

KFH421.5

R45

A85

(62-1)

Conflicts of Interest Laws

By

Margaret E. Holden
Assistant Researcher

CONFLICTS OF INTEREST LAWS

by

Margaret E. Holden
Assistant Researcher

STATE OF HAWAII

FEB 26 2009

LEGISLATIVE REFERENCE BUREAU

February 1962
Request No. 9612

Tom Dinell, Acting Director
Legislative Reference Bureau
University of Hawaii
Honolulu, Hawaii

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
II. THE SPECIFIC SITUATION APPROACH	2
III. RECENT FEDERAL ACTION	5
IV. THE COMPREHENSIVE APPROACH	7
Purpose	9
Definitions	9
Agency	9
Legislative Employee	10
Officer or Employee	10
Compensation	11
Regulatory Agency	11
Confidential Information	11
Personal and Private Interest	11
Party Officers	11
Coverage	12
General Rule	12
Conduct	13
Prohibited Activities	14
Business Transactions Generally	14
Government Sales and Contracts	15
Employment	17
Confidential Information, Disclosure	17
Privileges	18
Gifts or Bribes	19
Investments	20
Post-Service Interests	20
Proceedings Before Agency	21
Party Officers' Public Service	22
Disclosure of Interests	22
Administrative Guides	23
Penalties	24

Table

Prohibited Conflicts of Interest Activities and
Persons Affected: Kentucky, Massachusetts, New
York, Texas, and Washington

I. INTRODUCTION

In the last decade there has been a growing concern at all levels of government with the problem of how best to frame legislation which will assure high ethical standards in public service. Interest has focussed on codification and clarification of conflicts of interest statutes, and considerable attention has been given to the formulation of codes of ethics as guides for the conduct of public officers and employees. Since 1951 the Congress of the United States has given much study to the need for statutory reform in the area of ethical standards. State governments, too, have conducted research on conflicts of interest and five states have adopted conflicts laws which emphasize codes of public ethics. Hawaii's Legislature has considered a number of bills on this topic. In its new Charter, the City and County of Honolulu has included a code of ethics which prescribes standards of conduct for elected and appointed officials, and the Mayor has implemented this code by establishing a continuing committee to evaluate specific situations to which provisions of the code may apply.

This report has been prepared in response to a legislative request for a comparison of state and federal laws on the subject. Following a general discussion of the specific-situational approach to conflicts of interest problems which has generally prevailed in the past, the current comprehensive approach to the problem is illustrated by a brief discussion of recent federal action and by the listing of comparative provisions of laws enacted since 1954 by the states of Kentucky, Massachusetts, New York, Texas and Washington.

II. THE SPECIFIC SITUATION APPROACH

Actions inconsistent with the good of the public and derivation of private benefit by the officer or employee who so acts form the basis for the determination of conflicts of interest. For more than a century the federal government and the states have enacted specific laws to meet specific situations of conflict between the public interest and the private gains of public servants. The result has been a collection of laws which frequently are overlapping, inconsistent and incomplete.

State laws, including those of Hawaii, have generally been limited to the prohibition of particular abuses and the provision of penal penalties for conviction. Such laws deal with bribery, extortion, graft, forbidden interest in government contracts and inconsistent outside employment. Where behavior is clearly improper, a penal statute may be enforceable, but less clearly defined conflicts may arise in so many differing forms and under such varying circumstances that their proscription by penal statutes would be impractical. Current opinion appears to favor the supplementation of criminal laws with codes of ethics which set forth general standards of conduct for the guidance of public officers and employees and which include provisions for interpretation and enforcement of the rules.

The Constitution and the Revised Laws of Hawaii contain prohibitions against particular kinds of acts by persons in

public service. Members of the legislature and the governor and lieutenant governor are not allowed to hold any other public office during the term for which they are elected (Constitution, Article III, section 9; Article IV, section 1). Other specified state officers are prohibited from private employment and practice (sec. 5-13, as amended; sec. 5-19). An employee is not permitted to engage in outside employment which is inconsistent or incompatible with the discharge of his duties to the state or local government (sec. 3-83). Certain political activities are also prohibited (sec. 3-70). Bribery and extortion by any public officer or employee is forbidden (sec. 265-3, 283-6).

