

Virginia Conflict of Interests Act

Guide for Local Government Officials

Introduction

The Virginia Conflict of Interests Act regulates the financial relationship of council members and mayors with their city, town and with any other governmental agency that is related to the local government. The act is intended to be the one-stop-shopping law for a council member's financial involvement in dealings with the city or town. While this guide refers to councils, cities and towns, it is equally applicable to boards of supervisors and counties.

The act regulates how involved a council member may be in an item being considered by council if he or she has a financial interest in that item. The act also defines what constitutes bribery and taking unfair advantage of information gained by reason of being on council. It sets penalties for violations and provides a procedural framework for its enforcement.

The Conflict of Interests Act is codified in Title 2.2, Chapter 31 of the Code of Virginia, § 2.2-3100 and following. While this guide describes the general operation of the law, the reader should consult the law's specific language for a better understanding (code references are given throughout the guide). Furthermore, a council member with questions about a contract or transaction should consult the city or town attorney.

The 2014 General Assembly created the Virginia Conflict of Interest and Ethics Advisory Council ("Council") to review and post online disclosure forms filed by lobbyists and persons subject to the conflict of interest as well as to provide formal opinions, informal advice, education and training. The Council also encourages and facilitates compliance with sections of the code to include, State and Local Government Conflict of Interests Act. The duties and responsibilities of the Council are discussed throughout this report.

Since the Council was created many changes to the law have occurred as the General Assembly attempts to strike a balance between the need for disclosure and the practicality of complying with the law. For instance, the forms were supposed to be filed semi-annually but now will be filed annually. The definition of gift and how to include family members' interests have also been the subject of many changes to this law.

Purpose of the act

The first section of the act, Va. Code § 2.2-3100, sets out the purpose of the law, citing three main goals:

1. To help ensure that the government will fully represent the public in its operation;
2. To give citizens confidence in public officials and the government so they will trust the government, by creating a clear set of rules for government officials; and,
3. To assemble all the laws affecting conflict of interests in a single location in order to create uniform rules. (While COIA largely accomplishes this purpose, additional rules are stated in the Virginia Procurement Act and in various other code sections.)

The act contains three general areas of regulation (listed below). The act also has procedural, enforcement, and penalty provisions that apply to the substantive areas of the law.

Areas of regulation

The act regulates the financial relationship of council members in their localities in three general areas:

1. General provisions covering bribes and other illegal behavior.
2. Regulation of financial interests a council member may have in business dealings with his or her locality and with agencies related to his or her locality. The act calls this a personal interest in a contract.
3. Regulation of the level of involvement a person, in his role as a council member or other public office or job, may have in an item being considered by the member's locality that involves the member's business, property or other personal financial interest. The act calls this a personal interest in a transaction.

I. Generally Prohibited Conduct

Bribes and other illegal behavior

Section § 2.2-3103 prohibits public officials from taking or soliciting bribes and from allowing money to influence their actions. This section applies to a person's actions as a government official; the prohibitions are not aimed at private businesses that may offer the bribes.

The act prohibits a council member from soliciting or accepting money or benefits for doing his or her work as a public official. § 2.2-3103(1). An example would be a council member who takes money for voting on a rezoning to help a developer build a large project. Similarly, a council member may not offer or take money in exchange for landing himself or herself or another person a job with a government agency, or in exchange for obtaining a contract or business deal with the government. §§ 2.2-3103(1) & 3103(2).

Undue influence

One step below the outright bribery rule is the prohibition on taking gifts and opportunities while serving as a public official. §§ 2.2-3103(5), (6), (8), (9) & 2.2-3103.1. The act prohibits a council member from accepting money, loans, gifts, services, business opportunities, or other benefits if it is reasonable to construe that the benefit was given to influence the council member in his or her duties. An exception is made for political campaign contributions – but only if the contribution is used for a political campaign or constituent service purposes and is reported pursuant to the campaign disclosure laws.

A typical example of this issue for cities and towns is when a large developer gives Christmas gifts of substantial value to the members of council. Whether the gift complies with the act is a judgment call in most cases. Is a Christmas turkey reasonable if the developer is also giving the same gift to his employees, his business associates, and his materials suppliers? What if the gift is cookies for the whole staff? The circumstances of the specific case usually indicate whether the gifts are appropriate.

The following items are exempted from the prohibition on gifts: (1) coupons and tickets that are not used; (2) honorary degrees; (3) scholarships or financial aid awards that were awarded in the same manner as they would be to the general public; (4) campaign contributions that are properly received and reported; (5) a gift that relates to the private profession or volunteer service of the officer or a member of the officer's immediate

family; (6) food or beverages consumed while attending an event at which the filer is performing official duties related to public service, (7) food or beverages received at or registration of attendance fees waived for any event at which the filer is a featured speaker, presenter, or lecturer, (8) unsolicited awards of appreciation or recognition; (9) a devise or inheritance; (10) travel disclosed under the Campaign Finance Disclosure Act (§24.2-945 et seq.); (11) travel paid for or provided by a government entity; (12) travel provided to facilitate attendance by a legislator at a regular or special session of General Assembly or other meeting approved by the House or Senate Committee on Rules; (13) travel related to an official meeting of, or any meal provided for attendance at such meeting by, the Commonwealth, political subdivisions, or any board, commission, authority, or other entity, or any charitable organization established pursuant to §501(c)(3) of the Internal Revenue Code affiliated with such entity, to which such person has been appointed or elected or is a member by virtue of his office or employment; (14) gifts with a value less than \$20; (15) attendance at a reception or similar function where food, such as hors d'oeuvres, and beverages that can be conveniently consumed by a person while standing or walking are offered; or (16) gifts from relatives or personal friends as the act defines "personal friend". § 2.2-3101.

For purposes of §2.2-3101 and what is not a gift, a relative is defined as the donee's spouse, child, uncle, aunt, niece, nephew, or first cousin; a person to whom the donee is engaged to marry, the donee and their spouses' parent, grandparent, grandchild, brother, sister, step-parent, step-grandparent, step-grandchild, step-brother, or step-sister or the donee's brother's or sister's spouse or the donee's son-in-law or daughter-in-law.

The act limits who can be considered a personal friend for the purposes of the disclosure exemption. The reason for this limitation is to ensure that the term "personal friend" is not applied loosely, allowing anyone to qualify for the gift disclosure exemption. Personal friends are discussed further below.

§ 2.2-3103.1 pertains to prohibited gifts. This provision applies to all candidates, officers, and employees of local governments and advisory agencies, and members of their immediate family. These individuals may not solicit, accept or receive a tangible gift that is valued at over \$100 or a combination of gifts within a year with an aggregate value of over \$100 if it is given to him by (1) a lobbyist, (2) a lobbyist's principal, or (3) a person, organization, or business that is seeking to be or already is a party to a contract with the local agency of which he is an officer or employee. However, the

limit only applies to individuals who are required to file a disclosure form prescribed in §2.2-3117. Therefore, it does not apply to officials of localities with a population under 3,500.

A lobbyist or a lobbyist's principal cannot be considered a personal friend. A person, organization, or business cannot be considered a personal friend if that entity or person is a party to a contract with the local government or agency for which the officer or employee works. This is true whether the contract has been granted or if the person, organization, or business is just seeking to be a party to the contract. However, an official may accept a gift with a value in excess of \$100 if the gift was from a personal friend. The following factors shall be considered in determining whether someone is a personal friend: (a) the circumstances under which the gift was offered; (b) the history of the relationship to include the nature, duration and previous gift exchanges; (c) to the extent known whether the donor personally paid for the gift or sought a tax deduction or business reimbursement and (d) whether the donor has given similar gifts to other persons required to file disclosure forms. §2.2-3103.1.

Some may wonder how an officer or official would even try to argue that he or she has a personal friendship with an organization or business. In this context, the terms "organization" and "business" include those who are officers, directors, owners, or have a controlling ownership interest in the organization or business. § 2.2-3101.

A council member is also prohibited from taking benefits if he or she knows it is being offered to influence him or her. § 2.2-3103(5). Therefore, even if the gift is not unreasonable, the council member may not accept it if the circumstances or statements of the person giving it make it clear that the money is being given to influence the council member.

A further prohibition is aimed at gifts given by a private party looking for a specific action by the government. § 2.2-3103(8). This subsection prohibits a council member from accepting a gift from a private party whose interests can be affected by the council member's actions, where the timing of the gift would lead a reasonable person to question whether the gift is being given to influence the council member. For example, if the day before an important council vote on a rezoning, the applicant for that rezoning gives the council member \$2,000 and calls it a campaign contribution, it would be reasonable to think the money was given to influence the vote. Also, if a council member accepts gifts so often that it creates the appearance

that he or she accepts gifts for doing his or her job, that behavior constitutes a violation. § 2.2-3103(9). Violations of these two prohibitions may not be the basis for a criminal charge.

Local governments can adopt ordinance limiting dollar value of gifts

Local governments may adopt an ordinance to limit the dollar value of gifts to the officials and employees of the locality. § 2.2-3104.2. The ordinance can include a required disclosure provision. While legally you may have nothing to fear when disclosing, keep in mind that the appearance of impropriety is often more harmful than the impropriety itself. A \$50 limit is often used. While this amount is arbitrary, it does make it simpler for all involved to know what behavior is permissible. Whether or not the locality adopts an ordinance limiting gift amounts, if an award is made to a local government employee for meritorious service by an entity that is a 501(c)(3) charitable organization, there is no conflict and no limit on the gift.

Insider information

It is a violation of the act for a public official to use information not available to the public for his or her own or another person's economic benefit. § 2.2-3103(4). For council members, this prohibition is sometimes unfairly alleged. For example, a local businessman on council who pays attention to public plans submitted to the locality and buys land around the project is not violating the provision. Envious business folks, however, may allege a violation of insider information due to the appearance of the situation. When their actions are based on publicly available information, council members have nothing to fear from such claims – but keep in mind the public's view of the appearance of impropriety

II. Regulation of council member's actions as a citizen.

Personal interest in a contract

The act sets forth what financial interests a council member may have in business dealings with his or her locality and with agencies related to his or her locality. § 2.2-3107. The act calls this a personal interest in a contract. While this guide's discussion is limited to the restrictions on council members, the act also sets forth different restrictions for school board members (§ 2.2-3108) and for local government employees (§ 2.2-3109). Council members need to keep in mind the restrictions on the employees of a city or town as they carry out

their duties and watch over the affairs of the locality.

According to § 2.2-3107(A), “no person elected or appointed as a member of the governing body of a county, city or town” shall have “a personal interest in a contract” with his or her city or town or with certain other government agencies. (The definition of a personal interest in a contract is described below.)

The council member may not have a personal interest in a contract with any agency of his or her locality, including the departments of the city or town. In addition, he or she may not have a personal interest in a contract with any government agency that is under the council’s ultimate control. For example, if the council appoints a library board, then council members would have ultimate control over the library. Therefore, a council member could not be involved in a contract with the library board.

This section of the act also prohibits involvement in a contract with any agency if the council appoints a majority of the members of that agency’s governing body. For example, if the locality is a member of a regional jail and its council appoints four of the jail board’s seven members, then a council member would be prohibited from being involved in a contract with the jail board.

Definition of personal interest and personal interest in a contract

The act only prohibits a council member’s participation if he or she has a personal interest in the contract with one of the agencies described. The definition of “personal interest in a contract” has three parts: “a personal interest,” a “personal interest in a transaction” and a “personal interest in a contract.” § 2.2-3101.

Personal interest. The definition of a personal interest is the key building block of the act. The term is used throughout. A personal interest exists if any one of the following tests is met:

1. The council member owns at least 3 percent of the equity of a business.
2. The council member has annual income that is or reasonably could be in excess of \$5,000 from owning real or personal property or from owning a business.
3. The council member has a salary, other compensation, fringe benefits, or benefits from the use of property or any combination thereof, from the business involved in a contract that exceeds or reasonably could exceed \$5,000 annually.
4. The council member’s ownership interest in

property exceeds \$5,000.

5. The council member’s liability for a business exceeds 3 percent of the equity of the business.
6. The council member has an option on property and, upon exercise of the option, his or her ownership will meet the levels in either test 1 or 4, above.

Immediate Family. In addition to the council member, if any person in the council member’s immediate family has one of the six types of a personal interest, the personal interest exists for the council member. The term “immediate family” always includes the person’s spouse. The term also includes any child living in the home who is the council member’s dependent. The term “child” is defined in Title 1 of the state code as anyone who is less than 18 years old. Therefore, the definition applies to all minor dependents regardless of their relationship to the council member but it does not apply to adult children of the member, even if he is claimed as a dependent. §1-207. If the child, however, is not a dependent of the council member, the child would not be included. §2.2-3101.

As this definition demonstrates, if a council member’s wife has a personal interest in a business that would like to contract with the city, the contract is prohibited even though the husband/council member has no involvement.

Personal Interest in a transaction. A personal interest exists when an officer or employee or immediate family member has a personal interest in property or a business and such property or business is:

1. The subject of the transaction.
2. May realize a reasonable foreseeable direct or indirect benefit or detriment as a result of the action of the agency considering the transaction.

A personal interest in a transaction does not exist when:

1. An elected member of a local governing body serves without remuneration as a member of the board of trustees of a not-for-profit and the member and his immediate family has no personal interest in the entity.
2. An officer, employee, or elected member of a local governing body is appointed by such local governing body to serve on a governmental agency and the personal interest in the transaction is the result of benefits provided to the member or his immediate family.

Personal interest in a contract. If the council mem-

ber's involvement meets any one of the six definitions of a personal interest, the next step is determining whether the council member has a personal interest in the contract in question. According to the act's definition, a council member has a personal interest in a contract with a government agency if that contract is with the council member or with a business in which he or she has a personal interest. § 2.2-3101.

In looking at a particular contract, it is important to ask: Is a council member or his or her business or property involved in the contract? Does that council member have a personal interest as defined by the act? The answers to these questions will help determine if the contract is prohibited under the act.

Situations where conflicts do not exist

Some situations are not conflicts under the act, even though they may appear to be natural conflicts. If a council member earns a total salary of \$4,900 per year from a business, that business could contract with the locality, because the council member would not have a personal interest for purposes of the act. As the third test of the definition – salary – shows, the salary must exceed \$5,000 per year to create a personal interest.

If a council member serves on the board of a charitable entity, the fact that the council member has divided loyalties between the charity and the locality does not create a conflict, so long as the council member serves on the charity's board for less than \$5,000 compensation per year and doesn't own as much as three percent of the equity of the charity. § 2.2-3101.

Exceptions to conflicts in contracts

The act sets out a series of exceptions to the prohibitions on having a personal interest in a contract.

Exceptions that apply only to council members.

Several exceptions are specific to council members. § 2.2-3107(B).

1. A council member may be an employee of the locality as long as the employment predates his appointment or election to council. § 2.2-3107(B)(1). This section of the law also allows employment and service on council if the person was an employee prior to July 1, 1983, whether or not he or she was elected to council after that date. Even though the law allows employees to serve on council, some localities have banned the practice by charter or by local regulation. If an employee serves on council, he or she will regularly run into potential conflicts when matters come before council that affect his or her employment, such as salary and discipline decisions. (This issue is explored below, in

the section on personal interests in a transaction).

