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SUBSTITUTE HOUSE BILL 2316

State of Washington 53rd Legislature 1994 Regular Session

By House Committee on State Government (originally sponsored by Representatives Peery, Horn, Ebersole, Ballard, Van Luven, Pruitt, Johanson, Patterson, Flemming, Bray, Dunshee, Jones, Valle, King, Cothern, Campbell, Brough, Karahalios, Basich, Quall, Springer, J. Kohl, H. Myers and Anderson; by request of Commission on Ethics in Government & Campaign Financing, Governor Lowry and Attorney General)

Read first time 02/04/94.

- AN ACT Relating to ethics in public service; amending RCW 1 2 42.18.270, 42.18.217, 42.18.230, and 42.18.260; adding a new section to 3 chapter 42.17 RCW; adding a new section to chapter 42.23 RCW; adding a 4 new chapter to Title 42 RCW; creating new sections; recodifying RCW 5 42.18.217, 42.18.230, 42.18.260, 42.18.270, 42.18.330, and 42.22.050; repealing RCW 42.18.010, 42.18.020, 42.18.030, 42.18.040, 42.18.050, 6 7 42.18.060, 42.18.070, 42.18.080, 42.18.090, 42.18.100, 42.18.110, 42.18.120, 42.18.130, 42.18.140, 42.18.150, 42.18.170, 42.18.180, 8 42.18.215, 9 42.18.190, 42.18.200, 42.18.210, 42.18.213, 42.18.221, 10 42.18.240, 42.18.250, 42.18.280, 42.18.290, 42.18.300, 42.18.310, 42.21.020, 42.21.030, 42.18.320, 42.18.900, 42.20.010, 42.21.010, 11 42.21.050, 42.21.080, 42.21.090, 12 42.21.040, 42.22.010, 42.22.020, 42.22.030, 42.22.040, 42.22.060, 42.22.070, 42.22.120, 44.60.010, 13 14 44.60.020, 44.60.030, 44.60.040, 44.60.050, 44.60.070, 44.60.080, 15 44.60.090, 44.60.100, 44.60.110, 44.60.120, and 44.60.130; prescribing penalties; and providing an effective date. 16
- 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. Government derives its powers from the people. Ethics in government are the foundation on which the structure

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of government rests. State officials and employees of government hold 1 2 a public trust that obligates them, in a special way, to honesty and integrity in fulfilling the responsibilities to which they are elected 3 4 and appointed. Paramount in that trust is the principle that public 5 office, whether elected or appointed, may not be used for personal gain 6 or private advantage.

7 The citizens of the state expect all state officials and employees 8 to perform their public responsibilities in accordance with the highest 9 ethical and moral standards and to conduct the business of the state 10 only in a manner that advances the public's interest. State officials and employees are subject to the sanctions of law and scrutiny of the 11 12 media; ultimately, however, they are accountable to the people and must 13 consider this public accountability as a particular obligation of the public service. Only when affairs of government are conducted, at all 14 15 levels, with openness as provided by law and an unswerving commitment to the public good does government work as it should. 16

The obligations of government rest equally on the state's citizenry. The effectiveness of government depends, fundamentally, on the confidence citizens can have in the judgments and decisions of their elected representatives. Citizens, therefore, should honor and respect the principles and the spirit of representative democracy, recognizing that both elected and appointed officials, together with state employees, seek to carry out their public duties professional skill and dedication to the public interest. Such service merits public recognition and support.

26 All who have the privilege of working for the people of Washington 27 state can have but one aim: To give the highest public service to its 28 citizens.

29 PART I 30

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GENERAL ETHICS PROVISIONS

NEW SECTION. Sec. 101. DEFINITIONS. Unless the context clearly 31 32 requires otherwise, the definitions in this section apply throughout 33 this chapter.

(1) "Agency" means any state board, commission, bureau, committee, 34 35 department, institution, division, or tribunal in the legislative, executive, or judicial branch of state government. "Agency" includes 36 all elective offices, the state legislature, those institutions of 37

- 1 higher education created and supported by the state government, and 2 those courts that are parts of state government.
- 3 (2) "Head of agency" means the chief executive officer of an 4 agency. In the case of an agency headed by a commission, board, 5 committee, or other body consisting of more than one natural person, 6 agency head means the person or board authorized to appoint agency 7 employees and regulate their conduct.
- 8 (3) "Assist" means to act, or offer or agree to act, in such a way 9 as to help, aid, advise, furnish information to, or otherwise provide 10 assistance to another person, believing that the action is of help, 11 aid, advice, or assistance to the person and with intent so to assist 12 such person.
- 13 (4) "Beneficial interest" has the meaning ascribed to it under the 14 Washington case law. However, an ownership interest in a mutual fund 15 or similar investment pooling fund in which the owner has no management 16 powers does not constitute a beneficial interest in the entities in 17 which the fund or pool invests.
- 18 (5) "Compensation" means anything of economic value, however 19 designated, that is paid, loaned, granted, or transferred, or to be 20 paid, loaned, granted, or transferred for, or in consideration of, 21 personal services to any person.
- (6) "Confidential information" means (a) specific information, rather than generalized knowledge, that is not available to the general public on request or (b) information made confidential by law.
- 25 (7) "Ethics boards" means the commission on judicial conduct, the 26 legislative ethics board, and the executive ethics board.
- 27 (8) "Family" has the same meaning as "immediate family" in RCW 28 42.17.020.
- 29 (9) "Gift" means anything of economic value for which no 30 consideration is given. "Gift" does not include:
- 31 (a) Items from family members or friends where it is clear beyond 32 a reasonable doubt that the gift was not made as part of any design to 33 gain or maintain influence in the agency of which the recipient is an 34 officer or employee;
- 35 (b) Items related to the outside business of the recipient that are 36 customary and not related to the recipient's performance of official 37 duties;
- 38 (c) Items exchanged among officials and employees or a social event 39 hosted or sponsored by a state officer or state employee for coworkers;

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- 1 (d) Payments by a governmental or nongovernmental entity of 2 reasonable expenses incurred in connection with a speech, presentation, 3 appearance, or trade mission made in an official capacity. As used in 4 this subsection, "reasonable expenses" are limited to travel, lodging, 5 and subsistence expenses incurred the day before through the day after 6 the event;
- 7 (e) Items a state officer or state employee is authorized by law to 8 accept;
- 9 (f) Payment of enrollment and course fees and reasonable travel
 10 expenses attributable to attending seminars and educational programs
 11 sponsored by a bona fide nonprofit professional, educational, or trade
 12 association, or charitable institution. As used in this subsection,
 13 "reasonable expenses" are limited to travel, lodging, and subsistence
 14 expenses incurred the day before through the day after the event;
- (g) Items returned by the recipient to the donor within thirty days of receipt or donated to a charitable organization within thirty days of receipt;
 - (h) Campaign contributions reported under chapter 42.17 RCW; and
- 19 (i) Discounts available to an individual as a member of an employee 20 group, occupation, or similar broad-based group.
- (10) "Honorarium" means money or thing of value offered to a state officer or state employee for a speech, appearance, article, or similar item or activity in connection with the state officer's or state employee's official role.
- 25 (11) "Participate" means to participate in state action or a 26 proceeding personally and substantially as a state officer or state 27 employee, through approval, disapproval, decision, recommendation, the 28 rendering of advice, investigation, or otherwise.
- 29 (12) "Person" means any individual, partnership, association, 30 corporation, firm, institution, or other entity, whether or not 31 operated for profit.
- 32 (13) "Regulatory agency" means any state board, commission, 33 department, or officer, except those in the legislative or judicial 34 branches, authorized by law to conduct adjudicative proceedings, issue 35 permits or licenses, or to control or affect interests of identified 36 persons.
- 37 (14) "Responsibility" in connection with a transaction involving 38 the state, means the direct administrative or operating authority, 39 whether intermediate or final, and either exercisable alone or through

