

State of Alaska
Department of Law

Gregg D. Renkes
Attorney General
P.O. Box 110300
Juneau, Alaska 99811



Press Contact: Mark Morones

907-269-6393
FAX: 907-269-6305

www.law.state.ak.us

NEWS RELEASE

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State Enters Settlement with Randy Ruedrich on Ethics Charges

(Anchorage) – Chief Assistant Attorney General Barbara Ritchie announced late today that the State of Alaska has reached a settlement with Randy Ruedrich on the Ethics Act charges brought against Ruedrich in February. The settlement includes a \$12,000 civil penalty – believed to be the largest civil fine ever imposed in a state ethics case.

“We had two fundamental requirements for settlement: first, that Mr. Ruedrich admit his conduct violated the Ethics Act, and second, that Mr. Ruedrich pay substantial civil penalties,” said Ritchie. “We negotiated a settlement that satisfies both of these goals.”

While the state’s investigation did not find evidence that Ruedrich used his official position to raise funds for partisan political purposes, the state’s investigation did reveal other unlawful partisan political activity by Ruedrich and additional Ethics Act violations. In the stipulated settlement, Ruedrich admitted to three violations of the Ethics Act:

1. Misuse of official position by engaging in partisan political activity on occasion in his AOGCC office. For this violation Ruedrich agreed to pay the maximum civil penalty of \$5,000.
2. Improper disclosure of confidential information to a third party without authority. Ruedrich forwarded a confidential attorney-client privileged e-mail and attachment to a third party. For this violation Ruedrich agreed to pay the maximum civil penalty of \$5,000.
3. Incompatible outside voluntary service for the Republican Party of Alaska by acting contrary to the manner he stated he would act in his Ethics Act disclosure statement. For this violation Ruedrich agreed to pay a civil penalty of \$2,000.

The state agreed not to pursue a fourth charge against Ruedrich, which asserted that he carried out his voluntary service for the Republican Party of Alaska in a manner that was inconsistent with his duties as a state supervisor.

In addition to the civil fines, Ruedrich agreed that he will not accept a position with the state as long as he holds any office in a political party or group.

More

(Ruedrich Settlement Press Release – con't.)

“This settlement is in the public interest,” said Ritchie. “It demonstrates that the state took these charges seriously and insisted on maximum penalties for the most serious violations. The settlement upholds the ethical standards set out by the Alaska Legislature and sends a clear message to public employees at all levels of government that unethical conduct will not be tolerated.”

This settlement concludes an investigation that began on November 4, 2003. The investigation culminated in the service of an Ethics Act complaint on Ruedrich on February 27, 2004. Ruedrich filed an answer to the complaint on April 12, 2004. He asked that the complaint be dismissed. The state refused to dismiss the charges on May 3, 2004. Ruedrich requested a settlement meeting and the parties met and negotiated a settlement on June 22, 2004. The settlement is in the form of a stipulation and is a public document.

Paul Lyle, Senior Assistant Attorney General and State Ethics Attorney, conducted the investigation under Ritchie’s supervision. In order to avoid any appearance of impropriety or conflict of interest, Attorney General Gregg Renkes recused himself and delegated his authority concerning the Ruedrich case to Ritchie in January.

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