2. A council member may buy goods or services from his or her locality as long as they are made available to the public at uniform prices. § 2.2-3107(B)(2).

3. A council member may sell goods to his or her locality if the following conditions are met, pursuant to § 2.2-3107(B)(3):

- a. The purchase must be made by competitive sealed bidding. Therefore, if the contract is being solicited by a request for proposals, the exception doesn't apply.
- b. The contract must be for goods, not services, and the need for the goods must have been established prior to the person's coming on council. An example is if the city needs a tractor, if a council member has a tractor dealership, and if the city had bought tractors prior to the council member's election, the dealership could continue to bid on the contract.
- c. The council member who wants to sell to the locality must play no role in preparing the specifications for the purchase.
- d. The remaining members of council must pass a resolution in writing that the council member's bidding on the contract is in the public interest.

Note: this exception does not apply to providing services, rather only goods. For example, a council member who is an accountant could not provide auditing services to his or her town or city.

Eight exceptions that apply to all local government officials and employees.

The following eight exceptions to the prohibition on having a personal interest in a contract apply not only to council members, but to all other local government officials and employees as well. § 2.2-3110(A).

1. Any sale, lease, or exchange of real property between a council member and his or her locality is allowed as long as the council member doesn't participate in the deal on behalf of council, and the fact that the member wasn't involved is recorded in the public record of the government involved in the transaction. The reason for this exception is that each parcel of real estate is deemed to be unique. If a city needs a certain lot or parcel, the fact that a council member owns it should not prohibit the purchase by the city. § 2.2-3110(A)(1).

2. The prohibition does not apply to contracts for the publication of official notices, presumably so that the local newspaper may be used for ads required by

state law even when a council member is an owner or employee of that paper. This is a balancing of needs: the state code requires many notices to be run in the local paper. Without this exception, those requirements could not be met. § 2.2-3110(A)(2).

3. For counties, towns and cities with a population under 10,000 contracts between a council member and his or her locality are allowed, despite the general prohibition, if the total of those contracts does not exceed \$5,000 per year. Further, contracts up to \$25,000 are allowed if the contract is awarded by competitive sealed bidding. This higher level only applies if the public official has filed a statement of economic interests form. Every council member, except those in localities with populations of 3,500 and under just file that form, so the requirement does not create an added obligation § 2.2-3110(A)(3).

4. If the sole personal interest the council member has in the contract is his or her employment by the contracting business and the council member's annual salary exceeds \$5,000, the business may contract with the locality. For this exception to apply, the council member and members of his or her immediate family must have no authority to participate in the deal, and must not participate in the deal. Further, the council member must not participate in the deal on behalf of the locality. A typical example is a contract with a large engineering firm that is the council member's employer. § 2.2-3110(A)(4).

5. If the council member is employed by a public service corporation, a bank, a savings and loan association, or a public utility, and if he or she disqualifies himself from participating on behalf of the city or town and does not participate for his or her locality, then the utility, bank, etc., may contract with the locality. § 2.2-3110(A)(6).

6. The prohibition does not apply to contracts for goods or services below \$500. But if a locality normally purchased paper on an annual contract, for example, could it split up a year's worth of paper contracts so that each is less than \$500? While the section is silent on splitting up a larger contract to meet this exception, the consensus is that this circumvention would violate the law. § 2.2-3110(A)(7).

7. Program grants made to a council member are allowed if the rates or amounts paid to all qualified applicants are uniform and are established solely by the agency administering the grants. § 2.2-3110(A)(8).

8. If the spouse of a council member is employed by the locality, the personal interest prohibition does not apply if the spouse was employed by the agency five

or more years prior to marrying the council member. § 2.2-3110(A)(9). If one spouse is the supervisor of the other spouse, the conflict does not exist if the subordinate spouse earns less than \$35,000 per year. § 2.2-3110(B).

III. Council member's participation as public official

Personal interest in a transaction

The rule concerning a personal interest in a transaction sets out the level of involvement a council member may have in an item being considered by his or her council (the transaction) that involves his or her business, property, or other personal financial interest. § 2.2-3112.

As with a personal interest in a contract, the first step is to determine whether the council member has a personal interest in the transaction. The same definition of a personal interest is used in the transactions provisions as in the contracts provisions, but the definition of personal interest in a transaction goes beyond the definition of a personal interest in a contract.

Definition of transaction & personal interest in a transaction

Transaction. In the context of a city or town council, a transaction is defined as any matter considered by the council, a council committee or subcommittee, or any department, agency, or board of the locality, if any official action is taken or is being contemplated. § 2.2-3101.

Personal interest in a transaction. This term is broadly defined as a personal interest of a council member "in any matter considered by his [locality]". § 2.2-3101. Specifically, a personal interest in a transaction exists if a council member or immediate family member has a personal interest (as defined in Part II) in the property, business, or governmental agency – or represents/provides services to any individual or business property – and the property, business, or represented/served individual or business either (1) is the subject of the transaction, or (2) may realize a reasonably foreseeable benefit or detriment as the result of the transaction.

A typical example of representing or servicing an individual or business is where the council member is an accountant and his or her accounting firm handles the books of the business that is the subject of the transaction. Another common example is where the council member or spouse is a principal in an engineering

firm that represents an applicant for a land-use permit before council. In these cases, the council member may well have a personal interest in the transaction unless he or she is not directly involved in the representation. An example of a reasonably foreseeable benefit is a council member who loaned \$100,000 to a developer, and the developer needs a rezoning to repay the loan.

In practice, if a matter comes before council or a council committee or involves any department of the locality, and a council member has a personal interest in the subject matter or represents the business involved, the council member must then follow the act's requirements for his or her participation in § 2.2-3112 (discussed below in "Levels of transactions" section).

Exceptions and limitation on conflicts

A personal interest in a transaction does not exist if the council member serves on a not-for-profit board without pay and neither the council member nor his immediate family has a personal interest in the not-for-profit organization. (Definition of personal interest in § 2.2-3101.)

No conflict exists if an employee or council member of a locality is appointed by his locality to an ex-officio role in a governmental agency and the conflict exists solely due to the employment with the locality or the employment by the locality is of his or her spouse. See the definition of "personal interest in a transaction" in § 2.2-3101.

The act provides in § 2.2-3112(C) that if an employee, but not a council member, is disqualified from participating in the transaction, the employee may still represent his private interests before council as long as he isn't paid for the representation and discloses the nature of his interest. This appears to not apply to council members.

Other employees

Section § 2.2-3112 sets out the rules for other government employees having a personal interest in a transaction. The section also contains a list of exceptions that apply to the employees of the government agencies in the locality. Those rules and exceptions do not apply to council members. For example, an employee's spouse may contract with the locality to provide services (for example, accounting) if certain conditions are met. In contrast, a council member's spouse could not provide services to the locality.

Levels of transactions

The fact that a council member has a personal interest in a transaction before council does not always

require the member to disqualify himself. The act's requirements for participation, if a personal interest in the transaction does exist, set out three levels of transactions. § 2.2-3112(B).

1. If the council member is in a firm that represents the subject of the transaction, but the council member does not personally represent the subject in the transaction, he may participate in the council discussion provided he complies with the declaration requirements of § 2.2-3114(G) or § 2.2-3115(I).

2. If the transaction affects a business, profession, occupation or group of three or more members to which the council member belongs, he may participate in the transaction only if he completes a disclosure form, described in the "Disclosures" section, below. § 2.2-3112(B)(2). For example, if a council votes on the tax rate for professionals, and if the council member is an attorney, that puts him in the subject group affected by the professional license tax. If a town only has two attorneys, then the council member/attorney must disqualify himself from participating.

3. If the transaction affects the public generally, the council member may participate. A council member may obviously vote on raising taxes, even though it affects him, because it affects the public generally. In comparing items 2 and 3, many transactions are considered to affect the public generally, even though not every member of the public is affected. For example, the real estate tax applies only to property owners, but it is considered to affect the general public.

Additional exception

Disqualification under the provisions of this section shall not prevent any employee having a personal interest in a transaction in which his agency is involved from representing himself or a member of his immediate family in such transaction provided he does not receive compensation for such representation and provided he complies with the disqualification and relevant disclosure requirements of this chapter. § 2.2-3112(C)

Effects of disqualification

If a council member is disqualified from participating in a transaction, the act requires several steps. § 2.2-3112:

1. The council member must disclose the interest that causes the disqualification by identifying the interest, including the name and address of the business or property. § 2.2-3115(F). The disclosure is required whether the law requires the disqualification or the council member voluntarily disqualifies himself out of an abundance

of caution. The disclosure can be in a written record to the Clerk or verbally and recorded in the minutes of a public meeting.

2. The disclosure must be kept for five years in the records of the council.
3. The council member may not vote on or participate in discussion on the transaction. It is a best practice for the council member to sit in the audience during the discussion and vote.
4. The council member may not attend the portion of a closed meeting at which the transaction is discussed.
5. The council member may not discuss the matter with anyone in the government who is involved in the transaction.

Savings clause for certain votes

The act contains a savings clause to allow the remainder of council to vote when disqualifications rob the council of a quorum. § 2.2-3112(D). The council may act by a vote of the majority of the members who are not disqualified. Even if the law requires a unanimous vote, it only has to be by a unanimous vote of the remaining members. This provision would seem to have the odd result of having only one member of a seven-member council being able to vote and fulfill a unanimous vote requirement if the other six members are disqualified. One caution - the Virginia Supreme Court has ruled that when there are disqualifications, and a vote is taken using this savings clause, the disqualified members of council must remain present to maintain a quorum. If the disqualified members leave the meeting, such that fewer members are present than required for a quorum – a quorum does not exist and the meeting cannot continue. See *Jakabcin v. Front Royal*, 271 Va. 660, 628 S.E.2d 319 (2006).

In order for a council to sell or lease land, state law requires a three-fourths vote of all people elected to council. § 15.2-2100. Section 2.2-3112(D) of the COI act allows a council member to participate in a discussion and vote on a proposed sale, lease, or similar conveyance of land if the council member's only personal interest in that sale is that he or she is employed by the business that is subject to the contract for the deal.

The Council issued a formal advisory opinion (2017-F-001) on April 24, 2017 confirming the quorum analysis above. The opinion states in part that when 5 members of a 7 member board are in attendance and 2 persons are disqualified from voting, the 3 remaining members do constitute a quorum.

IV. Disclosures

If a transaction affects a group, business, or profession as set forth in § 2.2-3112(B)(1), the council member may participate if he or she certifies in good faith that he or she can represent the public fairly in the transaction. The certification requires the following elements to be identified - § 2.2-3115(H):

- The transaction;
- The nature of the personal interest;
- The fact that the council member is a member of a business, profession, occupation, or group that will be affected by the transaction;
- A statement that the council member is able to participate fairly, objectively, and in the public interest.

If the transaction affects a party that the council member's firm represents but the council member is not involved on behalf of the firm, the disclosure requires the following elements to be identified. § 2.2-3115(I):

- The transaction involved;
- The fact that a party to the transaction is a client of the council member's firm;
- A statement that the council member does not personally represent the client;
- A statement that the council member is able to participate fairly, objectively, and in the public interest.

If either of the disclosures is required, the council member must either state it at the meeting or file it in writing with the clerk of the council or the manager. A written disclosure should be filed before the meeting or, if that is impracticable, by the end of the following business day. § 2.2-3115(H), (I). In both cases, the disclosure is public. VML advises that it is better to make the disclosure at the meeting, orally, when the transaction is on the floor. It is also recommended that the person sit in the audience for the discussion and vote. This conveys a clearer message of self-disqualification than simply handing the clerk a written statement. If the disqualification is handed in with no announcement, the public will wonder why the council member is not participating.

Annual Statement of Economic Interests Form

In addition to transaction-specific disclosures, each council member of every locality with a population of more than 3,500 must file the Statement of Economic Interests form. The Statement of Economic Interests form must be filed annually on or before February 1st

for the preceding calendar year. § 2.2-3115.

This disclosure form will be created and provided by the COIA Council at least 30 days prior to the filing deadline. Forms should be disseminated by the clerks of the governing body not less than 20 days prior to the filing deadline. The forms shall be available for review by the public no later than six weeks after the deadline and shall be maintained for five years in the Clerk's Office. § 2.2-3115(D).

The forms will require the disclosure of holdings in excess of \$5,000, which is a change from the previous bar of \$10,000. § 2.2-3117.

Council may also adopt an ordinance to require other officials and employees of the locality to file the Statement of Economic Interests form pursuant to § 2.2-3115(A). Typically, this provision is used for the city or town manager, but some localities require numerous employees to file the form. Many localities do not require the form to be completed by any employees or officials. The council may require boards, commissions and councils it appoints to file a disclosure form. § 2.2-3115(B).

In localities with a population of more than 3,500, members of planning commissions, boards of zoning appeals, real estate assessors, and all county, city and town managers must file an annual disclosure of real estate interests. § 2.2-3115(G).

The section clarifies that no local government officer or employee is required to file any disclosures not specifically mentioned in the article. § 2.2-3115(C).

Who Files Disclosure Form

The following local officials are required to file the State and Local Statement of Economic Interests per § 2.2-3115:

- Members of the Board of Supervisors
- Members of the City Council
- Members of the Town Council, if the town has a population exceeding 3,500
- Members of the school board
- Persons holding positions of trust appointed or employed by the governing body if the governing body has passed an ordinance requiring them to file
- Persons holding positions of trust appointed or employed by school board if the school board has adopted a policy requiring them to file
- Members of the governing body of any entity established in a county or city with the power to issue bonds or expend funds in excess of \$10,000

in any fiscal year if the governing body of the appointing jurisdiction has required them to submit this form

The following local officials are required to file the Financial Disclosure Statement per § 2.2-3115:

- Members of the governing body of any entity established in a county or city with the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year unless required to file the Statement of Economic Interest by the governing body of the appointing jurisdiction
- Non-salaried citizen members of local boards, commissions, and councils if the governing body has designated them to file.

The following local officials are required to file the Real Estate Disclosure per § 2.2-3115 (G):

- Planning commission members
- Members of board of zoning appeals
- Real estate assessors
- County, city, or town managers
- Executive officers

V. Enforcement & penalties

Criminal penalties

A knowing violation of the Conflict of Interests Act is a Class 1 misdemeanor. § 2.2-3120. According to the act, a violation is knowingly made if the council member acts or refuses to act when he or she knows that the behavior is either prohibited or required by the act. An example of refusing to do a required act is a council member's refusal to file a disclosure form. A Class 1 misdemeanor has maximum penalties of one year in jail and a fine of \$2,500.

Three other specific violations have a lower, Class 3 penalty (maximum \$500 fine):

1. Failure to disqualify oneself from participating in a transaction.
2. Failure to file the annual statement of economic interests.
3. Failure to file the statement of reasons for a disqualification in a transaction.