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- subordinates, effectively to approve, disapprove, or otherwise direct state action in respect of such transaction.
- 3 (15) "State action" means any action on the part of an agency,
 4 including, but not limited to:

- (a) A decision, determination, finding, ruling, or order; and
- 6 (b) A grant, payment, award, license, contract, transaction, 7 sanction, or approval, or the denial thereof, or failure to act with 8 respect to a decision, determination, finding, ruling, or order.
- 9 (16) "State officer" means every person holding a position of 10 public trust in or under an executive, legislative, or judicial office of the state. "State officer" includes judges of the superior court, 11 judges of the court of appeals, justices of the supreme court, members 12 13 of the legislature together with the secretary of the senate and the chief clerk of the house of representatives, holders of elective 14 15 offices in the executive branch of state government, chief executive 16 officers of state agencies, members of boards, commissions, 17 committees with authority over one or more state agencies or 18 institutions, and employees of the state who are engaged in 19 supervisory, policy-making, or policy-enforcing work. For the purposes 20 of this chapter, "state officer" also includes any person exercising or undertaking to exercise the powers or functions of a state officer. 21
- 22 (17) "State employee" means an individual who is employed by an 23 agency in any branch of state government. For purposes of this 24 chapter, employees of the superior courts are not state officers or 25 state employees.
- 26 (18) "Thing of economic value", in addition to its ordinary 27 meaning, includes:
- 28 (a) A loan, property interest, interest in a contract or other 29 chose in action, and employment or another arrangement involving a 30 right to compensation;
- 31 (b) An option, irrespective of the conditions to the exercise of 32 the option; and
- 33 (c) A promise or undertaking for the present or future delivery or 34 procurement.
- 35 (19) "Transaction involving the state" means a proceeding, 36 application, submission, request for a ruling or other determination, 37 contract, claim, case, or other similar matter that the state officer, 38 state employee, or former state officer or state employee in question 39 believes, or has reason to believe:

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- 1 (a) Is, or will be, the subject of state action; or
- 2 (b) Is one to which the state is or will be a party; or
- 3 (c) Is one in which the state has a direct and substantial 4 proprietary interest.
- 5 "Transaction involving the state" does not include legislation or
- 6 proposed legislation.
- 7 NEW SECTION. Sec. 102. ACTIVITIES INCOMPATIBLE WITH PUBLIC
- 8 DUTIES. No state officer or state employee may have an interest,
- 9 financial or otherwise, direct or indirect, or engage in a business or
- 10 transaction or professional activity, or incur an obligation of any
- 11 nature, that is in conflict with the proper discharge of the state
- 12 officer's or state employee's duties.
- 13 <u>NEW SECTION.</u> **Sec. 103.** FINANCIAL INTERESTS IN TRANSACTIONS. No
- 14 state officer or state employee may be beneficially interested,
- 15 directly or indirectly, in a contract, sale, lease, purchase, or grant
- 16 that may be made by, through, or is under the supervision of the
- 17 officer or employee, in whole or in part, or accept, directly or
- 18 indirectly, any compensation, gratuity, or reward from any other person
- 19 beneficially interested in the contract, sale, lease, purchase, or
- 20 grant.
- 21 (2) No state officer or state employee may transact business in his
- 22 or her official capacity with a person of which the officer or employee
- 23 is an officer, agent, employee, or member, or in which the officer or
- 24 employee owns an interest.
- 25 NEW SECTION. Sec. 104. ASSISTING IN TRANSACTIONS. (1) Except in
- 26 the course of official duties or incident to official duties, no state
- 27 officer or state employee may assist another person, directly or
- 28 indirectly, whether or not for compensation, in a transaction involving
- 29 the state:
- 30 (a) In which the state officer or state employee has at any time
- 31 participated; or
- 32 (b) If the transaction involving the state is or has been under the
- 33 official responsibility of the state officer or state employee within
- 34 a period of two years preceding such assistance.

(2) No state officer or state employee may share in compensation 1 2 received by another for assistance that the officer or employee is prohibited from providing under subsection (1) or (3) of this section.

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- 4 (3) A business entity of which a state officer or state employee is a partner, managing officer, or employee shall not assist another 5 person in a transaction involving the state if the state officer or 6 7 state employee is prohibited from doing so by subsection (1) of this 8 section.
- 9 (4) This chapter does not prevent a state officer or state employee 10 from assisting, in a transaction involving the state:
- (a) The state officer's or state employee's parent, spouse, or 11 child, or a child thereof for whom the officer or employee is serving 12 13 as guardian, executor, administrator, trustee, or other personal fiduciary, if the state officer or state employee did not participate 14 15 in the transaction; or
- 16 (b) Another state employee involved in disciplinary or other personnel administration proceedings. 17
- 18 NEW SECTION. Sec. 105. CONFIDENTIAL INFORMATION. No state 19 officer or state employee may accept employment or engage in any business or professional activity that the officer or employee might 20 reasonably expect would require or induce him or her to disclose 21 22 confidential information acquired by the official or employee by reason 23 of the official's or employee's official position.
- 24 (2) No state officer or state employee may disclose confidential information gained by reason of the officer's or employee's official 25 position or otherwise use the information for his or her personal gain 26 or benefit or the gain or benefit of another. 27
- (3) No state officer or state employee may disclose confidential 28 29 information to any person not entitled or authorized to receive the 30 information.
- (4) No state officer or state employee may intentionally conceal a 31 record if the officer or employee knew the record was required to be 32 33 released under chapter 42.17 RCW, was under a personal obligation to 34 release the record, and failed to do so. This subsection does not apply where the decision to withhold the record was made in good faith. 35
- NEW SECTION. Sec. 106. TESTIMONY OF STATE OFFICERS AND STATE 36 This chapter does not prevent a state officer or state 37 EMPLOYEES.

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- 1 employee from giving testimony under oath or from making statements
- 2 required to be made under penalty of perjury or contempt.
- 3 <u>NEW SECTION.</u> **Sec. 107.** SPECIAL PRIVILEGES. Except as required to
- 4 perform duties within the scope of employment, no state officer or
- 5 state employee may use his or her position to secure special privileges
- 6 or exemptions for himself or herself, or his or her spouse, child,
- 7 parents, or other persons.
- 8 <u>NEW SECTION.</u> **Sec. 108.** POSTPUBLIC SERVICE EMPLOYMENT. (1) No
- 9 former state officer or state employee may, within a period of one year
- 10 from the date of termination of state employment, accept employment or
- 11 receive compensation from an employer if:
- 12 (a) The officer or employee, during the two years immediately
- 13 preceding termination of state employment, was engaged in the
- 14 negotiation or administration on behalf of the state or agency of one
- 15 or more contracts with that employer and was in a position to make
- 16 discretionary decisions affecting the outcome of such negotiation or
- 17 the nature of such administration;
- 18 (b) Such a contract or contracts have a total value of more than
- 19 ten thousand dollars; and
- 20 (c) The duties of the employment with the employer or the
- 21 activities for which the compensation would be received include
- 22 fulfilling or implementing, in whole or in part, the provisions of such
- 23 a contract or contracts or include the supervision or control of
- 24 actions taken to fulfill or implement, in whole or in part, the
- 25 provisions of such a contract or contracts. This subsection shall not
- 26 be construed to prohibit a state officer or state employee from
- 27 accepting employment with a state employee organization.
- 28 (2) No person who has served as a state officer or state employee
- 29 may, within a period of two years following the termination of state
- 30 employment, have a direct or indirect beneficial interest in a contract
- 31 or grant that was expressly authorized or funded by specific
- 32 legislative or executive action in which the former state officer or
- 33 state employee participated.
- 34 (3) No former state officer or state employee may accept an offer
- 35 of employment or receive compensation from an employer if the officer
- 36 or employee knows or has reason to believe that the offer of employment
- 37 or compensation was intended, in whole or in part, directly or

