

Mn. House Ethics Committee
minutes Vol. 1 1971-72

ETHICS

19 71 Committee Meeting Dates

Members:

[illegible]

ETHICS COMMITTEE

February 5, 1971

MR. KNUTSON: The thing we want to talk about first off -- of course, this is the standing House Committee on Legislative Ethics. I think we should first of all establish what we really do have in the way of ethics for the House and the Senate that is actually in the statutes now. I think that we should establish the things that are set out in the statutes in a rather brief form. They say that a legislator or legislative employee should not accept employment which will impair his independence and judgment in the exercise of his official duties. He should not accept direct or indirect pay from any state agency when such activity would be in substantial conflict with personal and private interests. He should not vote nor act in the case of employees where the public interest is or may be in conflict, and he should not forget that in interpreting these sections, we have a part-time legislature whose members must engage in work and employment outside legislative duties.

The standing committee is made up of two members of each side of the aisle, so that it is evenly apportioned. They had the duty to render advisory opinions upon request of any legislator. They have the duty to receive and consider complaints, and to investigate and hold hearings. They have the power to subpoena witnesses, administer oaths and take testimony, and any complaints that come before this committee must be in writing, signed by the person making the complaint, and investigated on a confidential basis, at least until probable cause is determined, at which time the committee serves a copy of the complaint and a further statement on the alleged violator, who then has twenty days to respond. The statute also provides that disclosure of information relating to the complaint and of the preliminary investigation by anyone, is grounds for being charged with a gross misdemeanor. Hearings are to be held with the right of counsel, and by a three-fourths vote

Ethics Committee

the committee may either dismiss the complaint or make its findings and recommendations to the Senate or the House where appropriate action, or deliver such findings to the Attorney General for civil or criminal action, as he may deem warranted. It also provides that each state agency must prepare and publish a code of public service ethics for the guidance of its people.

I think this is the background from which we should work this evening, because that is what we already have in the statutes now. So our purpose then is to try to gain what knowledge we can from people who may be interested in legislative ethics - things that might help us complete our charge as received from the House, in that we must investigate, take testimony and make our recommendations on legislative ethics to the members of the House. What action is taken from there on depends upon what action the House wishes to take. But, at least our charge is to make some recommendations to the House within a forty-five day period, which I calculate expires on March 1. So, with that kind of an introduction and background, I'll call first on Mr. Harold Chucker from the Minneapolis Star, who has consented to come and state their policy on legislative ethics.

MR. HAROLD CHUCKER: Thank you, Mr. Chairman. I am delighted to be here, even though I had to drive from the western suburbs, and I-94 is not exactly a pleasant drive tonight.

I will be quoting from a couple of editorials here and I want to explain first that this is not necessarily -- I am not speaking of my position -- the editorials reflect the position of the Minneapolis Star, and of course, being the Editorial Editor, I am in complete agreement, and if I wasn't, they wouldn't be in the Minneapolis Star -- let me put it that way.

I would like to start off by quoting a paragraph which appeared in an editorial in the Star on July 20, 1970 entitled, "Legislators and Ethics". This editorial appeared shortly after the David

Ethics Committee

Nimmer and Stephen Hargen series was concluded in the Star. This paragraph reads as follows: 'Minnesota has been exceptionally fortunate in attracting individuals of high calibre to the legislature.' The point could be made that any state which can produce no worse incidents of legislative conflict than those reported in the Nimmer-Hartgen series, is blessed indeed. I'm not reading that paragraph to butter you up or anything, because we sincerely believe this, and I think the Nimmer-Hartgen series did not disclose any irrational acts or any criminal acts, or anything like that, and we on the editorial staff were quite pleased with the way the series turned out, and as I told the chairman earlier, I was in no way responsible for the series, had nothing to do with it, because we have a separation of the editorial department and the news department.

We have not on the Star editorial page hit very hard on the question of legislative ethics in the past few years. I could find only two editorials that we have had in recent years, the one I just quoted partially from, July 20, 1970, and one before that on January 17, 1969, the previous session. I will quote from those just briefly. We have had a number of other editorials that have talked about the functioning of the legislature, the rules and procedures. These, of course, go under the making of the public image of the legislature, but they're not the same as the code of ethics, which is the immediate question before this body.

Now our position can be summed up in that one paragraph which I read to you, and also the first paragraph of that July 20 editorial which I'll quote: 'It is probably impossible to write and enforce a set of rules which will eliminate conflicts of interest in the state legislature. Every legislator, like every other human being, is motivated by a variety of interests, and it is not always easy to define which impelling factors constitute a conflict with the legislator's public role. Still we believe that there are a number

Ethics Committee

of things that can be done by this body and by the legislature as a whole. We believe there should be a ban for instance on lawyer legislators practicing before state agencies, and perhaps that ban should be extended to other professions, trades or businesses. For example, should a large supplier of services or goods to the state also be a legislator? But there should be an exception to this. If a supplier or contractor always gives his job to the lowest bid, it might not make any difference whether he is a legislator or not.

Secondly, I do not believe a legislator should carry or author a bill, or testify in favor of a bill which would benefit his client, employer or company materially. He should be permitted to vote on the bill, we feel, only after disclosure of financial interest. Now this brings me to that January 17, 1969 editorial headlined 'Larson's Conflict of Interest'. Now this refers to State Senator Norm Larson of Ada, who headed the Highway Interim Commission made up of five state senators and five representatives, and we said in the editorial: 'Larson is an auto dealer, an operator of a junk yard facing a highway. The commission reported the other day that no new legislation to control such yards is needed this session. Surely this finding would be disputed by any motorist who has seen these eye sores expand and noted the feeble efforts to screen them from view. Senator Larson has said that the junk yards relieve the monotony of the natural roadside scenery. But what do you do about the monotony of ugly accumulations of junk cars. Shouldn't the state senate question the propriety of Senator Larson heading the commission, and also the senate's own public highways committee.

There have been a number of other incidents which have bothered me the last couple of sessions, and I don't come over here as often as I can. Because of my job I am pretty much chained to my desk, but the few times I have been over here and the things I have read in our newspapers, there has been an instance of a nursing home operator who introduced a bill to make things easier for his particular

Ethics Committee

nursing home and other similar nursing homes in Minneapolis. Some years back there was an operator of a liquor store who introduced legislation, or sponsored it, or otherwise helped it along, which had to do with fair trade pricing of liquor. I sat in on some hearings before the House Commerce Committee in which branch banking legislation had been introduced and vigorous opposition to that legislation was made by legislators who were rural independent bankers. This is the kind of thing we had in mind when we talk about legislators should not carry or author a bill, or testify in favor of a bill which would benefit their client, lawyer or company, etc.

Thirdly, we have been wondering in connection with this suggestion which I just mentioned, whether as a matter of routine some kind of a disclosure or disclaimer of financial interest by the author or authors should not be required on every bill introduced. This did not come out of our editorials because we have not had too many editorials. But these are matters which we have turned over in our minds in our editorial conferences.