Interest in government contracts is regulated in some detail by Hawaiian law (sec. 9-54). No officer or head of a state or local government department may participate in the award of a contract to himself or any group of which he is a member or stockholder when more than \$50 in government funds is involved. Interest, including sub-contracts and after-acquired interest, in which officers or department heads may receive more than \$50 are also generally prohibited. The prohibition does not apply to contracts with a corporation in which the officer owns less than five per cent of the stock nor does it extend to every case where a contract is awarded to the lowest responsible bidder in accordance with law (sec. 9-54).

The state legislature regulates conflicts of interest of its members by rules which do not permit a legislator to vote

on any question where he has a pecuniary interest in the result (Senate Rule 40(2), 1961; House Rule 46(7), 1960). The House rule also provides that if any member is in doubt about whether he has an interest which will disqualify him from voting, he must disclose his interest to the House for a ruling by the Speaker.

Although these specific laws and rules exist to cover particular abuses and persons, Hawaii has no general code of ethics for the guidance of its employees.

III. RECENT FEDERAL ACTION

In his "Message Relative to Ethical Conduct in the Government", sent to the Congress on April 27, 1961, the President of the United States reviewed existing federal conflicts of interest statutes of general application and others which restrict the activities of particular officers or categories of employees. Noting the lack of coordination in present law, the President stated:

To meet this need for statutory reform, I am transmitting to the Congress a proposed Executive Employees' Standards Act--a comprehensive revision of existing conflict-of-interest statutes. I believe that this bill maintains the highest possible standards of conduct, eliminates the technical deficiencies and anachronisms of existing laws, and makes it possible for the Government to mobilize a wide range of talent and skill.¹

H.R. 8140, one of several conflicts of interest measures introduced in the 87th Congress, subsequently passed the House of Representatives in an amended form and is at present in the Senate Committee on Judiciary. This measure contains features of the provisions of H.R. 3411, H.R. 3412, H.R. 3050 and H.R. 7139 which was the administration's proposal.

In H.R. 8140, existing prohibitions of 18 U.S.C. 281, 282, 283 and 216 which concern officials and employees of the federal government who act for outside interests in certain dealings with the federal government are continued, strengthened and modified. Among areas covered are (1) compensation in matters

¹87th Congress, 1st Session, House Document No. 145, p. 6.

affecting the government, (2) members of Congress practicing in the Court of Claims, (3) activities in matters affecting the government, (4) post-employment activities, (5) status of partners of government employees, and (6) payment of salaries from private sources. The bill also proposes special provisions which would be applicable to consultants and temporary employees and consolidates and revises the laws prohibiting bribery. Conflicts of interest and bribery provisions as revised in this measure would be incorporated in a single chapter of the federal criminal code to be captioned "Bribery, Graft, and Conflicts of Interest."

The President also issued Executive Order 10939 on May 6, 1961 "To Provide a Guide on Ethical Standards to Government Officials." The Order applies to all heads and assistant heads of departments and agencies, full-time members of boards and commissions appointed by the President and members of the White House staff. It prohibits those covered from engaging in any outside employment or activity which is incompatible with the proper discharge of official responsibility. Compensation is forbidden for any activity within the scope of official duty or for any lecture, article or public appearance devoted to the work of the department or based on official information not yet a matter of general knowledge. Each department and agency head is required to formulate internal directives appropriate to his department or agency to assure the maintenance of high ethical and moral standards.

IV. THE COMPREHENSIVE APPROACH

The remainder of this report consists of a listing of comparable provisions of the general conflicts of interest laws of five states: Kentucky, Massachusetts, New York, Texas and Washington.² These five statutes set standards for public officers and employees in both executive and legislative branches of state government. The Massachusetts law is also applicable to the judicial branch and to local governments. Prohibited activities are listed and described in these statutes, limits appropriate to the functions of the offices covered are set, and penalties for abuses are provided. The table below shows the types of public officials and employees affected by the varying provisions on prohibited activities in each state. Each of these state statutes has a comprehensive code of ethics approach to standards for government employees and each reflects the current concern for the complex problems of conflict between public and private interests.

