

Senator suggests Renkes be impeached

FRENCH: Attorney general's conduct in coal venture called classic conflict of interest.

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The Alaska Legislature should consider impeaching Attorney General Gregg Renkes for officially promoting a company in which he had a personal, financial stake, a state senator said Wednesday.

Speaking from the Senate floor, Hollis French, D-Anchorage, told fellow lawmakers that Renkes' conduct is a textbook case of conflict of interest.

"It would make a good working definition of 'conflict of interest' for first-year law students," French said.

French, a former prosecutor, described how Renkes used his high-level state position to promote the development of the Beluga coal field west of Anchorage using a coal-drying technology developed by KFx Inc. of Denver. Renkes' largest financial asset was his KFx stock holdings, valued at more than \$100,000.

Two senators, both Republicans, responded to French's speech by saying it is premature to discuss impeachment proceedings against Renkes.

"We want to be real careful about jumping to conclusions," Sen. Gary Stevens, R-Kodiak, said in an interview. "It's not Hollis French's responsibility to indict him."

Sen. Ralph Seekins, R-Fairbanks, also urged patience, citing an outside investigation under way by former U.S. Attorney Robert Bundy, hired by Gov. Frank Murkowski to probe Renkes' activities. Renkes is a longtime Murkowski confidant whom the governor appointed in December 2002.

"Before I would rush to judgment I would need to see all the documentation myself," Seekins said.

Hundreds of documents have been publicly available since November that reveal Renkes' role in coal deal. Seekins said he hasn't had time to look at them.

"I have got so much other stuff to do right now that is the people's business," he said.

Seekins said that Bundy was reviewing the documents and that it didn't make sense to take the time, as French did, to go over the paperwork.

"I am a citizen legislator," Seekins said. "I do have another job and somebody else was doing their job compiling the evidence for us to take a look at at a future point."

After French's floor speech, Stevens said Renkes stopped by his office to thank him.

"He believes the truth will come out," Stevens said.

Asked what the truth is, Stevens said Renkes told him "that what he did wasn't illegal or wrong."

Renkes told him that the Bundy report should be out soon and that Murkowski will release it after returning from the presidential inauguration, Stevens said.

Murkowski spokeswoman Becky Hultberg said she doesn't know when Bundy will finish his report.



Attorney General Greg Renkes testifies at a House Judiciary Committee meeting Wednesday at the Capitol in Juneau. (Photo by SEANNA O'SULLIVAN / The Associated Press)

Renkes has declined to discuss the coal deal with the Daily News since Oct. 4 when the attorney general told reporters that he upheld the law.

French stopped short of officially calling for impeachment hearings. But he said it's something lawmakers ought to consider.

"When this scandal unfolded beginning October 1 of last year, I never dreamed there would still be anything left to discuss when this session began. The wrong committed was so plain, so obvious, so elementary, that whatever investigation took place would have to be wrapped up in a matter of weeks, and the case would be closed by the resignation or the termination of the attorney general," French said.

He cited several Alaska political scandals involving former state legislators and former Gov. Bill Sheffield, who faced the possibility of impeachment in 1985. The state Senate decided not to impeach him.

"This case involving the AG is another sad chapter in this book," French said.