Fourthly, and this might be difficult to achieve, there should be a conscious effort to keep the number of representatives of a given business, or financial interest, no fewer than half of those on committees which handle legislation dealing with these fields. In other words, a committee which handles insurance matters, we should not have more than half of the people on that committee who have direct interest some way or other in the insurance industry. But if the legislators feel that the expertise of such people is required, then they should require disclosure of financial interests from the committee members at the time the committees are created.

Now there has been some talk about financial disclosure by all legislators. I don't think this is possible. I don't think it should be required because as the chairman mentioned earlier, legislators are not full-time law makers. They are part-time law makers. They have to earn a living, and I think it would be grossly unfair to have

Ethics Committee

legislators disclose all their financial interests when they take office. This kind of disclosure is likely to be the key to any ethics procedure. If writing an ethics code proves to be impossible because of the difficulties in determining which kinds of conflicts to ban or restrict, at least some kind of disclosure rules would give the public an idea of the non-altruistic reasons behind its representative's vote.

Finally, there should be an ethics committee, and it should meet regularly. We are inclined to feel that it should be a committee from outside the legislature, a kind of citizens review board. Such a review board could be made up of former legislators if a decision is made to go outside the legislature, and it could have citizen participation. Or it could be a regular legislative committee which would be set up to receive complaints from other members, or from the public. Whatever the process the legislature chooses, the board should begin, the review board I'm talking about, should begin building a record of what is considered to be improper conduct so that future review boards can judge new cases against that record, and so that the question of partisanship can be minimized in each case.

Thank you, Mr. chairman.

MR. KNUTSON: Thank you, Mr. Chucker. That was most interesting. Are there any questions from members of the committee?

Mr. WEAVER: Mr. Chucker, I am sure I appreciated your comments, but as we have been talking about this, we have had some real difficulty determining just when you do have a financial interest in a bill. Let me give you an example: we had a bill that is being considered which I don't believe anyone has agreed to author yet that would take an 1897 statute that provided \$100 attorney's fees for a mortgage foreclosure, and the bar association suggested that this be raised, I think to \$150. Well, now, what's your feeling about this?

MR. CHUCKER: We wouldn't be bothered, really, I don't know

Ethics Committee

where we'd draw the line, but surely we wouldn't be bothered by this kind of a measure. It's a very fuzzy area here.

MR. WEAVER: Somebody can say I as a lawyer, if you ever handle a mortgage foreclosure, you're financially involved in that bill. This is just one of the many examples we have real difficulty with.

MR. GUSTAFSON: You made an interesting observation about a committee structured in some way that would meet periodically with some degree of regularity.

MR. CHURCKER: Are you referring to this review board I mentioned?

MR. GUSTAFSON: Yes. What would they be considering as they meet periodically?

MR. CHUCKER: I think assuming we're talking about an outside review board, which was my first suggestion, they would meet to consider complaints from voters, for instance, if there were voters who had an idea that an ethical conduct was being violated by some legislators, they could sit and consider that. Many of the cases, of course, could be dismissed almost immediately, but they could consider all those citizens' complaints, and they could initiate their own complaints. Being former legislators, for instance, they could observe where there was a conflict of interest by a legislator who was authoring a bill, or in some way, trying to push it along, they could raise a finger.

MR. GUSTAFSON: Mr. Chairman, we have that already. We have a statutory ethics committee. Isn't that right, Mr. Chairman?

MR. KNUTSON: Yes, we do have.

MR. CHUCKER: Well, has this been meeting regularly. I think we may have mentioned once or twice in some editorials that these committees have not been functioning. I may be wrong on this

MR. KNUTSON: We really haven't met, Mr. Chucker, except a few years ago when we had a big problem, and within the last two or three months when we had a request for an advisory opinion and

Ethics Committee

were working on a code for this session.

MR. CHUCKER: Let me tell you something out of school here that the Minnesota Newspaper Association, to which the Star-Tribune belongs, and I am sure many of you are familiar with it - newspapers throughout the state, weeklies and small dailies, and the metropolitan dailies belong, they are hoping to set up a review board which will have public members - the membership will be divided almost equally between public members and members of the newspaper profession. It will be headed by a Supreme Court judge, we hope. This thing is still in the formative stage. This committee will meet at regular intervals and will consider any complaints about the press in Minnesota. We would hope that there would be some kind of a review board or your ethics committee would be meeting at regular intervals and considering whatever complaints come forth.

MR. MUNGER: How are you going to get at the lawyer or legislature without full financial disclosure, who has a number of retainers tied in.

MR. CHUCKER: We just have to hope that our legislators, and I assume they are honorable enough men, if this is in the statutes that they will disclose it themselves. If somebody will point the finger and come running to this review board, or ethics committee, and say the legislator from my county shouldn't be authoring this bill because that's going to put it in the pocket of the association that he is working for. Or, he shouldn't be appearing before one of the agencies of the state.

MR. MUNGER: If a young legislator is quite intelligent and has a half dozen retainers, he can do work on committees and lobbying within the legislature without disclosing himself.

MR. CHUCKER: He can, but maybe I am being idealistic, or naive, but I would hope that our legislators have got enough ethics of their own not to do this, and if they don't somebody will blow the whistle on them.

MR. SCHUMANN: I am rather interested in the idea of an ethics committee, and I am wondering if we don't have one today and elected

Ethics Committee

every two years. I am sure that the information, whether it comes from an individual citizen, or who it comes from, it certainly is brought out and tried before a committee of those defending rights. This makes me wonder how many of these committees could be set up that would do a better job than the people themselves if informed and I think you people have the job of informing them.

MR. CHUCKER: You're absolutely correct and you could almost say the same thing for the newspapers, that we have a citizens review board or subscribers. The people call up and say 'I'm going to quit your falling Star. In a sense this is a citizens' review board. They are subscribers and are reviewing what they read in the paper, and if they don't like our editorial policy or a particular comic strip, they call up and say they want to cancel the paper. In a sense that's true, but I think if there is doubt in the public's mind, and there is just a smidgen of doubt arises in our minds only on occasions, here is this case, I don't want to single out Senator Larson on this thing, but why didn't somebody blow the whistle on him on the junkyard bill. I assume that the ethics committee was on the statutes at that time, and to me this was unethical for him to be heading that committee which considered that legislation.

MR. GUSTAFSON: I think this idea of having an active committee or commission to meet with some degree of regularity is very enchanting, except that if there are no complaints made, and nothing has come before it, you can sit and function with a vacuum. That's what happened with the statutory commission.

MR. CHUCKER: This bothers me about this statutory committee, and as I said, we mentioned a couple of times in editorials that the committee has not met. Well, should it have met? I don't know. If you say there was nothing before it, there is no need to meet. Is this supposedly to meet throughout the year, or not necessarily when the legislature is in session?

MR. KNUTSON: As I would read it, Mr. Chucker, it says in effect that this committee would operate when they receive a written

Ethics Committee

complaint, or when they receive a request for an advisory opinion.

MR. CHUCKER: Apparently we were wrong, and if this is the case that it is not required to meet regularly, it might be an area in which we can make some changes.

