

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

ENROLLED

Committee Substitute

for

House Bill 3254

BY DELEGATE HANSHAW (MR. SPEAKER)

[Passed April 8, 2021; in effect ninety days from passage.]

1 AN ACT to amend and reenact §7-1-12 of the Code of West Virginia, 1931, as amended; and to
2 amend and reenact §61-10-15 of said code, all relating to reimbursement of members of
3 county and municipal development authorities; providing that a member of a county or
4 municipal development authority may be reimbursed for certain necessary expenses in
5 connection with his or her performance of certain other duties authorized by the authority;
6 providing that such other duties and such reimbursement must first be approved by a vote
7 of the authority with the member to be reimbursed being recused from voting on the
8 question; and providing that the prohibition against certain public officers and officials with
9 any voice, influence, or control with respect to certain contracts becoming pecuniarily
10 interested in such contracts does not apply to certain members of a county or municipal
11 development authority who receive certain reimbursements from such authority.

Be it enacted by the Legislature of West Virginia:

CHAPTER 7. COUNTY COMMISSIONS AND OFFICERS.

ARTICLE 12. COUNTY AND MUNICIPAL DEVELOPMENT AUTHORITIES.

§7-12-5. Compensation of members; expenses; recusal of member from voting where conflict of interest involved.

1 (a) No member of the authority shall receive any compensation, whether in formal salary,
2 per diem allowance or otherwise, in connection with his or her services as such member:
3 *Provided*, That each member shall, however, be entitled to reimbursement by the authority for
4 any necessary expenditures in connection with the performance of his or her general duties as
5 such member: *Provided however*, That each member may be reimbursed for his or her
6 reasonable and necessary expenses, including but not limited to compensation, in connection
7 with his or her performance of other duties as assigned by the authority in connection with the
8 June 2016 flooding event in West Virginia, if such duties and such reimbursement is first approved

9 by a vote of the authority, with the member to be reimbursed being recused from voting upon the
10 question.

11 (b) Whenever a person associated with a public utility or bank as set out in section four of
12 this article has a conflict of interest between the board and that public utility or bank, then he or
13 she must recuse himself or herself from any vote, discussion or other activity associated with the
14 board or its members that creates the conflict of interest.

CHAPTER 61. CRIMES AND THEIR PUNISHMENT.

ARTICLE 10. CRIMES AGAINST PUBLIC POLICY.

§61-10-15. Pecuniary interest of county and district officers, teachers and school officials in contracts; exceptions; offering or giving compensation; penalties.

1 (a) It is unlawful for any member of a county commission, district school officer, secretary
2 of a Board of Education, supervisor or superintendent, principal or teacher of public schools or
3 any member of any other county or district board or any county or district officer to be or become
4 pecuniarily interested, directly or indirectly, in the proceeds of any contract or service or in the
5 furnishing of any supplies in the contract for or the awarding or letting of a contract if, as a member,
6 officer, secretary, supervisor, superintendent, principal or teacher, he or she may have any voice,
7 influence or control: *Provided*, That nothing in this section prevents or makes unlawful the
8 employment of the spouse of a member, officer, secretary, supervisor, superintendent, principal
9 or teacher as a principal or teacher or auxiliary or service employee in the public schools of any
10 county or prevents or makes unlawful the employment by any joint county and circuit clerk of his
11 or her spouse.

12 (b) Any person who violates the provisions of subsection (a) of this section is guilty of a
13 misdemeanor and, upon conviction thereof, shall be fined not less than \$50 nor more than \$500
14 or confined in jail not more than one year, or both fined and confined.

15 (c) Any person convicted of violating the provisions of subsection (a) of this section shall
16 also be removed from his or her office and the certificate or certificates of any teacher, principal,
17 supervisor or superintendent so convicted shall, upon conviction thereof, be immediately revoked:
18 *Provided*, That no person may be removed from office and no certificate may be revoked for a
19 violation of the provisions of this section unless the person has first been convicted of the violation.

20 (d) Any person, firm or corporation that offers or gives any compensation or thing of value
21 or who forebears to perform an act to any of the persons named in subsection (a) of this section
22 or to or for any other person with the intent to secure the influence, support or vote of the person
23 for any contract, service, award or other matter as to which any county or school district becomes
24 or may become the paymaster is guilty of a misdemeanor and, upon conviction thereof, shall be
25 fined not less than \$500 nor more than \$2,500 and, in the court's discretion, the person or any
26 member of the firm or, if it is a corporation, any agent or officer of the corporation offering or giving
27 any compensation or other thing of value may, in addition to a fine, be confined in jail for a period
28 not to exceed one year.

