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**SUBSTITUTE HOUSE BILL 2511**

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**State of Washington**

**55th Legislature**

**1998 Regular Session**

**By** House Committee on Government Administration (originally sponsored by Representatives Wolfe, Chopp, Ogden, Gardner, Butler, Appelwick and Anderson)

Read first time 02/03/98. Referred to Committee on .

1 AN ACT Relating to ethics in public service; and amending RCW  
2 42.52.030.

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

4 **Sec. 1.** RCW 42.52.030 and 1996 c 213 s 3 are each amended to read  
5 as follows:

6 (1) No state officer or state employee, except as provided in  
7 subsections (2) (~~(and)~~), (3), (4), and (5) of this section, may be  
8 beneficially interested, directly or indirectly, in a contract, sale,  
9 lease, purchase, or grant that may be made by, through, or is under the  
10 supervision of the officer or employee, in whole or in part, or accept,  
11 directly or indirectly, any compensation, gratuity, or reward from any  
12 other person beneficially interested in the contract, sale, lease,  
13 purchase, or grant.

14 (2) No officer or employee of an institution of higher education or  
15 of the Spokane intercollegiate research and technology institute,  
16 except as provided in subsection (3) of this section, may be  
17 beneficially interested, directly or indirectly, in a contract or grant  
18 that may be made by, through, or is under the supervision of the  
19 officer or employee, in whole or in part, or accept, directly or

1 indirectly, any compensation, gratuity, or reward from any other person  
2 beneficially interested in the contract or grant, unless the  
3 institution of higher education or the Spokane intercollegiate research  
4 and technology institute has in effect a written administrative process  
5 to identify and manage, reduce, or eliminate conflicting interests with  
6 respect to such transactions as adopted pursuant to the national  
7 science investigator financial disclosure (GPM 510) 1995 and the public  
8 health service regulations, 42 C.F.R. Part 50 and 45 C.F.R. Subtitle A  
9 as each of those regulations existed on June 6, 1996, and the state  
10 employee or state officer has complied with such policy.

11 (3) No state officer or state employee, except as provided in  
12 subsections (4) and (5) of this section, may participate in a  
13 transaction involving the state in his or her official capacity with a  
14 person of which the officer or employee is an officer, agent, employee,  
15 or member, or in which the officer or employee owns a beneficial  
16 interest, except that an officer or employee of an institution of  
17 higher education or the Spokane intercollegiate research and technology  
18 institute may serve as an officer, agent, employee, or member, or on  
19 the board of directors, board of trustees, advisory board, or committee  
20 or review panel for any nonprofit institute, foundation, or fundraising  
21 entity; and may serve as a member of an advisory board, committee, or  
22 review panel for a governmental or other nonprofit entity.

23 (4) This section does not apply to a state officer or employee who  
24 is a member of a board, commission, or committee if the officer's or  
25 employee's beneficial interest in the person involved in the  
26 transaction is ten thousand dollars or less.

27 (5) A state officer or employee who is a member of a board,  
28 commission, or committee and whose beneficial interest in the person  
29 involved in the transaction exceeds ten thousand dollars must: (a)  
30 Disclose the interest; (b) recuse himself or herself from voting on the  
31 transaction; and (c) not influence or attempt to influence the vote of  
32 any other member of the board, commission, or committee.

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