MR. GUSTAFSON: I think you've got a good point, except that if you're going to meet, there has to be a reason for meeting, and just for four men, or six men, to announce a meeting, serves no function. The way that thing is structured now, the law has been for many many years, it's functioned to respond to complaints, and complaints haven't been forthcoming. To whose fault, I don't know. You could have filed a complaint, I could have filed a complaint, anybody could have filed a complaint, but they haven't seen fit to file complaints. And I think you probably have an obligation with the press to tell our state people that we do have that law. And, Mr. Chairman, can we find out now how long we have had it on the books?

MR. KNUTSON: Surely we can find that out.

MR. GUSTAFSON: I suspect it has been there quite a few years at least.

MR. TICEN: You quoted from an editorial I believe indicating that lawyer legislators should not appear before the state regulatory agency. I guess my first question is, is that limited to while the legislature is in session, or do you feel that it should apply regardless. Mr. Chairman and Mr. Chucker, one of the things that we talked about informally was that if that's to be the case, shouldn't we also be prohibited from practicing before any courts of law? I raise that question as I have with this committee because I don't see in my own mind that there can be a distinction in one case as opposed to the other. And if I get an affirmative response to that, then my final question is, are we now saying that a citizen legislature should no longer have amongst their membership practicing attorneys?

Ethics Committee

MR. CHUCKER: No, I didn't say that. I don't think it would ever come to pass because I don't know what percentage of attorneys there are, 50% or 40%. I think it's completely unavoidable because naturally people who practice law are attracted to the legislature. But, I think we make a distinction between the regulatory agencies over which the legislature has the appropriations authority, and in the courts, they appropriate money for the courts too, but they can't set their salaries. But I just don't see how you can avoid that, and I would hope again, and maybe I'm being naive, that if a legislature is chairman of a committee here has an adverse decision rendered against him, or against his client, he would not see fit to take it out on the court by voting against a salary increase or introducing legislation to cut appropriations for the judicial system.

MR. JOHNSON: I appreciate your idea of a citizens review board of some sort. We have struggled with this for some time, and it is not easy for us to decide how it ought to be handled, and I would like to get outsiders involved just like we're doing here tonight, and with your presence trying to figure out just which way we ought to go. And I'm wondering if you think that that commission may be - well, Representative Schumann suggested that we go before the electorate every two years, and in the case of Senator Larson, he was in a position, you see, where he could use his power to a single advantage, being chairman of a highway committee. We shouldn't be picking out any particular fellow, but we have to have an example, and why not use a Senator! But this is something, while his people back home maybe don't mind his junkyard, his power affects the entire state, and is it your thought that maybe the review board would see something like that.

MR. CHUCKER: Right, exactly, and that would raise or point a finger. Now I've learned something tonight, you mentioned the statutory committee which is supposed to meet at regular intervals. Now would it be within the power of this committee, assuming no one

Ethics Committee

brought a complaint about this particular incident we are talking about, to raise the question and point the finger on its own?

MR. KNUTSON: I think that's one of the questions we have, and I suppose in some ways one of the safeguards, because as I read it, the committee can only act on a written complaint or request for an advisory opinion by someone. I suppose it's a safeguard from the standpoint that it doesn't allow a legislative committee to act in a witchcraft kind of manner or try to get after one particular legislator that they might be concerned with.

MR. CHUCKER: Here is where there might be value in a citizens review board of some kind, because there would not be any question of legislative courtesy such as applies in Congress. I don't know how closely it's followed here in the state legislature, but I know in Congress this is a very important thing.

MR. NORTON: That was the point I wanted to bring to your attention to see if you had any comment on, to see whether the fact that this statutory commission, being made up of all legislators, wouldn't be less inclined to listen to legislative matters in the ethics area, and that citizens, whether they be ex-legislators or never having had anything to do with the legislature, might not bring out more material than could possibly occur just on a legislative commission.

MR. CHUCKER: Yes, that's my feeling about this thing, and I said I don't know to what extent legislative courtesy applies in the state legislature. But that's a question I am sure would arise in many people's minds: are the legislators trying to cover up for one of their members.

MR. SCHUMANN: It is my understand of that law that anyone, yourself or any citizen could bring a complaint and it would then have to be heard. While it may be other legislators hearing the case, anyone could bring the complaint.

MR. CHUCKER: The suggestion was made here that perhaps it is the function of the press to point this out to the public that there

Ethics Committee

is this statutory committee and it's ready to meet on complaints. Now I am sure that most people like myself didn't know this. Perhaps if it was better publicized, there would be a little more business for this committee. I don't know if you want the business, but --

MR. KNUTSON: Well, I think that's one thing that we can learn is that we'd better publicize that even among our own members.

MR. WEAVER: I think that what we're talking about here really is legislative image, and as long as you are here, it seems to me that you have a terribly important responsibility on legislative image. My reaction for the time that I've been here is that the reporters of the various papers who are here do an excellent job of reporting what goes on at the legislature, and usually if they nail us, we probably deserve being nailed. On the other hand, there are several people, Jim Klobachar, Bob Smith, George Rice, this type of person who to my knowledge has never put his foot inside the Capitol, who seem to get their kicks from ridiculing what goes on in the legislature no matter what it is. And I think that you've got a terribly important responsibility to try to report the news accurately, which your news reporters do, they do an excellent job. But the person who decides they are going to write a column like that without any knowledge of what goes on in the legislature, really is very disturbing, and I think causes a great deal of the image problem.

MR. CHUCKER: You're 100% correct and I couldn't agree with you more. This disturbs me too. I will be happy to pass the word on.

MR. MUNGER: I am concerned about Norm Larson, but I'm more concerned about the legislators' financial connections that we don't know anything about. I think we should have some kind of a law where the legislator would have to disclose his financial connections, and probably you're right, probably he shouldn't disclose the amount of money that is involved, etc., but I think

Ethics Committee

the people have a right to know how he makes his living.

MR. CHUCKER: Yes, I think there is a distinction. When I am talking about financial disclosure, I am not talking about the kind of disclosure that a prospective cabinet member has to go through before a Senate committee, for instance, where he has to disclose all his stock and bond holdings, his salary, his trusts, the funds he has set up and everything. When I talk about disclosure for the legislator, I mean disclosure of the salary he makes from the association he happens to be working for. If he is working for an insurance association, or some kind of a highway users association, I think this should be disclosed so that the public will know if they are interested in finding out that this is- where this particular legislator draws part of his income from. I think we agree on disclosure in that sense.

MR. NOLAN: It has been suggested by some people that before you can have a tough, strict, meaningful code of ethics, that you have to have a full time paid legislature. Do you agree with that?

MR. CHUCKER: No, I don't. I think we would perhaps like to see annual sessions, but I don't think we are prepared to go as far as saying that we should have a full time legislature, unless you are starting to talk about cutting the size of the legislature, say by two-thirds or something like that. But even in that case, I would be inclined right now without sitting and studying the matter, to say, no, we don't necessarily want or need a full time legislative body in the state.

MR. NOLAN: In other words, you mean it's all right to have minor conflicts but that we should somehow try to guard against the major gross conflicts.

