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## Local Government Committee

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### HB 1577

**Brief Description:** Concerning municipal officers' beneficial interest in contracts.

**Sponsors:** Representative Schmick.

<p><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>Increases the monthly value of contracts in which municipal officers may have a beneficial interest from \$1,500 to \$3,000.</li></ul>
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**Hearing Date:** 2/14/23

**Staff:** Elizabeth Allison (786-7129).

**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 such a contract. There are several exemptions specified in statute in which municipal officers are allowed to have an interest in an awarded contract if the contract is within certain limits. For example, contracts in which the total volume of business represented by the contract in which the municipal officer's business is interested does not exceed \$1,500 in a calendar month are exempt. Additionally, contracts by a second-class city or town, noncharter code city, or a county fair board in a county without a purchasing department, in which the total volume of business exceeds the \$1,500 monthly limit, but the total amount of such contracts do not exceed \$18,000 in any calendar year, are exempt.

**Summary of Bill:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

The monthly value for contracts in which municipal officers may have a beneficial interest is increased from \$1,500 to \$3,000.

**Appropriation:** None.

**Fiscal Note:** Requested on February 11, 2023.

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