
HOUSE BILL 1200

State of Washington

55th Legislature

1997 Regular Session

By Representatives Buck, D. Schmidt and Dunn

Read first time 01/17/97. Referred to Committee on Government Administration.

1 AN ACT Relating to the code of ethics for municipal officers; and
2 amending RCW 42.23.030 and 42.23.040.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 42.23.030 and 1996 c 246 s 1 are each amended to read
5 as follows:

6 No municipal officer shall be beneficially interested, directly or
7 indirectly, in any contract which may be made by, through or under the
8 supervision of such officer, in whole or in part, or which may be made
9 for the benefit of his or her office, or accept, directly or
10 indirectly, any compensation, gratuity or reward in connection with
11 such contract from any other person beneficially interested therein.
12 This section shall not apply in the following cases:

13 (1) The furnishing of electrical, water or other utility services
14 by a municipality engaged in the business of furnishing such services,
15 at the same rates and on the same terms as are available to the public
16 generally;

17 (2) The designation of public depositaries for municipal funds;

1 (3) The publication of legal notices required by law to be
2 published by any municipality, upon competitive bidding or at rates not
3 higher than prescribed by law for members of the general public;

4 (4) The designation of a school director as clerk or as both clerk
5 and purchasing agent of a school district;

6 (5) The employment of any person by a municipality, other than a
7 county with a population of one hundred twenty-five thousand or more,
8 a city of the first or second class, an irrigation district
9 encompassing in excess of fifty thousand acres, or a first class school
10 district, for unskilled day labor at wages not exceeding one hundred
11 dollars in any calendar month;

12 (6) The letting of any other contract (except a sale or lease as
13 seller or lessor) by a municipality, other than a county with a
14 population of one hundred twenty-five thousand or more, a city with a
15 population of ten thousand or more, or an irrigation district
16 encompassing in excess of fifty thousand acres: PROVIDED, That the
17 total volume of business represented by such contract or contracts in
18 which a particular officer is interested, singly or in the aggregate,
19 as measured by the dollar amount of the municipality's liability
20 thereunder, shall not exceed seven hundred fifty dollars in any
21 calendar month: PROVIDED FURTHER, That in the case of a particular
22 officer of a second class city or town, or a noncharter optional code
23 city, or a member of any county fair board in a county which has not
24 established a county purchasing department pursuant to RCW 36.32.240,
25 the total volume of such contract or contracts authorized in this
26 subsection may exceed seven hundred fifty dollars in any calendar month
27 but shall not exceed nine thousand dollars in any calendar year:
28 PROVIDED FURTHER, That there shall be public disclosure by having an
29 available list of such purchases or contracts, and if the supplier or
30 contractor is an official of the municipality, he or she shall not vote
31 on the authorization: PROVIDED FURTHER, That in the case of a first
32 class school district, there shall be notice of the proposed contract
33 by publication given in one or more newspapers of general circulation
34 within the district;

35 (7) The leasing by a port district as lessor of port district
36 property to a municipal officer or to a contracting party in which a
37 municipal officer may be beneficially interested, if in addition to all
38 other legal requirements, a board of three disinterested appraisers,
39 who shall be appointed from members of the American institute of real

1 estate appraisers by the presiding judge of the superior court in the
2 county where the property is situated, shall find and the court finds
3 that all terms and conditions of such lease are fair to the port
4 district and are in the public interest;

5 (8) The letting of any employment contract for the driving of a
6 school bus in a second class school district: PROVIDED, That the terms
7 of such contract shall be commensurate with the pay plan or collective
8 bargaining agreement operating in the district;

9 (9) The letting of any employment contract to the spouse of an
10 officer of a second class school district in which less than two
11 hundred full time equivalent students are enrolled at the start of the
12 school year as defined in RCW 28A.150.040, when such contract is solely
13 for employment as a certificated or classified employee of the school
14 district, or the letting of any contract to the spouse of an officer of
15 a school district, when such contract is solely for employment as a
16 substitute teacher for the school district: PROVIDED, That the terms
17 of such contract shall be commensurate with the pay plan or collective
18 bargaining agreement applicable to all district employees and the board
19 of directors has found, consistent with the written policy under RCW
20 28A.330.240, that there is a shortage of substitute teachers in the
21 school district;

22 (10) The letting of any employment contract to the spouse of an
23 officer of a school district if the spouse was under contract as a
24 certificated or classified employee with the school district before the
25 date in which the officer assumes office: PROVIDED, That the terms of
26 such contract shall be commensurate with the pay plan or collective
27 bargaining agreement operating in the district;

28 (11) The letting or continuation of any employment contract to the
29 spouse of an officer: PROVIDED, That the terms of the contract must be
30 commensurate with the pay plan or collective bargaining agreement in
31 place for other similarly situated individuals.

32 **Sec. 2.** RCW 42.23.040 and 1961 c 268 s 5 are each amended to read
33 as follows:

34 A municipal officer shall not be deemed to be interested in a
35 contract, within the meaning of RCW 42.23.030, if he has only a remote
36 interest in the contract and if the fact and extent of such interest is
37 disclosed to the governing body of the municipality of which he is an
38 officer and noted in the official minutes or similar records of the

1 municipality prior to the formation of the contract, and thereafter the
2 governing body authorizes, approves, or ratifies the contract in good
3 faith by a vote of its membership sufficient for the purpose without
4 counting the vote or votes of the officer having the remote interest.
5 As used in this section "remote interest" means:

6 (1) That of a nonsalaried officer of a nonprofit corporation;

7 (2) That of an employee or agent of a contracting party where the
8 compensation of such employee or agent consists entirely of fixed wages
9 or salary;

10 (3) That of a landlord or tenant of a contracting party;

11 (4) That of a holder of less than one percent of the shares of a
12 corporation or cooperative which is a contracting party;

13 (5) That which is acquired through or because of a marital
14 relationship or community property.

15 None of the provisions of this section shall be applicable to any
16 officer interested in a contract, though his interest be only remote,
17 who influences or attempts to influence any other officer of the
18 municipality of which he is an officer to enter into the contract.

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