

**A PROPOSED CONFLICT OF INTERESTS STATUTE  
FOR VIRGINIA**

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**REPORT OF THE  
COMMISSION STUDYING CONFLICT OF INTERESTS**

**To**

**THE GOVERNOR**

**And**

**THE GENERAL ASSEMBLY OF VIRGINIA**



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COMMONWEALTH OF VIRGINIA  
Department of Purchases and Supply  
Richmond  
1970



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# **A PROPOSED CONFLICT OF INTERESTS STATUTE FOR VIRGINIA**

## **REPORT OF THE COMMISSION STUDYING CONFLICT OF INTERESTS**

Richmond, Virginia  
January 9, 1970

To: HONORABLE MILLS E. GODWIN, JR., *Governor of Virginia*  
and

THE GENERAL ASSEMBLY OF VIRGINIA

### **I. INTRODUCTION—ORGANIZATION AND CONDUCT OF STUDY**

High standards of conduct governing the actions of public officials and employees are necessary to guarantee that the performance of their duties will withstand public scrutiny and merit public confidence. Clear and well-understood standards to govern such conduct are needed so that the conduct of public officials can be judged fairly and so that citizens can undertake public service with a fair understanding of what is expected of them in terms of continuing their private careers or business interests while fulfilling their public office.

These two needs—for high standards and clear standards—motivated the 1968 General Assembly to adopt Senate Joint Resolution No. 26 (see Appendix I for text of Resolution) and create this Commission. The Resolution recognized the increasing importance of establishing proper standards of conduct for government personnel in view of the growing demands for government activity and services at the State and local levels. It called for a thorough investigation of the subject of standards of conduct and interrelated field of conflict of interests.

The Resolution gave the Governor the authority to appoint the members of the Commission. Shortly after the 1968 Regular Session concluded, Governor Godwin announced the appointment of William T. Muse, Dean of the T. C. Williams School of Law, Richmond, to serve as Chairman of the Commission and appointed to serve with him W. R. Broaddus, Jr., Attorney, Martinsville; Robert P. Buford, Attorney, Richmond; Joseph Curtis, Dean, Marshall-Wythe School of Law, Williamsburg; Roy C. Herrenkohl, President, Colonial-American National Bank, Roanoke; John K. Hutton, former Circuit Court Judge, Suffolk; Francis C. Lee, Attorney, Richmond; Wiley F. Mitchell, Jr., Attorney, Alexandria; and Josiah P. Rowe, III, Mayor of the City of Fredericksburg. Mr. Rowe was elected Vice-Chairman by the Commission and the Division of Statutory Research and Drafting served as Secretariat to the Commission.

Dean Curtis resigned as a member of the Commission early in 1969 when he accepted a new position as Dean of the University of Baltimore Law School. The Commission wishes to express its appreciation to him for his thoughtful and valuable contributions to its work prior to his resignation.

The Commission began its work in July, 1968 and met initially with the Governor to review the purpose of the study. From the outset, the Commission had the full cooperation of the State government and, in particular, the Office of the Attorney General.

By way of preliminary investigation, various Commission members undertook assignments to gather background information for use in developing the scope of the study which would be undertaken. Topics covered included the relevant statutes of other states and case law, potential conflict of interests problems at the State level, potential problems at the local level, incompatible officeholding, and questions involving governing or advisory board membership. These initial memoranda and studies were reviewed by the Commission prior to scheduling its first public hearing for September 16, 1968.

At the public hearing, numerous local officials and interested individuals presented their views to the Commission. The main point which evolved from this

hearing was that the present multiplicity of statutes on the subject of conflict of interests creates harmful confusion either by failing to cover certain cases or by discouraging service by qualified individuals who hesitate to undertake, or resign from, public service because of the lack of clear law on the subject of potential conflict of interests.

Following the hearing, the Commission reached a tentative conclusion that the best contribution it could make to the field under consideration would be the development of one basic State law to govern the conduct of state and local officials and employees in their dealings with their governmental agency and other government agencies to replace and supersede the existing plethora of statutes and to promote clarity in the field.