²Sections of the following laws, sometimes paraphrased, make up the remainder of this report. Kentucky Laws, 1960, Ch. 181, effective July 1, 1961. Massachusetts Acts, 1961, Ch. 610, approved May 31, 1961 (General Laws, Ch. 268A). New York Laws 1954, Ch. 695, effective January 1, 1955 (Public Officers Law, section 73). New York Laws 1954, Ch. 696, effective January 1, 1955 (Public Officers Law, section 74). Texas Acts, 1957, Ch. 100, effective April 24, 1957. Washington Session Laws, 1959, Ch. 320 (Wash. Rev. Code 42.22.010-070).

Table

PROHIBITED CONFLICTS OF INTEREST ACTIVITIES AND PERSONS AFFECTED:
KENTUCKY, MASSACHUSETTS, NEW YORK, TEXAS, AND WASHINGTON
1961

Notes: x indicates prohibited activity applicable to persons listed by states.

Activity	Persons Affected									
	Officers or Employees (except other categories)					Legislators				
	Ky.	Mass. ^a	N.Y.	Tex.	Wash.	Ky.	Mass.	N.Y.	Tex.	Wash.
Business Transactions Generally	x	x	x	x	x	x	x			x
Employment		x	x	x		x	x	x		
Government Sales and Contracts	x	x	x	x	x	x	x	x		
Confidential Information		x	x	x	x	x	x	x		
Privileges		x	x	x	x	x	x	x		
Gifts or Bribes	x			x	x	x			x	x
Investments		x	x	x		x				
Post-Service Interests			x		x					
Proceedings Before Agencies	x		x	x		x		x	x	
Disclosure of Interests		x	x	x	x	x	x	x		
Conduct		x	x			x	x			

Sources: Kentucky, Laws (1960), Chapter 181; Massachusetts, Acts (1961), Chapter 610; New York, Public Officers Law (1960), Section 73 and 74; Texas, Acts (1957), Chapter 100; Washington, Revised Code, Section 42.22.010-070.

^aMassachusetts law also applies generally to the judicial branch and to local governments.

Purpose

Kentucky: The Act prescribes specific standards to guide public officers and employees, proscribes improper conduct to the extent to which such conduct may be sufficiently described to enable enforcement of statutory prohibitions, and at the same time recognizes the necessity and desirability that all citizens have specific interests in decisions of government and that activities of public servants should not be unduly circumscribed (Ch. 181, sec. 1).

Massachusetts: People are entitled to know that no substantial conflict between private interest and official duties exists in public servants whom they trust to serve them. Some conflicts of interest are inherent in representative government. Some improper interests may be prohibited by legislation but others may not lend themselves to proscription by statute. For such matters a code of ethics is desirable (Ch. 268A, sec. 1).

New York: No provision.

Texas: A code of ethics, setting forth standards of conduct to be observed by state officers and employees in the performance of their official duties is adopted to strengthen the faith and confidence of the people in their government. The code is intended to serve as a guide for official conduct and also as a basis of discipline for those who refuse to abide by its terms (Ch. 100, sec. 1).

Washington: High moral and ethical standards among public servants are essential to the conduct of free government. A code of ethics is necessary to eliminate conflicts of interest, improve standards of public service and promote and strengthen the faith and confidence of people in their government (sec. 42.22.010).

Definitions

Agency

Kentucky: Agency means any of the departments of the state government, and any division, board, bureau, commission or other instrumentality or agency, but it does not include an authority, commission, instrumentality or agency created pursuant to compact or agreement between or among the state of Kentucky and another state or states (Ch. 181, sec. 2(a)).

New York: State agency means any state department, or division, board, commission or bureau of any state department (sec. 73-1, 74-1).

Massachusetts: Agency means any department, division, branch, commission, bureau, board, political subdivision, body politic or office of the Commonwealth, including the executive, legislative and judicial branches thereof (Ch. 268A, sec. 2).

Texas: State agency means any office, department, commission or board of the executive department of government (Ch. 100, sec. 2).

Washington: State agency means any state board, commission, bureau, department, division or tribunal other than a court (sec. 42.22.020).

Legislative Employee

New York: Legislative employee means any officer or employee of the legislature but not members of the legislature (sec. 73-1, 74-1).