MR. CHUCKER: Well, I don't know how you measure the difference between minor conflicts or major conflicts. The gentleman was talking about the attorney who may be sponsoring, or has sponsored a bill to raise the fee for the mortgage registration, or whatever it is. Of course, this is a very minor conflict it seems

Ethics Committee

to me. It doesn't bother me in the least. A major conflict is, and I keep coming back to this insurance thing all the time, but if a man works for an insurance association, comes in and sponsors a bill which is beneficial to the insurance industry, this to me is a major conflict. This is what I mean.

MR. NOLAN: Could you give me an example of a minor conflict that would be tolerable?

MR. CHUCKER: Well, this one I just mentioned about the lawyer's fee of raising \$ I can't think of another one right now.

MR. GUSTAFSON: How about teachers serving on an education committee?

MR. CHUCKER: I think this is all right because you've got the expertise of teachers that you have to call on, and I think they're worthwhile, but I think the public ought to know about this, know that these are teachers. Maybe it's our function to say that Representative John Smith who is a teacher in Blue Earth, Minnesota, said 'so-and-so' before the committee.

MR. KNUTSON: If the committee so desires, I would like to call on the next witness. We appreciate your coming up here very much, Mr. Chucker. I invite you to stay around and listen to the others if you care to. I'll just arbitrarily call on Mr. Moe for our next witness.

MR. MOE: Thank you, Mr. Chairman. My name is Richard Moe and the chairman of the Minnesota D.F.L. party. I appreciate your invitation to testify here tonight because I think this is a very important area that you are considering. I think a lot of people are glad that the legislature finally recognizes that there is a problem in this area and it is time we have a tough, meaningful code of ethics. It is a difficult job, and I think most of the difficulty does arise from the fact that these are part time legislators, and that you must necessarily rely on outside income, and that there are just many many grey areas, aside from the more obvious ones, that raise very particular problems.

Ethics Committee

I do think Minnesota has been more fortunate than most states in the experience it has had with conflicts of interests, but I think most of you might agree that in recent years, particularly in the last couple of years, we have been experiencing a decline perhaps in public confidence in all public officials for a variety of reasons. But I think this has been contributed to at least in part by the unethical activities of the very few, and I would be the very first to point out that I believe that the vast majority of the legislators are very conscientious in their dealings, and beyond reproach in this area. But I do think it's a problem of public confidence, nevertheless, and I think that public confidence can only be restored by a very tough code of ethics. I don't pretend to be an expert in this area. I don't have a specific code to present to you, but I do have some observations which I hope might be helpful.

I think what is really needed here is, no. 1, a standard of conduct to guide the legislators themselves, when questions arise in their own minds. Secondly, I think what is needed is a standard of conduct by which legislators can be judged by the public. I am much less concerned about the sanctions you might provide for any code of ethics than I am about the standards, because as Mr. Schumann said, I think the ultimate sanction is public opinion when each of you has to run for re-election every two years, and I think that's a very effective sanction.

It seems to me there are really two problems here that arise. One is the problem that sometimes is referred to as the inside lobbyist. A legislator who uses his public position to influence legislation for a personal or private gain. The second problem is outside of the legislature itself and has already been referred to. It usually takes the form of a lawyer legislator appearing before a state agency. It seems to me that there are two approaches you can take to this problem. The first approach is that of the specific prohibition that might be contained in a code of ethics. This is the approach taken primarily I think by the Freeman Commission that

Ethics Committee

met in the late 50s and provided what law we have on the books today, if I am correct in that. And I think some other states have taken this approach, notably Iowa, if I am correct. By specific prohibition I mean certain activities that would be prohibited to any legislator. For example, that lawyer-legislators not be allowed to practice or appear before state agencies for compensation; or that attorneys or other professional persons serving as legislators should not be retained professionally by individuals or groups having business before the legislature; or that no legislator author a bill in which he has a personal or private interest.

Now there are certain problems with this approach in that it's not really very comprehensive, and because there are so many grey areas in this whole question of conflict of interest, it doesn't really lend itself to covering all of them. On the other hand, it does have the advantage of zeroing in more directly on some of the more blatant offenses, and for that reason I think recommends itself.

The other approach, the second one, is financial disclosure. This, I think, should take several forms. No. 1, requiring a financial disclosure of the financial assets and liabilities of each legislator. This need not be done in specific dollar amounts, but rather I think, as Mr. Norton has suggested, it might be done in broad categories. No. 2, requiring a disclosure of fees from groups or individual's income basically from groups or individuals having business before the legislature. No. 3, is what Mr. Chucker has referred to as requiring disclosure of a legislator's specific interest, personal or private interest, in a specific piece of pending legislation. Now the disadvantage of this disclosure approach is that it is really not very specific. But the advantage is that it does allow the public to judge for itself whether a legislator is acting improperly.

I would hope that whatever code of ethics you ultimately come up with, would combine the best parts of both of these approaches so that you can specifically prohibit really the most flagrant

Ethics Committee

abuses of authority which have occurred in this legislature, and I think we ought to admit it, and at the same time give the public adequate information to make its own judgments and conclusions.

On the question of a committee, I feel less strongly about a standing review board than Mr. Chucker, but I do think it is important that there be a permanent committee charged with this responsibility of viewing conflicts of interest, and I think it is also important that it contain non-legislators. I think most of you will agree that there would be a certain reluctance on the part of legislators to bring charges against fellow legislators. I think just the nature of the legislative process argues against this. So for a truly and effective vigilant committee, I think it would require non-legislators. And I think it is important that this committee be well publicized. I think it was a very little known fact during the last two years when there has been considerable public discussion about this area, that in fact a statutory committee existed. I certainly didn't know it and I don't know of anybody who did know it, or I am certain various specific charges would have been brought.

MR. KNUTSON: It is interesting to note that the reporters who did the articles apparently didn't do any research on that either.

MR. SOMMERDORF: You spoke about disclosure of financial interests, fees, etc., when we have discussed this, one of the things that has been brought up is that this gives the opponent who has not served, a special advantage, unless he also is required to make a disclosure at the same time he files for the office. Are you in favor of . . .

MR. MOE: I certainly would object to it. I am not certain that it does give him a special advantage unless he has something to hide.

MR. SOMMERDORF: It's possible that the fact that I'm a physician and I voted for something that supposedly benefits the medical profession, it could be used against me.

Ethics Committee

MR. MOE: Certainly. But that's a matter of public record that you're a physician, and I think it's a matter of public information in your district that you're a physician, and I think that's the kind of thing that you can trust to public opinion. But I think it's interesting that more and more candidates for public office are making full financial disclosures of assets, liabilities and income voluntarily. I think very clearly there is a trend in this direction.

MR. MUNGER: Sometimes I think we look at the little things and overlook the big things. If the timber industry, we'll say, takes an entire committee such as Public Domain to northern Minnesota and wines and dines them, and gives them snowmobile rides, etc., for two or three days, and then this distinct committee has to come back and make a decision on whether or not they are going to make a land exchange to the state or federal government or private industry, is this a violation of ethics?

