

FINAL BILL REPORT

SB 5044

C 114 L 05

Synopsis as Enacted

Brief Description: Regulating contract interests of an officer of a rural public hospital district.

Sponsors: Senators Mulliken and Parlette.

Senate Committee on Government Operations & Elections
House Committee on Local Government

Background: Generally, municipal officers are prohibited from being beneficially interested in any contract made by, through, or under the supervision of the officer. The term "municipal officer" is defined to include all elected and appointed officers of a municipality, together with all deputies and assistants of an officer.

A number of contracts are excepted from the prohibition, including contracts where the total amount received under the contract by the municipal officer or the municipal officer's business does not exceed \$1,500 in any calendar month. For officers of second class cities, towns, code cities, or county fair boards, the total amount may exceed \$1,500 in any calendar month but must not exceed \$18,000 in any calendar year.

Summary: Officers of a rural public hospital district may be beneficially interested in a contract, the total amount of which may exceed \$1,500 in any calendar month but must not exceed \$24,000 in any calendar year.

A rural public hospital district is defined in existing law as a public hospital district whose geographic boundaries do not include a city with a population greater than 30,000.

Each year, the legislative authority of the rural public hospital district must increase the \$24,000 yearly limitation to account for inflation. Inflation is to be calculated using the consumer price index compiled by the United States Department of Labor for the state of Washington.

Votes on Final Passage:

Senate	47	0
House	94	0

Effective: July 24, 2005