Texas: Legislative employee means an officer or employee of the legislature, legislative budget board, legislative council and state auditor's office, but not members of the legislature (Ch. 100, sec. 2(c)).

Washington: Legislative employee means any officer or employee other than members (sec. 42.22.020(2)).

Officer or Employee

Kentucky: Officer or employee means a person who is holding an office, position or employment in an agency, but it does not include persons who serve without salary or other payment for their services (Ch. 181, sec. 2(b)).

Massachusetts: Officer or employee means a person performing services for, or holding an office, position or employment in, an agency (including independent consultants who receive compensation for such services) Ch. 268A, sec. 2).

Compensation

Kentucky: Compensation means any money, thing of value, or financial benefit conferred in return for services rendered or to be rendered but it does not include his salary or other payment provided by law or appropriation for services rendered in a public office, position or employment (sec. 2(c)).

New York: Compensation means any money, thing of value or financial benefit conferred in return for services rendered or to be rendered (sec. 73-1).

Regulatory Agency

New York: Regulatory agency means the banking department, insurance department, state liquor authority, department of agriculture and markets, department of state, department of public service and department of labor (sec. 74-1).

Texas: Regulatory agency means the board of insurance commissioners, banking department, railroad commission and Texas liquor control board (Ch. 100, sec. 2).

Confidential Information

Washington: Confidential information means such information as is declared confidential by other specific statutes (sec. 42.22.020).

Personal and Private Interest

Washington: Personal and private interest means an interest which pertains to a person, firm, corporation or association whereby such person, firm, corporation or association would gain a special benefit or advantage as distinguished from a general or public benefit or advantage (sec. 42.22.020).

Party Officers

New York: Party officer, as used here, means a member of a national committee, an officer or member of a state committee or a county chairman of any political party (sec. 73-8).

Coverage

Kentucky: All officers or employees of any department, division, board, bureau, commission or other instrumentality or agency, except interstate compact agencies, members of the legislature and legislative employees are covered by some provisions of the Act (Ch. 181, sec. 1, sec. 2a, sec. 3, sec. 4).

Massachusetts: All officers and employees of any department, division, branch, commission, bureau, board, political subdivision, body politic, or office of the Commonwealth including the executive, legislative and judicial branches, members of the legislature and legislative employees are covered by some provisions of the Act (Ch. 268A, sec. 2, sec. 4, esp. j).

New York: All officers and employees of any state department, or division, board, commission or bureau of any state department, members of the legislature, legislative employees and party officers are covered by some provisions of the Act (sec. 73-1, 2, 3, 4; sec. 74-2, 3).

Texas: All officers and employees of any office, department, commission or board of the executive department of state government, members of the legislature and legislative employees are covered by some provisions of the Act (Ch. 100, sec. 1, sec. 2, sec. 3, sec. 4).

Washington: All officers and employees of any state board, commission, bureau, department, division or tribunal other than a court, members of the legislature, legislative employees, and other public officials are covered by some provisions of the Act (sec. 42.22.020-050, 070).

General Rule

Kentucky: The Act prescribes specific standards to guide public officers and employees, proscribes improper conduct to the extent to which such conduct may be sufficiently described to enable enforcement of statutory prohibitions, and at the same time recognizes the necessity and desirability that all citizens have specific interests in decisions of government and that activities of public servants should not be unduly circumscribed (Ch. 181, sec. 1).

Massachusetts: No officer or employee covered by the Act should have any interest, financial or otherwise, direct or indirect, or engage in any activity or incur any obligation which is in substantial conflict with the proper discharge of his duties in the public interest (Ch. 268A, sec. 3).

New York: No officer or employee covered by the Act should have any interest, financial or otherwise, direct or indirect, or engage in any activity or incur any obligation which is in substantial conflict with the proper discharge of his duties in the public interest (sec. 74-2).

Texas: No officer or employee covered by the Act should have any interest, financial or otherwise, direct or indirect, or engage in any activity or incur any obligation which is in substantial conflict with the proper discharge of his duties in the public interest (Ch. 100, sec. 1).

Washington: No officer or employee covered by the Act should have any interest, financial or otherwise, direct or indirect, or engage in any activity or incur any obligation which is in substantial conflict with the proper discharge of his duties in the public interest (sec. 42.22.030).