To this end, the Chairman appointed a drafting committee to prepare an initial draft for Commission review. Mr. Lee served as chairman of the committee which included Dean Curtis and Messrs. Buford and Mitchell. The committee conducted numerous meetings in developing a draft for review by the full Commission. They reviewed other state statutes and materials made available to them by the Attorney General and other State agencies. The full Commission reviewed the committee draft on several occasions and directed revisions in it.

In the fall of this year the Commission concluded that a tentative draft statute had been developed which deserved wider consideration and it directed the drafting committee to release its work to the public for review and comment. A second public hearing was announced and held October 1. The drafting committee report elicited many comments, both favorable and critical. The Commission took these suggestions under advisement and reviewed and revised the committee draft in light of them.

## *II. RECOMMENDATION*

As the result of its work, the Commission submits a proposed Virginia Conflict of Interests Act and recommends it to the General Assembly for its consideration and adoption. The text of the Act is presented in Appendix II.

## *III. THE PROPOSED VIRGINIA CONFLICT OF INTERESTS ACT*

### *Purposes:*

The results of the Commission's deliberations are embodied in one Act, which we have designated the Virginia Conflict of Interests Act, which seeks to accomplish the following purposes:

1. Codify in one legislative enactment uniform guidelines which will have standard application throughout the State.
2. Clarify prohibited conduct by public officials and proscribed business relations between public officials and the government.
3. Provide a realistic framework within which citizens may serve the public, while at once carrying on their normal business enterprises.
4. Prohibit those contracts or business relations between public officials and the government which are likely to be influenced by official position, or which may create suspicions of unfairness.
5. Provide effective sanctions for enforcement.

### *Persons Affected:*

The Act deals with state and local officials, as well as employees, alike, but draws a distinction between persons serving in a "governmental agency" which exercises some sovereign power, and persons serving in an "advisory agency" in an advisory capacity only. While high standards of conduct are demanded of persons

servicing in advisory capacities, they are not precluded from having business relations with the government in the manner as are officers and employees in governmental agencies.

No distinction is made between paid and unpaid persons, since the same standards of conduct will be applied to volunteers and paid officers and employees alike.

*Contracts Affected:*

Persons serving in a governmental agency (having some sovereign power or function) are precluded from contracting with the agency of which they are an officer or employee. They are permitted to contract with other governmental agencies under certain conditions, namely, by disclosure of interest and through competitive bidding.

Where a person's sole interest in a contract with his own or another governmental agency is by reason of employment with the private contracting firm and he does not participate in any way or have any authority to participate in procuring or letting the contract, the prohibitions would not apply. This authority includes his relation to either the government or the private contractor.

By the definition, "governmental agency", the traditional jurisdictional boundaries are ignored, since each legislative body, office, department, authority, post, commission, committee, institution or board created by law to exercise some sovereign power is considered a governmental agency. Hence, an officer of the school board, precluded from contracting with the school board, may not be precluded from contracting with another agency of city government simply because city revenues support both the board and such agency. To illustrate further, while any contract with the school board in which such officer has an interest is prohibited, a contract with another agency of city government in which such officer may have an interest may be permissible if definite safeguarding conditions are met. In order that an officer or employee contract with, or have a material financial interest in, a contract with a governmental agency other than his own agency, the safeguards which must be met are that he must make a full disclosure of his interests and then the contract must either be let after competitive bidding or the contract must be for services or materials which cannot reasonably be acquired through competitive bidding.

*Interests Affected:*

A "material financial interest" is defined as a personal and pecuniary interest accruing to an officer or employee or to his spouse or to a relative who resides in the same household. There is a conclusive presumption that such an interest exists under certain defined circumstances, but there is another conclusive presumption that such an interest does not exist under certain circumstances. To oversimplify, the fact that an officer or employee is employed by, or has an ownership of an interest in, certain enumerated enterprises, such as public utility companies and banking institutions, or owns less than 5% of a business or is compensated less than \$5,000 per year, does not mean that he cannot be employed by a governmental agency which contracts with that business.

