONTH PERIOD, RECEIVED MORE  
21 THAN \$10,000 OF INCOME].

22 \* **Sec. 3.** [AS 24.60.030](#)(g) is amended to read:

23 (g) Unless otherwise required by the Uniform Rules of the Alaska State  
24 Legislature, a legislator shall declare a conflict of interest before voting on a question  
25 before a committee of the legislature, and shall request to be excused from voting on a  
26 question before a house of the **legislature** [LEGISLATURE,] if the **effect of the vote**  
27 **is likely to substantially benefit or harm the financial interest of the legislator,**  
28 [LEGISLATOR OR A MEMBER OF] the legislator's **spouse, or a person with**  
29 **whom the legislator or the legislator's spouse is employed or is negotiating for**  
30 **employment** [IMMEDIATE FAMILY HAS A FINANCIAL INTEREST IN A  
31 BUSINESS, INVESTMENT, REAL PROPERTY, LEASE, OR OTHER

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01 ENTERPRISE IF THE INTEREST IS SUBSTANTIAL AND THE EFFECT ON  
02 THAT INTEREST OF THE ACTION TO BE VOTED ON IS GREATER THAN  
03 THE EFFECT ON THE GENERAL PUBLIC OF THE STATE. HOWEVER,  
04 NOTWITHSTANDING (e)(3) OF THIS SECTION AND THE LIMITATIONS OF  
05 THIS SUBSECTION, A LEGISLATOR MAY VOTE ON AN APPROPRIATION  
06 BILL THAT MEETS THE REQUIREMENTS OF [AS 37.07.020\(a\)](#) OR 37.07.100].

07 \* **Sec. 4.** [AS 24.60.030\(j\)](#)(2) is amended to read:

08 (2) "substantially benefit or harm" means the effect on the person's  
09 financial interest is greater than the effect on the financial interest of **a substantial**  
10 **class of persons to which the person belongs as a member of a profession,**  
11 **occupation, industry, or region** [THE GENERAL PUBLIC OF THE STATE].

12 \* **Sec. 5.** [AS 24.60.030\(j\)](#) is amended by adding a new paragraph to read:

13 (3) "financial interest" means a substantial equity or ownership interest  
14 in a business, investment, real property, lease, or other enterprise.

15 \* **Sec. 6.** [AS 24.60.990\(a\)](#)(6) is repealed.

16 \* **Sec. 7.** This Act takes effect immediately under [AS 01.10.070\(c\)](#).

### Reminder: Disclosures required for associations beginning after February 15, 2019

#### Board memberships (within 30 days of the beginning of the association)

##### Examples

- A legislator or legislative employee is elected to their Condo Association Board on March 12, 2019.
- A legislator or legislative employee begins a term on a non-profit local arts advisory board on April 4, 2019.
- A legislator or legislative employee is appointed to a national education board of directors on May 2, 2019.

#### Close economic associations: Both parties must file a disclosure (within 30 days of the beginning of the association.)

##### Examples

- A legislator purchases a piece of artwork worth \$250 or more from a legislative employee on April 15, 2019.

#### Disclosures must be filed within 30 days of the beginning of an association regardless of whether it's during session or during the interim.

If you are unsure as to whether or not you need to file, contact the Ethics Office at 269-0150 or 269-8179.

#### Contact the Select Committee on Legislative Ethics

##### Mailing Address:

PO Box 90251  
Anchorage, AK 99509-0251

##### Physical Location:

Signature Building  
745 W 4th Ave., Suite 415  
Anchorage, AK 99501

PH: 907-269-0150

FAX: 907-269-0152

Email: [Ethics.Committee@akleg.gov](mailto:Ethics.Committee@akleg.gov)

Website: <http://ethics.akleg.gov/>

**File your disclosures online. It's easy!**

1. Go to <http://intranet.akleg.gov/> and click on "File an Ethics Disclosure."
2. Enter your credentials (your computer log-in).
3. Click on the type of disclosure you want to file.
4. Complete the form using drop down menus when available.
  - Remember to provide complete information about the donor and a description of the topics discussed, forums attended, or other pertinent information.
4. Check your completed disclosure for accuracy.
5. Submit. So easy!



**DON'T MISS THE DEADLINE!**

**The following types of associations must be filed within 60 days of the beginning of the association.**

- Gift of Travel and Hospitality for Legislative Matters \$250 or more - AS 24.60.080(c)(4)
- Gift of Travel and Hospitality for Legislative Matters \$250 or more - Family Member - AS 24.60.080(i)
- Gift Related to Sanctioned Charity Event - AS 24.60.080(c)(10)
- Gift Related to Sanctioned Charity Event - Family Member - AS 24.60.080(c)(10)

**When filing travel and/or hospitality disclosures, provide adequate information for the public by:**

- Avoiding the use of acronyms, such as NCSL.
- Giving complete information about the donor.
- Describing the topics discussed, forums attended, and/or other pertinent agenda items.