- indirectly, to influence the officer or employee or as compensation or reward for the performance or nonperformance of a duty by the officer or employee during the course of state employment.
- 4 (4) No former state officer or state employee may accept an offer 5 of employment or receive compensation from an employer if the 6 circumstances would lead a reasonable person to believe the offer has 7 been made, or compensation given, for the purpose of influencing the 8 performance or nonperformance of duties by the officer or employee 9 during the course of state employment.
- 10 (5) No former state officer or state employee may at any time subsequent to his or her state employment assist another person, 11 whether or not for compensation, in any transaction involving the state 12 13 in which the former state officer or state employee at any time participated during state employment. This subsection shall not be 14 15 construed to prohibit any employee or officer of a state employee 16 organization from rendering assistance to state officers or state 17 employees in the course of employee organization business.
- 18 (6) As used in this section, "employer" means a person as defined 19 in section 101 of this act or any other entity or business that the 20 person owns or in which the person has a controlling interest.
- 21 <u>NEW SECTION.</u> **Sec. 109.** FORMER STATE OFFICERS AND STATE EMPLOYEES.
- 22 This chapter shall not be construed to prevent a former state officer
- 23 or state employee from rendering assistance to others if the assistance
- 24 is provided without compensation in any form and is limited to one or
- 25 more of the following:
- 26 (1) Providing the names, addresses, and telephone numbers of state 27 agencies or state employees;
- 28 (2) Providing free transportation to another for the purpose of 29 conducting business with a state agency;
- 30 (3) Assisting a natural person or nonprofit corporation in 31 obtaining or completing application forms or other forms required by a
- 32 state agency for the conduct of a state business; or
- 33 (4) Providing assistance to the poor and infirm.
- 34 **Sec. 110.** RCW 42.18.270 and 1969 ex.s. c 234 s 27 are each amended 35 to read as follows:
- 36 (1) The head of an agency, upon finding that any former <u>state</u> 37 <u>officer or state</u> employee of such agency or any other person has

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- violated any provision of this chapter <u>or rules or policies adopted</u> under it, may, in addition to any other powers the head of such agency may have, bar or impose reasonable conditions upon:
- 4 (a) The appearance before such agency of such former <u>state officer</u> 5 <u>or state</u> employee or other person; and

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- (b) The conduct of, or negotiation or competition for, business with such agency by such former <u>state officer or state</u> employee or other person, such period of time as may reasonably be necessary or appropriate to effectuate the purposes of this chapter.
- (2) Findings of violations referred to in subsection (1)(b) of this section shall be made on record after notice and hearing, conducted in accordance with the Washington Administrative Procedure Act, chapter 34.05 RCW. Such findings and orders are subject to judicial review.
- 14 <u>(3) This section does not apply to the legislative or judicial</u> 15 <u>branches of government.</u>
- NEW SECTION. Sec. 111. COMPENSATION FOR OFFICIAL DUTIES. No state officer or state employee may, directly or indirectly, ask for or give or receive or agree to receive any compensation, gift, reward, or gratuity from a source except the state of Washington for performing or omitting or deferring the performance of any official duty, unless otherwise authorized by law.
- NEW SECTION. Sec. 112. COMPENSATION FOR OUTSIDE ACTIVITIES. (1)
 No state officer or state employee may receive any thing of economic
 value under any contract or grant outside of his or her official
 duties. The prohibition in this subsection does not apply where each
 of the following conditions are met:
 - (a) The contract or grant is bona fide and actually performed;
- (b) The performance or administration of the contract or grant is not within the course of the officer's or employee's official duties, or is not under the officer's or employee's official supervision;
- 31 (c) The performance of the contract or grant is not prohibited by 32 section 104 of this act or by applicable laws or rules governing 33 outside employment for the officer or employee;
- (d) The contract or grant is neither performed for nor compensated by any person from whom such officer or employee would be prohibited by section 115(4) of this act from receiving a gift;

- 1 (e) The contract or grant is not one expressly created or 2 authorized by the officer or employee or his or her agency;
- 3 (f) The contract or grant would not require unauthorized disclosure 4 of confidential information.
- 5 (2) In addition to satisfying the requirements of subsection (1) of 6 this section, a state officer or state employee may have a beneficial 7 interest in a grant or contract with the state, a state agency, or a 8 local government in connection with a program receiving substantial 9 funding from the state only if:
- 10 (a) The contract or grant is awarded or issued as a result of an 11 open and competitive bidding process in which more than one bid or 12 grant application was received; or
- (b) The contract or grant is awarded or issued as a result of an open and competitive bidding or selection process in which the officer's or employee's bid or proposal was the only bid or proposal received and the officer or employee has been advised by the appropriate ethics board, before execution of the contract or grant, that the contract or grant would not present an unacceptable conflict with the officer's or employee's official duties; or
- (c) The process for awarding the contract or issuing the grant is not open and competitive, but the officer or employee has been advised by the appropriate ethics board that the contract or grant would not present an unacceptable conflict with the officer's or employee's official duties.
- 25 (3) A state officer or state employee awarded a contract or issued 26 a grant in compliance with subsection (2) of this section shall file 27 the contract or grant with the appropriate ethics board within thirty 28 days after the date of execution.

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- (4) This section does not prevent a state officer or state employee from receiving compensation contributed from the treasury of the United States, another state, county, or municipality if the compensation is received pursuant to arrangements entered into between such state, county, municipality, or the United States and the officer's or employee's agency. This section does not prohibit a state officer or state employee from serving or performing any duties under an employment contract with a governmental entity.
- 37 (5) As used in this section, "officer" and "employee" do not 38 include officers and employees who, in accordance with the terms of 39 their employment or appointment, are serving without compensation from

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- 1 the state of Washington or are receiving from the state only
- 2 reimbursement of expenses incurred or a predetermined allowance for
- 3 such expenses.
- 4 <u>NEW SECTION.</u> **Sec. 113.** HONORARIA. (1) No state officer or state
- 5 employee may receive honoraria unless specifically authorized by
- 6 policies that have been adopted by the agencies where they serve as
- 7 state officers or state employees and that have been approved by the
- 8 appropriate ethics board.
- 9 (2) An ethics board may disapprove a policy that permits honoraria
- 10 under specified circumstances, including but not limited to
- 11 circumstances in which:
- 12 (a) The person offering the honoraria is seeking or is reasonably
- 13 expected to seek contractual relations with or a grant from the
- 14 employer of the state officer or state employee, and the officer or
- 15 employee is in a position to participate in the terms or the award of
- 16 the contract or grant;
- 17 (b) The person offering the honoraria is regulated by the employer
- 18 of the state officer or state employee and the officer or employee is
- 19 in a position to participate in the regulation; or
- 20 (c) The person offering the honoraria (i) is seeking or opposing or
- 21 is reasonably likely to seek or oppose enactment of legislation or
- 22 adoption of administrative rules or actions, or policy changes by the
- 23 state officer's or state employee's agency; and (ii) the officer or
- 24 employee may participate in the enactment or adoption.
- NEW SECTION. Sec. 114. GIFTS. No state officer or state employee
- 26 may receive, accept, take, seek, or solicit, directly or indirectly,
- 27 any thing of economic value as a gift, gratuity, or favor from a person
- 28 if it could be reasonably expected that the gift, gratuity, or favor
- 29 would influence the vote, action, or judgment of the officer or
- 30 employee, or be considered as part of a reward for action or inaction.
- 31 <u>NEW SECTION.</u> **Sec. 115.** LIMITATIONS ON GIFTS. (1) No state
- 32 officer or state employee may accept gifts, other than those specified
- 33 in subsections (2) and (5) of this section, with an aggregate value in
- 34 excess of fifty dollars from a single source in a calendar year or a
- 35 single gift from multiple sources with a value in excess of fifty
- 36 dollars. For purposes of this section, "single source" means any