Additional consequences for violations

In addition to the criminal consequences, if the council member is found guilty of a knowing violation, he is also guilty of malfeasance in office. In that case, the judge may order the forfeiture of the seat on council. § 2.2-3122.

If a contract is entered into that involves either a council member who violated the general provisions relating to bribes, insider information, undue influence (§ 2.2-3103), or a violation of the “personal interest in a contract” provisions, the council may rescind the contract. In that case, an innocent contractor may not receive the profits he anticipated in the deal. The contractor may only receive a “reasonable value,” according to § 2.2-3123.

If a council action involves a violation of “the personal interest in a transaction” requirements, the council may rescind the award of a contract or other decision made. In rescinding the action, the best interests of the locality and any third parties are to be considered. § 2.2-3112(D).

If a council member violates any of the general provisions related to bribes and other illegal behavior, the personal interest in a contract rules, or the personal interest in a transaction rules, any value he or she received from the deal is to be forfeited. If the violation was knowingly made, the judge may impose a civil penalty equal to the value received. §2.2-3124.

Any person required to file the disclosure form shall be entitled to an extension for good cause shown. Good cause includes (i) the death of a relative, (ii) a state emergency declared by the Governor or by the President of the United States or a governor of another state if such emergency interferes with the timely filing of disclosure forms, (iii) being a member of a uniformed services and on active duty on the date of the filing deadline, or (iv) failure of the electronic filing system. 30-356.2(A).

If a person is unable to timely file the disclosure form because it was not made available until after the deadline, the person shall receive a five-day extension upon request. The head of the agency for which the person works or the clerk of the governing body of the locality responsible for providing the disclosure form to such person shall be assessed a civil penalty in the amount equal to \$250. If the disclosure form is provided to the person within three days prior to the filing deadline, the person shall receive a three-day extension upon request and no civil penalties will be assessed against the head of such person’s agency or the clerk. 30-356.2(B). This does not apply to statements of economic interest required to be filed as requirement of candidacy. 30-356.2(C).

Advisory opinions

Commonwealth’s Attorney

The law allows some opportunity to avoid a problem by setting up a process to obtain an opinion on the matter from the commonwealth’s attorney. The commonwealth’s attorney is required by § 2.2-3126(B) to issue advisory opinions on whether a fact situation constitutes a violation. In addition to issuing opinions, the commonwealth’s attorney is charged with prosecuting violations of the act by local officials. If the council member gives the attorney all the relevant facts and the attorney determines that the council member is allowed by law to participate, the council member may not be prosecuted for doing so. § 2.2-3121(B). If the commonwealth’s attorney opines that the facts constitute a violation, the council member then may ask the attorney general to review and override the local opinion. The law makes it clear that any written opinions are public records and are therefore available to the public.

If the council member obtains a written opinion from the town or city attorney, based on full disclosure of the facts, the council member may introduce the favorable opinion from the attorney upon challenge. §2.2-3121(C). However, keep in mind that the town or city attorney cannot provide the legal protection that the Commonwealth’s Attorney or the Conflict of Interest and Ethics Advisory Council.

The Virginia Conflict of Interest and Ethics Advisory Council

The Council is another resource that may be used to help localities and local officials avoid a conflicts or ethics problem. It has the authority to issue formal advisory opinions and guidelines relating to ethics and conflicts issues. Additionally, the Council may issue informal advice in response to specific questions. Any informal advice issued by the Council is protected by attorney-client privilege and is exempt from disclosure under the Virginia Freedom of Information Act. However, if the recipient invokes the immunity provisions of §2.2-3121 or §30-124, the record of the request and the informal advice shall be deemed to be a public record and released upon request.

Formal advisory opinions can be found on the COIA Council website as well as the adopted procedures for issuing formal advisory opinions. Formal opinions are public records, but may have some personal information redacted.

Another role of the Council is to provide trainings on ethics and conflicts issues. These training seminars

will be available to lobbyists, state and local government officers and employees, legislators, and other interested persons. The materials for these trainings will also be published by the Council, when it is deemed appropriate. § 30-356(7), (9).

However, keep in mind that the town or city attorney cannot provide the legal protection that the Commonwealth's Attorney or the Conflict of Interest and Ethics Advisory Council. We hope this guide will help local governments become better informed of their responsibilities if a prospective conflict may occur.

What's New

In the 2018 session, § 2.2-3118.1 was amended to change filing requirements such that a filing of a single current statement of economic interests by an individual will suffice for the course of the calendar year. Individuals meeting the requirement for filing an annual disclosure statement will not be required to file an additional disclosure statement upon reappointment to the same office or position if the reappointment is within 12 months of the filing.

Senate Joint Resolution number 75 established a two-year joint subcommittee consisting of six legislative members and two non-legislative citizen members to study the ethics laws in the Commonwealth. In conducting its study, the joint subcommittee shall study the disclosure requirements of the members of the General Assembly and lobbyists and identify those portions of the ethics laws that should be repealed, substantially amended, rewritten for clarity, or retained in their present form. In its review, the joint subcommittee shall examine the effectiveness and efficiency of the ethics laws in promoting public trust and confidence in the service of public officials. Although the language of the study focuses on the General Assembly and Lobbyist provisions of the law, changes to these sections will likely result in changes to the State and Local Government Conflicts Act and could affect local government officials. Stay tuned!

Summary

The Virginia Conflict of Interests Act determines when public officials and employees have personal interests in public contracts or transactions, if those interests conflict with the officials' public duties, and how the officials should behave considering such a conflict. COIA dictates the terms for disclosure of public officials' personal and financial interests and decides when officials must disqualify themselves. The act also defines other types of conduct that public officials are prohibited from engaging in, including involvement in bribery, undue influence, and use of insider information.

Council members should always consult COIA's specific language if a potential conflict may arise. Inquiries about specific contracts or transactions should be directed to the relevant city or town attorney.

Title 2.2. Administration of Government. Chapter 31. State and Local Government Conflict of Interests Act

As required under Virginia Code § 2.2-3100.1, ...” All officers and employees shall read and familiarize themselves with the provisions of this chapter.”

The text of the COIA act follows to assist local officials in complying with this section of the law.

Additional Code sections that deal with conflicts but that are in other chapters of the Code are included as well.

Article 1. General Provisions.

§ 2.2-3100. Policy; application; construction.

The General Assembly, recognizing that our system of representative government is dependent in part upon (i) citizen legislative members representing fully the public in the legislative process and (ii) its citizens maintaining the highest trust in their public officers and employees, finds and declares that the citizens are entitled to be assured that the judgment of public officers and employees will be guided by a law that defines and prohibits inappropriate conflicts and requires disclosure of economic interests. To that end and for the purpose of establishing a single body of law applicable to all state and local government officers and employees on the subject of conflict of interests, the General Assembly enacts this State and Local Government Conflict of Interests Act so that the standards of conduct for such officers and employees may be uniform throughout the Commonwealth.

This chapter shall supersede all general and special acts and charter provisions which purport to deal with matters covered by this chapter except that the provisions of §§ 15.2-852, 15.2-2287, 15.2-2287.1, and 15.2-2289 and ordinances adopted pursuant thereto shall remain in force and effect. The provisions of this chapter shall be supplemented but not superseded by the provisions on ethics in public contracting in Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of this title and ordinances adopted pursuant to § 2.2-3104.2 regulating receipt of gifts.

The provisions of this chapter do not preclude prosecution for any violation of any criminal law of the Commonwealth, including Articles 2 (Bribery and Related Offenses, § 18.2-438 et seq.) and 3 (Bribery of Public Servants and Party Officials, § 18.2-446 et seq.) of Chapter 10 of Title 18.2, and do not constitute a defense to any prosecution for such a violation.

This chapter shall be liberally construed to accomplish its purpose.

§ 2.2-3100.1. Copy of chapter; review by officers and employees.

Any person required to file a disclosure statement of personal interests pursuant to subsections A or B of § 2.2-3114, subsections A or B of § 2.2-3115 or § 2.2-3116 shall be furnished by the public body’s administrator a copy of this chapter within two weeks following the person’s election, reelection, employment, appointment or reappointment.

All officers and employees shall read and familiarize themselves with the provisions of this chapter.

§ 2.2-3101. Definitions.

As used in this chapter, unless the context requires a different meaning:

“Advisory agency” means any board, commission, committee or post which does not exercise any sovereign power or duty, but is appointed by a governmental agency or officer or is created by law for the purpose of making studies or recommendations, or advising or consulting with a governmental agency.

“Affiliated business entity relationship” means a relationship, other than a parent-subsidiary relationship, that exists when (i) one business entity has a controlling ownership interest in the other business entity, (ii) a controlling owner in one entity is also a controlling owner in the other entity, or (iii) there is shared management or control between the business entities. Factors that may be considered in determining the existence of an affiliated business entity relationship include that the same person or substantially the same person owns or manages the two entities, there are common or commingled funds or assets, the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis, or there is otherwise a close working relationship between the entities.

“Business” means a corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, trust or foundation, or any other individual or entity carrying on a business or profession, whether or not for profit.

“Candidate” means a person who seeks or campaigns for an office of the Commonwealth or one of its

governmental units in a general, primary, or special election and who is qualified to have his name placed on the ballot for the office. The candidate shall become subject to the provisions of this chapter upon the filing of a statement of qualification pursuant to § 24.2-501. The State Board of Elections or general registrar shall notify each such candidate of the provisions of this chapter. Notification made by the general registrar shall consist of information developed by the State Board of Elections.

“Contract” means any agreement to which a governmental agency is a party, or any agreement on behalf of a governmental agency that involves the payment of money appropriated by the General Assembly or a political subdivision, whether or not such agreement is executed in the name of the Commonwealth, or some political subdivision thereof. “Contract” includes a subcontract only when the contract of which it is a part is with the officer’s or employee’s own governmental agency.

“Council” means the Virginia Conflict of Interest and Ethics Advisory Council established in § 30-355.

“Employee” means all persons employed by a governmental or advisory agency, unless otherwise limited by the context of its use.

“Financial institution” means any bank, trust company, savings institution, industrial loan association, consumer finance company, credit union, broker-dealer as defined in subsection A of § 13.1-501, or investment company or advisor registered under the federal Investment Advisors Act or Investment Company Act of 1940.

“Gift” means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance or reimbursement after the expense has been incurred. “Gift” does not include (i) any offer of a ticket, coupon, or other admission or pass unless the ticket, coupon, admission, or pass is used; (ii) honorary degrees; (iii) any athletic, merit, or need-based scholarship or any other financial aid awarded by a public or private school, institution of higher education, or other educational program pursuant to such school, institution, or program’s financial aid standards and procedures applicable to the general public; (iv) a campaign contribution properly received and reported pursuant to Chapter 9.3 (§ 24.2-945 et seq.) of Title 24.2; (v) any gift related to the private profession or occupation or volunteer service of an officer or employee or of a

member of his immediate family; (vi) food or beverages consumed while attending an event at which the filer is performing official duties related to his public service; (vii) food and beverages received at or registration or attendance fees waived for any event at which the filer is a featured speaker, presenter, or lecturer; (viii) unsolicited awards of appreciation or recognition in the form of a plaque, trophy, wall memento, or similar item that is given in recognition of public, civic, charitable, or professional service; (ix) a devise or inheritance; (x) travel disclosed pursuant to the Campaign Finance Disclosure Act (§ 24.2-945 et seq.); (xi) travel paid for or provided by the government of the United States, any of its territories, or any state or any political subdivision of such state; (xii) travel provided to facilitate attendance by a legislator at a regular or special session of the General Assembly, a meeting of a legislative committee or commission, or a national conference where attendance is approved by the House Committee on Rules or its Chairman or the Senate Committee on Rules or its Chairman; (xiii) travel related to an official meeting of, or any meal provided for attendance at such meeting by, the Commonwealth, its political subdivisions, or any board, commission, authority, or other entity, or any charitable organization established pursuant to § 501(c)(3) of the Internal Revenue Code affiliated with such entity, to which such person has been appointed or elected or is a member by virtue of his office or employment; (xiv) gifts with a value of less than \$20; (xv) attendance at a reception or similar function where food, such as hors d’oeuvres, and beverages that can be conveniently consumed by a person while standing or walking are offered; or (xvi) gifts from relatives or personal friends. For the purpose of this definition, “relative” means the donee’s spouse, child, uncle, aunt, niece, nephew, or first cousin; a person to whom the donee is engaged to be married; the donee’s or his spouse’s parent, grandparent, grandchild, brother, sister, step-parent, step-grandparent, step-grandchild, step-brother, or step-sister; or the donee’s brother’s or sister’s spouse or the donee’s son-in-law or daughter-in-law. For the purpose of this definition, “personal friend” does not include any person that the filer knows or has reason to know is (a) a lobbyist registered pursuant to Article 3 (§ 2.2-418 et seq.) of Chapter 4 of Title 2.2; (b) a lobbyist’s principal as defined in § 2.2-419; (c) for an officer or employee of a local governmental or advisory agency, a person, organization, or business who is a party to or is seeking to become a party to a contract with the local agency of which he is an officer or an employee; or (d) for an officer or employee of a state governmental or advisory agency, a person, orga-

nization, or business who is a party to or is seeking to become a party to a contract with the Commonwealth. For purposes of this definition, “person, organization, or business” includes individuals who are officers, directors, or owners of or who have a controlling ownership interest in such organization or business.

“Governmental agency” means each component part of the legislative, executive or judicial branches of state and local government, including each office, department, authority, post, commission, committee, and each institution or board created by law to exercise some regulatory or sovereign power or duty as distinguished from purely advisory powers or duties. Corporations organized or controlled by the Virginia Retirement System are “governmental agencies” for purposes of this chapter.

“Immediate family” means (i) a spouse and (ii) any other person who resides in the same household as the officer or employee and who is a dependent of the officer or employee.

“Officer” means any person appointed or elected to any governmental or advisory agency including local school boards, whether or not he receives compensation or other emolument of office. Unless the context requires otherwise, “officer” includes members of the judiciary.

“Parent-subsidiary relationship” means a relationship that exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.

“Personal interest” means a financial benefit or liability accruing to an officer or employee or to a member of his immediate family. Such interest shall exist by reason of (i) ownership in a business if the ownership interest exceeds three percent of the total equity of the business; (ii) annual income that exceeds, or may reasonably be anticipated to exceed, \$5,000 from ownership in real or personal property or a business; (iii) salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, \$5,000 annually; (iv) ownership of real or personal property if the interest exceeds \$5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property; (v) personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or (vi) an option for ownership of a business or real or personal property if the ownership interest will consist

of clause (i) or (iv).

“Personal interest in a contract” means a personal interest that an officer or employee has in a contract with a governmental agency, whether due to his being a party to the contract or due to a personal interest in a business that is a party to the contract.