*Exceptions:*

The Act provides certain exceptions to the provisions proscribing contractual relationships. First, there is the above-mentioned exception involving the mere-employment situation when an officer or employee has no authority to participate and does not participate in procuring or letting the contract. Second, there is an exception in the case of the exchange of real property between an officer or employee and a governmental agency if he does not participate in the sale and it is so stated in public record. A third exception concerns publication of public notices.

*Other Conduct Prohibited:*

In addition to the prohibited or restricted business interests between officers and employees and governmental agencies, other acts are prohibited, such as being a purchaser at a sale made by his governmental agency, or the solicitation or acceptance of money or other thing of value for services performed within the scope of his official duties.

The Act proscribes certain conduct by officers or employees of any agency, whether governmental or purely advisory. Generally, the proscribed conduct relates to the acceptance of special benefits or the disclosure of information which is gained by reason of the position the officer or employee enjoys.

*Disqualification:*

Except for members of the General Assembly, there is a requirement that any officer or employee of any agency, whether governmental or advisory, disqualify himself from voting or participating in any official action in which he may have a material financial interest. Provision is made to assure that disqualifications will not prevent the agency's continuing business because of quorum or voting requirements.

The Commission has provided an exemption for members of the General Assembly from this provision of the Act in the belief that the adoption of provisions on disqualification to vote is a decision which properly should be made by the Senate and House. The long-established constitutional principle that, each House should be the judge of the qualifications of its members and the particular complexities occasioned by members' representing heterogeneous constituencies led us to this conclusion. We, therefore, suggest that the two Houses examine their rules to see if any revision be appropriate.

*Disclosure:*

Provision is made for disclosure of any material financial interest which an officer or employee may have which will be substantially affected by the actions of a governmental or advisory agency of which he is an officer or employee. A procedure is provided for making such disclosures, either to the Attorney General or to the Attorney for the Commonwealth.

*Sanctions:*

The sanctions provided for violating the provisions of the Act are three-fold:

1. Knowing violation will constitute a misdemeanor. Additionally, existing criminal provisions would be applicable in cases of bribery or other conduct which would constitute a crime under some other statute or existing law. Forfeiture of office will automatically follow conviction.
2. The fruits of the wrongful conduct will be forfeited; no profit will be allowed on contracts.
3. Violations will constitute malfeasance in office or employment and be subject to administrative sanctions.

*Enforcement:*

The enforcement of the legislation is charged to the Attorney General with regard to violations by officers or employees serving at the state level of government and to the Attorney for the Commonwealth with regard to all others. Procedures are spelled out for rendering of advisory opinions on the effect of the statute.

The right of agencies to supplement the provisions of the Act by compatible regulations is also stated in the Act.

*Repeal:*

The proposed Act would expressly repeal the numerous statutory provisions now relating to the same subject matter. A brief definition of each section to be repealed is attached hereto as Appendix III.

The Commission recommends repeal of those statutory provisions which prohibit the holding of state and local office by officers and employees of the United States. Despite the long history of such prohibition, no reason or justification for barring such persons from state and local office has been advanced. The Commission is of the view that whatever may have been the rationale in the beginning, it has now lost its efficacy. As a practical matter, the many statutory exceptions have already rendered the prohibitions almost ineffectual.

*IV. CONCLUSION*

The Act which we recommend to your consideration is a comprehensive measure and as such it will inevitably engender criticism on the ground that particular agencies and areas need more detailed or different treatment. It is our hope that such arguments will not be accepted to the detriment of achieving a uniform State-wide set of standards to govern public conduct which can be understood by, and fairly applied to, all concerned.

Respectfully submitted,

WILLIAM T. MUSE, *Chairman*  
\*JOSIAH P. ROWE, III, *Vice Chairman*  
W. R. BROADDUS, JR.  
ROBERT P. BUFORD  
ROY C. HERRENKOHL  
JOHN K. HUTTON  
FRANCIS C. LEE  
WILEY F. MITCHELL, JR.

*\*CONCURRING STATEMENT OF MR. ROWE*

I concur with the report of the Commission with the exception of Section 5 (b), which prohibits disclosure "to any person not entitled thereto" of information gained through public office or employment.