- person, as defined in section 101 of this act, whether acting directly
- 2 or through any agent or other intermediary, and "single gift" includes
- 3 any event, item, or group of items used in conjunction with each other
- 4 or any trip including transportation, lodging, and attendant costs, not
- 5 excluded from the definition of gift under section 101 of this act.
- 6 The value of gifts given to an officer's or employee's family member
- 7 shall be attributed to the official or employee for the purpose of
- 8 determining whether the limit has been exceeded, unless an independent
- 9 business, family, or social relationship exists between the donor and
- 10 the family member.
- 11 (2) Except as provided in subsection (4) of this section, the
- 12 following items are presumed not to influence under section 114 of this
- 13 act, and may be accepted without regard to the limit established by
- 14 subsection (1) of this section:
- 15 (a) Unsolicited flowers, plants, and floral arrangements;
- 16 (b) Unsolicited advertising or promotional items of nominal value,
- 17 such as pens and note pads;
- 18 (c) Unsolicited tokens or awards of appreciation in the form of a
- 19 plaque, trophy, desk item, wall memento, or similar item;
- 20 (d) Unsolicited items received by a state officer or state employee
- 21 for the purpose of evaluation or review, if the officer or employee has
- 22 no personal beneficial interest in the eventual use or acquisition of
- 23 the item by the officer's or employee's agency;
- (e) Informational material, publications, or subscriptions related
- 25 to the recipient's performance of official duties;
- 26 (f) Food and beverages consumed at hosted receptions where
- 27 attendance is related to the state officer's or state employee's
- 28 official duties;
- 29 (g) Admission to, and the cost of food and beverages consumed at,
- 30 events sponsored by or in conjunction with a civic, charitable,
- 31 governmental, or community organization; and
- 32 (h) Unsolicited gifts from dignitaries from another state or a
- 33 foreign country that are intended to be personal in nature.
- 34 (3) The presumption in subsection (2) of this section is rebuttable
- 35 and may be overcome based on the circumstances surrounding the giving
- 36 and acceptance of the item.
- 37 (4) Notwithstanding subsections (2) and (5) of this section, a
- 38 state officer or state employee of a regulatory agency or of an agency
- 39 that seeks to acquire goods or services who participates in those

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- 1 regulatory or contractual matters may receive, accept, take, or seek,
- 2 directly or indirectly, only the following items from a person
- 3 regulated by the agency or from a person who seeks to provide goods or
- 4 services to the agency:
- 5 (a) Unsolicited advertising or promotional items of nominal value, 6 such as pens and note pads;
- 7 (b) Unsolicited tokens or awards of appreciation in the form of a 8 plaque, trophy, desk item, wall memento, or similar item;
- 9 (c) Unsolicited items received by a state officer or state employee
- 10 for the purpose of evaluation or review, if the officer or employee has
- 11 no personal beneficial interest in the eventual use or acquisition of
- 12 the item by the officer's or employee's agency;
- 13 (d) Informational material, publications, or subscriptions related
- 14 to the recipient's performance of official duties;
- 15 (e) Food and beverages consumed at hosted receptions where
- 16 attendance is related to the state officer's or state employee's
- 17 official duties;
- 18 (f) Admission to, and the cost of food and beverages consumed at,
- 19 events sponsored by or in conjunction with a civic, charitable,
- 20 governmental, or community organization; and
- 21 (g) Those items excluded from the definition of gift in section 101
- 22 of this act except:
- 23 (i) Payments by a governmental or nongovernmental entity of
- 24 reasonable expenses incurred in connection with a speech, presentation,
- 25 appearance, or trade mission made in an official capacity;
- 26 (ii) Payments for seminars and educational programs sponsored by a
- 27 bona fide nonprofit professional, educational, or trade association, or
- 28 charitable institution; and
- 29 (iii) Flowers, plants, and floral arrangements.
- 30 (5) A state officer or state employee may accept gifts in the form
- 31 of food and beverage on infrequent occasions in the ordinary course of
- 32 meals where attendance by the officer or employee is related to the
- 33 performance of official duties. Gifts in the form of food and beverage
- 34 that exceed fifty dollars on a single occasion shall be reported as
- 35 provided in chapter 42.17 RCW.
- 36 **Sec. 116.** RCW 42.18.217 and 1987 c 426 s 3 are each amended to
- 37 read as follows:

- 1 (1) No state <u>officer or state</u> employee may employ or use any 2 person, money, or property under the <u>officer's or</u> employee's official control or direction, or in his or her official custody, for the 4 private benefit or gain of the <u>officer</u>, employee, or another.
- 5 (2) This section does not prohibit the use of public resources to 6 benefit others as part of a state officer's or state employee's public 7 duties.
- 8 (3) The appropriate ethics boards may adopt rules providing
 9 exceptions to this section for occasional use of the state officer or
 10 state employee, of de minimis cost and value, if the activity does not
 11 result in interference with the proper performance of public duties.
- 12 **Sec. 117.** RCW 42.18.230 and 1987 c 426 s 5 are each amended to 13 read as follows:
- (((1))) No person shall give, pay, loan, transfer, or deliver, directly or indirectly, to any other person any thing of economic value believing or having reason to believe that there exist circumstances making the receipt thereof a violation of ((RCW 42.18.170, 42.18.190, and 42.18.213)) section 104, 111, 112, 114, or 115 of this act.
- 19 (((2) No person shall give, transfer, or deliver, directly or 20 indirectly, to a state employee, any thing of economic value as a gift, 21 gratuity, or favor if either:
- 22 (a) Such person would not give the gift, gratuity, or favor but for 23 such employee's office or position with the state; or
- 24 (b) Such person is in a status specified in clause (a), (b), or (c)
 25 of RCW 42.18.200(2).
- Exceptions to this subsection (2) may be made by regulations issued
 pursuant to RCW 42.18.240 in situations referred to in RCW
 42.18.200(3).))
- 29 NEW SECTION. Sec. 118. USE OF PUBLIC RESOURCES FOR POLITICAL CAMPAIGNS. (1) No state officer or state employee may use or authorize 30 the use of facilities of an agency, directly or indirectly, for the 31 purpose of assisting a campaign for election of a person to an office 32 33 or for the promotion of or opposition to a ballot proposition. Knowing acquiescence by a person with authority to direct, control, or 34 35 influence the actions of the state officer or state employee using public resources in violation of this section constitutes a violation 36 37 of this section. Facilities of an agency include, but are not limited

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- 1 to, use of stationery, postage, machines, and equipment, use of state
- 2 employees of the agency during working hours, vehicles, office space,
- 3 publications of the agency, and clientele lists of persons served by
- 4 the agency.