MR. MOE: Well, it seems to me you've already handled that kind of problem with your lobbyist disclosure rules. That kind of a thing would become known, and it really kind of fits into another area. I think it might reflect very poor judgment on those legislators who did something like that, but that again is in the area of public opinion, and that's where I think it ought to be handled.

MR. MUNGER: Should it be left just up to public opinion, or should there be some regulations regulating that such as Wisconsin has.

MR. MOE: Well, as I indicated earlier, I don't object to any specific prohibition you may put in on a given activity that you view to be reprehensible, or one that ought to be condemned, and I think we could all think of a number of such activities. and that may very well be one.

MR. MUNGER: What bothers me is that sportsmen and individuals who are interested in the public parks, etc., they can't do this.

Ethics Committee

They can't take people around and show them what they have. They're at a disadvantage, I think.

MR. SCHUMANN: I am rather interested in the citizens committee again, but under the present set up, anyone could bring a charge. You have indicated that perhaps a citizens committee would not be as ready to act as would the legislative committee that was set up by the bill now on our statutes. But do you really believe this committee would hold its meetings in secret so that public opinion wouldn't be brought to bear upon?

MR. MOE: No, excuse me, Mr. Schumann, I didn't mean to suggest a full citizens committee. I think it ought to be a standing committee of the legislature some of whose members are non-legislators, so th you have the combination of legislators who really know what their brethren are up to around here, and yet they have some reluctance to press the issue. We also have private citizens who would be . . . (interruption)

MR. SCHUMANN: That's the point I was making. Do you think that they think these meetings should not be held privately? That they should be held public?

MR. MOE: I would certainly hope so.

MR. SCHUMANN: Do you think that public opinion itself would allow that they sweep it under the rug?

MR. MOE: Well, I think the committee ought to call before it somebody who is accused and ask him whether the allegations are true, and if in the committee's judgment he is acting improperly, I think the committee ought to say so.

MR. SCHUMANN: This would be done under the present law, and in public really.

MR. MOE: Well, if the committee ever met.

MR. SCHUMANN: Well, there has to be a charge, someone has to make a charge. Anyone could have brought one - you could have brought one last summer if you had a charge, and it would have had to have been heard. Do you think then that the public would just allow it to be swept under the table?

Ethics Committee

MR. MOE: No, I don't think so. I think the issue of conflict of interests has played a significant role in the recent election. I think it played a decisive role in some instances, and very properly so. And I think that any vigilant political party or any vigilant candidate will make certain that these issues are made an integral part of any campaign. That's what I mean by public opinion being effective.

MR. SCHUMANN: I think it has in the past years as well.

MR. MOE: And I say what's really lacking is a standard of conduct. There is no standard by which a legislator can be judged, condemned or vindicated, and I think those are equally important.

MR. SCHUMANN: Mr. Chairman, that isn't quite right, because the law right now - excuse me, sets out a standard.

MR. MOE: I think that it's a fairly vague standard. I think the job could be greatly aided by being more specific in some areas.

MR. WEAVER: Do you think that it would be reasonable if we set up such a commission to use this commission also to screen complaints during campaigns. To me this is a very serious thing. For example, in my campaign I had a certain candidate for national office who said in my opponent's literature that there were too many lawyers in the legislature. Then two districts down he put an article in the D.F.L. brochure who was running against a non-lawyer legislator for a lawyer, that he would make an excellent new lawyer in the legislature. That's one small example, and you're certainly aware of all of the inuendos that go on in campaigns. Wouldn't this be a good vehicle for a candidate to be able to use to be able to vindicate himself when a charge is made during a campaign.

MR. MOE: Well, I think you're raising a whole new area, Mr. Weaver. I wouldn't disagree with you. I think such a group could be useful. There is one on the national level. We do need one on the state level. There has been one in the past on the state level, but unfortunately it was allowed to die several years back - a forum to which complaints could be brought on unfair campaign practices. But I think that's not really quite the same thing that we're talking

Ethics Committee

about here, is it?

MR. WEAVER: Well, it seems to me it might be because very often you're charged by the challenger who has a conflict somehow against the incumbent. Because after all the incumbent is the only one who can have conflict.

MR. MOE: Well, if the charge involves a specific conflict of interest, then it would be appropriate.

MR. WEAVER: I think we need something that can handle it right now.

MR. MOE: Well, if you're going to have that as part of a campaign vehicle, then I think you would have to make sure that it was a completely non-political body, or at least as completely as possible, and that would mean that legislators could not serve on it. I am reluctant to go that far on purely the question of conflict of interest. I think it should contain legislators and non-legislators.

MR. TICEN: You have made reference to lawyer legislators not appearing before state regulatory agencies. I wonder if I may burden you with the same question I did your predecessor. Are you inclined to limit that to during the legislative session, or would you broaden that out to include during the interim?

MR. MOE: Well as a lawyer myself, I am doubly burdened by it, but I would not limit it to just during the legislative session. I do think it would be a very difficult decision to make, but I do think you have to make a distinction between state regulatory boards and agencies, and between courts. For perhaps not totally adequate reasons, but mine would be that as you mention, you would almost prohibit lawyers from being in the legislature if you extended it, and I think there is a different standard of whether you call it integrity or conduct, or whatever is expected of judges that is not necessarily applied to members sitting on state boards, which is not to suggest that they are subject to undue influence. But I think judges customarily have been judged to have discretion, integrity and being able to withstand undue pressure. I know in the series

Ethics Committee

Mr. Chucker referred to, for example, Justice Rogosheske made a statement to that effect. I think most lawyers would agree with it. I think that it's not as likely that a judge would be unduly influenced, as a member of a regulatory board or agency.

MR. GUSTAFSON: What agencies are we speaking about? The Industrial Commission?

MR. MOE: The Industrial Commission I think and Public Service Commission.

MR. GUSTAFSON: In other words, we lawyers could not handle any more workmen's compensation cases.

MR. MOE: I would think not. Again let me emphasize, I don't view any lawyer who happens to be handling such a case as acting improperly. Unfortunately a few legislators have almost based their whole practice on this kind of appearance, and I think have abused it. But for their experience, the question would really never have arisen.

MR. HAAVEN: You indicated earlier of blatant and flagrant offenses, and I presume you are personally aware of some. And now that you know that the statutory provision is here in the books, will we be hearing from you in the near future?

MR. MOE: These occurred in another legislative session and we have since gone through a campaign in which we tried to apply the ultimate sanction that I spoke of earlier, of public opinion. But we won't hesitate to bring a complaint if we know of one during this current legislative session.

MR. SCHUMANN: I am not a lawyer myself, so I can sympathize with those who are. But isn't the fact that Tom Ticen, for instance, might practice before a board, wouldn't this become known to the citizens of his community in that every other year biennial appearance before his citizens ethics committee? Wouldn't he have to face the board and isn't this brought to the voters' attention? I think Mr. Weaver here pointed out that in his campaign it was brought to their attention.

