

1 **SHB 1448** - H AMDS

2 By Representative Morris

3 On page 4, after line 33, insert:

4 "NEW SECTION. **Sec. 6.** No person shall be vicariously liable
5 for the conduct of agents, employees, or employers who violate
6 section 2 of this act except as provided in RCW 9A.08.030(2)(b).

7
8 **Sec. 7.** RCW 9A.08.030 and 1975 1st ex.s. c 260 s 9A.08.030
9 are each amended to read as follows:

10 (1) As used in this section:

11 (a) "Agent" means any director, officer, or employee of a
12 corporation, or any other person who is authorized to act on behalf
13 of the corporation;

14 (b) "Corporation" includes a joint stock association;

15 (c) "High managerial agent" means an officer or director of a
16 corporation or any other agent in a position of comparable
17 authority with respect to the formulation of corporate policy or
18 the supervision in a managerial capacity of subordinate employees.

19 (2) A corporation is guilty of an offense when:

20 (a) The conduct constituting the offense consists of an
21 omission to discharge a specific duty of performance imposed on
22 corporations by law; or

23 (b) The conduct constituting the offense is engaged in,
24 authorized, solicited, requested, commanded, or tolerated by the
25 board of directors or by a high managerial agent acting within the
26 scope of his employment and on behalf of the corporation; or

27 (c) The conduct constituting the offense is engaged in by an
28 agent of the corporation, other than a high managerial agent, while
29 acting within the scope of his employment and in behalf of the
30 corporation and (i) the offense is a gross misdemeanor or
31 misdemeanor, or (ii) the offense is one defined by a statute which

1 clearly indicates a legislative intent to impose such criminal
2 liability on a corporation. This subsection (2)(c) shall not apply
3 to violations of section 2 of this act.

4 (3) A person is criminally liable for conduct constituting an
5 offense which he performs or causes to be performed in the name of
6 or on behalf of a corporation to the same extent as if such conduct
7 were performed in his own name or behalf.

8 (4) Whenever a duty to act is imposed by law upon a
9 corporation, any agent of the corporation who knows he has or
10 shares primary responsibility for the discharge of the duty is
11 criminally liable for a reckless or, if a high managerial agent,
12 criminally negligent omission to perform the required act to the
13 same extent as if the duty were by law imposed directly upon such
14 agent.

15 (5) Every corporation, whether foreign or domestic, which
16 shall violate any provision of RCW 9A.28.040, shall forfeit every
17 right and franchise to do business in this state. The attorney
18 general shall begin and conduct all actions and proceedings
19 necessary to enforce the provisions of this subsection."
20

21 Renumber the remaining sections consecutively, correct internal
22 references accordingly, and correct the title accordingly.

EFFECT: Provides that no person is vicariously liable for the
conduct of agents, employees, or employers who violate the
act, except that a corporation is guilty of an offense under
the act when the offense is engaged in, authorized, solicited,
requested, commanded or tolerated by the board of directors or
high managerial agent acting within the scope of employment
and on behalf of the corporation. Internal references are
corrected.