

SENATE BILL 267

IN THE SENATE

January 26, 1979	Introduced and referred to Committee on Local Government.
February 7, 1979	Committee recommend bill, do pass.
February 8, 1979	Printed and placed on members' desks.
February 9, 1979	Second reading, do pass.
February 10, 1979	Considered correctly engrossed.
February 12, 1979	Third reading, passed.

IN THE HOUSE

February 13, 1979	Introduced and referred to Committee on Local Government.
March 15, 1979	Committee recommend bill, not concurred.
March 17, 1979	Report adopted.

IN THE SENATE

March 19, 1979	Returned from House, not concurred.
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1 *Amended* BILL NO. *267*
 2 INTRODUCED BY *Four*

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE AND CLARIFY
 5 THE CODE OF ETHICS RELATING TO LOCAL GOVERNMENT OFFICERS AND
 6 EMPLOYEES; AMENDING SECTIONS 2-2-125, 2-2-201, 7-5-2106, AND
 7 7-5-4109, MCA."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 2-2-125, MCA, is amended to read:
 11 "2-2-125. Rules of conduct for local government
 12 officers and employees. (1) Proof of commission of any act
 13 enumerated ~~in prohibited by~~ this section is proof that the
 14 actor has breached his fiduciary duty.

15 (2) An officer or employee of local government may
 16 not:

17 (a) engage in a substantial financial transaction for
 18 his private business purposes with a person whom he inspects
 19 or supervises in the course of his official duties; or

20 (b) perform an official act directly and substantially
 21 affecting to its economic benefit a business or other
 22 undertaking in which he either has a substantial financial
 23 interest or is engaged as counsel, consultant,
 24 representative, or agent.

25 (3) A member of the governing body of a local

1 government may perform an official act notwithstanding this
 2 section, ~~2-2-201, 7-5-2106, and 7-5-4109~~ when his
 3 participation is necessary to obtain a quorum or otherwise
 4 enable the body to act, if he complies with the voluntary
 5 disclosure procedures under 2-2-131.

6 ~~(4) An officer or employee of a local government who
 7 fully discloses for the record the nature of his private
 8 interest which may be directly or indirectly affected by an
 9 official act and who abstains from participating in the
 10 official act involving his private interest does not violate
 11 2-2-201, 7-5-2106, 7-5-4109, or any similar law prohibiting
 12 a public officer or employee from having a private interest
 13 which may be directly or indirectly affected by an official
 14 act, and the validity of the official act is not impaired by
 15 the private interest of such officer or employee."~~

16 Section 2. Section 2-2-201, MCA, is amended to read:
 17 "2-2-201. Public officers and employees not to have
 18 interest in contracts. ~~Members Except as provided in~~
 19 ~~2-2-125, members~~ of the legislature, state, county, city,
 20 town, or township officers or any deputy or employee thereof
 21 must not be interested in any contract made by them in their
 22 official capacity or by any body, agency, or board of which
 23 they are members or employees. In this section the term:

24 (1) "be interested in" does not include holding a
 25 minority interest in a corporation;

- 1 (2) "contract" does not include:
- 2 (a) contracts awarded to the lowest responsible bidder
- 3 based on competitive bidding procedures;
- 4 (b) merchandise sold to the highest bidder at public
- 5 auctions;
- 6 (c) investments or deposits in financial institutions
- 7 which are in the business of loaning or receiving money; or
- 8 (d) contracts for professional services."

9 Section 3. Section 7-5-2106, MCA, is amended to read:

10 "7-5-2106. Control of conflict of interest. ~~No Except~~

11 ~~as provided in 2-2-125, no~~ member of the board must be

12 directly or indirectly interested:

- 13 (1) in any property purchased for the use of the
- 14 county;
- 15 (2) in any purchase or sale of property belonging to
- 16 the county; or
- 17 (3) in any contract made by the board or other person
- 18 on behalf of the county for the erection of public
- 19 buildings, the opening or improvement of roads, the building
- 20 of bridges, or the purchasing of supplies or for any other
- 21 purpose."

22 Section 4. Section 7-5-4109, MCA, is amended to read:

23 "7-5-4109. Control of conflict of interest. ~~The Except~~

24 ~~as provided in 2-2-125, the~~ mayor, any member of the

25 council, any city or town officer, or any relative or

1 employee thereof must not be directly or indirectly

2 interested in the profits of any contract entered into by

3 the council while he is or was in office."

-End-

Approved by Comm.
on Local Government

Amend BILL NO. *267*
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1 INTRODUCTION BY

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20 interest or is engaged as counsel, consultant,
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22 (3) A member of the governing body of a local

1 government may perform an official act notwithstanding this
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18 interest in contracts. Members Except as provided in
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