

EXECUTIVE BRANCH ETHICS COMMISSION
ADVISORY OPINION 94 - 1

February 3, 1994

RE: May Kentucky Labor-Management Conference Inc. solicit contributions from private- sector unions and firms?

DECISION: Yes, if state employees are not involved in soliciting or in keeping records.

This opinion is in response to your November 29, 1993, request for an advisory opinion from the Executive Branch Ethics Commission (the "Commission"). This matter was reviewed at the February 3, 1994, meeting of the Commission and the following opinion is issued.

You state the relevant facts as follows. The Kentucky Labor-Management Conference Inc., a 501(c)(6) non-profit corporation, annually co-sponsors the Kentucky Labor-Management Conference (the "Conference") with the Kentucky Labor Cabinet and the Kentucky Economic Development Cabinet. Responsibility for the day-to-day administration of the Conference rests with the Office of Labor-Management Relations in the Labor Cabinet. A board of directors or "host committee" comprised of representatives of labor and management are appointed annually by the Secretary of Labor and the Secretary of Economic Development to have final oversight responsibility for all aspects of planning and conducting the Conference.

The board of directors annually solicits contributions from private sector unions and firms to pay for the meals and refreshments of participants during the Conference. Each participant is charged a registration fee which pays for all other Conference activities. You ask if solicitation of sponsor contributions from the private sector (unions and firms), in view of the fact that two state agencies co-sponsor and provide staff for the Conference, is in compliance with the Executive Branch Code of Ethics.

KRS 11A.005(1)(a) and (d) state:

(1) It is the public policy of this Commonwealth that a public servant shall work for the benefit of the people of the Commonwealth. The principles of ethical behavior contained in this chapter recognize that public office is a public trust and that the proper operation of democratic government requires that:

(a) A public servant be independent and impartial;

...

(d) The public has confidence in the integrity of its government and public servants.

The Kentucky Labor-Management Conference Inc., as a nonprofit corporation, may solicit donations from unions and firms in the private sector. However, the staff involved in the Conference who are state employees should not solicit funds from persons or businesses regulated by or doing business with the state agency for which the employee works. In particular, the Commission believes the Labor Cabinet regulates any business which employs workers. If a company is regulated by or does business with the Cabinet, the solicitation of funds from the company creates a conflict of interest in appearance, if not, in fact.

The solicitation and record keeping of individual donations should be handled by the board of directors who are in the private sector.