The object here should be to prevent the use of confidential information for private gain. The phrase "not entitled thereto" introduces an element of vagueness into the proposed statute in contradiction to the clarity otherwise sought.

If information is not confidential, there should be no restrictions suggested against its free flow between officials and the public they serve.

The prohibition against disclosure should prevent the use of confidential information for the personal gain of anyone (not just the officer or employee).

I would prefer the section to read:

"(b) Use confidential information acquired by virtue of his office or employment for his or another's private gain."

Any interpretation or further restriction deemed necessary for employees only should be included administratively in a code of ethics or departmental rules and regulations.

APPENDIX I

SENATE JOINT RESOLUTION NO. 26

Creating a Commission to study and report on matters relating to standards of conduct for public officers and employees.

Whereas, the rapidly expanding activities and business of the Commonwealth and political subdivisions serve to emphasize the need for qualified public servants whose conduct will at all times withstand public scrutiny; and

Whereas, standards of proper conduct involve, among others, such complex matters as conflict of interests in contracts to which the Commonwealth or political subdivisions are parties, professional representation of private parties, and clients before Commonwealth agencies or the representation of private interests or the Commonwealth in adversary proceedings by officers and employees of government, the holding of more than one governmental office, and financial interests in activities concerning the Commonwealth or political subdivisions; and

Whereas, in the interest of good government thorough study and consideration of such matters should be undertaken; now, therefore, be it

Resolved by the Senate of Virginia, the House of Delegates concurring, That there is hereby created a Commission to study and report on the conduct of public officers and employees in such matters as:

- (1) Conflict of interests in contracts with governmental agencies,
- (2) Financial or beneficial interests in activities involving the Commonwealth or political subdivisions,
- (3) Professional representation of private interests or governmental agencies in adversary proceedings,
- (4) Appearances or otherwise representing private interests before governmental agencies, and
- (5) Such other activities on the part of government officers and employees as may be deemed material by the Commission.

The Commission shall consider all matters which it deems pertinent, including the action of other states and the operation of such standards already in effect within the Commonwealth applicable to officers and employees of political subdivisions.

The Commission shall be composed of nine members who shall be appointed by the Governor. The Chairman of the Commission shall be designated by the Governor. Members of the Commission shall be reimbursed for their necessary expenses incurred in the performance of their duties, but shall receive no other compensation.

The Commission shall conclude its study and report its findings and recommendations to the Governor and the General Assembly not later than November one, nineteen hundred sixty-nine.

APPENDIX II

*A BILL to enact a Virginia Conflict of Interests Act, provide uniform standards to govern the conduct of State and local officers and employees with respect to conflict of interests and related matters, prohibit certain categories of conduct and prescribe penalties and administrative procedures in connection therewith; to repeal §§ 2.1-238, 2.1-239, 3.1-240, 4-5, 4-80, 4-80.1, 9-8, 15.1-67 through 15.1-73.4, 15.1-111, 15.1-123, 15.1-444.1, 15.1-618, 15.1-656, 15.1-717, 15.1-780, 15.1-1328, 15.1-1354, 18.1-411, 21-164, 21-244, 22-213, 28.1-18, 32-224, 36-16, 37.1-37, 56-203, 56-336 and 58-1034, as*

*severally amended, of the Code of Virginia, relating to various State, local, district and authority government administrative matters and activities and the regulation of conflict of interest matters in connection therewith; and to repeal generally other provisions of law relating to the subject matter of the Act.*

Be it enacted by the General Assembly of Virginia:

1. Virginia Conflict of Interests Act

§ 1. The General Assembly intends by this Act to establish a single body of law applicable to all state and local government officers and employees on the subject of conflict of interests so that the standards of conduct of such officers and employees may be uniform throughout the Commonwealth, and that this Act shall repeal and supersede all general and special acts, charter provisions and local ordinances which purport to deal with matters covered by this Act and are inconsistent with this Act.

This Act may be cited as the Virginia Conflict of Interests Act.

§ 2. As used in this Act:

(a) "Governmental Agency" shall include any legislative body, office, department, authority, post, commission, committee, institution or board created by law to exercise some sovereign power or to perform some duty of state or local government, other than purely advisory powers or duties.