Conduct

Kentucky: No provision.

Massachusetts: An officer or employee of an agency should not by his conduct give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the performance of his official duties, or that he is unduly affected by the kinship, rank, position or influence of any party or person (Ch. 268A, sec. 4(f)).

An officer or employee of an agency should endeavor to pursue a course of conduct which will not raise suspicion among the public that he is likely to be engaged in acts that are in violation of his trust (Ch. 268A, sec. 4(h)).

New York: An officer or employee of a state agency, member of the legislature or legislative employee should not by his conduct give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the performance of his official duties, or that he is affected by the kinship, rank, position or influence of any party or person (sec. 74(f)).

An officer or employee of a state agency, member of the legislature or legislative employee should endeavor to pursue a course of conduct which will not raise suspicion among the public that he is likely to be engaged in acts that are in violation of his trust (sec. 74(h)).

Texas: No provision.

Washington: No provision.

Prohibited Activities

Business Transactions Generally

Kentucky: No member of the General Assembly, officer or employee thereof, or officer or employee of any agency, shall act as officer or agent for the Commonwealth or any agency in the transaction of any business with himself, or with any corporation, company, association or firm in which he or his spouse has any interest greater than five per cent, of the total value thereof (Ch. 181, sec. 6).

Massachusetts: No officer or employee of an agency should engage in any transaction as representative or agent of an agency with any business entity in which he, his spouse, any of his children, or any spouse of any of his children, has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his official duties (Ch. 268A, sec.4(e)).

New York: No officer or employee of a state agency should engage in any transaction as representative or agent of the state with any business entity in which he has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his official duties (sec. 74-3).

Texas: No officer or employee of a state agency shall transact any business in his official capacity with any business entity of which he is an officer, agent, or member, or in which he owns a controlling interest (Ch. 100, sec. 3).

Washington: No officer or employee of a state agency shall transact any business in his official capacity with any business entity of which he is an officer, agent, employee, or member, or in which he owns an interest (sec. 42.22.040(7)).

Government Sales and Contracts

Kentucky: No member of the General Assembly, or officer or employee thereof, or officer or employee of an agency as defined in this Act, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services to be rendered, either by himself or another, in negotiations with the State or an agency for the purchase by the State or an agency of an interest in real property. This section shall not apply to appearances before any court, except that negotiations shall be prohibited as aforesaid at any time (Ch. 181, sec. 3).

No member of the General Assembly, or officer or employee of an agency, may be in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust, or corporation, in any contract or the performance of any work in the making or letting or administration of which such officer or employee may be called upon to act or vote. No such officer or employee may represent, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work in regard to which such officer or employee may be called upon to act or vote....Any contract made and procured in violation hereof is void. For the purposes of this section the holding of less than five percent of the stock of a corporation is not considered an interest (Ch. 181, sec. 4).

No member of the Legislature, officer or employee of an agency or appointee shall knowingly himself or by his partners or through any corporation which he controls or in which he owns or controls more than ten per cent of the stock, or by any other person for his use or benefit or on his account, undertake, execute, hold or enjoy, in whole or in part, any contract, agreement, sale or purchase of the value of twenty-five dollars or more, made, entered into, awarded or granted by any agency, unless said contract, agreement, sale or purchase was made or let after public notice and competitive bidding (Ch. 181, sec. 8).

Massachusetts: No officer or employee of an agency employed on a full-time basis, nor any firm or association of which such an officer or employee is a member, nor corporation, a substantial portion of the stock of which is owned or controlled directly or indirectly by such officer or employee or by his spouse, any of his children, or any spouse of any of his children, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the state agency in which such officer or employee serves or is employed (Ch. 268A, sec. 4(i)).

New York: No officer or employee of a state agency, member of the legislature or legislative employee or firm or association of which such person is a member, or corporation ten per centum or more of the stock of which is owned or controlled directly or indirectly by such person, shall sell any goods or service having a value in excess of twenty-five dollars to any state agency unless pursuant to an award or contract let after public notice and competitive bidding. This subdivision shall not apply to the publication of resolutions, advertisements or other legal propositions or notices in newspapers designated pursuant to law for such purpose and for which the rates are fixed pursuant to law (sec. 73-3).