“Personal interest in a transaction” means a personal interest of an officer or employee in any matter considered by his agency. Such personal interest exists when an officer or employee or a member of his immediate family has a personal interest in property or a business or governmental agency, or represents or provides services to any individual or business and such property, business or represented or served individual or business (i) is the subject of the transaction or (ii) may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action of the agency considering the transaction. Notwithstanding the above, such personal interest in a transaction shall not be deemed to exist where (a) an elected member of a local governing body serves without remuneration as a member of the board of trustees of a not-for-profit entity and such elected member or member of his immediate family has no personal interest related to the not-for-profit entity or (b) an officer, employee, or elected member of a local governing body is appointed by such local governing body to serve on a governmental agency, or an officer, employee, or elected member of a separate local governmental agency formed by a local governing body is appointed to serve on a governmental agency, and the personal interest in the transaction of the governmental agency is the result of the salary, other compensation, fringe benefits, or benefits provided by the local governing body or the separate governmental agency to the officer, employee, elected member, or member of his immediate family.

“State and local government officers and employees” shall not include members of the General Assembly.

“State filer” means those officers and employees required to file a disclosure statement of their personal interests pursuant to subsection A or B of § 2.2-3114.

“Transaction” means any matter considered by any governmental or advisory agency, whether in a committee, subcommittee, or other entity of that agency or before the agency itself, on which official action is taken or contemplated.

Article 2. Generally Prohibited and Unlawful Conduct.

§ 2.2-3102. Application.

This article applies to generally prohibited conduct that shall be unlawful and to state and local government officers and employees.

§ 2.2-3103. Prohibited conduct.

No officer or employee of a state or local governmental or advisory agency shall:

1. Solicit or accept money or other thing of value for services performed within the scope of his official duties, except the compensation, expenses or other remuneration paid by the agency of which he is an officer or employee. This prohibition shall not apply to the acceptance of special benefits that may be authorized by law;
2. Offer or accept any money or other thing of value for or in consideration of obtaining employment, appointment, or promotion of any person with any governmental or advisory agency;
3. Offer or accept any money or other thing of value for or in consideration of the use of his public position to obtain a contract for any person or business with any governmental or advisory agency;
4. Use for his own economic benefit or that of another party confidential information that he has acquired by reason of his public position and which is not available to the public;
5. Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence him in the performance of his official duties. This subdivision shall not apply to any political contribution actually used for political campaign or constituent service purposes and reported as required by Chapter 9.3 (§ 24.2-945 et seq.) of Title 24.2;
6. Accept any business or professional opportunity when he knows that there is a reasonable likelihood that the opportunity is being afforded him to influence him in the performance of his official duties;
7. Accept any honoraria for any appearance, speech, or article in which the officer or employee provides expertise or opinions related to the performance of his official duties. The term “honoraria” shall not include any payment for or reimbursement to such person for his actual travel, lodging, or subsistence expenses incurred

in connection with such appearance, speech, or article or in the alternative a payment of money or anything of value not in excess of the per diem deduction allowable under § 162 of the Internal Revenue Code, as amended from time to time. The prohibition in this subdivision shall apply only to the Governor, Lieutenant Governor, Attorney General, Governor’s Secretaries, and heads of departments of state government;

8. Accept a gift from a person who has interests that may be substantially affected by the performance of the officer’s or employee’s official duties under circumstances where the timing and nature of the gift would cause a reasonable person to question the officer’s or employee’s impartiality in the matter affecting the donor. Violations of this subdivision shall not be subject to criminal law penalties;
9. Accept gifts from sources on a basis so frequent as to raise an appearance of the use of his public office for private gain. Violations of this subdivision shall not be subject to criminal law penalties; or
10. Use his public position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law, provided, however, that this subdivision shall not restrict the authority of any public employer to govern conduct of its employees, and to take disciplinary action, in accordance with applicable law, and provided further that this subdivision shall not limit the authority of a constitutional officer to discipline or discharge an employee with or without cause.

§ 2.2-3103.1. Certain gifts prohibited.

A. For purposes of this section:

“Person, organization, or business” includes individuals who are officers, directors, or owners of or who have a controlling ownership interest in such organization or business.

“Widely attended event” means an event at which at least 25 persons have been invited to attend or there is a reasonable expectation that at least 25 persons will attend the event and the event is open to individuals (i) who are members of a public, civic, charitable, or professional organization, (ii) who are from a particular industry or profession, or (iii) who represent persons interested in a particular issue.

B. No officer or employee of a local governmental

or advisory agency or candidate required to file the disclosure form prescribed in § 2.2-3117 or a member of his immediate family shall solicit, accept, or receive any single gift with a value in excess of \$100 or any combination of gifts with an aggregate value in excess of \$100 within any calendar year for himself or a member of his immediate family from any person that he or a member of his immediate family knows or has reason to know is (i) a lobbyist registered pursuant to Article 3 (§ 2.2-418 et seq.) of Chapter 4; (ii) a lobbyist's principal as defined in § 2.2-419; or (iii) a person, organization, or business who is or is seeking to become a party to a contract with the local agency of which he is an officer or an employee. Gifts with a value of less than \$20 are not subject to aggregation for purposes of this prohibition.

C. No officer or employee of a state governmental or advisory agency or candidate required to file the disclosure form prescribed in § 2.2-3117 or a member of his immediate family shall solicit, accept, or receive any single gift with a value in excess of \$100 or any combination of gifts with an aggregate value in excess of \$100 within any calendar year for himself or a member of his immediate family from any person that he or a member of his immediate family knows or has reason to know is (i) a lobbyist registered pursuant to Article 3 (§ 2.2-418 et seq.) of Chapter 4; (ii) a lobbyist's principal as defined in § 2.2-419; or (iii) a person, organization, or business who is or is seeking to become a party to a contract with the state governmental or advisory agency of which he is an officer or an employee or over which he has the authority to direct such agency's activities. Gifts with a value of less than \$20 are not subject to aggregation for purposes of this prohibition.

D. Notwithstanding the provisions of subsections B and C, such officer, employee, or candidate or a member of his immediate family may accept or receive a gift of food and beverages, entertainment, or the cost of admission with a value in excess of \$100 when such gift is accepted or received while in attendance at a widely attended event and is associated with the event. Such gifts shall be reported on the disclosure form prescribed in § 2.2-3117.

E. Notwithstanding the provisions of subsections B and C, such officer or employee or a member of his immediate family may accept or receive a gift from a foreign dignitary with a value exceeding \$100 for which the fair market value or a gift of greater or equal value has not been provided or exchanged. Such gift shall be accepted on behalf of the Commonwealth or a locality and archived in accordance with guidelines established by the Library of Virginia. Such gift shall

be disclosed as having been accepted on behalf of the Commonwealth or a locality, but the value of such gift shall not be required to be disclosed.

F. Notwithstanding the provisions of subsections B and C, such officer, employee, or candidate or a member of his immediate family may accept or receive certain gifts with a value in excess of \$100 from a person listed in subsection B or C if such gift was provided to such officer, employee, or candidate or a member of his immediate family on the basis of a personal friendship. Notwithstanding any other provision of law, a person listed in subsection B or C may be a personal friend of such officer, employee, or candidate or his immediate family for purposes of this subsection. In determining whether a person listed in subsection B or C is a personal friend, the following factors shall be considered: (i) the circumstances under which the gift was offered; (ii) the history of the relationship between the person and the donor, including the nature and length of the friendship and any previous exchange of gifts between them; (iii) to the extent known to the person, whether the donor personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iv) whether the donor has given the same or similar gifts to other persons required to file the disclosure form prescribed in § 2.2-3117 or 30-111.

G. Notwithstanding the provisions of subsections B and C, such officer, employee, or candidate or a member of his immediate family may accept or receive gifts of travel, including travel-related transportation, lodging, hospitality, food or beverages, or other thing of value, with a value in excess of \$100 that is paid for or provided by a person listed in subsection B or C when the officer, employee, or candidate has submitted a request for approval of such travel to the Council and has received the approval of the Council pursuant to § 30-356.1. Such gifts shall be reported on the disclosure form prescribed in § 2.2-3117.

H. During the pendency of a civil action in any state or federal court to which the Commonwealth is a party, the Governor or the Attorney General or any employee of the Governor or the Attorney General who is subject to the provisions of this chapter shall not solicit, accept, or receive any gift from any person that he knows or has reason to know is a person, organization, or business that is a party to such civil action. A person, organization, or business that is a party to such civil action shall not knowingly give any gift to the Governor or the Attorney General or any of their employees who are subject to the provisions of this chapter.

I. The \$100 limitation imposed in accordance with

this section shall be adjusted by the Council every five years, as of January 1 of that year, in an amount equal to the annual increases for that five-year period in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, rounded to the nearest whole dollar.

J. The provisions of this section shall not apply to any justice of the Supreme Court of Virginia, judge of the Court of Appeals of Virginia, judge of any circuit court, or judge or substitute judge of any district court. However, nothing in this subsection shall be construed to authorize the acceptance of any gift if such acceptance would constitute a violation of the Canons of Judicial Conduct for the State of Virginia.

§ 2.2-3103.2. Return of gifts.

No person shall be in violation of any provision of this chapter prohibiting the acceptance of a gift if (i) the gift is not used by such person and the gift or its equivalent in money is returned to the donor or delivered to a charitable organization within a reasonable period of time upon the discovery of the value of the gift and is not claimed as a charitable contribution for federal income tax purposes or (ii) consideration is given by the donee to the donor for the value of the gift within a reasonable period of time upon the discovery of the value of the gift provided that such consideration reduces the value of the gift to an amount not in excess of \$100 as provided in subsection B or C of § 2.2-3103.1.

§ 2.2-3104. Prohibited conduct for certain officers and employees of state government.

For one year after the termination of public employment or service, no state officer or employee shall, before the agency of which he was an officer or employee, represent a client or act in a representative capacity on behalf of any person or group, for compensation, on matters related to legislation, executive orders, or regulations promulgated by the agency of which he was an officer or employee. This prohibition shall be in addition to the prohibitions contained in § 2.2-3103.

For the purposes of this section, “state officer or employee” shall mean (i) the Governor, Lieutenant Governor, Attorney General, and officers appointed by the Governor, whether confirmation by the General Assembly or by either house thereof is required or not, who are regularly employed on a full-time salaried basis; those officers and employees of executive branch agencies who report directly to the agency head; and those at the level immediately below those who report directly to the agency head and are at a payband 6 or

higher and (ii) the officers and professional employees of the legislative branch designated by the joint rules committee of the General Assembly. For the purposes of this section, the General Assembly and the legislative branch agencies shall be deemed one agency.

To the extent this prohibition applies to the Governor’s Secretaries, “agency” means all agencies assigned to the Secretary by law or by executive order of the Governor.

Any person subject to the provisions of this section may apply to the Council or Attorney General, as provided in § 2.2-3121 or 2.2-3126, for an advisory opinion as to the application of the restriction imposed by this section on any post-public employment position or opportunity.

1994, cc. 727, 776, § 2.1-639.4:1; 2001, c. 844; 2013, c. 648; 2014, cc. 792, 804; 2015, cc. 763, 777.

§ 2.2-3104.01. Prohibited conduct; bids or proposals under the Virginia Public Procurement Act, Public-Private Transportation Act, and Public-Private Education Facilities and Infrastructure Act; loans or grants from the Commonwealth’s Development Opportunity Fund.

A. Neither the Governor, his political action committee, or the Governor’s Secretaries, if the Secretary is responsible to the Governor for an executive branch agency with jurisdiction over the matters at issue, shall knowingly solicit or accept a contribution, gift, or other item with a value greater than \$50 from any bidder, offeror, or private entity, or from an officer or director of such bidder, offeror, or private entity, who has submitted a bid or proposal to an executive branch agency that is directly responsible to the Governor pursuant to the Virginia Public Procurement Act (§ 2.2-4300 et seq.), the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.), or the Public-Private Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.)(i) during the period between the submission of the bid and the award of the public contract under the Virginia Public Procurement Act or (ii) following the submission of a proposal under the Public-Private Transportation Act of 1995 or the Public-Private Education Facilities and Infrastructure Act of 2002 until the execution of a comprehensive agreement thereunder.

B. The provisions of this section shall apply only for public contracts, proposals, or comprehensive agreements where the stated or expected value of the contract is \$5 million or more. The provisions of this section shall not apply to contracts awarded as the result of competitive sealed bidding as set forth in § 2.2-4302.1.

C. Any person who knowingly violates this section shall be subject to a civil penalty of \$500 or up to two times the amount of the contribution or gift, whichever is greater, and the contribution, gift, or other item shall be returned to the donor. The attorney for the Commonwealth shall initiate civil proceedings to enforce the civil penalties. Any civil penalties collected shall be payable to the State Treasurer for deposit to the general fund and shall be used exclusively to fund the Council.

§ 2.2-3104.02. Prohibited conduct for constitutional officers.

In addition to the prohibitions contained in § 2.2-3103, no constitutional officer shall, during the one year after the termination of his public service, act in a representative capacity on behalf of any person or group, for compensation, on any matter before the agency of which he was an officer.

The provisions of this section shall not apply to any attorney for the Commonwealth.

Any person subject to the provisions of this section may apply to the attorney for the Commonwealth for the jurisdiction where such person was elected as provided in § 2.2-3126, for an advisory opinion as to the application of the restriction imposed by this section on any post-public employment position or opportunity.

§ 2.2-3104.1. Exclusion of certain awards from scope of chapter.

The provisions of this chapter shall not be construed to prohibit or apply to the acceptance by (i) any employee of a local government, or (ii) a teacher or other employee of a local school board of an award or payment in honor of meritorious or exceptional services performed by the teacher or employee and made by an organization exempt from federal income taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code.

§ 2.2-3104.2. Ordinance regulating receipt of gifts.

The governing body of any county, city, or town may adopt an ordinance setting a monetary limit on the acceptance of any gift by the officers, appointees or employees of the county, city or town and requiring the disclosure by such officers, appointees or employees of the receipt of any gift.

Article 3. Prohibited Conduct Relating to Contracts.

§ 2.2-3105. Application.

This article proscribes certain conduct relating to contracts by state and local government officers and employees. The provisions of this article shall be supplemented but not superseded by the provisions on ethics in public contracting in Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of this title.

§ 2.2-3106. Prohibited contracts by officers and employees of state government and Eastern Virginia Medical School.

A. No officer or employee of any governmental agency of state government or Eastern Virginia Medical School shall have a personal interest in a contract with the governmental agency of which he is an officer or employee, other than his own contract of employment.

B. No officer or employee of any governmental agency of state government or Eastern Virginia Medical School shall have a personal interest in a contract with any other governmental agency of state government unless such contract is (i) awarded as a result of competitive sealed bidding or competitive negotiation as set forth in § 2.2-4302.1 or 2.2-4302.2 or (ii) is awarded after a finding, in writing, by the administrative head of the governmental agency that competitive bidding or negotiation is contrary to the best interest of the public.

