

BEFORE THE ALASKA PERSONNEL BOARD

In Re October 24, 2008 Ethics Complaint

SETTLEMENT AGREEMENT

This settlement agreement is entered into between Governor Sarah Palin ("Governor") and the Alaska Personnel Board through its Independent Counsel ("Independent Counsel"). This settlement resolves the above described Complaint. The Complaint alleges that certain travel for Governor Palin's children was taken at State expense and in violation of the Alaska Executive Branch Ethics Act, AS 39.52.120(a) and (b)(3). The trips that are the subject of this Settlement Agreement are those described in Exhibit A. Exhibit A is specifically incorporated into the terms of this settlement agreement.

WHEREAS the parties agree that there is presently little statutory or regulatory guidance under the Alaska Executive Branch Ethics Act to determine the ethical standards for travel by the Governor's immediate family (referred to as Protocol Travel)¹ and, more specifically, to determine the circumstances under which (i) State reimbursement for travel by the Governor's children is ethically prohibited and (ii) when the Governor must reimburse the state for travel by her children on state transportation equipment;

WHEREAS the parties understand that AS 39.52.120(a)'s prohibition on unwarranted benefits or treatment is the most pertinent provision addressing

¹ As used herein, "Protocol Travel" is travel involving the First Family to events, ceremonies and other public appearances attended by the Governor.

travel by the Governor's immediate family as described in Exhibit A, that such provision is further defined by regulation, but that such regulation does not provide sufficiently clear standards for determining when travel as described in Exhibit A constitutes an unwarranted State reimbursed travel and therefore an ethical violation;

WHEREAS Independent Counsel has interpreted the Alaska Executive Branch Ethics Act, in the absence of specific regulation on the topic of first family travel, to require that state reimbursed travel for the first family should not occur at State expense unless the presence of the First Family serves an important state interest and that some of the travel raised by the Complaint does not meet this standard;

WHEREAS the Governor maintains that she adhered to Protocol Travel standards historically allowed to prior administrations, abided by the recommendations of state personnel, and has done nothing to violate the Act, but further agrees that written Protocol Travel guidelines would benefit her administration and all future administrations;

WHEREAS, as to the existing Complaint, the Governor wants to exceed minimum legal standards, and therefore wishes to respect and adhere to the determination made by Independent Counsel and does not wish to contest the standard being applied or the application of this standard to the Complaint in the interest of the State and the public;

WHEREAS the parties have agreed to mutually address and resolve the issues raised by the Complaint voluntarily, cooperatively and in the best interests of the State;

IT IS AGREED THAT:

1. The Governor shall reimburse the State within 120 days for payments for travel made as described in Exhibit A.

2. No other trips that could be the subject of the Complaint, through to the date of this agreement require reimbursement.

3. Independent Counsel shall refer this matter to the Department of Law for the purpose of promulgating additional regulations to clarify Protocol Travel by addressing more clearly what constitutes Protocol Travel that is warranted under the Alaska Executive Branch Ethics Act and therefore subject to State reimbursement. The Governor agrees to reimburse the State for any trip billed to the State for her children that are submitted in the future that does not comply with the regulation or regulations that are later promulgated.

4. It is expressly agreed that the terms of this agreement shall be made public, that the Governor waives her right to confidentiality regarding this agreement, and that Independent Counsel and the Governor shall be authorized to communicate the terms of this agreement to the public and to the Attorney General for purposes of seeking clarifying regulations. Independent Counsel, the Governor and her staff, and members of the Department of Administration

charged with arranging Protocol Travel shall be free to participate in the regulatory process as they choose or as they may be called upon.

5. Nothing in this agreement constitutes an admission of wrongdoing, and none has been found, nor may any inference of wrongdoing be inferred by virtue of the execution of this agreement in any other proceeding.

DATED this 23rd day of February, 2009



Governor Sarah Palin



Timothy J. Petumenos, Independent Counsel
Alaska Personnel Board

Approved as to form and content:

2-23-09 

Thomas Van Flein, Attorney for Governor Palin