- (2) This section shall not apply to the following activities:
- 6 (a) Action taken at an open public meeting by members of an elected
- 7 legislative body to express a collective decision, or to actually vote
- 8 upon a motion, proposal, resolution, order, or ordinance, or to support
- 9 or oppose a ballot proposition as long as (i) required notice of the
- 10 meeting includes the title and number of the ballot proposition, and
- 11 (ii) members of the legislative body or members of the public are
- 12 afforded an approximately equal opportunity for the expression of an
- 13 opposing view;
- 14 (b) A statement by an elected official in support of or in
- 15 opposition to any ballot proposition at an open press conference or in
- 16 response to a specific inquiry. For the purposes of this subsection,
- 17 it is not a violation of this section for an elected official to
- 18 respond to an inquiry regarding a ballot proposition, to make
- 19 incidental remarks concerning a ballot proposition in an official
- 20 communication, or otherwise comment on a ballot proposition without an
- 21 actual, measurable expenditure of public funds. The public disclosure
- 22 commission shall, after consultation with the ethics boards, adopt by
- 23 rule a definition of measurable expenditure;
- 24 (c) Activities that are part of the normal and regular conduct of
- 25 the office or agency;
- 26 (d) Initiation of written and verbal communications by state-wide
- 27 elected officials and legislators of their views on ballot propositions
- 28 that foreseeably may affect a matter that falls within their
- 29 constitutional or statutory responsibilities; and
- 30 (e) De minimis use of public facilities by state-wide elected
- 31 officials and legislators incidental to the preparation or delivery of
- 32 permissible communications.
- 33 (3) As to state officers and employees, this section operates to
- 34 the exclusion of RCW 42.17.130.
- 35 <u>NEW SECTION.</u> **Sec. 119.** INVESTMENTS. (1) Except for permissible
- 36 investments as defined in this section, no state officer or state
- 37 employee of any agency responsible for the investment of funds, who
- 38 acts in a decision-making, advisory, or policy-influencing capacity

- with respect to investments, may have a direct or indirect interest in any property, security, equity, or debt instrument of a person, without prior written approval of the agency.
- 4 (2) Agencies responsible for the investment of funds shall adopt 5 policies governing approval of investments and establishing criteria to be considered in the approval process. Criteria shall include the 6 7 relationship between the proposed investment and investments held or 8 under consideration by the state, the size and timing of the proposed 9 investment, access by the state officer or state employee to nonpublic 10 information relative to the proposed investment, and the availability of the investment in the public market. Agencies responsible for the 11 investment of funds also shall adopt policies consistent with this 12 13 chapter governing use by their officers and employees of financial information acquired by virtue of their state positions. A violation 14 15 of such policies adopted to implement this subsection shall constitute a violation of this chapter. 16
- (3) As used in this section, "permissible investments" means any mutual fund, deposit account, certificate of deposit, or money market fund maintained with a bank, broker, or other financial institution, a security publicly traded in an organized market if the interest in the security at acquisition is ten thousand dollars or less, or an interest in real estate, except if the real estate interest is in or with a party in whom the agency holds an investment.
- NEW SECTION. Sec. 120. AGENCY POLICIES. (1) Each agency may establish policies consistent with law, for use within the agency to protect against violations of this chapter.
- 27 (2) Policies adopted under this section shall be approved by the 28 appropriate ethics board before they may take effect. The board may 29 disapprove agency policies if the board determines that the policies 30 conflict or are inconsistent with this chapter or rules adopted by the 31 board.
- NEW SECTION. **Sec. 121.** A new section is added to chapter 42.17 RCW to read as follows:
- 34 A state-wide elected official or legislator may use campaign funds,
- 35 other than surplus campaign funds, for payment of nonreimbursed,
- 36 office-related expenses. Such expenditures shall be reported under RCW
- 37 42.17.080 and 42.17.090.

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- NEW SECTION. Sec. 122. A new section is added to chapter 42.23 2 RCW to read as follows:
- 3 (1) No municipal officer may use his or her position to secure 4 special privileges or exemptions for himself, herself, or others.
- 5 (2) No municipal officer may, directly or indirectly, give or 6 receive or agree to receive any compensation, gift, reward, or gratuity 7 from a source except the employing municipality, for a matter connected 8 with or related to the officer's services as such an officer unless 9 otherwise provided for by law.
- 10 (3) No municipal officer may accept employment or engage in 11 business or professional activity that the officer might reasonably 12 expect would require or induce him or her by reason of his or her 13 official position to disclose confidential information acquired by 14 reason of his or her official position.
- 15 (4) No municipal officer may disclose confidential information 16 gained by reason of the officer's position, nor may the officer 17 otherwise use such information for his or her personal gain or benefit.

18 PART II

19 ETHICS ENFORCEMENT BOARDS

- NEW SECTION. Sec. 201. LEGISLATIVE ETHICS BOARD. (1) The legislative ethics board is created, composed of nine members, selected as follows:
- 23 (a) Two senators, one from each of the two largest caucuses, 24 appointed by the president of the senate;
- (b) Two members of the house of representatives, one from each of the two largest caucuses, appointed by the speaker of the house of representatives;
 - (c) Five citizen members:

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- 29 (i) One citizen member chosen by the governor from a list of three 30 individuals submitted by each of the four legislative caucuses; and
- 31 (ii) One citizen member selected by three of the four other citizen 32 members of the legislative ethics board.
- 33 (2) Except for initial members and members completing partial 34 terms, nonlegislative members shall serve a single five-year term.
- 35 (3) No more than three of the public members may be identified with 36 the same political party.

- 1 (4) Terms of initial nonlegislative board members shall be 2 staggered as follows: One member shall be appointed to a one-year 3 term; one member shall be appointed to a two-year term; one member 4 shall be appointed to a three-year term; one member shall be appointed 5 to a four-year term; and one member shall be appointed for a five-year 6 term.
- 7 (5) A vacancy on the board shall be filled in the same manner as 8 the original appointment.
- 9 (6) Legislative members shall serve two-year terms, from January 10 31st of an odd-numbered year until January 31st of the next 11 odd-numbered year.
- 12 (7) Each member shall serve for the term of his or her appointment 13 and until his or her successor is appointed.
- 14 (8) The citizen members shall annually select a chair from among 15 themselves.
- 16 <u>NEW SECTION.</u> **Sec. 202.** AUTHORITY OF LEGISLATIVE ETHICS BOARD.
- 17 (1) The legislative ethics board shall hear all matters related to the 18 statutes, rules, and policies that establish standards of ethical
- 19 conduct by members and employees of the legislature.
- 20 (2) The legislative ethics board shall:
- 21 (a) Develop educational materials and training with regard to 22 legislative ethics for legislators and legislative employees;
- 23 (b) Issue advisory opinions;
- 24 (c) Adopt rules or policies, including but not limited to defining 25 working hours;
- 26 (d) Investigate, hear, and determine complaints by any person or on 27 its own motion;
 - (e) Impose sanctions including reprimands and monetary penalties;
- 29 (f) Recommend suspension or removal to the appropriate legislative 30 entity, or recommend prosecution to the appropriate authority; and
- 31 (g) Establish criteria regarding the levels of civil penalties 32 appropriate for different types of violations of this chapter and rules 33 and policies adopted under it.
- 34 (3) The board may:

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- 35 (a) Issue subpoenas for the attendance and testimony of witnesses 36 and the production of documentary evidence relating to any matter under 37 examination by the board or involved in any hearing;
 - (b) Administer oaths and affirmations;

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- 1 (c) Examine witnesses; and
- 2 (d) Receive evidence.

- 3 NEW SECTION. Sec. 203. TRANSFER OF JURISDICTION. effective date of this section, any complaints or other matters under 4 investigation or consideration by the boards of legislative ethics in 5 the house of representatives and the senate operating pursuant to 6 7 chapter 44.60 RCW shall be transferred to the legislative ethics board 8 created by this act. All files, including but not limited to minutes 9 of meetings, investigative files, records of proceedings, exhibits, and 10 expense records, shall be transferred to the legislative ethics board created in this act pursuant to their direction and the legislative 11 12 ethics board created in this act shall assume full jurisdiction over
- NEW SECTION. Sec. 204. EXECUTIVE ETHICS BOARD. (1) The executive ethics board is created, composed of five members, appointed by the governor as follows:

all pending complaints, investigations, and proceedings.