C. The provisions of this section shall not apply to:

1. An employee's personal interest in additional contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided the employee does not exercise any control over the employment or the employment activities of the member of his immediate family and the employee is not in a position to influence those activities;
2. The personal interest of an officer or employee of a public institution of higher education or the Eastern Virginia Medical School in additional contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided (i) the officer or employee and the immediate family member are engaged in teaching, research or administrative support positions at the educational institution or the Eastern Virginia Medical School, (ii) the governing board of the

- educational institution finds that it is in the best interests of the institution or the Eastern Virginia Medical School and the Commonwealth for such dual employment to exist, and (iii) after such finding, the governing board of the educational institution or the Eastern Virginia Medical School ensures that the officer or employee, or the immediate family member, does not have sole authority to supervise, evaluate or make personnel decisions regarding the other;
3. An officer's or employee's personal interest in a contract of employment with any other governmental agency of state government;
 4. Contracts for the sale by a governmental agency or the Eastern Virginia Medical School of services or goods at uniform prices available to the general public;
 5. An employee's personal interest in a contract between a public institution of higher education in the Commonwealth or the Eastern Virginia Medical School and a publisher or wholesaler of textbooks or other educational materials for students, which accrues to him solely because he has authored or otherwise created such textbooks or materials;
 6. An employee's personal interest in a contract with his or her employing public institution of higher education to acquire the collections or scholarly works owned by the employee, including manuscripts, musical scores, poetry, paintings, books or other materials, writings, or papers of an academic, research, or cultural value to the institution, provided the president of the institution approves the acquisition of such collections or scholarly works as being in the best interests of the institution's public mission of service, research, or education;
 7. Subject to approval by the board of visitors, an employee's personal interest in a contract between the Eastern Virginia Medical School or a public institution of higher education in the Commonwealth that operates a school of medicine or dentistry and a not-for-profit nonstock corporation that operates a clinical practice within such public institution of higher education or the Eastern Virginia Medical School and of which such employee is a member or employee;
 8. Subject to approval by the relevant board of visitors, an employee's personal interest in a contract for research and development or commercialization of intellectual property between a public institution of higher education in the Commonwealth or the Eastern Virginia Medical School and a business in which the employee has a personal interest, if (i) the employee's personal interest has been disclosed to and approved by such public institution of higher education or the Eastern Virginia Medical School prior to the time at which the contract is entered into; (ii) the employee promptly files a disclosure statement pursuant to § 2.2-3117 and thereafter files such statement annually on or before January 15; (iii) the institution has established a formal policy regarding such contracts, approved by the State Council of Higher Education or, in the case of the Eastern Virginia Medical School, a formal policy regarding such contracts in conformity with any applicable federal regulations that has been approved by its board of visitors; and (iv) no later than December 31 of each year, the institution or the Eastern Virginia Medical School files an annual report with the Secretary of the Commonwealth disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the institution's or the Eastern Virginia Medical School's employee responsible for administering each contract, the details of the institution's or the Eastern Virginia Medical School's commitment or investment of resources or finances for each contract, and any other information requested by the Secretary of the Commonwealth; or
 9. Subject to approval by the relevant board of visitors, an employee's personal interest in a contract between a public institution of higher education in the Commonwealth or the Eastern Virginia Medical School and a business in which the employee has a personal interest, if (i) the personal interest has been disclosed to the institution or the Eastern Virginia Medical School prior to the time the contract is entered into; (ii) the employee files a disclosure statement pursuant to § 2.2-3117 and thereafter annually on or before January 15; (iii) the employee does not participate in the institution's or the Eastern Virginia Medical School's decision to contract; (iv) the president of the institution or the Eastern Virginia Medical School finds and certifies in writing that the contract is for goods and services needed for

quality patient care, including related medical education or research, by the institution's medical center or the Eastern Virginia Medical School, its affiliated teaching hospitals and other organizations necessary for the fulfillment of its mission, including the acquisition of drugs, therapies and medical technologies; and (v) no later than December 31 of each year, the institution or the Eastern Virginia Medical School files an annual report with the Secretary of the Commonwealth disclosing each open contract entered subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the institution's or the Eastern Virginia Medical School's employee responsible for administering each contract, the details of the institution's or the Eastern Virginia Medical School's commitment or investment of resources or finances for each contract, and any other information requested by the Secretary of the Commonwealth.

D. Notwithstanding the provisions of subdivisions C 8 and C 9, if the research and development or commercialization of intellectual property or the employee's personal interest in a contract with a business is subject to policies and regulations governing conflicts of interest promulgated by any agency of the United States government, including the adoption of policies requiring the disclosure and management of such conflicts of interests, the policies established by the Eastern Virginia Medical School pursuant to such federal requirements shall constitute compliance with subdivisions C 8 and C 9, upon notification by the Eastern Virginia Medical School to the Secretary of the Commonwealth by January 31 of each year of evidence of their compliance with such federal policies and regulations.

E. The board of visitors may delegate the authority granted under subdivision C 8 to the president of the institution. If the board elects to delegate such authority, the board shall include this delegation of authority in the formal policy required by clause (iii) of subdivision C 8. In those instances where the board has delegated such authority, on or before December 1 of each year, the president of the relevant institution shall file a report with the relevant board of visitors disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the institution's or the Eastern Virginia Medical School's employee responsible for ad-

ministering each contract, the details of the institution's or the Eastern Virginia Medical School's commitment or investment of resources or finances for each contract, the details of how revenues are to be dispersed, and any other information requested by the board of visitors.

§ 2.2-3107. Prohibited contracts by members of county boards of supervisors, city councils and town councils.

A. No person elected or appointed as a member of the governing body of a county, city or town shall have a personal interest in (i) any contract with his governing body, or (ii) any contract with any governmental agency that is a component part of his local government and which is subject to the ultimate control of the governing body of which he is a member, or (iii) any contract other than a contract of employment with any other governmental agency if such person's governing body appoints a majority of the members of the governing body of the second governmental agency.

B. The provisions of this section shall not apply to:

1. A member's personal interest in a contract of employment provided (i) the officer or employee was employed by the governmental agency prior to July 1, 1983, in accordance with the provisions of the former Conflict of Interests Act, Chapter 22 (§ 2.1-347 et seq.) of Title 2.1 as it existed on June 30, 1983, or (ii) the employment first began prior to the member becoming a member of the governing body;
2. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the public; or
3. A contract awarded to a member of a governing body as a result of competitive sealed bidding where the governing body has established a need for the same or substantially similar goods through purchases prior to the election or appointment of the member to serve on the governing body. However, the member shall have no involvement in the preparation of the specifications for such contract, and the remaining members of the governing body, by written resolution, shall state that it is in the public interest for the member to bid on such contract.

§ 2.2-3108. Prohibited contracts by members of school boards.

A. No person elected or appointed as a member of a local school board shall have a personal interest in (i) any contract with his school board or (ii) any contract

with any governmental agency that is subject to the ultimate control of the school board of which he is a member.

B. The provisions of this section shall not apply to:

1. A member's personal interest in a contract of employment provided the employment first began prior to the member becoming a member of the school board;
2. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the public; or
3. A contract awarded to a member of a school board as a result of competitive sealed bidding where the school board has established a need for the same or substantially similar goods through purchases prior to the election or appointment of the member to serve on the school board. However, the member shall have no involvement in the preparation of the specifications for such contract, and the remaining members of the school board, by written resolution, shall state that it is in the public interest for the member to bid on such contract.

§ 2.2-3109. Prohibited contracts by other officers and employees of local governmental agencies.

A. No other officer or employee of any governmental agency of local government, including a hospital authority as defined in § 2.2-3109.1, shall have a personal interest in a contract with the agency of which he is an officer or employee other than his own contract of employment.

B. No officer or employee of any governmental agency of local government, including a hospital authority as defined in § 2.2-3109.1, shall have a personal interest in a contract with any other governmental agency that is a component of the government of his county, city or town unless such contract is (i) awarded as a result of competitive sealed bidding or competitive negotiation as set forth in § 2.2-4302.1 or 2.2-4302.2 or is awarded as a result of a procedure embodying competitive principles as authorized by subdivision A 10 or 11 of § 2.2-4343 or (ii) is awarded after a finding, in writing, by the administrative head of the governmental agency that competitive bidding or negotiation is contrary to the best interest of the public.

C. The provisions of this section shall not apply to:

1. An employee's personal interest in additional contracts for goods or services, or contracts of

employment with his own governmental agency that accrue to him because of a member of his immediate family, provided the employee does not exercise any control over (i) the employment or the employment activities of the member of his immediate family and (ii) the employee is not in a position to influence those activities or the award of the contract for goods or services;

2. An officer's or employee's personal interest in a contract of employment with any other governmental agency that is a component part of the government of his county, city or town;
3. Contracts for the sale by a governmental agency of services or goods at uniform prices available to the general public;
4. Members of local governing bodies who are subject to § 2.2-3107;
5. Members of local school boards who are subject to § 2.2-3108; or
6. Any ownership or financial interest of members of the governing body, administrators, and other personnel serving in a public charter school in renovating, lending, granting, or leasing public charter school facilities, as the case may be, provided such interest has been disclosed in the public charter school application as required by § 22.1-212.8.

§ 2.2-3109.1. Prohibited contracts; additional exclusions for contracts by officers and employees of hospital authorities.

A. As used in this section, "hospital authority" means a hospital authority established pursuant to Chapter 53 (§ 15.2-5300 et seq.) of Title 15.2 or an Act of Assembly.

B. The provisions of § 2.2-3109 shall not apply to:

1. The personal interest of an officer or employee of a hospital authority in additional contracts of employment with his own governmental agency that accrue to him because of a member of his immediate family, provided (i) the officer or employee and the immediate family member are licensed members of the medical profession or hold administrative support positions at the hospital authority, (ii) the governing board of the hospital authority finds that it is in the best interests of the hospital authority and the county, city, or town for such dual employment to exist, and (iii) after such finding, the governing board of the hospital authority ensures that neither the officer

or employee, nor the immediate family member, has sole authority to supervise, evaluate, or make personnel decisions regarding the other;

2. Subject to approval by the governing board of the hospital authority, an officer or employee's personal interest in a contract between his hospital authority and a professional entity that operates a clinical practice at any medical facilities of such other hospital authority and of which such officer or employee is a member or employee;
3. Subject to approval by the relevant governing body, an officer or employee's personal interest in a contract for research and development or commercialization of intellectual property between the hospital authority and a business in which the employee has a personal interest, provided (i) the officer or employee's personal interest has been disclosed to and approved by the hospital authority prior to the time at which the contract is entered into; (ii) the officer or employee promptly files a disclosure statement pursuant to § 2.2-3117 and thereafter files such statement annually on or before January 15; (iii) the local hospital authority has established a formal policy regarding such contracts in conformity with any applicable federal regulations that has been approved by its governing body; and (iv) no later than December 31 of each year, the local hospital authority files an annual report with the Virginia Conflict of Interest and Ethics Advisory Council disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the hospital authority's employee responsible for administering each contract, the details of such hospital authority's commitment or investment of resources or finances for each contract, and any other information requested by the Virginia Conflict of Interest and Ethics Advisory Council; or
4. Subject to approval by the relevant governing body, an officer or employee's personal interest in a contract between the hospital authority and a business in which the officer or employee has a personal interest, provided (i) the personal interest has been disclosed to the hospital authority prior to the time the contract is entered into; (ii) the officer or employee files a disclosure statement pursuant to § 2.2-3117 and thereafter

annually on or before January 15; (iii) the officer or employee does not participate in the hospital authority's decision to contract; (iv) the president or chief executive officer of the hospital authority finds and certifies in writing that the contract is for goods and services needed for quality patient care, including related medical education or research, by any of the hospital authority's medical facilities or any of its affiliated organizations, or is otherwise necessary for the fulfillment of its mission, including but not limited to the acquisition of drugs, therapies, and medical technologies; and (v) no later than December 31 of each year, the hospital authority files an annual report with the Virginia Conflict of Interest and Ethics Advisory Council disclosing each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the hospital authority's employee responsible for administering each contract, the details of the hospital authority's commitment or investment of resources or finances for each contract, and any other information requested by the Virginia Conflict of Interest and Ethics Advisory Council.

C. Notwithstanding the provisions of subdivisions B 3 and B 4, if the research and development or commercialization of intellectual property or the officer or employee's personal interest in a contract with a business is subject to policies and regulations governing conflicts of interest promulgated by any agency of the United States government, including the adoption of policies requiring the disclosure and management of such conflicts of interest, the policies established by the hospital authority pursuant to such federal requirements shall constitute compliance with subdivisions B 3 and B 4, upon notification by the hospital authority to the Virginia Conflict of Interest and Ethics Advisory Council by January 31 of each year of evidence of its compliance with such federal policies and regulations.

D. The governing body may delegate the authority granted under subdivision B 2 to the president or chief executive officer of hospital authority. If the board elects to delegate such authority, the board shall include this delegation of authority in the formal policy required by clause (iii) of subdivision B 3. In those instances where the board has delegated such authority, on or before December 1 of each year, the president or chief executive officer of the hospital authority shall file a report with the relevant governing body disclosing

each open contract entered into subject to this provision, the names of the parties to each contract, the date each contract was executed and its term, the subject of each contractual arrangement, the nature of the conflict of interest, the hospital authority's employee responsible for administering each contract, the details of the hospital authority's commitment or investment of resources or finances for each contract, the details of how revenues are to be dispersed, and any other information requested by the governing body.

§ 2.2-3110. Further exceptions.

A. The provisions of Article 3 (§ 2.2-3106 et seq.) shall not apply to:

1. 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 the governmental agency or by the administrative head thereof;
2. The publication of official notices;
3. Contracts between the government or school board of a county, city, or town with a population of less than 10,000 and an officer or employee of that county, city, or town government or school board when the total of such contracts between the government or school board and the officer or employee of that government or school board or a business controlled by him does not exceed \$5,000 per year or such amount exceeds \$5,000 and is less than \$25,000 but results from contracts arising from awards made on a sealed bid basis, and such officer or employee has made disclosure as provided for in § 2.2-3115;
4. An officer or employee whose sole personal interest in a contract with the governmental agency is by reason of income from the contracting firm or governmental agency in excess of \$5,000 per year, provided the officer or employee or a member of his immediate family does not participate and has no authority to participate in the procurement or letting of such contract on behalf of the contracting firm and the officer or employee either does not have authority to participate in the procurement or letting of the contract on behalf of his governmental agency or he disqualifies himself as a matter of public record and does not participate on behalf of his governmental agency in negotiating the contract or in approving the contract;
5. When the governmental agency is a public institution of higher education, an officer or employee whose personal interest in a contract with the institution is by reason of an ownership in the contracting firm in excess of three percent of the contracting firm's equity or such ownership interest and income from the contracting firm is in excess of \$5,000 per year, provided that (i) the officer or employee's ownership interest, or ownership and income interest, and that of any immediate family member in the contracting firm is disclosed in writing to the president of the institution, which writing certifies that the officer or employee has not and will not participate in the contract negotiations on behalf of the contracting firm or the institution, (ii) the president of the institution makes a written finding as a matter of public record that the contract is in the best interests of the institution, (iii) the officer or employee either does not have authority to participate in the procurement or letting of the contract on behalf of the institution or disqualifies himself as a matter of public record, and (iv) the officer or employee does not participate on behalf of the institution in negotiating the contract or approving the contract;
6. Except when the governmental agency is the Virginia Retirement System, contracts between an officer's or employee's governmental agency and a public service corporation, financial institution, or company furnishing public utilities in which the officer or employee has a personal interest, provided the officer or employee disqualifies himself as a matter of public record and does not participate on behalf of his governmental agency in negotiating the contract or in approving the contract;
7. Contracts for the purchase of goods or services when the contract does not exceed \$500;
8. Grants or other payment under any program wherein uniform rates for, or the amounts paid to, all qualified applicants are established solely by the administering governmental agency;
9. An officer or employee whose sole personal interest in a contract with his own governmental agency is by reason of his marriage to his spouse who is employed by the same agency, if the spouse was employed by such agency for five or more years prior to marrying such officer or employee;
10. Contracts entered into by an officer or employee or immediate family member of an officer or

employee of a soil and water conservation district created pursuant to Article 3 (§ 10.1-506 et seq.) of Chapter 5 of Title 10.1 to participate in the Virginia Agricultural Best Management Practices Cost-Share Program (the Program) established in accordance with § 10.1-546.1 or to participate in other cost-share programs for the installation of best management practices to improve water quality. This subdivision shall not apply to subcontracts or other agreements entered into by an officer or employee of a soil and water conservation district to provide services for implementation of a cost-share contract established under the Program or such other cost-share programs; or

11. Contracts entered into by an officer or immediate family member of an officer of the Marine Resources Commission for goods or services for shellfish replenishment, provided that such officer or immediate family member does not participate in (i) awarding the contract, (ii) authorizing the procurement, or (iii) authorizing the use of alternate procurement methods pursuant to § 28.2-550.