(b) "Advisory Agency" shall include any board, commission, committee or post which does not exercise any sovereign power or duty, but is appointed by a governmental agency or created by law for the purpose of making studies or recommendations, or advising or consulting with a governmental agency.

(c) "Contract" shall include

(1) any agreement to which a governmental agency is a party;

(2) any agreement on behalf of a governmental agency, which involves the payment of monies appropriated to such governmental agency, even though such agreement be procured or executed in the name of the Commonwealth of Virginia, or some political subdivision thereof, of which the governmental agency affected is a component part.

(d) "Officer" shall include any person appointed or elected to any governmental or advisory agency, whether or not such person receives compensation or other emolument of office.

(e) "Employee" shall include all persons employed by any governmental or advisory agency.

(f) "Material Financial Interest" shall include a personal and pecuniary interest accruing to an officer or employee or to his spouse or to any other relative who resides in the same household. Notwithstanding the foregoing:

(1) ownership of an interest of five per cent or more in a firm, partnership or other business, or aggregate annual compensation of five thousand dollars or more from a firm, partnership or other business shall be deemed to be a material financial interest in such firm, partnership or other business;

(2) ownership of an interest of less than five per cent in a firm, partnership or other business, or aggregate annual compensation of less than five thousand dollars, from a firm, partnership or other business shall be deemed not to be a material financial interest in such firm, partnership or other business; and

(3) except for the purposes of §§ 6 and 7, employment by, ownership of an interest in, or service on the board of directors of public service corporations, banking institutions or companies furnishing public utilities to governmental agen-

cies shall not be deemed to be a material financial interest within the meaning of this Act.

§ 3. (a) No officer or employee of any governmental agency shall:

(1) be a contractor or subcontractor with the governmental agency of which he is an officer or employee, other than in his contract of employment, or have a material financial interest in any contract or subcontract with the governmental agency of which he is an officer or employee, and the fact that any such contract or subcontract is let after competitive bidding or by negotiation shall be irrelevant; or

(2) be a contractor or subcontractor with any governmental agency other than the governmental agency of which he is an officer or employee, or have a material financial interest in any contract or subcontract with any governmental agency other than the governmental agency of which he is an officer or employee, unless full written disclosure of the interest of such officer or employee be made in advance, both to the governmental agency of which he is an officer or employee and to the governmental agency with which such contract or subcontract is proposed to be made; and either (i) such contract be let after competitive bidding, or (ii) such contract be for property or services which, in the judgment of the governing body or administrative head of the governmental agency, made in writing and as a matter of public record, in the public interest should not be acquired through competitive bidding; or

(3) be a purchaser at any sale made by him in his official capacity or by the governmental agency of which he is an officer or employee; or

(4) solicit or accept money or other thing of value in addition to compensation, expenses or other remuneration paid him by the governmental agency of which he is an officer or employee for services performed within the scope of his official duties.

(b) The provisions of paragraphs (1) and (2) of subsection (a) of this section shall not be applicable:

(1) to the sale, lease or exchange of real property between an officer or employee and a governmental agency provided the officer or employee does not participate in any way as such officer or employee in such sale, lease or exchange, and this fact is set forth as a matter of public record by the governing body of such governmental agency or by the administrative head thereof; or

(2) to the publication of official notices; or

(3) to officers or employees whose sole interest in a contract or subcontract with the governmental agency is by reason of employment by the contracting firm, partnership or other business, unless such officer or employee participates, or has authority to participate, in the procurement or the letting of such contract, in which event the provisions of such paragraphs shall be applicable.

§ 4. (a) Any contract made in violation of § 3 (a) (1) or (2) may be declared void by the governing body of the contracting or selling governmental agency within five years of the date of such contract, and the contractor or subcontractor shall retain or receive only the reasonable value, with no increment for profit or commission, of the property or services furnished prior to the date of receiving notice that the contract has been voided.

(b) Any sale made in violation of § 3 (a) (3) may be rescinded by the governing body of the selling governmental agency within five years of the date of such sale.