- 17 (a) One member shall be a classified service employee as defined in 18 chapter 41.06 RCW;
- 19 (b) One member shall be a state officer or state employee in an 20 exempt position;
- 21 (c) One member shall be a citizen selected from a list of three 22 names submitted by the attorney general;
- 23 (d) One member shall be a citizen selected from a list of three 24 names submitted by the state auditor; and
- 25 (e) One member shall be a citizen selected at large by the 26 governor.
- 27 (2) Except for initial members and members completing partial 28 terms, members shall serve a single five-year term.
- 29 (3) No more than three members may be identified with the same 30 political party.
- 31 (4) Terms of initial board members shall be staggered as follows:
- 32 One member shall be appointed to a one-year term; one member shall be
- 33 appointed to a two-year term; one member shall be appointed to a three-
- 34 year term; one member shall be appointed to a four-year term; and one
- 35 member shall be appointed to a five-year term.
- 36 (5) A vacancy on the board shall be filled in the same manner as 37 the original appointment.

- 1 (6) Each member shall serve for the term of his or her appointment
- 2 and until his or her successor is appointed.
- 3 (7) The members shall annually select a chair from among
- 4 themselves.
- 5 (8) Staff shall be provided by the state auditor's office.
- 6 NEW SECTION. Sec. 205. AUTHORITY OF EXECUTIVE ETHICS BOARD. (1)
- 7 The executive ethics board shall hear all matters related to the
- 8 statutes, rules, and policies that establish standards of ethical
- 9 conduct for state-wide elected officers and all other officers and
- 10 employees in the executive branch, boards and commissions, and
- 11 institutions of higher education.
- 12 (2) The executive ethics board shall:
- 13 (a) Develop educational materials and training;
- 14 (b) Adopt rules or policies, including but not limited to defining
- 15 working hours;
- 16 (c) Issue advisory opinions;
- 17 (d) Investigate, hear, and determine complaints by any person or on
- 18 its own motion;
- 19 (e) Impose sanctions including reprimands and monetary penalties;
- 20 (f) Recommend to the appropriate authorities suspension, removal
- 21 from position, prosecution, or other appropriate remedy; and
- 22 (g) Establish criteria regarding the levels of civil penalties
- 23 appropriate for violations of this chapter and rules and policies
- 24 adopted under it.
- 25 (3) The board may:
- 26 (a) Issue subpoenas for the attendance and testimony of witnesses
- 27 and the production of documentary evidence relating to any matter under
- 28 examination by the board or involved in any hearing;
- 29 (b) Administer oaths and affirmations;
- 30 (c) Examine witnesses; and
- 31 (d) Receive evidence.
- 32 (4) The executive ethics board may review and approve agency
- 33 policies as provided for in this chapter.
- 34 (5) This section does not apply to state officers and state
- 35 employees of the judicial branch.
- 36 <u>NEW SECTION.</u> **Sec. 206.** AUTHORITY OF COMMISSION ON JUDICIAL
- 37 CONDUCT. The commission on judicial conduct shall enforce this chapter

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- 1 and rules and policies adopted under it with respect to state officers
- 2 and employees of the judicial branch and may do so according to
- 3 procedures prescribed in Article IV, section 31 of the state
- 4 Constitution. In addition to the sanctions authorized in Article IV,
- 5 section 31 of the state Constitution, the commission may impose
- 6 sanctions authorized by this chapter.
- 7 NEW SECTION. Sec. 207. POLITICAL ACTIVITIES OF CITIZEN BOARD
- 8 MEMBERS. No member of the executive ethics board and none of the five
- 9 citizen members of the legislative ethics board may (1) hold or
- 10 campaign for partisan elective office other than the position of
- 11 precinct committeeperson, or any full-time nonpartisan office; (2) be
- 12 an officer of any political party or political committee as defined in
- 13 chapter 42.17 RCW other than the position of precinct committeeperson;
- 14 (3) permit his or her name to be used, or make contributions, in
- 15 support of or in opposition to any state candidate or state ballot
- 16 measure; or (4) lobby or control, direct, or assist a lobbyist except
- 17 that such member may appear before any committee of the legislature on
- 18 matters pertaining to this chapter.
- 19 <u>NEW SECTION.</u> **Sec. 208.** HEARING AND SUBPOENA AUTHORITY. Except as
- 20 otherwise provided by law, the ethics boards may hold hearings,
- 21 subpoena witnesses, compel their attendance, administer oaths, take the
- 22 testimony of a person under oath, and in connection therewith, to
- 23 require the production for examination of any books or papers relating
- 24 to any matter under investigation or in question before the ethics
- 25 board. The ethics board may make rules as to the issuance of subpoenas
- 26 by individual members, as to service of complaints, decisions, orders,
- 27 recommendations, and other process or papers of the ethics board.
- 28 <u>NEW SECTION.</u> **Sec. 209.** ENFORCEMENT OF SUBPOENA AUTHORITY. In
- 29 case of refusal to obey a subpoena issued to a person, the superior
- 30 court of a county within the jurisdiction of which the investigation,
- 31 proceeding, or hearing under this chapter is carried on or within the
- 32 jurisdiction of which the person refusing to obey is found or resides
- 33 or transacts business, upon application by the appropriate ethics board
- 34 shall have jurisdiction to issue to the person an order requiring the
- 35 person to appear before the ethics board or its member to produce
- 36 evidence if so ordered, or to give testimony touching the matter under

- 1 investigation or in question. Failure to obey such order of the court
- 2 may be punished by the court as contempt.
- NEW SECTION. Sec. 210. FILING COMPLAINT. (1) A person may, 4 personally or by his or her attorney, make, sign, and file with the
- 5 appropriate ethics board a complaint on a form provided by the
- 6 appropriate ethics board. The complaint shall state the name of the
- 7 person alleged to have violated this chapter or rules or policies
- 8 adopted under it and the particulars thereof, and contain such other
- 9 information as may be required by the appropriate ethics board.
- 10 (2) If it has reason to believe that any person has been engaged or
- 11 is engaging in a violation of this chapter or rules or policies adopted
- 12 under it, an ethics board may issue a complaint.
- 13 <u>NEW SECTION.</u> **Sec. 211.** INVESTIGATION. After the filing of any
- 14 complaint, except as provided in section 214 of this act, the staff of
- 15 the appropriate ethics board shall investigate the complaint. The
- 16 investigation shall be limited to the alleged facts contained in the
- 17 complaint. The results of the investigation shall be reduced to
- 18 writing and a determination shall be made that there is or that there
- 19 is not reasonable cause to believe that a violation of this chapter or
- 20 rules or policies adopted under it has been or is being committed. A
- 21 copy of the written determination shall be provided to the complainant
- 22 and to the person named in such complaint.
- NEW SECTION. Sec. 212. PUBLIC HEARING--FINDINGS. (1) If the
- 24 ethics board determines there is reasonable cause under section 211 of
- 25 this act that a violation of this chapter or rules or policies adopted
- 26 under it occurred, a public hearing on the merits of the complaint
- 27 shall be held.
- 28 (2) The ethics board shall designate the location of the hearing.
- 29 The case in support of the complaint shall be presented at the hearing
- 30 by staff of the ethics board.
- 31 (3) The respondent shall file a written answer to the complaint and
- 32 appear at the hearing in person or otherwise, with or without counsel,
- 33 and submit testimony and be fully heard. The respondent has the right
- 34 to cross-examine witnesses.
- 35 (4) Testimony taken at the hearing shall be under oath and
- 36 recorded.