B. Neither the provisions of this chapter nor, unless expressly provided otherwise, any amendments thereto shall apply to those employment contracts or renewals thereof or to any other contracts entered into prior to August 1, 1987, which were in compliance with either the former Virginia Conflict of Interests Act, Chapter 22 (§ 2.1-347 et seq.) or the former Comprehensive Conflict of Interests Act, Chapter 40 (§ 2.1-599 et seq.) of Title 2.1 at the time of their formation and thereafter. Those contracts shall continue to be governed by the provisions of the appropriate prior Act. Notwithstanding the provisions of subdivision (f)(4) of former § 2.1-348 of Title 2.1 in effect prior to July 1, 1983, the employment by the same governmental agency of an officer or employee and spouse or any other relative residing in the same household shall not be deemed to create a material financial interest except when one of such persons is employed in a direct supervisory or administrative position, or both, with respect to such spouse or other relative residing in his household and the annual salary of such subordinate is \$35,000 or more.

Article 4. Prohibited Conduct Relating to Transactions.

§ 2.2-3111. Application.

This article proscribes certain conduct by state and local government officers and employees having a personal interest in a transaction.

§ 2.2-3112. Prohibited conduct concerning personal interest in a transaction; exceptions.

A. Each officer and employee of any state or local governmental or advisory agency who has a personal interest in a transaction shall disqualify himself from participating in the transaction if (i) the transaction has application solely to property or a business or governmental agency in which he has a personal interest or a business that has a parent-subsidiary or affiliated business entity relationship with the business in which he has a personal interest or (ii) he is unable to participate pursuant to subdivision B 1, 2, or 3. Any disqualification under the provisions of this subsection shall be recorded in the public records of the officer's or employee's governmental or advisory agency. The officer or employee shall disclose his personal interest as required by subsection E of § 2.2-3114 or subsection F of § 2.2-3115 and shall not vote or in any manner act on behalf of his agency in the transaction. The officer or employee shall be prohibited from (i) attending any portion of a closed meeting authorized by the Virginia Freedom of Information Act (§ 2.2-3700 et seq.) when the matter in which he has a personal interest is discussed and (ii) discussing the matter in which he has a personal interest with other governmental officers or employees at any time.

B. An officer or employee of any state or local government or advisory agency who has a personal interest in a transaction may participate in the transaction:

1. If he is a member of a business, profession, occupation, or group of three or more persons the members of which are affected by the transaction, and he complies with the declaration requirements of subsection F of § 2.2-3114 or subsection H of § 2.2-3115;
2. When a party to the transaction is a client of his firm if he does not personally represent or provide services to such client and he complies with the declaration requirements of subsection G of § 2.2-3114 or subsection I of § 2.2-3115; or
3. If it affects the public generally, even though his personal interest, as a member of the public, may also be affected by that transaction.

C. Disqualification under the provisions of this section shall not prevent any employee having a personal interest in a transaction in which his agency is involved from representing himself or a member of his immediate family in such transaction provided he does not receive compensation for such representation and provided he complies with the disqualification and relevant disclosure requirements of this chapter.

D. Notwithstanding any other provision of law, if disqualifications of officers or employees in accordance with this section leave less than the number required by law to act, the remaining member or members shall constitute a quorum for the conduct of business and 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. Notwithstanding any provisions of this chapter to the contrary, members of a local governing body whose sole interest in any proposed sale, contract of sale, exchange, lease or conveyance is by virtue of their employment by a business involved in a proposed sale, contract of sale, exchange, lease or conveyance, and where such member's or members' vote is essential to a constitutional majority required pursuant to Article VII, Section 9 of the Constitution of Virginia and § 15.2-2100, such member or members of the local governing body may vote and participate in the deliberations of the governing body concerning whether to approve, enter into or execute such sale, contract of sale, exchange, lease or conveyance. Official action taken under circumstances that violate this section may be rescinded by the agency on such terms as the interests of the agency and innocent third parties require.

E. The provisions of subsection A shall not prevent an officer or employee from participating in a transaction merely because such officer or employee is a party in a legal proceeding of a civil nature concerning such transaction.

F. The provisions of subsection A shall not prevent an employee from participating in a transaction regarding textbooks or other educational material for students at state institutions of higher education, when those textbooks or materials have been authored or otherwise created by the employee.

G. The provisions of this section shall not prevent any justice of the Supreme Court of Virginia, judge of the Court of Appeals of Virginia, judge of any circuit court, judge or substitute judge of any district court, member of the State Corporation Commission, or member of the Virginia Workers' Compensation Commission from participating in a transaction where such individual's participation involves the performance of adjudicative responsibilities as set forth in Canon 3 of the Canons of Judicial Conduct for the State of Virginia. However, nothing in this subsection shall be construed to authorize such individual's participation in a transaction if such participation would constitute a violation of the Canons of Judicial Conduct for the State of Virginia.

Article 5. Disclosure Statements Required to Be Filed.

§ 2.2-3113. Application.

This article requires disclosure of certain personal and financial interests by state and local government officers and employees.

§ 2.2-3114. Disclosure by state officers and employees.

A. In accordance with the requirements set forth in § 2.2-3118.2, the Governor, Lieutenant Governor, Attorney General, Justices of the Supreme Court, judges of the Court of Appeals, judges of any circuit court, judges and substitute judges of any district court, members of the State Corporation Commission, members of the Virginia Workers' Compensation Commission, members of the Commonwealth Transportation Board, members of the Board of Trustees of the Virginia Retirement System, members of the Board of Directors of the Virginia Alcoholic Beverage Control Authority, members of the Board of the Virginia College Savings Plan, and members of the Virginia Lottery Board and other persons occupying such offices or positions of trust or employment in state government, including members of the governing bodies of authorities, as may be designated by the Governor, or officers or employees of the legislative branch, as may be designated by the Joint Rules Committee of the General Assembly, shall file with the Council, as a condition to assuming office or employment, a disclosure statement of their personal interests and such other information as is required on the form prescribed by the Council pursuant to § 2.2-3117 and thereafter shall file such a statement annually on or before February 1.

B. In accordance with the requirements set forth in § 2.2-3118.2, nonsalaried citizen members of all policy and supervisory boards, commissions and councils in the executive branch of state government, other than the Commonwealth Transportation Board, members of the Board of Trustees of the Virginia Retirement System, members of the Board of the Virginia College Savings Plan, and the Virginia Lottery Board, shall file with the Council, as a condition to assuming office, a disclosure form of their personal interests and such other information as is required on the form prescribed by the Council pursuant to § 2.2-3118 and thereafter shall file such form annually on or before February 1. Nonsalaried citizen members of other boards, commissions and councils, including advisory boards and authorities, may be required to file a disclosure form if

so designated by the Governor, in which case the form shall be that prescribed by the Council pursuant to § 2.2-3118.

C. The disclosure forms required by subsections A and B shall be made available by the Council at least 30 days prior to the filing deadline. Disclosure forms shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § 30-356. All forms shall be maintained as public records for five years in the office of the Council. Such forms shall be made public no later than six weeks after the filing deadline.

D. Candidates for the offices of Governor, Lieutenant Governor or Attorney General shall file a disclosure statement of their personal interests as required by § 24.2-502.

E. Any officer or employee of state government who has a personal interest in any transaction before the governmental or advisory agency of which he is an officer or employee and who is disqualified from participating in that transaction pursuant to subsection A of § 2.2-3112, or otherwise elects to disqualify himself, shall forthwith make disclosure of the existence of his interest, including the full name and address of the business and the address or parcel number for the real estate if the interest involves a business or real estate, and his disclosure shall also be reflected in the public records of the agency for five years in the office of the administrative head of the officer's or employee's governmental agency or advisory agency or, if the agency has a clerk, in the clerk's office.

F. An officer or employee of state government who is required to declare his interest pursuant to subdivision B 1 of § 2.2-3112, shall declare his interest by stating (i) the transaction involved, (ii) the nature of the officer's or employee's personal interest affected by the transaction, (iii) that he is a member of a business, profession, occupation, or group the members of which are affected by the transaction, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required

declaration by the end of the next business day.

G. An officer or employee of state government who is required to declare his interest pursuant to subdivision B 2 of § 2.2-3112, shall declare his interest by stating (i) the transaction involved, (ii) that a party to the transaction is a client of his firm, (iii) that he does not personally represent or provide services to the client, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day.

H. Notwithstanding any other provision of law, chairs of departments at a public institution of higher education in the Commonwealth shall not be required to file the disclosure form prescribed by the Council pursuant to § 2.2-3117 or 2.2-3118.

§ 2.2-3114.1. Filings of statements of economic interests by General Assembly members.

The filing of a current statement of economic interests by a General Assembly member, member-elect, or candidate for the General Assembly pursuant to §§ 30-110 and 30-111 of the General Assembly Conflicts of Interests Act (§ 30-100 et seq.) shall suffice for the purposes of this chapter. The Secretary of the Commonwealth may obtain from the Council a copy of the statement of a General Assembly member who is appointed to a position for which a statement is required pursuant to § 2.2-3114. No General Assembly member, member-elect, or candidate shall be required to file a separate statement of economic interests for the purposes of § 2.2-3114.

§ 2.2-3114.2. Report of gifts by certain officers and employees of state government.

The Governor, Lieutenant Governor, Attorney General, and each member of the Governor's Cabinet shall file, on or before May 1, a report of gifts accepted or received by him or a member of his immediate family during the period beginning on January 1 complete through adjournment sine die of the regular session

of the General Assembly. The gift report shall be on a form prescribed by the Council and shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § 30-356. For purposes of this section, “adjournment sine die” means adjournment on the last legislative day of the regular session and does not include the ensuing reconvened session. Any gifts reported pursuant to this section shall not be listed on the annual disclosure form prescribed by the Council pursuant to § 2.2-3117.

§ 2.2-3115. Disclosure by local government officers and employees.

A. In accordance with the requirements set forth in § 2.2-3118.2, the members of every governing body and school board of each county and city and of towns with populations in excess of 3,500 shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § 2.2-3117 and thereafter shall file such a statement annually on or before February 1.

In accordance with the requirements set forth in § 2.2-3118.2, the members of the governing body of any authority established in any county or city, or part or combination thereof, and having the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year, shall file, as a condition to assuming office, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § 2.2-3118 and thereafter shall file such a statement annually on or before February 1, unless the governing body of the jurisdiction that appoints the members requires that the members file the form set forth in § 2.2-3117.

In accordance with the requirements set forth in § 2.2-3118.2, persons occupying such positions of trust appointed by governing bodies and persons occupying such positions of employment with governing bodies as may be designated to file by ordinance of the governing body shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § 2.2-3117 and thereafter shall file such a statement annually on or before February 1.

In accordance with the requirements set forth in § 2.2-3118.2, persons occupying such positions of trust appointed by school boards and persons occupying such positions of employment with school boards as may be designated to file by an adopted policy of the school board shall file, as a condition to assuming office

or employment, a disclosure statement of their personal interests and other information as is required on the form prescribed by the Council pursuant to § 2.2-3117 and thereafter shall file such a statement annually on or before February 1.

B. In accordance with the requirements set forth in § 2.2-3118.2, nonsalaried citizen members of local boards, commissions and councils as may be designated by the governing body shall file, as a condition to assuming office, a disclosure form of their personal interests and such other information as is required on the form prescribed by the Council pursuant to § 2.2-3118 and thereafter shall file such form annually on or before February 1.

C. No person shall be mandated to file any disclosure not otherwise required by this article.

D. The disclosure forms required by subsections A and B shall be made available by the Virginia Conflict of Interest and Ethics Advisory Council at least 30 days prior to the filing deadline, and the clerks of the governing body and school board shall distribute the forms to designated individuals at least 20 days prior to the filing deadline. Forms shall be filed and maintained as public records for five years in the office of the clerk of the respective governing body or school board. Forms filed by members of governing bodies of authorities shall be filed and maintained as public records for five years in the office of the clerk of the governing body of the county or city. Such forms shall be made public no later than six weeks after the filing deadline.

E. Candidates for membership in the governing body or school board of any county, city or town with a population of more than 3,500 persons shall file a disclosure statement of their personal interests as required by § 24.2-502.

F. Any officer or employee of local government who has a personal interest in any transaction before the governmental or advisory agency of which he is an officer or employee and who is disqualified from participating in that transaction pursuant to subsection A of § 2.2-3112 or otherwise elects to disqualify himself, shall forthwith make disclosure of the existence of his interest, including the full name and address of the business and the address or parcel number for the real estate if the interest involves a business or real estate, and his disclosure shall be reflected in the public records of the agency for five years in the office of the administrative head of the officer’s or employee’s governmental or advisory agency.

G. In addition to any disclosure required by subsections A and B, in each county and city and in towns

with populations in excess of 3,500, members of planning commissions, boards of zoning appeals, real estate assessors, and all county, city and town managers or executive officers shall make annual disclosures of all their interests in real estate located in the county, city or town in which they are elected, appointed, or employed. Such disclosure shall include any business in which such persons own an interest, or from which income is received, if the primary purpose of the business is to own, develop or derive compensation through the sale, exchange or development of real estate in the county, city or town. In accordance with the requirements set forth in § 2.2-3118.2, such disclosure shall be filed as a condition to assuming office or employment, and thereafter shall be filed annually with the clerk of the governing body of such county, city, or town on or before February 1. Such disclosures shall be filed and maintained as public records for five years. Such forms shall be made public no later than six weeks after the filing deadline. Forms for the filing of such reports shall be made available by the Virginia Conflict of Interest and Ethics Advisory Council to the clerk of each governing body.