Ethics Committee

MR. MOE: Certainly it would. I would suggest that it might be worth your while if you plan further hearings to invite some commissioners who sit on state agencies. Ask them if they feel unduly influenced in making some of these decisions. I would guess you'd get a mixed response, but I am sure that at least some do, because you do after all set their salaries and control their authorizations, etc.

MR. TICEN: I don't mean this to be a facecious question, but when I think back to the series that the Star-Journal ran, without again naming any names, we were talking about a category of legislator that I would call 'super-legislators', powerful chairmen of committees, long-time members of the body, and I wonder if in applying these rules, whether there is a possibility of distinguishing between the super-legislator and the poor guy who just got elected and he is still wondering how or why at this point.

MR. MOE: Are you volunteering as a super-legislator? I think that would be a very difficult distinction to make. Your point is absolutely correct. There were powerful committee chairmen who wielded probably more influence than any other single member of the legislature. But how do you distinguish between them and other members. In any kind of code of ethics, I think it would be very very difficult.

MR. MUNGER: Don't you feel that strict campaign practices plays in the hands of the special interest legislator incumbent, than it would if you allow a more or less wide range of campaign? For instance in northern Minnesota we generally (interruption). If you are restricted and can't say what you'd like to say, and you don't have a wide latitude to express yourself in what you feel your opponent is doing in the legislature, I think this causes a bad (interruption).

MR. MOE: I don't think anybody is suggesting what you can say about your opponent really be restricted. As a matter of fact, that's a constitutional question and is beyond the legislature's

Ethics Committee

ability to restrict. I don't think that's really an issue in the business you have before you unless I misunderstand it.

MR. SUMMERDORF: One of the thoughts that we've tossed around a little bit is that no lawyer-legislator should be allowed to represent a client before a state regulatory agency on a contingency basis. Do you think that that would make a difference? That way the agency would know that it really doesn't make any difference to this lawyer how they hand down the verdict. For instance, I find myself very frequently appearing before the Industrial Commission, not in an advocacy role, but in the role of an expert witness, and I get paid for appearing there. But at the same time I wonder, I really don't think I'm influencing that referee. But maybe I am.

MR. MOE: Well, I frankly hadn't anticipated the kind of problem that you just mentioned. I can't foresee any problem in your being a witness for a fee. Although I don't think that just doing away with the contingency fees for lawyers really makes the problem. I think perhaps it's too minor a difference for those sitting on the agencies to appreciate.

MR. WEAVER: In all this discussion, we seem to be very close in theory, but I would like to give you one more hypothetical: if I for example represent a township and there is a piece of legislation that that township specifically wants, just pertaining to that one township. Then what do you think my responsibility is as, say it's my partner who represents it, without a retainer. Do you think that would be unethical for me to sponsor a bill specifically for that township? Now obviously I'm not getting paid for it, but do you think it's unethical for me to present that piece of legislation?

MR. MOE: That's a classic grey area. It's a very tough problem. There's no simple solution to that one. There are some lawyer legislators who do represent public subdivisions and I think that's improper because they are on retainers to a park board or to a municipality,

Ethics Committee

and I think in the hypothetical you mention, that would probably have to be beyond the line that you draw, because it's not direct. It's indirect. I think if you can draw the distinction between direct and indirect, that's probably where you would draw it, but it's a very grey area.

MR. WEAVER: You're talking about the distinction being between me and a partner.

MR. MOE: Yes, you mentioned it was your partner's client. But that's a very troublesome area, and I don't know how you really get at that.

MR. BERNHAGEN: It seems like much of our conversation is centered around attorney legislators tonight. I as a farmer am not here to defend an attorney, but Mr. Chucker mentioned a few examples of conflicts in some other areas other than attorneys. I am thinking of teachers for instance. I think of myself as a farmer. I just might have a bill in -- I haven't by the way -- to repeal the tax on oleomargarine. I raise soybeans. I could think of a lot of examples right down the line. It could be financially good for me. Give me your opinion on this.

MR. MOE: I am much less concerned about those, Mr. Bernhagen, because it is well known in your district that you're a farmer. It is well known that others are teachers. You do not have specific client relationship that would benefit directly and financially, so anybody who wanted to find out what your relationship was to the oleomargarine tax, could very easily find out, and I think that's the kind of question that ought to be answered in the form of public opinion. It's lawyers who admittedly raise the greatest number of questions, serious questions, because they have clients, and that client-attorney relationship is not always known.

MR. KNUTSON: We appreciate your coming up, Mr. Moe. The next person here to testify is Mrs. McCoy, League of Women Voters.

MRS. MCCOY: I am Mary Anne McCoy, and I am vice president of the League of Women Voters of Minnesota. I am here because of the

Ethics Committee

citizen interest that is represented by League of Women Voters, members and their various groups around the state. We have been concerned and have done some studying, and looking into this matter dating way back to the time when these matters which are now part of the statute which was enacted in 1961, which was read earlier here, providing for the review committee, etc. We studied this prior to the time the statute was enacted, and we certainly commend the legislature at that time for enacting a statute of this kind. We regret that so little information reaches the public about a statute like this, about the provisions of it, and we feel that this is something that we as a group concerned with citizens casting increasingly informed votes, to become increasingly active citizens, that they should have more and more information about the people who stand before them, both as people who have served in office and those who are seeking office. Therefore, I think my remarks tonight would be in support of a concern that we have had which was not met at the time that this legislation was passed and has not been attended to by succeeding legislation or succeeding recommendations, such as the code that you are considering here as a part of your committee consideration at this time. And that would relate to the requirement of disclosure of interest in legislation on the spot at the time a legislator is proposing and giving testimony and supporting a specific legislation. We feel that citizens have a right to know of specific interest that he may have in this particular legislation, either for the various concerns that have been expressed here in this room this evening. We feel that this kind of interest is often not known, although people may know the general block or general occupation to which a legislator belongs. They may not know the specific interest that he might have at a given time. This is a concern and a continuing concern of the league.

We are very much interested in having a specific attention to this idea of a body such as the legislature having a code of ethics

Ethics Committee

and an opportunity to have this publicized and to have the citizens know how they can in turn when they finds things that concern them, to which channels they bring these concerns. So, I think that would conclude my testimony at this time, to indicate the support of the Minnesota State League of Women Voters and its members in this particular interest -- in other words, in disclosure of the information concerning a legislator's interest in his own personal interest perhaps, or the interest in the groups in which he has a close interest in legislation that he is presenting.

I would like to add too that since this is an area in which we've had a continuing concern over a period of years, we are in the process of adding to our information on this and are preparing more information before our members. At this time I really wouldn't have more specific recommendations, other than those I have mentioned.

MR. GUSTAFSON: I have two questions: first of all in reference to the present procedure which we have adopted in 1961, do you have any comments or suggestions on improving the machinery, the mechanics and the contents of the present committee on ethics.

MRS. MCCOY: Actually no comment as to such. At the time that the legislation was enacted, there was a concern expressed back in 1961 in that, I believe the term 'should' is used, rather than making it a more positive 'shall' type of thing. I'm not a lawyer, I'm completely a civilian in this, but it was the idea that it possibly might have been more stronger in the word used, and I frankly say that this is something that, it's the only comment that we could find as we looked over this. As we looked at it now, we felt that this legislation if it were publicized to the public, and if they knew that it really exists, and that they could bring complaints as private citizens, I think that this disclosure and information would help citizens feel they had more of an opportunity.

