Fact Sheet for: Senate Bill 186

Short Title: EXECUTIVE BRANCH ETHICS

Summary:

- Removes vague terms such as “substantial” and “insignificant”.
- Adds key language pertaining to specific types of personal or financial activity.
- Stock ownership is limited to 1% or $10,000 following the Bundy Report recommendations.
- Adds language allowing financial interests to be held in a blind trust or other instrument in which the public official has no management control.
- Adds two new terms to the statute — “business associate” and “household” — to better define close relationships associated with the public official.
- Adds language allowing supervisors a third option where a potential conflict has been identified. The employee may now be directed to place the financial interest in a blind trust or other investment where the employee has no management control.
- Provides clarifying language to the statute where a matter concerns the governor, lieutenant governor or attorney general.
- Recognizes the state employee’s presumption of innocence by extending the chain of confidentiality to the complainant prior to any finding of probable cause. An individual who violates this section is subject to a civil fine of up to $5,000.

Benefits:

- Provides a “bright line” approach to our Executive Branch Code of Ethics.
- Reintroduces a necessary element of fairness to the process by adhering to a long standing principle of American justice — the presumption of innocence.
- Seeks to avoid a “trial by media” scenario in which justice is meted out not as a function of procedural law but more as matter of immediate gratification.

Background:

- Alaska’s ethics code applies not just to a handful of individuals but to 15,000+ state employees. It seems we should be keeping this in mind when we look at designing a system that not only seeks fairness to the individual employee but also justice for the public at large. Senate Bill 186 implements a number of features which are intended to accomplish these dual purposes in a bright line, straightforward fashion.