H. An officer or employee of local government who is required to declare his interest pursuant to subdivision B 1 of § 2.2-3112 shall declare his interest by stating (i) the transaction involved, (ii) the nature of the officer's or employee's personal interest affected by the transaction, (iii) that he is a member of a business, profession, occupation, or group the members of which are affected by the transaction, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day. The officer or employee shall also orally disclose the existence of the interest during each meeting of the governmental or advisory agency at which the transaction is discussed and such disclosure shall be recorded in the minutes of the meeting.

I. An officer or employee of local government who is required to declare his interest pursuant to subdivision B 2 of § 2.2-3112, shall declare his interest by stating (i) the transaction involved, (ii) that a party to the

transaction is a client of his firm, (iii) that he does not personally represent or provide services to the client, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day.

J. The clerk of the governing body or school board that releases any form to the public pursuant to this section shall redact from the form any residential address, personal telephone number, or signature contained on such form; however, any form filed pursuant to subsection G shall not have any residential addresses redacted.

§ 2.2-3116. Disclosure by certain constitutional officers.

For the purposes of this chapter, holders of the constitutional offices of treasurer, sheriff, attorney for the Commonwealth, clerk of the circuit court, and commissioner of the revenue of each county and city shall be required to file with the Council, as a condition to assuming office, the Statement of Economic Interests prescribed by the Council pursuant to § 2.2-3117. These officers shall file statements annually on or before February 1. Candidates shall file statements as required by § 24.2-502. Statements shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § 30-356. These officers shall be subject to the prohibition on certain gifts set forth in subsection B of § 2.2-3103.1.

§ 2.2-3117. Disclosure form.

The disclosure form to be used for filings required by subsections A and D of § 2.2-3114 and subsections A and E of § 2.2-3115 shall be prescribed by the Council. Except as otherwise provided in § 2.2-3115, all completed forms shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § 30-356. Any person who knowingly and intentionally makes a false statement of a material fact on the Statement of Economic Interests is guilty of a Class 5 felony.

§ 2.2-3118. Disclosure form; certain citizen members.

The financial disclosure form to be used for filings required pursuant to subsection B of § 2.2-3114 and subsection B of § 2.2-3115 shall be filed in accordance with the provisions of § 30-356. The financial disclosure form shall be prescribed by the Council. Except as otherwise provided in § 2.2-3115, all completed forms shall be filed electronically with the Council in accordance with the standards approved by it pursuant to § 30-356.

§ 2.2-3118.1. Special provisions for individuals serving in or seeking multiple positions or offices; reappointees.

A. The filing of a single current statement of economic interests by an individual required to file the form prescribed in § 2.2-3117 shall suffice for the purposes of this chapter as filing for all positions or offices held or sought by such individual during the course of a calendar year. The filing of a single current financial disclosure statement by an individual required to file the form prescribed in § 2.2-3118 shall suffice for the purposes of this chapter as filing for all positions or offices held or sought by such individual and requiring the filing of the § 2.2-3118 form during the course of a calendar year.

B. Any individual who has met the requirement for annually filing a statement provided in § 2.2-3117 or 2.2-3118 shall not be required to file an additional statement upon such individual's reappointment to the same office or position for which he is required to file, provided such reappointment occurs within 12 months after filing such annual statement.

§ 2.2-3118.2. Disclosure form; filing requirements.

A. An officer or employee required to file an annual disclosure on or before February 1 pursuant to this article shall disclose his personal interests and other information as required on the form prescribed by the Council for the preceding calendar year complete through December 31. An officer or employee required to file a disclosure as a condition to assuming office or employment shall file such disclosure on or before the day such office or position of employment is assumed and disclose his personal interests and other information as required on the form prescribed by the Council for the preceding 12-month period complete through the last day of the month immediately preceding the month in which the office or position of employment is assumed; however, any officer or employee who assumes office or a position of employment in January

shall be required to only file an annual disclosure on or before February 1 for the preceding calendar year complete through December 31.

B. When the deadline for filing any disclosure pursuant to this article falls on a Saturday, Sunday, or legal holiday, the deadline for filing shall be the next day that is not a Saturday, Sunday, or legal holiday.

Article 6. School Boards and Employees of School Boards.

§ 2.2-3119. Additional provisions applicable to school boards and employees of school boards; exceptions.

A. Notwithstanding any other provision of this chapter, it shall be unlawful for the school board of any county or city or of any town constituting a separate school division to employ or pay any teacher or other school board employee from the public funds, federal, state or local, or for a division superintendent to recommend to the school board the employment of any teacher or other employee, if the teacher or other employee is the father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law or brother-in-law of the superintendent, or of any member of the school board.

This section shall apply to any person employed by any school board in the operation of the public free school system, adult education programs or any other program maintained and operated by a local county, city or town school board.

B. This section shall not be construed to prohibit the employment, promotion, or transfer within a school division of any person within a relationship described in subsection A when such person:

1. Has been employed pursuant to a written contract with a school board or employed as a substitute teacher or teacher's aide by a school board prior to the taking of office of any member of such board or division superintendent of schools; or
2. Has been employed pursuant to a written contract with a school board or employed as a substitute teacher or teacher's aide by a school board prior to the inception of such relationship; or
3. Was employed by a school board at any time prior to June 10, 1994, and had been employed at any time as a teacher or other employee of any Virginia school board prior to the taking of office of any member of such school board or division superintendent of schools.

C. A person employed as a substitute teacher may not be employed to any greater extent than he was employed by the school board in the last full school year prior to the taking of office of such board member or division superintendent or to the inception of such relationship. The exceptions in subdivisions B 1, B 2, and B 3 shall apply only if the prior employment has been in the same school divisions where the employee and the superintendent or school board member now seek to serve simultaneously.

D. If any member of the school board or any division superintendent knowingly violates these provisions, he shall be personally liable to refund to the local treasury any amounts paid in violation of this law, and the funds shall be recovered from the individual by action or suit in the name of the Commonwealth on the petition of the attorney for the Commonwealth. Recovered funds shall be paid into the local treasury for the use of the public schools.

E. The provisions of this section shall not apply to employment by any school district of the father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law, or brother-in-law of any member of the school board, provided that (i) the member certifies that he had no involvement with the hiring decision and (ii) the superintendent certifies to the remaining members of the governing body in writing that the employment is based upon merit and fitness and the competitive rating of the qualifications of the individual and that no member of the board had any involvement with the hiring decision.

Article 7. Penalties and Remedies.

§ 2.2-3120. Knowing violation of chapter a misdemeanor.

Any person who knowingly violates any of the provisions of Articles 2 through 6 (§§ 2.2-3102 through 2.2-3119) of this chapter shall be guilty of a Class 1 misdemeanor, except that any member of a local governing body who knowingly violates subsection A of § 2.2-3112 or subsection D or F of § 2.2-3115 shall be guilty of a Class 3 misdemeanor. A knowing violation under this section is one in which the person engages in conduct, performs an act or refuses to perform an act when he knows that the conduct is prohibited or required by this chapter.

§ 2.2-3121. Advisory opinions.

A. A state officer or employee shall not be prosecuted for a knowing violation of this chapter if the alleged

violation resulted from his good faith reliance on a written opinion of the Attorney General or a formal opinion or written informal advice of the Council made in response to his written request for such opinion or advice and the opinion or advice was made after a full disclosure of the facts regardless of whether such opinion or advice is later withdrawn provided the alleged violation occurred prior to the withdrawal of the opinion or advice.

B. A local officer or employee shall not be prosecuted for a knowing violation of this chapter if the alleged violation resulted from his good faith reliance on a written opinion of the attorney for the Commonwealth or a formal opinion or written informal advice of the Council made in response to his written request for such opinion or advice and the opinion or advice was made after a full disclosure of the facts regardless of whether such opinion or advice is later withdrawn, provided that the alleged violation occurred prior to the withdrawal of the opinion or advice. The written opinion of the attorney for the Commonwealth shall be a public record and shall be released upon request.

C. If any officer or employee serving at the local level of government is charged with a knowing violation of this chapter, and the alleged violation resulted from his reliance upon a written opinion of his county, city, or town attorney, made after a full disclosure of the facts, that such action was not in violation of this chapter, then the officer or employee shall have the right to introduce a copy of the opinion at his trial as evidence that he did not knowingly violate this chapter.

§ 2.2-3122. Knowing violation of chapter constitutes malfeasance in office or employment.

Any person who knowingly violates any of the provisions of this chapter shall be guilty of malfeasance in office or employment. Upon conviction thereof, the judge or jury trying the case, in addition to any other fine or penalty provided by law, may order the forfeiture of such office or employment.

§ 2.2-3123. Invalidation of contract; rescission of sales.

A. Any contract made in violation of § 2.2-3103 or §§ 2.2-3106 through 2.2-3109 may be declared void and may be rescinded by the governing body of the contracting or selling governmental agency within five years of the date of such contract. In cases in which the contract is invalidated, the contractor 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. In cases of rescision of a contract of sale, any refund or restitution shall be made to the contracting or selling governmental agency.

B. Any purchase by an officer or employee made in violation of § 2.2-3103 or §§ 2.2-3106 through 2.2-3109 may be rescinded by the governing body of the contracting or selling governmental agency within five years of the date of such purchase.

§ 2.2-3124. Civil penalty from violation of this chapter.

A. In addition to any other fine or penalty provided by law, an officer or employee who knowingly violates any provision of §§ 2.2-3103 through 2.2-3112 shall be subject to a civil penalty in an amount equal to the amount of money or thing of value received as a result of such violation. If the thing of value received by the officer or employee in violation of §§ 2.2-3103 through 2.2-3112 increases in value between the time of the violation and the time of discovery of the violation, the greater value shall determine the amount of the civil penalty. Further, all money or other things of value received as a result of such violation shall be forfeited in accordance with the provisions of § 19.2-386.33.

B. An officer or employee required to file the disclosure form prescribed by § 2.2-3117 who fails to file such form within the time period prescribed shall be assessed a civil penalty in an amount equal to \$250. The Council shall notify the Attorney General of any state officer's or employee's failure to file the required form and the Attorney General shall assess and collect the civil penalty. The clerk of the school board or the clerk of the governing body of the county, city, or town shall notify the attorney for the Commonwealth for the locality in which the officer or employee was elected or is employed of any local officer's or employee's failure to file the required form and the attorney for the Commonwealth shall assess and collect the civil penalty. The Council shall notify the Attorney General and the clerk shall notify the attorney for the Commonwealth within 30 days of the deadline for filing. All civil penalties collected pursuant to this subsection shall be deposited into the general fund and used exclusively to fund the Council.

§ 2.2-3125. Limitation of actions.

The statute of limitations for the criminal prosecution of a person for violation of any provision of this chapter shall be one year from the time the Attorney General, if the violation is by a state officer or employee, or the attorney for the Commonwealth, if the

violation is by a local officer or employee, has actual knowledge of the violation or five years from the date of the violation, whichever event occurs first. Any prosecution for malfeasance in office shall be governed by the statute of limitations provided by law.

§ 2.2-3126. Enforcement.

A. The provisions of this chapter relating to an officer or employee serving at the state level of government shall be enforced by the Attorney General.

In addition to any other powers and duties prescribed by law, the Attorney General shall have the following powers and duties within the area for which he is responsible under this section:

1. He shall advise the agencies of state government and officers and employees serving at the state level of government on appropriate procedures for complying with the requirements of this chapter. He may review any disclosure statements, without notice to the affected person, for the purpose of determining satisfactory compliance, and shall investigate matters that come to his attention reflecting possible violations of the provisions of this chapter by officers and employees serving at the state level of government;
2. If he determines that there is a reasonable basis to conclude that any officer or employee serving at the state level of government has knowingly violated any provision of this chapter, he shall designate an attorney for the Commonwealth who shall have complete and independent discretion in the prosecution of such officer or employee;
3. He shall render advisory opinions to any state officer or employee who seeks advice as to whether the facts in a particular case would constitute a violation of the provisions of this chapter. He shall determine which opinions or portions thereof are of general interest to the public and may, from time to time, be published.

Irrespective of whether an opinion of the Attorney General has been requested and rendered, any person has the right to seek a declaratory judgment or other judicial relief as provided by law.

B. The provisions of this chapter relating to an officer or employee serving at the local level of government shall be enforced by the attorney for the Commonwealth within the political subdivision for which he is elected.

Each attorney for the Commonwealth shall be responsible for prosecuting violations by an officer or employee serving at the local level of government and,

if the Attorney General designates such attorney for the Commonwealth, violations by an officer or employee serving at the state level of government. 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 chapter with regard to such violation.

Each attorney for the Commonwealth shall establish an appropriate written procedure for implementing the disclosure requirements of local officers and employees of his county, city or town, and for other political subdivisions, whose principal offices are located within the jurisdiction served by such attorney for the Commonwealth. The attorney for the Commonwealth shall provide a copy of this act to all local officers and employees in the jurisdiction served by such attorney who are required to file a disclosure statement pursuant to Article 5 (§ 2.2-3113 et seq.) of this chapter. Failure to receive a copy of the act shall not be a defense to such officers and employees if they are prosecuted for violations of the act.

Each attorney for the Commonwealth shall render advisory opinions as to whether the facts in a particular case would constitute a violation of the provisions of this chapter to the governing body and any local officer or employee in his jurisdiction and to political subdivisions other than a county, city or town, including regional political subdivisions whose principal offices are located within the jurisdiction served by such attorney for the Commonwealth. If the advisory opinion is written, then such written opinion shall be a public record and shall be released upon request. In case the opinion given by the attorney for the Commonwealth indicates that the facts would constitute a violation, the officer or employee affected thereby may request that the Attorney General review the opinion. A conflicting opinion by the Attorney General shall act to revoke the opinion of the attorney for the Commonwealth. The Attorney General shall determine which of his reviewing opinions or portions thereof are of general interest to the public and may, from time to time, be published.

Irrespective of whether an opinion of the attorney for the Commonwealth or the Attorney General has been requested and rendered, any person has the right to seek a declaratory judgment or other judicial relief as provided by law.

§ 2.2-3127. Venue.

Any prosecution for a violation involving an officer serving at the state level of government shall be

brought in the Circuit Court of the City of Richmond. Any prosecution for a violation involving an employee serving at the state level of government shall be within the jurisdiction in which the employee has his principal place of state employment.

Any proceeding provided in this chapter shall be brought in a court of competent jurisdiction within the county or city in which the violation occurs if the violation involves an officer or employee serving at the local level of government.

Article 8. Orientation for State Filers.

§ 2.2-3128. Semiannual orientation course.

Each state agency shall offer at least semiannually to each of its state filers an orientation course on this chapter, on ethics in public contracting pursuant to Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of this title, if applicable to the filer, and on any other applicable regulations that govern the official conduct of state officers and employees.

§ 2.2-3129. Records of attendance.