§ 5. No officer or employee of any governmental agency or advisory agency shall:

(a) Offer or accept money or anything of value for or in consideration of obtaining an appointment, promotion or privilege with any governmental agency or with any advisory agency; or

(b) Disclose to any person not entitled thereto, information gained by virtue of his office or employment, nor otherwise use such information for his personal gain or benefit; or

(c) Accept any gift, favor or service that might reasonably tend to influence him in the discharge of his duties.

§ 6. Except for members of the General Assembly of Virginia, any officer or employee of any governmental agency or advisory agency who knows, or may reasonably be expected to know, that he has a material financial interest in any transaction in which the agency of which he is an officer or employee is or may be in any way concerned, shall disclose such interest to the governing board thereof, and disqualify himself from voting or participating in any official action thereon in behalf of such agency. If disqualifications in accordance with this section leave less than the number required by law to act, the remaining member or members shall have authority to act for the agency by majority vote, unless a unanimous vote of all members is required by law in which case authority to act shall require a unanimous vote of remaining members. Official action taken under circumstances which violate this section may be rescinded by the agency on such terms as the interests of the agency and innocent third parties require.

§ 7. Any officer or employee who has a material financial interest which he believes or has reason to believe may be substantially affected by actions of the governmental or advisory agency of which he is an officer or employee shall disclose the precise nature and value of such interest. The disclosures shall be made in writing to the Attorney General before entering upon the exercise of his duties as an officer or employee of a state agency and to the Attorney for the Commonwealth if he be an officer or employee of an agency of local government; such disclosures shall be made thereafter during the month of January of each succeeding year. All such disclosures shall be a matter of public record.

§ 8. Any officer or employee who violates any of the provisions of this Act shall be guilty of malfeasance in office or employment. Any officer or employee who shall knowingly violate any of such provisions shall be guilty of a misdemeanor, and upon conviction thereof, shall, in addition to any other fine or penalty provided by law, forfeit his office or employment.

§ 9. In addition to any other fine or penalty provided by law, or by the regulations of the governmental or advisory agency of which he is an officer or employee, any money or other thing of value derived from a violation of this Act shall be forfeited and such money, or money equivalent to the value of such other thing when received, shall be paid into the treasury of the Commonwealth, except in cases under § 4 refund or restitution, if due thereunder, shall be made to the contracting or selling governmental agency; provided, however, if the value of such other thing at the time of discovery of the violation is greater than at the time it is received, the greater value shall determine the amount of the forfeiture.

§ 10. The provisions of this Act shall be enforced by the Attorney General with regard to violations by an officer or employee serving at the state level of government, and by each Attorney for the Commonwealth with regard to violations by an officer or employee serving at the local level of government in or for the jurisdiction served by such Attorney for the Commonwealth. In the event the violation by an officer or employee serving at the local level of government involves more than one local jurisdiction, the Attorney General shall designate which of the Attorneys for the Commonwealth of the involved local jurisdictions shall enforce the provisions of this Act with regard to such violation.

In addition to other powers and duties prescribed by law, the Attorney Gen-

eral and each Attorney for the Commonwealth shall have the following powers and duties within the area for which each is responsible under this section:

(a) He shall establish an appropriate procedure for implementing the disclosure requirements of § 7. He shall review the disclosures and investigate matters which come to his attention reflecting possible violations of the provisions of this Act.

(b) He shall render advisory opinions to any officer or employee who seeks advice as to whether the facts in a particular case would constitute a violation of the provisions of this Act. In case the opinion given by an Attorney for the Commonwealth is that such facts would constitute a violation, the Attorney General, at the request of the officer or employee affected thereby, shall review the opinion of the Attorney for the Commonwealth and a conflicting determination by the Attorney General shall act to revoke the opinion of the Attorney for the Commonwealth. Irrespective of whether an opinion of the Attorney General or of an Attorney for the Commonwealth has been requested and rendered, this provision shall not be construed to deny to any person the right to seek a declaratory judgment or other judicial relief as provided by law.

§ 11. Nothing in this Act shall be construed as repealing or prohibiting any regulations of a governmental agency authorized by law for governing the conduct of the officers or employees of such governmental agency, unless such regulations be in conflict with the provisions of this Act.

