
HOUSE BILL 2320

State of Washington 62nd Legislature 2012 Regular Session

By Representatives Kelley, Hurst, Eddy, Finn, and Blake

Read first time 01/11/12. Referred to Committee on Public Safety & Emergency Preparedness.

1 AN ACT Relating to transactions by state officers involving
2 nonpublic information; adding new sections to chapter 9A.60 RCW; and
3 prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 9A.60 RCW
6 to read as follows:

7 (1) A state officer may not buy, sell, or invest in securities,
8 commodities, or real property on the basis of material nonpublic
9 information if the officer gained the information by reason of his or
10 her official position.

11 (2) Violation of this section is a class C felony.

12 (3) The attorney general has concurrent authority with county
13 prosecuting attorneys to investigate and prosecute violations of this
14 section.

15 (4) For purposes of this section:

16 (a) "Commodity" has the same meaning as in RCW 21.30.010.

17 (b) "Material nonpublic information" includes any information that
18 a state officer gains by reason of his or her official position and
19 that he or she knows or should know has not been made available to the

1 general public. It includes information that is statutorily protected
2 from disclosure, that is designated as confidential by an agency, or
3 that has not actually been disseminated to the general public and is
4 not authorized to be made available to the public on request.

5 (c) "Security" has the same meaning as in RCW 21.20.005.

6 (d) "Sell" has the same meaning as in RCW 21.20.005.

7 (e) "State officer" has the same meaning as in RCW 42.52.010.

8 NEW SECTION. **Sec. 2.** A new section is added to chapter 9A.60 RCW
9 to read as follows:

10 In addition to the criminal penalties provided in section 1 of this
11 act, the attorney general or a county prosecutor may bring an action
12 against a state officer to enjoin a violation of section 1 of this act.
13 If the court finds that the state officer violated section 1 of this
14 act, the court shall order any profits, gain, gross receipts, or other
15 benefit from the violation to be disgorged and paid to: (1) Any person
16 who was defrauded by the state officer's violation of section 1 of this
17 act; or (2) the state treasurer for deposit in the general fund.

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