Each state agency shall maintain records indicating the specific attendees, each attendee's job title, and dates of their attendance for each orientation course offered pursuant to § 2.2-3128 for a period of not less than five years after each course is given. These records shall be public records subject to inspection and copying consistent with § 2.2-3704.

§ 2.2-3130. Attendance requirements.

Except as set forth in § 2.2-3131, each state filer shall attend the orientation course required in § 2.2-3128, as follows:

1. For a state filer who holds a position with the agency on January 1, 2004, not later than December 31, 2004 and, thereafter, at least once during each consecutive period of two calendar years commencing on January 1, 2006.
2. For a person who becomes a state filer with the agency after January 1, 2004, within two months after he or she becomes a state filer and at least once during each consecutive period of two calendar years commencing on the first odd-numbered year thereafter.

§ 2.2-3131. Exemptions.

A. The requirements of § 2.2-3130 shall not apply to state filers with a state agency who have taken an

equivalent ethics orientation course through another state agency within the time periods set forth in subdivision 1 or 2 of § 2.2-3130, as applicable.

B. State agencies may jointly conduct and state filers from more than one state agency may jointly attend an orientation course required by § 2.2-3128, as long as the course content is relevant to the official duties of the attending state filers.

C. Before conducting each orientation course required by § 2.2-3128, state agencies shall consult with the Attorney General and the Virginia Conflict of Interest and Ethics Advisory Council regarding appropriate course content.

Title 2.2. Administration of Government. Chapter 43.

From the Virginia Public Procurement Act

§ 2.2-4369. Proscribed participation by public employees in procurement transactions.

Except as may be specifically allowed by subdivisions B 1, 2, and 3 of § 2.2-3112, no public employee having official responsibility for a procurement transaction shall participate in that transaction on behalf of the public body when the employee knows that:

1. The employee is contemporaneously employed by a bidder, offeror or contractor involved in the procurement transaction;
2. The employee, the employee's partner, or any member of the employee's immediate family holds a position with a bidder, offeror or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction, or owns or controls an interest of more than five percent;
3. The employee, the employee's partner, or any member of the employee's immediate family has a pecuniary interest arising from the procurement transaction; or
4. The employee, the employee's partner, or any member of the employee's immediate family is negotiating, or has an arrangement concerning, prospective employment with a bidder, offeror or contractor.

Title 24.2. Elections. Chapter 5. Candidates for Office.

§ 24.2-502. Statement of economic interests as requirement of candidacy.

It shall be a requirement of candidacy that a written statement of economic interests shall be filed by (i) a candidate for Governor, Lieutenant Governor, or Attorney General and a candidate for the Senate or House of Delegates with the State Board, (ii) a candidate for a constitutional office with the general registrar for the county or city, and (iii) a candidate for member of the governing body or elected school board of any county, city, or town with a population in excess of 3,500 persons with the general registrar for the county or city. The statement of economic interests shall be that specified in § 30-111 for candidates for the General Assembly and in § 2.2-3117 for all other candidates. The foregoing requirement shall not apply to a candidate for reelection to the same office who has met the requirement of annually filing a statement pursuant to § 2.2-3114, 2.2-3115, 2.2-3116, or 30-110.

The general registrar, the clerk of the local governing body, or the clerk of the school board, as appropriate, shall transmit to the local electoral board, immediately after the filing deadline, a list of the candidates who have filed initial or annual statements of economic interests.

Title 30. General Assembly. Chapter 56.

Virginia Conflict of Interest and Ethics Advisory Council

§ 30-355. Virginia Conflict of Interest and Ethics Advisory Council; membership; terms; quorum; expenses.

A. The Virginia Conflict of Interest and Ethics Advisory Council (the Council) is hereby created as an advisory council in the legislative branch to encourage and facilitate compliance with the State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.) and the General Assembly Conflicts of Interests Act (§ 30-100 et seq.) (hereafter the Acts) and the lobbying laws in Article 3 (§ 2.2-418 et seq.) of Chapter 4 of Title 2.2 (hereafter Article 3).

B. The Council shall consist of nine members as follows: three members appointed by the Speaker of the House of Delegates, two of whom shall be members of the House of Delegates and one of whom shall be a for-

mer judge of a court of record; three members appointed by the Senate Committee on Rules, two of whom shall be members of the Senate and one of whom shall be a former judge of a court of record; and three members appointed by the Governor, one of whom shall be a current or former executive branch employee, one of whom shall be appointed from a list of three nominees submitted by the Virginia Association of Counties, and one of whom shall be appointed from a list of three nominees submitted by the Virginia Municipal League. In the appointment to the Council of members of the House of Delegates made by the Speaker and members of the Senate made by the Senate Committee on Rules, equal representation shall be given to each of the political parties having the highest and next highest number of members elected to their respective body. All members of the Council are subject to confirmation by the General Assembly by a majority vote in each house of (i) the members present of the majority party and (ii) the members present of the minority party.

C. All appointments following the initial staggering of terms shall be for terms of four years, except that appointments to fill vacancies shall be for the unexpired terms in the same manner as the original appointment. No nonlegislative citizen member shall be eligible to serve for more than two successive four-year terms. However, after the expiration of a term of three years or less, or after the expiration of the remainder of a term to which appointed to fill a vacancy, two additional terms may be served by such member if appointed thereto. Legislative members and other state government officials shall serve terms coincident with their terms of office. Legislative members may be reappointed for successive terms.

D. The members of the Council shall elect from among their membership a chairman and a vice-chairman for two-year terms. The chairman and vice-chairman may not succeed themselves to the same position. The Council shall hold meetings quarterly or upon the call of the chairman. A majority of the Council appointed shall constitute a quorum.

E. Members of the Council shall receive no compensation for their services but shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813, 2.2-2825, and 30-19.12, as appropriate. Funding for expenses of the members shall be provided from existing appropriations to the Council.

§ 30-356. Powers and duties of the Council.

The Council shall:

1. Prescribe the forms required for complying with the disclosure requirements of Article 3 and the Acts. These forms shall be the only forms used to comply with the provisions of Article 3 or the Acts. The Council shall make available the disclosure forms and shall provide guidance and other instructions to assist in the completion of the forms;
2. Review all disclosure forms filed by lobbyists pursuant to Article 3 and by state government officers and employees and legislators pursuant to the Acts. The Council may review disclosure forms for completeness, including reviewing the information contained on the face of the form to determine if the disclosure form has been fully completed and comparing the disclosures contained in any disclosure form filed by a lobbyist pursuant to § 2.2-426 with other disclosure forms filed with the Council, and requesting any amendments to ensure the completeness of and correction of errors in the forms, if necessary. If a disclosure form is found to have not been filed or to have been incomplete as filed, the Council shall notify the filer in writing and direct the filer to file a completed disclosure form within a prescribed period of time, and such notification shall be confidential and is excluded from the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.);
3. Require all disclosure forms and lobbyist registration statements that are required to be filed with the Council to be filed electronically in accordance with the standards approved by the Council. The Council shall provide software or electronic access for filing the required disclosure forms and registration statements without charge to all individuals required to file with the Council. The Council shall prescribe the method of execution and certification of electronically filed forms, including the use of an electronic signature as authorized by the Uniform Electronic Transactions Act (§ 59.1-479 et seq.). The Council may grant extensions as provided in § 30-356.2 and may authorize a designee to grant such extensions;
4. Accept and review any statement received from a filer disputing the receipt by such filer of a gift that has been disclosed on the form filed by a lobbyist pursuant to Article 3;
5. Beginning July 1, 2016, establish and maintain a searchable electronic database comprising those disclosure forms that are filed with the Council

pursuant to §§ 2.2-426, 2.2-3117, 2.2-3118, and 30-111. Such database shall be available to the public through the Council's official website;

6. Furnish, upon request, formal advisory opinions or guidelines and other appropriate information, including informal advice, regarding ethics, conflicts issues arising under Article 3 or the Acts, or a person's duties under Article 3 or the Acts to any person covered by Article 3 or the Acts or to any agency of state or local government, in an expeditious manner. The Council may authorize a designee to furnish formal opinions or informal advice. Formal advisory opinions are public record and shall be published on the Council's website; however, no formal advisory opinion furnished by a designee of the Council shall be available to the public or published until such opinion has been approved by the Council. Published formal advisory opinions may have such deletions and changes as may be necessary to protect the identity of the person involved or other persons supplying information. Informal advice given by the Council or the Council's designee is confidential and is excluded from the mandatory disclosure provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.); however, if the recipient invokes the immunity provisions of § 2.2-3121 or 30-124, the record of the request and the informal advice given shall be deemed to be a public record and shall be released upon request. Other records relating to formal advisory opinions or informal advice, including records of requests, notes, correspondence, and draft versions of such opinions or advice, shall also be confidential and excluded from the mandatory disclosure provisions of the Virginia Freedom of Information Act;
7. Conduct training seminars and educational programs for lobbyists, state and local government officers and employees, legislators, and other interested persons on the requirements of Article 3 and the Acts and provide ethics orientation sessions for legislators in compliance with Article 6 (§ 30-129.1 et seq.) of Chapter 13;
8. Approve orientation courses conducted pursuant to § 2.2-3128 and, upon request, review the educational materials and approve any training or course on the requirements of Article 3 and the Acts conducted for state and local government officers and employees;
9. Publish such educational materials as it deems

appropriate on the provisions of Article 3 and the Acts;

10. Review actions taken in the General Assembly with respect to the discipline of its members for the purpose of offering nonbinding advice;
11. Request from any agency of state or local government such assistance, services, and information as will enable the Council to effectively carry out its responsibilities. Information provided to the Council by an agency of state or local government shall not be released to any other party unless authorized by such agency;
12. Redact from any document or form that is to be made available to the public any residential address, personal telephone number, or signature contained on that document or form; and
13. Report on or before December 1 of each year on its activities and findings regarding Article 3 and the Acts, including recommendations for changes in the laws, to the General Assembly and the Governor. The annual report shall be submitted by the chairman as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be published as a state document.

§ 30-356.1. Request for approval for certain travel.

A. The Council shall receive and review a request for the approval of travel submitted by a person required to file the disclosure form prescribed in § 2.2-3117 or 30-111 to accept any travel-related transportation, lodging, hospitality, food or beverage, or other thing of value that has a value exceeding \$100 where such approval is required pursuant to subsection G of § 2.2-3103.1 or subsection F of § 30-103.1. A request for the approval of travel shall not be required for the following, but such travel shall be disclosed as may be required by the Acts:

1. Travel disclosed pursuant to the Campaign Finance Disclosure Act (§ 24.2-945 et seq.);
2. Travel paid for or provided by the government of the United States, any of its territories, or any state or any political subdivision of such state;
3. Travel provided to facilitate attendance by a legislator at a regular or special session of the General Assembly, a meeting of a legislative committee or commission, or a national conference where attendance is approved by the House

Committee on Rules or its Chairman or the Senate Committee on Rules or its Chairman; or

4. Travel related to an official meeting of the Commonwealth, its political subdivisions, or any board, commission, authority, or other entity, or any charitable organization established pursuant to § 501(c)(3) of the Internal Revenue Code affiliated with such entity, to which such person has been appointed or elected or is a member by virtue of his office or employment.

B. When reviewing a request for the approval of travel, the Council shall consider the purpose of the travel as it relates to the official duties of the requester. The Council shall approve any request for travel that bears a reasonable relationship between the purpose of the travel and the official duties of the requester. Such travel shall include any meeting, conference, or other event (i) composed primarily of public officials, (ii) at which public policy related to the duties of the requester will be discussed in a substantial manner, (iii) reasonably expected to educate the requester on issues relevant to his official duties or to enhance the requester's knowledge and skills relative to his official duties, or (iv) at which the requester has been invited to speak regarding matters reasonably related to the requester's official duties.

C. The Council shall not approve any travel requests that bear no reasonable relationship between the purpose of the proposed travel and the official duties of the requester. In making such determination, the Council shall consider the duration of travel, the destination of travel, the estimated value of travel, and any previous or recurring travel.

D. Within five business days of receipt of a request for the approval of travel, the Council shall grant or deny the request, unless additional information has been requested. If additional information has been requested, the Council shall grant or deny the request for the approval within five business days of receipt of such information. If the Council has not granted or denied the request for approval of travel or requested additional information within such five-day period, such travel shall be deemed to have been approved by the Council. Nothing in this subsection shall preclude a person from amending or resubmitting a request for the approval of travel. The Council may authorize a designee to review and grant or deny requests for the approval of travel.

E. A request for the approval of travel shall be on a form prescribed by the Council and made available on its website. Such form may be submitted by electronic means, facsimile, in-person submission, or mail or com-

mercial mail delivery.

F. No person shall be prosecuted, assessed a civil penalty, or otherwise disciplined for acceptance of a travel-related thing of value if he accepted the travel-related thing of value after receiving approval under this section, regardless of whether such approval is later withdrawn, provided the travel occurred prior to the withdrawal of the approval.

§ 30-356.2. Right to grant extensions in special circumstances; civil penalty.

A. Notwithstanding any other provision of law, any person required to file the disclosure form prescribed in Article 3 or the Acts shall be entitled to an extension where good cause for granting such an extension has been shown, as determined by the Council. Good cause shall include:

1. The death of a relative of the filer, as relative is defined in the definition of "gift" in Article 3 or the Acts.
2. A state of emergency is declared by the Governor pursuant to Chapter 3.2 (§ 44-146.13 et seq.) of Title 44 or declared by the President of the United States or the governor of another state pursuant to law and confirmed by the Governor by an executive order, and such an emergency interferes with the timely filing of disclosure forms. The extension shall be granted only for those filers in areas affected by such emergency.
3. The filer is a member of a uniformed service of the United States and is on active duty on the date of the filing deadline.
4. A failure of the electronic filing system and the failure of such system prevents the timely filing of disclosure forms.

B. For any person who is unable to timely file the disclosure form prescribed in the Acts due to the disclosure form not being made available to him until after the deadline has passed, the Council shall grant such person a five-day extension upon request. The head of the agency for which the person works or the clerk of the school board or governing body of the locality that was responsible for providing the disclosure form to such person shall be assessed a civil penalty in the amount equal to \$250, to be collected in accordance with the procedure set forth in subsection B of § 2.2-3124. If the disclosure form is provided to the person within three days prior to the filing deadline, the Council shall grant such person a three-day extension upon request and no civil penalties shall be assessed against the head of such person's agency or the clerk.

C. The provisions of this section shall not apply to any statement of economic interests filed as a requirement of candidacy pursuant to § 24.2-502.

§ 30-357. Staff.

Staff assistance to the Council shall be provided by the Division of Legislative Services. Staff shall perform those duties assigned to it by the Council, including those duties enumerated in § 30-356. The Division of Legislative Services shall employ an executive director, who shall be subject to the confirmation of the Joint Committee on Rules.

§ 30-358. Cooperation of agencies of state and local government.

Every department, division, board, bureau, commission, authority, or political subdivision of the Commonwealth shall cooperate with, and provide such assistance to, the Council as the Council may request.

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