2. §§ 2.1-238, 2.1-239, 3.1-240, 4-5, 4-80, 4-80.1, 9-8, 15.1-67 through 15.1-73.4, 15.1-111, 15.1-123, 15.1-444.1, 15.1-618, 15.1-656, 15.1-717, 15.1-780, 15.1-1328, 15.1-1354, 18.1-411, 21-164, 21-244, 22-213, 28.1-18, 32-224, 36-16, 37.1-37, 56-203, 56-336 and 58-1034, as severally amended, of the Code of Virginia are repealed.

3. All other general and special acts, charter provisions and local ordinances relating to the provisions of this Act shall be superseded by it and are repealed.

*A BILL to repeal §§ 2.1-30 and 2.1-33 as amended, of the Code of Virginia, relating to prohibitions on the holding of offices simultaneously under the Constitution of Virginia and the government of the United States and exceptions to such prohibitions.*

Be it enacted by the General Assembly of Virginia:

1. §§ 2.1-30 and 2.1-33 as amended, of the Code of Virginia are repealed.

### APPENDIX III

#### SUMMARY OF CONTENTS OF SECTIONS EXPRESSLY REPEALED BY PROPOSED CONFLICT OF INTERESTS ACT

§ 2.1-238. Prohibits direct or indirect financial or personal beneficial interest of Director of Department of Purchases and Supply, assistants and employees, in contract, profits of contract or firm, etc., involving or involved in furnishing materials, etc. to State via Department; prohibits same from taking rebates, etc.

§ 2.1-239. Penalty for § 2.1-238 violation—up to five years and \$1000.

§ 3.1-240. Unlawful for enforcers of Virginia Insecticide, Fungicide and Rodenticide Law to be directly or indirectly connected with or financially interest in economic poison business.

§ 4-5. Prohibits ABC Board members, officers, agents and employees from having “any interest whatsoever” in alcoholic beverage business, from profiting from or having interest in alcoholic beverage purchases or sales or establishments; exempts liquor for personal use and non-profit club membership.

§ 4-80. Prohibits activities proscribed by § 4-5 but in different language and some differences in substance; prohibits State officers and employees from

taking commission, etc. in connection with sale of alcoholic beverages to Board (other than legal fee); prohibits persons from offering such commissions, etc. to Board personnel, etc.; penalty 1 to 10 years or up to 12 months in jail and/or fine to \$500.

§ 4-80.1. Listed relatives of Board members prohibited from representing distillers selling to Board; misdemeanor; Board personnel not to get into alcohol purchase business for 1 year after employed by Board.

§ 9-8. Disqualifies Art Commission member from voting on State project submitted to Commission if employed on project or competing to work on it; provides his temporary vacancy to be filled.

§ 15.1-67. Various county officials and employees prohibited from having direct or indirect interest in contract or its profits with supervisors, school board, etc. or in profits on furnishing materials, etc.; provision on claims against county; certain contracts void and county may recover any amounts paid thereunder in two years; various specific exceptions to cover banks and public service corporations and other matters.

§ 15.1-68. Excepts county treasurer and clerk contracting for extra pay on budget work from § 15.1-67.

§ 15.1-69 Excepts § 15.1-656 real estate deals (see below) from § 15.1-67.

§ 15.1-70. Additional local exceptions from § 15.1-67.

§ 15.1-71. Prohibits county supervisors from having personal or pecuniary interest in transactions involving county property.

§ 15.1-72. Continues 1944 act which permitted Prince William County district home board to contract with funeral home to bury paupers although home owner a supervisor.

§ 15.1-73. Certain listed city and town officials and employees and paid officers generally prohibited from various direct and indirect contractual and business relations with municipality; contracts and subcontracts void and amounts received thereunder forfeit to State; a § 15.1-656 type provision on real estate deals (see below); officer not to be interested in claims against municipality. Various specific exceptions such as for banks and public service corporations.

§ 15.1-73.1. Exception to §§ 15.1-67 and 15.1-73 for civil defense work.

