

# FINAL BILL REPORT

## SHB 1255

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C 298 L 07

Synopsis as Enacted

**Brief Description:** Prohibiting municipal officers from being beneficially interested in legal services contracts made by, through, or under the supervision of the officer.

**Sponsors:** By House Committee on Local Government (originally sponsored by Representatives Simpson, Curtis, Sells, Walsh, Buri, B. Sullivan, Ericks, Ormsby and Moeller).

**House Committee on Local Government**

**Senate Committee on Government Operations & Elections**

**Background:**

State statute prohibits a municipal officer from having a beneficial interest, whether direct or indirect, in any public contract that he or she is involved in creating. In addition, a municipal officer is prohibited from receiving any compensation in connection with such a contract from any other person with a beneficial interest. A "municipal officer" is broadly defined to include any elected or appointed officer of a local government, district, or municipal corporation, or any deputy or assistant to such officer, and all persons undertaking the exercise of the powers or functions of a municipal officer.

Exceptions are made to this general prohibition with respect to certain contractual arrangements meeting specified criteria, including but not limited to the following:

- leasing arrangements made by port districts;
- specified contracts involving payment of not more than \$1,500 per month;
- certain employment contracts involving wages of not more than \$200 per month;
- the designation of a school director to act as clerk or purchasing agent for a school district; and
- specified substitute teaching contracts.

**Summary:**

Municipal officers are prohibited from having a beneficial interest in a contract for legal services related to his or her office, if he or she was involved in creating the contract or receives compensation from another person with a beneficial interest in such contract. However, a municipal officer may receive reimbursement for expenditures related to a legal services contract.

**Votes on Final Passage:**

House	95	0	
Senate	48	0	(Senate amended)
House	98	0	(House concurred)

**Effective:** July 22, 2007