29 (e) The provisions of subsection (a) of this section do not apply to any person who is a
30 salaried employee of a vendor or supplier under a contract subject to the provisions of said
31 subsection if the employee, his or her spouse or child:

32 (1) Is not a party to the contract;

33 (2) Is not an owner, a shareholder, a director or an officer of a private entity under the
34 contract;

35 (3) Receives no commission, bonus or other direct remuneration or thing of value by virtue
36 of the contract;

37 (4) Does not participate in the deliberations or awarding of the contract; and

38 (5) Does not approve or otherwise authorize the payment for any services performed or
39 supplies furnished under the contract.

40 (f) The provisions of subsection (a) of this section do not apply to any person who has a
41 pecuniary interest in a bank within the county serving or under consideration to serve as a
42 depository of funds for the county or Board of Education, as the case may be, if the person does
43 not participate in the deliberations or any ultimate determination of the depository of the funds.

44 (g) The provisions of subsection (a) of this section do not apply to any person who has a
45 pecuniary interest in a public utility which is subject to regulation by the Public Service
46 Commission of this state.

47 (h) Where the provisions of subsection (a) of this section would result in the loss of a
48 quorum in a public body or agency, in excessive cost, undue hardship or other substantial
49 interference with the operation of a governmental body or agency, the affected governmental
50 body or agency may make written application to the West Virginia Ethics Commission pursuant
51 to subsection (d), section five, article two, chapter six-b of this code for an exemption from
52 subsection (a) of this section.

53 (i) The provisions of this section do not apply to publications in newspapers required by
54 law to be made.

55 (j) No school employee or school official subject to the provisions of subsection (a) of this
56 section has an interest in the sale, proceeds or profits in any book or other thing used or to be
57 used in the free school system of this state, as proscribed in section nine, article XII of the
58 Constitution of West Virginia, if they qualify for the exceptions set forth in subsection (e), (f),(g) or
59 (h) of this section.

60 (k) The provisions of subsection (a) of this section do not prevent or make unlawful the
61 employment of the spouse of any member of a county commission as a licensed health care
62 provider at government-owned hospitals or other government agencies who provide health care
63 services: *Provided*, That the member of a county commission whose spouse is employed or to be
64 employed may not:

65 (1) Serve on the board for the government-owned hospital or other government agency
66 who provides health care services where his or her spouse is employed or to be employed;

67 (2) Vote on the appointment of members to the board for the government-owned hospital
68 or other government agency who provides health care services where his or her spouse is
69 employed or to be employed; or

70 (3) Seek to influence the hiring or promotion of his or her spouse by the government-
71 owned hospital or other government agency who provides health care services.

72 (l) The provisions of subsection (a) of this section do not make unlawful the employment
73 of a spouse of any elected county official by that county official: *Provided*, That the elected county
74 official may not:

75 (1) Directly supervise the spouse employee; or

76 (2) Set the salary of the spouse employee: *Provided*, That the provisions of this subsection
77 shall only apply to spouse employees who were neither married to nor engaged to the elected
78 county official at the time of their initial hiring.

79 (m) The provisions of subsection (a) of this section do not prohibit reimbursement of a
80 member of a development authority established under §7-12-1 *et seq.* of this code for:

81 (1) His or her necessary expenditures in connection with the performance of his or her
82 general duties as such member, as permitted by §7-12-5(a) of this code; or

83 (2) His or her reasonable and necessary expenses, including but not limited to
84 compensation, in connection with his or her performance of other duties as assigned by the
85 authority in connection with the June 2016 flooding event in West Virginia, if such duties and such
86 reimbursement is first approved by a vote of the authority, with the member to be reimbursed
87 being recused from voting upon the question, as permitted by §7-12-5(a) of this code.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

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Chairman, House Committee

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Chairman, Senate Committee

Originating in the House.

In effect ninety days from passage.

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Clerk of the House of Delegates

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Clerk of the Senate

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Speaker of the House of Delegates

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President of the Senate

The within this the.....
day of, 2021.

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Governor