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- 1 (5) If, based upon a preponderance of the evidence, the ethics 2 board finds that the respondent has violated this chapter or rules or 3 policies adopted under it, the board shall file an order stating 4 findings of fact and enforcement action as authorized under this 5 chapter.
- 6 (6) If, upon all the evidence, the ethics board finds that the 7 respondent has not engaged in an alleged violation of this chapter or 8 rules or policies adopted under it, the ethics board shall state 9 findings of fact and shall similarly issue and file an order dismissing 10 the complaint.
- NEW SECTION. Sec. 213. REVIEW OF ORDER. Except as otherwise provided by law, reconsideration or judicial review of an ethics board's order that a violation of this chapter or rules or policies adopted under it has occurred shall be governed by the provisions of chapter 34.05 RCW applicable to review of adjudicative proceedings.
- NEW SECTION. Sec. 214. COMPLAINT AGAINST LEGISLATOR OR STATE-WIDE ELECTED OFFICIAL. (1) If a complaint alleges a violation of section 18 118 of this act by a legislator or state-wide elected official other than the attorney general, the attorney general shall conduct the investigation under section 211 of this act and recommend action to the appropriate ethics board.
- (2) If a complaint alleges a violation of section 118 of this act by the attorney general, the state auditor shall conduct the investigation under section 211 of this act and recommend action to the appropriate ethics board.
- 26 NEW SECTION. Sec. 215. CITIZEN ACTIONS. Any person who has 27 notified the appropriate ethics board and the attorney general in writing that there is reason to believe that some provision of this 28 chapter is being or has been violated may, in the name of the state, 29 bring a citizen action for any of the actions authorized under this 30 chapter. A citizen action may be brought only if the appropriate 31 32 ethics board or the attorney general have failed to commence an action under this chapter within forty-five days after notice from the person, 33 34 the person has thereafter notified the appropriate ethics board and the attorney general that the person will commence a citizen's action 35 within ten days upon their failure to commence an action, and the 36

- 1 appropriate ethics board and the attorney general have in fact failed 2 to bring an action within ten days of receipt of the second notice.
- 3 If the person who brings the citizen's action prevails, the
- 4 judgment awarded shall escheat to the state, but the person shall be
- 5 entitled to be reimbursed by the state of Washington for costs and
- 6 attorneys' fees incurred. If a citizen's action that the court finds
- 7 was brought without reasonable cause is dismissed, the court may order
- 8 the person commencing the action to pay all costs of trial and
- 9 reasonable attorneys' fees incurred by the defendant.
- 10 <u>NEW SECTION.</u> **Sec. 216.** REFERRAL FOR ENFORCEMENT. As appropriate,
- 11 an ethics board may refer a complaint:
- 12 (1) To an agency for initial investigation and proposed resolution
- 13 which shall be referred back to the appropriate ethics board for
- 14 action; or
- 15 (2) To the attorney general's office or prosecutor for appropriate
- 16 action.
- 17 <u>NEW SECTION.</u> **Sec. 217.** ACTION BY BOARDS. (1) Except as otherwise
- 18 provided by law, an ethics board may order payment of the following
- 19 amounts if it finds a violation of this chapter or rules or policies
- 20 adopted under it after a hearing under section 206 of this act or other
- 21 applicable law:
- 22 (a) Any damages sustained by the state that are caused by the
- 23 conduct constituting the violation;
- 24 (b) From each such person, a civil penalty of up to five thousand
- 25 dollars per violation or three times the economic value of any thing
- 26 received or sought in violation of this chapter or rules or policies
- 27 adopted under it, whichever is greater; and
- 28 (c) Costs, including reasonable investigative costs, which shall be
- 29 included as part of the limit under (b) of this subsection.
- 30 (2) Damages under this section may be enforced in the same manner
- 31 as a judgment in a civil case.
- 32 NEW SECTION. Sec. 218. ACTION BY ATTORNEY GENERAL. Upon a
- 33 written determination by the attorney general that the action of an
- 34 ethics board was clearly erroneous or if requested by an ethics board,
- 35 the attorney general may bring a civil action in the superior court of
- 36 the county in which the violation is alleged to have occurred against

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- 1 a state officer, state employee, former state officer, former state
- 2 employee, or other person who has violated or knowingly assisted
- 3 another person in violating any of the provisions of this chapter or
- 4 the rules or policies adopted under it. In such action the attorney
- 5 general may recover the following amounts on behalf of the state of
- 6 Washington:
- 7 (1) Any damages sustained by the state that are caused by the 8 conduct constituting the violation;
- 9 (2) From each such person, a civil penalty of up to five thousand
- 10 dollars per violation or three times the economic value of any thing
- 11 received or sought in violation of this chapter or the rules or
- 12 policies adopted under it, whichever is greater; and
- 13 (3) Costs, including reasonable investigative costs, which shall be
- 14 reduced by, and not exceed, any penalty imposed.
- 15 <u>NEW SECTION.</u> **Sec. 219.** HEARINGS CONDUCTED BY ADMINISTRATIVE LAW
- 16 JUDGE. If the appropriate ethics board determines that a civil penalty
- 17 exceeding five hundred dollars is possible, at the option of the ethics
- 18 board enforcing this chapter or at the request of the person subject to
- 19 the enforcement action, an administrative law judge shall be requested
- 20 by the appropriate ethics board to conduct the hearing and rule on
- 21 procedural and evidentiary matters.
- 22 <u>NEW SECTION.</u> **Sec. 220.** RESCISSION OF STATE ACTION. (1) The
- 23 attorney general may, on request of the governor or the appropriate
- 24 agency, and in addition to other available rights of rescission, bring
- 25 an action in the superior court of Thurston county to cancel or rescind
- 26 state action taken by a state officer or state employee, without
- 27 liability to the state of Washington, contractual or otherwise, if the
- 28 governor or ethics board has reason to believe that: (a) A violation
- 29 of this chapter or rules or policies adopted under it has substantially
- 30 influenced the state action, and (b) the interest of the state requires
- 31 the cancellation or rescission. The governor may suspend state action
- 32 pending the determination of the merits of the controversy under this
- 33 section. The court may permit persons affected by the governor's
- 34 actions to post an adequate bond pending such resolution to ensure
- 35 compliance by the defendant with the final judgment, decree, or other
- 36 order of the court.
- 37 (2) This section does not limit other available remedies.

- 1 **Sec. 221.** RCW 42.18.260 and 1969 ex.s. c 234 s 26 are each amended 2 to read as follows:
- (1) ((The head of an agency may dismiss, suspend, or take such other action as may be appropriate in the circumstances in respect to any state employee of his agency upon finding that such employee has violated this chapter or regulations promulgated hereunder. Such action may include the imposition of conditions of the nature described in RCW 42.18.270(1))) A violation of this chapter or rules or policies adopted under it is grounds for disciplinary action.
- 10 (2) The procedures for any such action shall correspond to those applicable for disciplinary action for employee misconduct generally; 11 for those state officers and state employees not specifically exempted 12 ((therein)) in chapter 41.06 RCW, the rules set forth in ((the state 13 civil service law,)) chapter 41.06 RCW((-,)) shall apply. Any action 14 15 against the state officer or state employee shall be subject to 16 judicial review to the extent provided by law for disciplinary action for misconduct of state officers and state employees of the same 17 category and grade. 18
- NEW SECTION. Sec. 222. ADDITIONAL INVESTIGATIVE AUTHORITY. In addition to other authority under this chapter, the attorney general may investigate persons not under the jurisdiction of an ethics board whom the attorney general has reason to believe were involved in transactions in violation of this chapter or rules or policies adopted under it.
- 25 NEW SECTION. Sec. 223. LIMITATIONS PERIOD. Any action taken 26 under this chapter must be commenced within five years from the date of 27 However, if it is shown that the violation was not the violation. 28 discovered because of the active concealment of the person charged, 29 then the action must be commenced within two years from the date the violation was discovered or reasonably should have been discovered: 30 (1) By any person with direct or indirect supervisory responsibilities 31 32 over the person who allegedly committed the violation; or (2) if no 33 person has direct or indirect supervisory authority over the person who 34 committed the violation, by the appropriate ethics board.
- NEW SECTION. Sec. 224. The members of the legislative ethics board created by section 201 of this act and the executive ethics board