MR. GUSTAFSON: Outside of the substituting of the word 'shall' for 'should', you have no criticism of the present structure of the committee and the code we have today?

Ethics Committee

Mrs. MCCoy: No.

MR. GUSTAFSON: Secondly then, in reference to the implementation and the actual mechanics of the disclosure, how do you propose we do that?

MRS. MCCOY: I'm sorry, I have no specific proposal for this. Just to encourage that this be done. I think it would be the idea at the time the legislation is proposed. In other words, when the bill is heard in a committee, that this would be part of the testimony. We all realize that the testimony given in committee is not recorded as such, and this has been a concern to the league that this testimony as given in committees is not a matter of the kind of record that is available to the public easily. This has been a continuing concern too. I don't know just how you would publicize something that was said in a committee except that the gentlemen of the press would pick this up and help us out.

MR. WEAVER: It seems to me that there is probably no one on this committee who would hesitate for a minute to disclose what their financial interest might be on any piece of legislation that they are carrying, but the real problem is whether or not we should be carrying it at all. I have no hesitation about that at all, and I don't think anyone else has, but the problem for us is when are we prohibited from getting involved in it, period. That's the difficulty.

MRS. MCCOY: This is a great concern, and I think the league has been concerned with lobby regulations generally, and the question as we mentioned earlier, the inside lobbyist, the legislator who may be representing very specific interests. This is a very difficult area and we readily admit this. And we admit that we do not have a solution, but we underline and underscore the fact that we would like to have whatever decisions or whatever code is agreed upon by this body, to have this publicized so citizens know what it is, and they know how they can then reflect their concerns. When they are concerned, then they know where to bring their concerns.

MR. JOHNSON, C.M.: All three of these people tonight have mentioned that we should have some sort of an on the spot disclosure.

Ethics Committee

I think I've heard that in all fields. Do you think that if Charlie Weaver discloses that he's carrying a bill that that's satisfactory, or do we have to do any more than that?

MRS. McCoy: You mean just by his name being on it?

MR. JOHNSON, C.M.: Even if it does represent what we might consider a conflict, as long as he discloses it to the body. Is that good enough for the people? I would like to think it is.

MRS. MCCOY: Yes, and I would agree with you in this. And I think that we are dealing, as I mentioned earlier, I hate to go over and over some of the things I've said, but they stand here in my notes as well, we're dealing with a citizen legislature with men who are paid, I believe \$400 a month for their services. And I don't think that we can begin to assume that they would not have -- you couldn't begin to assume that there wouldn't be many areas in which you would have a conflict, or you would have a concern. You just can't have all kinds of regulations spelled out because as soon as you make all kinds of specific regulations, you're tied right then and there to those. We have a great feeling that the more the public knows about things, the more the public is then in a position to make up its mind. I believe we're trying to improve the relationship between the working system and the people who are part of it as citizens, because with citizens reviewing every two years as it has been mentioned, the actions of legislators, and that this is a review board, if they have a chance to know.

MR. SCHUMANN: Are you saying in effect that if Tom Ticen practiced before a board, it ought to be known that he was receiving payment for this, and the public knew this, that this would be all right?

MRS. MCCOY: I think that we can begin to trust the public's reaction to these things if the public knows.

MR. SCHUMANN: I'm glad to hear you say that because I have a feeling for these people who are selling their time by the hour.

Ethics Committee

They can't sell it here in the legislature, and I think sometimes we have a tendency to believe that they can't sell it at any time. I frankly have a little feeling for legislators and I hope our lawyers - I hope they'll remember me when (interruption).

MR. KNUTSON: Are there any other questions of Mrs. McCoy? Thank you very much for coming up, Mrs. McCoy. Anyone else who would like to make some comment on this subject to the committee? Anybody else who would like to testify? I might say that our purpose as conveyed to these people was to discuss the matter of legislative ethics with a view of obtaining some import to what we might decide to recommend to the House, and I think it's been very good tonight. I was planning up to the last minute on at least three more people who would be here, someone from the Republican Party and they weren't able to make it tonight, and Mr. Nimmer and Mr. Hartgen, and I understood that they were both going to be here until just before this meeting when they apparently changed their minds. But I think it has been very helpful to us to get a public input into legislative ethics. We have concerned ourselves with many of the things that have been brought up, and there were several new ideas and new thoughts that I think we gained tonight. Is there anybody else who wishes to make a comment?

MR. GUSTAFSON: Will you have time for any more questions now that we've kind of heard the formal presentation? I would like to ask Mr. Moe, . . .

MR. KNUTSON: Maybe what we could do is have the three who did talk to sit around the table for a little bit and at this point generally discuss.

MR. GUSTAFSON: I'm curious about this disclosure concept, and that's a good one. We can't argue with it. But when you start to think about the mechanics of it, then the thing kind of wanders off into some other conversation. Let me posture a few hypotheticals: we country lawyers represent school districts, and I do, and we vote on a host of bills dealing with the state aid to schools, amending

Ethics Committee

the school law, I guess we'll have meet and confer this time, and there are a lot of things that come across the 120 day session on education. We country lawyers who represent school districts, and let's say I don't carry any bills, what is my position there? Before I vote should I say I can't vote, or that I am a lawyer, therefore I am going to vote this way, or how do I conduct myself taking that set of facts, Mr. Moe?

MR. MOE: Well, I would hope there would be a disclosure provision whereby you would disclose at the beginning of the session those clients from whom you have received a fee or are on a retainer.

MR. GUSTAFSON: I have no retainer, you see. None. When I work for the school, I keep track of the time and bill them for so many hours, whatever it is. No monthly checks coming in - just whenever I do some work for them, I send them a bill.

MR. MOE: All right, well, if you have received a fee, hopefully it would be disclosed. I don't know where you set the limit. I don't think you should set the amount of dollar fee received, but say you have received fees for retainers from these clients for over \$100, and you would just list the clients, and that would be a matter of public record. If anybody wondered how you voted on a particular issue as relates to this client, they could find out. In a situation like that, I don't think it's a serious problem.

MR. GUSTAFSON: But you see it's really kind of ridiculous, because I live in the school district - I am a taxpayer - I've got a kid going to the school, and I can't see how that particular fact that I represent that school board makes one bit of difference really on how I vote on that bill. I can't see if I disclose whether I got \$5 or \$500, or no dollars, it is going to be enlightening or helpful to anyone.

MR. MOE: No, I agree with you. I don't think it is going to be strictly enlightening in the situation you outlined because I don't feel that is a very serious problem. It would be significant

Ethics Committee

if you would author the bill. I think it's really that possibility that the disclosure is guarding against.

MR. GUSTAFSON: Author of their bill, or a state-wide education bill?

MR. MOE: Any bill that directly affects them. I think what you're trying to get at through disclosure is your relationship to a client, somebody on whom you depend on income, and their relationship to the legislature. Get all these relationships out in the open so everybody can see for themselves and judge for themselves.