§ 15.1-73.2. Requires governing body member to disclose any interest in pending zoning case involving less than entire political subdivision; defines "owning" and "having an interest in land to be rezoned"; disqualifies him from voting; misdemeanor.

§ 15.1-73.3. Requires disclosure and disqualification by Virginia Beach and Alexandria council, board and commission members interested in matter to be acted on; misdemeanor.

§ 15.1-73.4. Requires Fairfax County supervisor to disclose interest in zoning cases involving less than entire county; gives criteria to determine interest; disqualifies him from voting; requires applicant to identify any such interests; misdemeanor.

§ 15.1-111. County purchasing agent and staff not to have direct or indirect interest in business going through office and not to take gifts, etc. in connection therewith.

§ 15.1-123. County executive secretary counties; governing body members, officers, employees, salaried persons not to have direct or indirect interest in county contract; not to buy or sell property from county directly or through firm, etc.; not to have direct or indirect financial interest in work or service done for county; contracts void; county may recover payments in 2 years.

§ 15.1-444.1. Requires local planning commission members to disclose ownership of or interest in land to be rezoned or outcome of commission decision

and to refrain from participation in decision or voting; defines types of interest; misdemeanor.

§ 15.1-618. County executive counties; see § 15.1-123 above.

§ 15.1-656. County manager counties; see § 15.1-123 above; added provision permits proscribed real estate deals if approved unanimously by all members of governing body and circuit court judge.

§ 15.1-717. County board counties; see § 15.1-123 above.

§ 15.1-780. Urban county form of government counties; see § 15.1-123.

§ 15.1-1328. Authorities for development of former federal areas; Commissioners, officers, agents and employees not to acquire or have direct or indirect interest in property included in authority or contracts affecting it; contracts void with authority given right to recover payments.

§ 15.1-1354. Transportation districts; commissioners, officers, employees, agents and consultants not to have any interest in public transportation business in district or its metropolitan area or in related equipment business; same not to have direct or indirect interest in contracts with commission; proviso to permit same to grant certain property rights to commission for nominal sum; misdemeanor.

§ 18.1-411. Board members, directors, agents and employees of State institution, trustees of public funds, and salaried officers of the above not to contract, be interested in such contract or furnish supplies or perform work for such institution or fund; fine up to \$500; exceptions for banks and public service corporations.

§ 21-164. Sanitation districts; board or commission members, agents and employees not to contract with commission or be interested, directly or indirectly, in such contract or sale of property to it; proviso to permit grant of certain property rights to it for nominal sum.

§ 21-244. 1946 sanitation districts; same provision as § 21-164 above.

§ 22-213. Prohibits State Board of Education members, school division superintendents, school board members, school officers, principals and teachers from having pecuniary interest, direct or indirect, in certain types of contracts, from acting as agent for certain persons selling to schools or taking gifts from same; provides permission may be given by State Board for such dealings; board and superintendent not to employ members; violators removed and misdemeanor; includes corporations and firms in which above are interested in prohibitions; such contracts of sale void and payments recoverable; exception for certain merchants.

§ 28.1-18. Commission of Fisheries employees not to be granted finfish or shellfish industry licenses; not to be assigned, directly or indirectly, oyster ground leases except by inheritance; may retain lease acquired prior to employment; excepts Commission members.

§ 32-224. Hospital authorities, commissioners and employees not to acquire direct or indirect interest in project, project property or contracts concerning project.

§ 36-16. Housing authorities; commissioners and employees not to acquire direct or indirect interest in project, project property or contracts concerning project.

§ 37.1-37. State Hospital Board members, commissioner of Mental Hygiene and Hospitals, superintendents, officers and employees of State hospitals not to become interested, directly or indirectly, in contract or profits of contract with such hospital or in profits, etc. therefrom or in furnishing supplies; bank deposit exception.

§ 56-203. SCC employees administering Air Carriers Chapter to have no pecuniary interest in, own securities of or hold position with various types of transportation companies.

§ 56-336. SCC employees administering Motor Vehicle Carriers Chapter restricted as in § 56-203 above.

§ 58-1034. Local treasurers conducting delinquent tax sales not to purchase real estate sold, directly or indirectly; \$50 forfeit and sale void.



