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## State Government Committee

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### HB 1136

**Brief Description:** Concerning employment after public service in state government.

**Sponsors:** Representatives Carlyle, S. Hunt, Tarleton, Kilduff, Appleton, Pike, Gregerson, Bergquist, Ormsby, Haler, Ryu, Sells, Pollet, Fey and Farrell; by request of Attorney General.

#### Brief Summary of Bill

- Prohibits certain former state officials and employees from lobbying or attempting to influence state government within one year of leaving public service.
- Requires the same former officials and employees to disclose certain employment activities for one year after leaving public service.

**Hearing Date:** 1/28/15

**Staff:** Sean Flynn (786-7124).

#### **Background:**

Under the state ethics law, former state officers and employees are barred from entering into certain employment and contractual arrangement after they leave public service.

#### Post-Public Employment Prohibitions.

*One-Year Prohibition.* A former officer or employee may not accept employment or receive compensation from an employer for one year after leaving public service if:

- the former officer or employee was in a position to affect contract negotiations or administration with the employer within two years before leaving public service;
- the contract or multiple contracts had a total value over \$10,000; and
- the employment opportunity includes fulfilling or implementing the contract provisions.

*Two-Year Prohibition.* A former officer or employee may not have a beneficial interest in a contract or grant for two years after leaving public service, if he or she participated in the specific legislative or executive funding of that contract or grant.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

*Lifetime Prohibition.* A former officer or employee may never accept employment or compensation from an employer, if he or she has reason to believe the employer intended that the offer would influence the officer or employee's duties in public service, or would compensate or reward the officer or employee for past performance. The ban also applies where a reasonable person would believe the offer was made for the purpose of influencing the performance of the officer or employee while in public service.

A former officer or employee may never assist another person in any transaction involving the state if he or she participated in the transaction during state employment.

#### Enforcement.

The state ethics boards include a legislative and executive board as well as commission on judicial conduct. Each board has authority, respectively, over the members and employees of each branch of government regarding the enforcement of the state ethics law. The Attorney General may investigate persons not under the jurisdiction of the boards who are suspected of violating the ethics laws.

Each board has authority to issue civil penalties for violations of the state ethics law. The board may impose a penalty up \$5,000 per violation, or up to three times the value of thing received or sought that was in violation of the ethics law.

#### **Summary of Bill:**

##### Post-Employment Prohibitions.

Certain former state officers and employees are prohibited for one year after leaving public service from receiving compensation to serve as a lobbyist, practice or appeal before certain state agencies, or attempt to influence state actions on behalf of another person.

*Statewide Prohibition.* The following former officers and employees are banned for one year from lobbying or attempting to influence any state agency:

- statewide elected officials and state legislators;
- heads of agencies in the governor's executive cabinet, as well as chiefs of staff and top administrators who report directly to those agency heads;
- the Chief Clerk of the House of Representatives, the Secretary of the Senate, and certain top administrators of the each legislative chamber; and
- senior executive staff of legislative agencies and agencies managed by statewide elected officials or managed by the heads of executive cabinet agencies.

*Prohibition Limited to Former Agency.* The following former officers and employees are banned for one year from lobbying or attempting to influence their former agency:

- heads of agencies outside the governor's cabinet, as well as well as chiefs of staff and top administrators who report directly to those agency heads; and
- senior executive staff of those agencies.

Senior executive staff includes state employees and officers who exercise significant discretion and judgment on final agency policies. Each agency must submit annually the names and positions of each senior executive staff member's name and position to the relevant ethics board.

### Exceptions.

The one year post-employment ban on lobbying or influencing state agencies does not apply to persons working for another state, local or federal agency, representing a person or testifying in a judicial or administrative hearing, testifying in a public legislative committee session, participating in rule making at the request of an agency, or assisting with ministerial activities.

The state ethics boards must adopt rules for persons who seek a waiver from the post-employment lobbying and influencing prohibitions. A waiver must be conditioned upon a finding that the compensated service does not present a conflict of interest, the need outweighs any potential conflict of interest, or emergency circumstances warrant a waiver.

### Disclosure Statements.

Each former state officer or employee covered under the post-employment prohibition on lobbying state government must submit a postemployment disclosure form to the relevant state ethics board. The statement includes the former officer or employee's name, the last position held and state agency, and an acknowledgement of the post-employment prohibitions.

If the former officer or employee receives compensation from an employer or entity that conducts business with the state, or takes action to influence any state policy, rule, legislative matter, he or she must provide more information on the disclosure form, including:

- the name of the new employer and supervisor or source of compensation;
- the date the new employment will begin or began; and
- a description of the duties for the new employer or business.

The statement is due within 14 days after the person left public service and extends through the first year after leaving public service. The person must update the statement within 45 days after he or she takes a new compensated position with an employer that conducts business with the state.

The ethics boards must collaborate to provide online filing and a process to send forms to the executive ethics board. The executive ethics board must make post-employment disclosure statements available on its website. The other ethics boards and the Public Disclosure Commission must provide links to the website.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** July 1, 2016.