No officer or employee of a state agency employed on a full-time basis nor any firm or association of which such an officer or employee is a member nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such officer or employee, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the state agency in which such officer or employee serves or is employed (sec. 74-3(i)).

Texas: No officer or employee of a state agency nor any firm, association, corporation or other business entity in which he is a member, agent, or officer, or in which he owns a controlling interest, shall sell goods or services to any person, firm, association or corporation which is licensed or regulated in any manner by the state agency in which such officer or employee serves (Ch. 100, sec. 3(i)).

Washington: No officer or employee of a state agency nor any firm, corporation, or association, or other business entity in which such officer or employee of a state agency is a member, agent, officer, or employee, or in which he owns a controlling interest, or any interest acquired after the acceptance of state employment, shall accept any gratuity or funds from any employee or shall sell goods or services to any person, firm, corporation, or association which is licensed by or regulated in any manner by

the state agency in which such officer or employee serves (sec. 42.22.040(9)).

Employment

Kentucky: No provision.

Massachusetts: No officer or employee of an agency should accept any employment which will impair his independence of judgment in the exercise of his official duties (Ch. 268A, sec. 4(a)).

New York: No officer or employee of a state agency, member of the legislature or legislative employee should accept other employment which will impair his independence of judgment in the exercise of his official duties (sec. 74-3(a)).

Texas: No officer or employee of a state agency, Legislator, or legislative employee shall accept other employment which might impair his independence of judgment in the performance of his public duties (Ch. 100, sec. 3(j)).

Washington: No person who has served as an officer or employee of a state agency shall, within a period of two years after the termination of such service or employment, appear before such agency or receive compensation for any services rendered on behalf of any person, firm, corporation, or association in relation to any case, proceeding, or application with respect to which such person was directly concerned and in which he personally participated during the period of his service or employment (sec. 42.22.040(4)).

Confidential Information, Disclosure

Kentucky: No provision.

Massachusetts: No officer or employee of an agency should accept employment or engage in any business or professional activity which will require him to disclose confidential information which he has gained by reason of his official position or authority (Ch. 268A, sec. 4(b)).

No officer or employee of an agency should disclose confidential information acquired by him in the course of his official duties nor use such information to further his personal interests (Ch. 268A, sec. 4(c)).

New York: No officer or employee of a state agency, member of the legislature or legislative employee should accept employment or engage in any business or professional activity which will require him to disclose confidential information which he has gained by reason of his official position or authority (sec. 74-3(b)).

No officer or employee of a state agency, member of the legislature or legislative employee should disclose confidential information acquired by him in the course of his official duties nor use such information to further his personal interests (sec. 74-3(c)).

Texas: No officer or employee of a state agency, Legislator, or legislative employee shall accept employment or engage in any business or professional activity which he might reasonably expect would require or induce him to disclose confidential information acquired by him by reason of his official position (Ch. 100, sec. 3(e)).

No officer or employee of a state agency, Legislator, or legislative employee shall disclose confidential information gained by reason of his official position, nor shall he otherwise use such information for his personal gain or benefit (Ch. 100, sec. 3(f)).

Washington: No officer or employee of a state agency, legislative employee, or public official shall accept employment or engage in any business or professional activity which he might reasonably expect would require or induce him to disclose confidential information acquired by him by reason of his official position.

No officer or employee of a state agency, legislative employee, or public official shall disclose confidential information gained by reason of his official position nor shall he otherwise use such information for his personal gain or benefit (sec. 42.22.040(6)).

Privileges

Kentucky: No specific provision.

Massachusetts: No officer or employee of an agency should use or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others (Ch. 268A, sec. 4(d)).

New York: No officer or employee of a state agency, member of the legislature or legislative employee should use or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others (sec. 74-3(d)).

Texas: No officer or employee of a state agency, legislator, or legislative employee shall use his official position to secure special privileges or exemptions for himself or others, except as may be otherwise provided by law (Ch. 100, sec. 3(c)).

Washington: No officer or employee of a state agency, legislative employee, or other public officer shall use his position to secure special privileges or exemptions for himself or others (sec. 42.22.040).

