

HOUSE BILL REPORT

SB 6326

As Passed House:
March 3, 2020

Title: An act relating to municipal conflicts of interest.

Brief Description: Concerning municipal conflicts of interest.

Sponsors: Senator Warnick.

Brief History:

Committee Activity:

Local Government: 2/25/20, 2/26/20 [DP].

Floor Activity:

Passed House: 3/3/20, 96-0.

Brief Summary of Bill

- Amends exceptions to rules covering municipal officers' conflict of interest to allow municipal employment of unskilled day labor of up to \$1,000 per month (previously limited to \$200) and to permit the letting of an employment contract for substitute teachers or educational aides to an officer of the district in second-class school districts with 300 or fewer students (previously limited to 200 or fewer).

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 5 members: Representatives Pollet, Chair; Duerr, Vice Chair; Kraft, Ranking Minority Member; Goehner and Senn.

Staff: Kellen Wright (786-7134).

Background:

Municipal officers—including all elected and appointed officers, their deputies and assistants, and everyone exercising any of the powers or functions of a municipal officer—are prohibited from being beneficially interested in any contract made for the benefit of their office and from accepting any gift or compensation from any person beneficially interested in

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such a contract. Certain exceptions to these prohibitions apply. One exception is for the employment of a person for unskilled day labor by a municipality with fewer than 1,500 people in a county with a population under 125,000 for wages not exceeding \$200 per month. Another exception is for the letting of an employment contract as a substitute teacher or educational aide to an officer of a second-class school district with 200 or fewer students if the terms of the contract are commensurate with the pay plan or collective bargaining agreement applicable to all district employees and the board of directors has found that there is a shortage of substitute teachers in the school district.

A school district is a first-class district if it has enrollment of 2,000 or more pupils. All other school districts are second-class districts.

Summary of Bill:

The prohibition on a municipal officer being beneficially interested in a contract made for the benefit of the office does not apply to the employment of a person for unskilled day labor by a municipality with fewer than 1,500 people in a county with a population under 125,000 for wages not exceeding \$1,000 per month. Nor does the prohibition apply to the letting of an employment contract as a substitute teacher or educational aide to an officer of a second-class school district with 300 or fewer students if the terms of the contract are commensurate with the pay plan or collective bargaining agreement applicable to all district employees and the board of directors has found that there is a shortage of substitute teachers in the school district.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In Support) This bill can help increase the number of people who may act as substitute teachers, which can be huge for a small school district facing a shortage of substitutes. Smaller communities would benefit from the increased limits in this bill.

(Opposed) None.

Persons Testifying: Senator Warnick, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.