MR. GUSTAFSON. All right, another hypothetical: Most lawyers do work for banks, examine abstracts, etc. Every lawyer here today I am sure does this, anywhere from one to five banks, depending on how many banks. Should that be disclosed on every bank what you earned last year?

MR. MOE: No, I think just the fact that you received a fee from a given bank should perhaps be disclosed. I don't think the dollar amount of the fee should be disclosed.

MR. GUSTAFSON: Then, Mr. Chairman, may I pursue this? Then there are lawyers who do work for insurance companies, defense work. They may work for one company or ten companies. Should they disclose the various companies they have defended one or more cases for, and for how long back do you go?

MR. MOE: I think you should probably go back during the preceding term. I don't think you should have to go back more than one term.

MR. GUSTAFSON: All right, how about lawyers, and we all do it, who handle divorce cases? There are always a half a dozen bills around every session dealing with the divorce laws. Do we have to recite and enumerate .

MR. MOE: No, I don't think so, that gets into the area that Mr. Haaven raised. You're not talking about a direct client relationship, rather you're talking about a more general professional concern, perhaps more characteristic of teachers and farmers. I think it's a hypothetical that was raised very early in the hearing, that

Ethics Committee

Mr. Chucker said didn't concern him, and I agree with him. I don't think that's the kind of thing you're trying to get at in this whole conflict of interest.

MR. GUSTAFSON: I guess, Mr. Chairman, what bothers me right now, and I'm trying to be totally objective about this, I can't see what is wrong, if that's the right word, or what's adverse to the public interest, for Biernhagen to author a bill to repeal the 10¢ tax on oleomargarine, or for a lawyer sitting here tonight to represent whatever we've got in our communities, banks or townships, or school districts, or whatever. I can't see how that's going to be revealing and be of any aid or assistance, or do anything in the public interest down here. Because they know back in Willmar where I come from, that's no secret.

MR. MOE: Well, I think that's what we're after. I think we all agree on it.

MR. GUSTAFSON: So then why do I have to disclose the three banks and the four schools.

MR. MOE: So it will become known back home.

MR. GUSTAFSON: They already know it.

MR. MOE: Well, do they in all cases. I think there's a number of cases where legislators who authored bills for specific clients where it was not a matter of public knowledge.

MR. GUSTAFSON: In other words, when you say that disclosure is not so much to edify our colleagues as to advise our constituents back home.

MR. MOE: I think that too, because I think there is a certain self-policing function in the legislature, and I think the majority leader himself stated early in the session that no legislators would be carrying bills for clients. I think that kind of attitude prevails generally, and I think if that becomes known that a certain legislator is engaging in this practice, I don't think his fellow legislators will let him get away with it for long. I would hope not. So, it is two-fold.

Ethics Committee;

MR. TICEN: I don't know who I want to address this question to, but first of all I'd like to make an observation, that I tend to disagree with . . . but maybe my questions have been obvious about the restriction or distinction, shall I say, between a lawyer-legislator practicing before a state regulatory agency on the one hand and court on the other. As a matter of fact, I guess I feel most of my pressure in connection with courts since I spend more of my time there than I do with state regulatory agencies. But there has been a suggestion made, and I think there is a bill in and I think I am on the bill, to set up a state salaried commission whose function as I understand it is to recommend to the legislature the salaries that should be paid to legislators, governors, judges, and the whole ball of wax, with the attempt to take it out of the realm of partisan and other kinds of political pressures, and I wonder if in the judgment of any of the three who have spoken that this would take some of the sting out of a lawyer appearing before, let's say, a state regulatory agency when the legislature was not in session. I thoroughly agree about many things, but it's the out-of-session that does disturb me.

MR. MOE: I think that would remove a lot of the problems because it is well known around here that judges are interested primarily in one thing during the session, and that is their salaries. It just can't help but enter their minds between sessions as well. I think this is really a difficult problem. On the one extreme you have, as we talked about before, a very powerful committee chairman who very obviously has the capacity to intimidate a regulatory agency. On the other hand, you have somebody like Mr. Ticen, or a hundred lawyer-legislators who practices before courts. You have to draw the distinction somewhere, and it is tough to draw it at any given point, but it seems to me the most logical point under the present circumstances is between a regulatory agency and the courts.

Ethics Committee

MR. KNUTSON: Any other questions?

MR. GUSTAFSON: It's just a suggestion. I really would like to have some of these people in from regulatory agencies if you're going to hold another public hearing, and I would like to have a few judges come in too if they would be willing, and let's air this thing.

MR. KNUTSON: Any other questions between the witnesses? Any other comments from anybody in the audience? If not, we decided a little earlier that our next meeting would be a week from tonight, 7:30 p.m. in this same room. Hopefully we can get the same room. But we will try at that time to have some of the regulatory people and maybe some judges, and we will be asking the people who have formulated and already presented bills on the ethics commission to make some presentations at that time.

MR. GUSTAFSON: Could I ask a question before these people leave? Would you prefer we went the route of a House rule, that is a rule that is peculiar to the House, and let the Senate adopt their own, or should we take our present statute that we now know we have, and work around that for this so-called Code of Ethics we are trying to frame?

MR. CHUCKER: Are you talking about a disclosure, Mr. Gustafson?

MR. GUSTAFSON: I guess I am talking about the whole bag of cats.

MR. CHUCKER: I think you've got a good statute. I think you can work with that statute, rather than starting fresh. I don't think you need to start from scratch again.

MR. GUSTAFSON: As you read the statute now, don't you feel that statute is strong enough the way it is?

MR. CHUCKER: I haven't examined it closely. It seems to me to be a strong statute, and that's why I said when I was up earlier, that I learned something tonight, that you have a strong statute, which perhaps for lack of publicity has not been effective. But the statute as it is on the books could be effective it seems to me.

Ethics Committee

MR. GUSTAFSON: Mr. Moe, what's your reaction to the statute?

MR. MOE: Well, I assumed that you were talking primarily about rules, and I addressed myself to you on that premise which we were talking about bringing back a code of rules. I think we ought to go both routes. I would prefer a strong rule and a strong statute. It seems to me that the statute should go further, however, and cover not only legislators, but members of the judicial branch as well.

MR. GUSTAFSON: And county board, school boards, everybody in public office?

MR. MOE: I think that's very desirable to go that far.

MR. GUSTAFSON: All right, if you went that far and thoroughly had it in the statute, then why have a rule in the House on top of it?

MR. MOE: Well, if you can get the statute, I think that your charge of coming back to propose a rule, that's going to come before any statute is considered. But if you have a statute, I agree there is no point in having a rule, but there is no guarantee that we're going to get a statute through this session. I think you're in a position to see that we do have a rule.

MR. KNUTSON: Our charge is just to make recommendations to the members. It doesn't say, as I recall, rule or statute, so I think we have some liberties there that we might use. Any other questions? If not, we certainly thank Mr. Chucker, Mr. Moe and Mrs. McCoy for coming up here. It's been very helpful to us.