Gifts or Bribes

Kentucky: No officer or employee may take, solicit or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his vote or action in his official character (Ch. 181, sec. 4).

Massachusetts: No specific provision.

New York: No specific provision.

Texas: No officer or employee of a state agency, legislator or legislative employee shall accept any gift, favor, or service that might reasonably tend to influence him in the discharge of his official duties (Ch. 100, sec. 3(a)).

Washington: No legislative employee shall directly or indirectly give or receive or agree to receive any compensation, gift, reward, or gratuity from any source except the state of Washington for any matter connected with or related to the legislative process unless otherwise provided for by law (sec. 42.22.040(1)).

No officer or employee of a state agency, or other public officer shall, directly or indirectly, give or receive or agree to receive any compensation, gift, reward, or gratuity from any source except the state of Washington, its political subdivisions, or employing municipal government, for any matter connected with or related to his services as such an officer or employee unless otherwise provided for by law (sec. 42.22.040(2)).

Investments

Kentucky: No specific provision.

Massachusetts: An officer or employee of an agency should abstain from making personal investments, in enterprises which he has reason to believe may be directly involved in decisions to be made by him or which will otherwise create substantial conflict between his duty in the public interest and his private interest (Ch. 268A, sec. 4(g)).

New York: An officer or employee of a state agency should abstain from making personal investments in enterprises which he has reason to believe may be directly involved in decisions to be made by him or which will otherwise create substantial conflict between his duty in the public interest and his private interest (sec. 74-3(g)).

Texas: No officer or employee of a state agency shall make personal investments in any enterprise which will create a substantial conflict between his private interests and the public interest (Ch. 100, sec. 3(h)).

Washington: No specific provision.

Post-Service Interests

Kentucky: No provision.

Massachusetts: No provision.

New York: No person who has served as an officer or employee of a state agency shall within a period of two years after the termination of such service or employment appear before such state agency or receive compensation for any services rendered on behalf of any person, firm, corporation or association in relation to any case, proceeding or application with respect to which such person was directly concerned and in which he personally participated during the period of his service or employment; provided, however, that nothing herein contained shall prohibit any state agency from adopting rules concerning practice before it by former officers or employees more restrictive than the requirements of this subdivision (sec. 73-4).

Texas: No provision.

Washington: No person who has served as an officer or employee of a state agency shall, within a period of two years after the termination of such service or employment, appear before such agency or receive compensation for any services rendered on behalf of any person, firm, corporation, or association in relation to any case, proceeding, or application with respect to which such person was directly concerned and in which he personally participated during the period of his service or employment (sec. 42.22.040(4)).

Proceedings Before Agency

Kentucky: No officer, employee or appointee of an agency, including persons who serve without salary or other payment for their services, shall knowingly receive or agree to receive, directly or indirectly, compensation for any services rendered or to be rendered, either by himself or another, in any cause, proceeding, application or other matter which is before said agency or before the department of state government in which said agency functions (Ch. 181, sec. 9).

No member of the General Assembly, officer or employee thereof or officer or employee of any agency shall, for compensation, appear before an agency as an expert witness (Ch. 181, sec. 5).

Massachusetts: No provision.

New York: No officer or employee of a state agency, member of the legislature or legislative employee shall receive, or enter into any agreement express or implied for, compensation for services to be rendered in relation to any case, proceeding, application, or other matter before any state agency, whereby his compensation is to be dependent or contingent upon any action by such agency with respect to any license, contract, certificate, ruling, decision, opinion, rate schedule, franchise, or other benefit; provided, however, that nothing in this subdivision shall be deemed to prohibit the fixing at any time of fees based upon the reasonable value of the services rendered (sec. 73-2).

Nothing herein contained shall be construed to prohibit any firm or association, in which any officer or employee of a state agency, member of the legislature or a legislative employee is a member, from appearing, rendering services in relation to any matter before, or transacting business with a state agency, where such officer or employee of a state agency, member of the legislature or legislative employee does not share in the profits resulting therefrom (sec. 73-6).

Texas: No officer or employee of a state agency, Legislator or legislative employee shall receive any compensation for his services as an officer or employee of a state agency, Legislator or legislative employee from any source other than the State of Texas, except as may be otherwise provided by law (Ch. 100, sec. 3(k)).