**The following types of associations must be filed within 30 days of the beginning of the association.**

- Membership on a Board of Directors - AS 24.60.030(f)
- Participation in State Benefit and Loan Programs - AS 24.60.050(c)(d)
- Representation before a State Agency - AS 24.60.100
- Interest in State Contracts, Leases, or Grants - AS 24.60.040  
NOTE: A legislator or employee, or a family member, or a public member of the Ethics Committee who participates in a state contract, lease or grant with an annual value of \$5000 or more, must disclose. Reporting applies to interests begun, acquired or renegotiated. Please see the law for details.
- Close Economic Association with other than a lobbyist spouse or lobbyist domestic partner - AS 24.60.070
- Close Economic Association with Lobbyist Spouse or Domestic Partner - AS 24.60.070(d) (NOTE: Changes to the list of lobbyist contracts must be reported within 48 hours.)
- Gift of Legal Services Related to Legislative Matters - AS 24.60.080(c)(8)
- Gift Not Connected to Legislative Status \$250 or more - Confidential Disclosure - AS 24.60.080(c)(6)

## Fundraising restrictions during regular and special session

### Sec. 24.60.031. Restrictions on fund raising.

- (a) A legislative employee may not
- (1) **on a day when either house of the legislature is in regular or special session**, solicit or accept a contribution or a promise or pledge to make a contribution for a campaign for state or municipal office; however, a legislative employee may, except in the capital city or in the municipality in which the legislature is convened in special session if the legislature is convened in a municipality other than the capital city, solicit or accept a contribution, promise, or pledge for a campaign for state or municipal office that occurs during the 90 days immediately preceding the election for that office; or
  - (2) accept money from an event held **on a day when either house of the legislature is in regular or special session** if a substantial purpose of the event is to raise money on behalf of the legislative employee for political purposes; however, this paragraph does not prohibit a legislative employee from accepting money from an event held in a place other than the capital city or a municipality in which the legislature is convened in special session if the legislature is convened in a municipality other than the capital city during the 90 days immediately preceding an election for state or municipal public office in which the legislative employee is a candidate.
- (b) A legislator may not
- (1) **on a day when either house of the legislature is in regular or special session**, solicit or accept a contribution or a promise or pledge to make a contribution
    - (A) for the legislator's own campaign for state or municipal public office, unless the solicitation, acceptance, promise, or pledge occurs in a place other than the capital city or a municipality in which the legislature is convened in special session if the legislature is convened in a municipality other than the capital city during the 90 days immediately preceding the election in which the legislator is a candidate;
    - (B) for another candidate in an election for municipal, state, or federal office;
    - (C) to influence a state ballot proposition or question; or
    - (D) for a political party;
  - (2) accept money from an event held **on a day when either house of the legislature is in regular or special session** if a substantial purpose of the event is to raise money on behalf of the legislator's campaign for state or municipal public office; however, this paragraph does not prohibit a legislator from accepting money from an event held in a place other than the capital city or a municipality in which the legislature is convened in special session if the legislature is convened in a municipality other than the capital city during the 90 days immediately preceding a state or municipal election in which the legislator is a candidate; or
  - (3) in a campaign for state or municipal office, expend money that was raised **on a day when either house of the legislature was in a legislative session** by or on behalf of a legislator under a declaration of candidacy or a general letter of intent to become a candidate for public office; however, this paragraph does not apply to money raised in a place other than the capital city or a municipality in which the legislature is convened in special session if the legislature is convened in a municipality other than the capital city during the 90 days immediately preceding an election in which the legislator is a candidate.
- (c) In this section, "contribution" has the meaning given in AS 15.13.400. (§ 4 ch 127 SLA 1992; am § 27 ch 48 SLA 1996; am § 19 ch 74 SLA 1998; am §§ 2, 3 ch 106 SLA 2008)

**The Select Committee on Legislative Ethics has an alternate public member vacancy.** Public members are selected by the Chief Justice of the Alaska Supreme Court and ratified by two thirds of the full membership of the legislature. Public members serve a three-year term.

Apply to be a public member of the committee by sending a letter of interest along with a resume to Chief Justice Joel Bolger, Alaska Supreme Court, 303 K St., Anchorage, AK 99501 and include your political party affiliation as noted on your voter registration on file with the Alaska Division of Elections.

Learn more about the Select Committee on Legislative Ethics at <http://ethics.akleg.gov/>.