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- 1 created by section 203 of this act shall be appointed no later than
- 2 October 1, 1994. Notwithstanding the authority granted to these boards
- 3 by sections 202 and 204 of this act, until January 1, 1995, the
- 4 authority of each board shall be limited to conducting meetings and
- 5 incurring expenses solely for administrative and organizational
- 6 purposes.
- 7 This section shall expire January 1, 1995.
- 8 PART III
- 9 MISCELLANEOUS PROVISIONS
- 10 <u>NEW SECTION.</u> **Sec. 301.** LIBERAL CONSTRUCTION. This chapter shall
- 11 be construed liberally to effectuate its purposes and policy and to
- 12 supplement existing laws as may relate to the same subject.
- 13 NEW SECTION. Sec. 302. PARTS AND CAPTIONS NOT LAW. Parts and
- 14 captions used in this act do not constitute any part of the law.
- 15 <u>NEW SECTION.</u> **Sec. 303.** The following sections are each recodified
- 16 as sections in chapter 42.-- RCW (sections 101 through 109, 111 through
- 17 115, 118 through 120, 201, 202, 204 through 220, 222, 223, 301, and 302
- 18 of this act):
- 19 RCW 42.18.217
- 20 RCW 42.18.230
- 21 RCW 42.18.260
- 22 RCW 42.18.270
- 23 RCW 42.18.330
- 24 RCW 42.22.050
- 25 <u>NEW SECTION.</u> **Sec. 304.** The following acts or parts of acts are
- 26 each repealed:
- 27 (1) RCW 42.18.010 and 1969 ex.s. c 234 s 1;
- 28 (2) RCW 42.18.020 and 1969 ex.s. c 234 s 2;
- 29 (3) RCW 42.18.030 and 1969 ex.s. c 234 s 3;
- 30 (4) RCW 42.18.040 and 1969 ex.s. c 234 s 4;
- 31 (5) RCW 42.18.050 and 1969 ex.s. c 234 s 5;
- 32 (6) RCW 42.18.060 and 1969 ex.s. c 234 s 6;
- 33 (7) RCW 42.18.070 and 1969 ex.s. c 234 s 7;
- 34 (8) RCW 42.18.080 and 1969 ex.s. c 234 s 8;

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(9) RCW 42.18.090 and 1969 ex.s. c 234 s 9;
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        (10) RCW 42.18.100 and 1969 ex.s. c 234 s 10;
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        (11) RCW 42.18.110 and 1969 ex.s. c 234 s 11;
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        (12) RCW 42.18.120 and 1969 ex.s. c 234 s 12;
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        (13) RCW 42.18.130 and 1973 c 137 s 1 & 1969 ex.s. c 234 s 13;
        (14) RCW 42.18.140 and 1969 ex.s. c 234 s 14;
6
7
        (15) RCW 42.18.150 and 1969 ex.s. c 234 s 15;
8
        (16) RCW 42.18.170 and 1969 ex.s. c 234 s 17;
9
        (17) RCW 42.18.180 and 1969 ex.s. c 234 s 18;
10
        (18) RCW 42.18.190 and 1969 ex.s. c 234 s 19;
        (19) RCW 42.18.200 and 1969 ex.s. c 234 s 20;
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12
        (20) RCW 42.18.210 and 1969 ex.s. c 234 s 21;
13
        (21) RCW 42.18.213 and 1987 c 426 s 1;
14
        (22) RCW 42.18.215 and 1987 c 426 s 2;
15
        (23) RCW 42.18.221 and 1989 c 96 s 6 & 1987 c 426 s 4;
16
        (24) RCW 42.18.240 and 1969 ex.s. c 234 s 24;
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        (25) RCW 42.18.250 and 1969 ex.s. c 234 s 25;
        (26) RCW 42.18.280 and 1969 ex.s. c 234 s 28;
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        (27) RCW 42.18.290 and 1973 c 137 s 2 & 1969 ex.s. c 234 s 29;
20
        (28) RCW 42.18.300 and 1973 c 137 s 3 & 1969 ex.s. c 234 s 30;
        (29) RCW 42.18.310 and 1969 ex.s. c 234 s 31;
21
        (30) RCW 42.18.320 and 1969 ex.s. c 234 s 32;
22
23
        (31) RCW 42.18.900 and 1969 ex.s. c 234 s 40;
24
        (32) RCW 42.20.010 and 1969 ex.s. c 234 s 34 & 1909 c 249 s 82;
25
        (33) RCW 42.21.010 and 1965 ex.s. c 150 s 1;
26
        (34) RCW 42.21.020 and 1989 c 175 s 93, 1971 c 81 s 106, & 1965
27
    ex.s. c 150 s 2;
28
        (35) RCW 42.21.030 and 1965 ex.s. c 150 s 3;
29
        (36) RCW 42.21.040 and 1965 ex.s. c 150 s 4;
30
        (37) RCW 42.21.050 and 1965 ex.s. c 150 s 5;
31
        (38) RCW 42.21.080 and 1965 ex.s. c 150 s 8;
32
        (39) RCW 42.21.090 and 1969 ex.s. c 234 s 36;
        (40) RCW 42.22.010 and 1959 c 320 s 1;
33
34
        (41) RCW 42.22.020 and 1959 c 320 s 2;
35
        (42) RCW 42.22.030 and 1961 c 268 s 8 & 1959 c 320 s 3;
36
        (43) RCW 42.22.040 and 1989 c 11 s 13 & 1959 c 320 s 4;
37
        (44) RCW 42.22.060 and 1959 c 320 s 6;
38
        (45) RCW 42.22.070 and 1959 c 320 s 7;
39
        (46) RCW 42.22.120 and 1969 ex.s. c 234 s 37;
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- 1 (47) RCW 44.60.010 and 1977 ex.s. c 218 s 1 & 1967 ex.s. c 150 s 1;
- 2 (48) RCW 44.60.020 and 1980 c 87 s 43, 1977 ex.s. c 218 s 2, & 1967
- 3 ex.s. c 150 s 2;
- 4 (49) RCW 44.60.030 and 1967 ex.s. c 150 s 3;
- 5 (50) RCW 44.60.040 and 1977 ex.s. c 218 s 3 & 1967 ex.s. c 150 s 4;
- 6 (51) RCW 44.60.050 and 1984 c 287 s 92, 1979 c 151 s 159, 1977
- 7 ex.s. c 218 s 4, 1975-'76 2nd ex.s. c 34 s 135, & 1967 ex.s. c 150 s 5;
- 8 (52) RCW 44.60.070 and 1980 c 165 s 1, 1977 ex.s. c 218 s 5, & 1967
- 9 ex.s. c 150 s 6;
- 10 (53) RCW 44.60.080 and 1977 ex.s. c 218 s 6 & 1967 ex.s. c 150 s 8;
- 11 (54) RCW 44.60.090 and 1967 ex.s. c 150 s 9;
- 12 (55) RCW 44.60.100 and 1977 ex.s. c 218 s 7;
- 13 (56) RCW 44.60.110 and 1980 c 165 s 2 & 1977 ex.s. c 218 s 8;
- 14 (57) RCW 44.60.120 and 1977 ex.s. c 218 s 9; and
- 15 (58) RCW 44.60.130 and 1977 ex.s. c 218 s 10.
- NEW SECTION. Sec. 305. Sections 101 through 109, 111 through 115,
- 17 118 through 120, 201, 202, 204 through 220, 222, 223, 301, and 302 of
- 18 this act shall constitute a new chapter in Title 42 RCW.
- 19 <u>NEW SECTION.</u> Sec. 306. Sections 101 through 122, 206 through 223,
- 20 and 301 through 305 of this act shall take effect January 1, 1995.
- 21 <u>NEW SECTION.</u> **Sec. 307.** If any provision of this act or its
- 22 application to any person or circumstance is held invalid, the
- 23 remainder of the act or the application of the provision to other
- 24 persons or circumstances is not affected.

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