Washington: No provision.

Party Officers' Public Service

Kentucky: No provision.

Massachusetts: No provision.

New York: No party officer while serving as such shall be eligible to serve as a judge of any court of record, attorney-general, district attorney or assistant district attorney (sec. 73-5).

Texas: No provision.

Washington: No provision.

Disclosure of Interests

Kentucky: No provision.

Massachusetts: If any officer or employee of the commonwealth, a member of the legislature, legislative employee, or his spouse, any of his children, or any spouse of any of his children shall have a financial interest, direct or indirect, having a value of ten thousand dollars or more in any activity which is subject to the jurisdiction of a regulatory agency or in any business entity which does business with the commonwealth, he shall file with the state secretary, within ninety days after the effective date of this act, and thereafter within thirty days after such interest comes into being, a written statement that he has such a financial interest in such activity which statement shall be open to public inspection.... (Ch. 268A, sec. 4(j)).

New York: If any officer or employee of a state agency, member of the legislature or legislative employee shall have a financial interest, direct or indirect, having a value of ten thousand dollars or more in any activity which is subject to the jurisdiction of a regulatory agency, he should file with the secretary of state a written statement that he has such a financial interest in such activity which statement shall be open to public inspection (sec. 74-3(j)).

Texas: If an officer or employee of a state agency, legislator or legislative employee is an officer, agent, or member of, or owns a controlling interest in any corporation, firm, partnership, or other business entity which is under the jurisdiction of any state regulatory agency he shall file a sworn statement with the Secretary of State disclosing such interest (Ch. 100, sec. 3(b)).

No member of the Legislature who has a personal or private interest in any measure or Bill, proposed, or pending before the Legislature shall vote thereon but shall disclose such interest to the House of which he is a Member and such statement shall be recorded in the Journal (Ch. 100, sec. 3(d)).

Washington: Each legislative employee, agency officer and such employees thereof as the agency head may by regulation provide, who is an officer, agent, member of, attorney for, or who owns an interest in any firm, corporation, association, or other business entity which is subject to state regulation shall file a sworn statement with the secretary of state disclosing the nature and extent of his relationship or interest, said statement to be kept in confidence and to be disclosed only to members of the legislature or any legislative committee which may be organized for the purpose of ascertaining a breach of this code, and the same also to be disclosed to any other authority having the power of removal of any public official or servant (sec. 42.22.050).

Administrative Guides

Kentucky: No provision.

Massachusetts: An unpaid special commission is created to consist of two members of the senate, three members of the house and ten members to be appointed by the governor, of whom four shall be representatives of law schools in the commonwealth, one a priest, one a minister, one a rabbi, one an appointee of the president of the Boston Bar Association, one an appointee of the president of the Massachusetts Bar Association, and the attorney general as chairman. The commission is to make an investigation of Act 610 and all other existing laws relating to conflict of interests and ethics in government and the need of further amendments or consolidation of law to insure efficient operation of the Act and the protection of the public interest. The commission is to report to the general court its recommendations not later than January 1, 1962 (Ch. 610, sec. 2).

New York: No specific provision, see under Prohibited Activities, Post-Service Interests.

Texas: No provision.

Washington: The head of each state agency shall publish for the guidance of its officers and employees a code of public service ethics appropriate to the specific needs of each such agency (sec. 42.22.040(8)).

Penalties

Kentucky: Anyone convicted of violation of act is to be punished by confinement in the penitentiary for not less than six months nor more than two years, or fined not less than \$200 or more than \$1,000, or both. In addition he is adjudged to have forfeited any statutory office or employment he may hold (Ch. 181, sec. 10).

Massachusetts: Any person convicted of not filing required disclosure statement is to be punished by a fine of not more than \$1,000 (Ch. 268A, sec. 4(j)).

New York: No provision.

Texas: Failure to comply with standards of conduct which apply to individual constitutes grounds for expulsion, removal or discharge (Ch. 100, sec. 4).

Washington: Anyone violating act is guilty of gross misdemeanor and may be removed from position or office, in addition to any other remedies or penalties provided by law as for misconduct or malfeasance in office (sec. 42.22.070).