

# UTAH PUBLIC OFFICERS' AND EMPLOYEES' ETHICS ACT

Utah Code Ann. §§ 67-16-1 to -15

1

## DECLARATION OF PUBLIC POLICY

- The Legislature intends to promote the public interest and strengthen the faith and confidence of the people of Utah in the integrity of their government.

2

## DEFINITIONS

- **COMPENSATION:** Anything of economic value which is paid, loaned, granted, given, donated, or transferred for or in consideration of anything.
- **SUBSTANTIAL INTEREST:** The ownership, either legally or equitably, by an individual, the individual's spouse, or the individual's minor children, of at least ten percent of the outstanding capital stock of a corporation or a ten percent interest in any other business entity.

3

## IMPROPER DISCLOSURE

- It is an offense for a public officer to:
  - accept employment or engage in any professional or business activity that one might reasonably expect would require or induce the public officer to improperly disclose controlled information gained by reason of official position;
  - disclose or improperly use controlled, private, or protected information acquired by reason of official position;
  - attempt to use the official position to further the public officer's personal economic interest or secure special privileges or exemptions for the public officer or others;
  - accept other employment that one might expect would impair the public officer's independence of judgment and ethical performance in performance of public duties.

4

## GIFTS

- With limited exceptions, it is an offense for a public officer to knowingly receive, accept, take, seek, or solicit for him/herself or another a gift of substantial value or equivalent:
  - that would tend to improperly influence a reasonable person to depart from the faithful and impartial discharge of the officer's public duties;
  - that the public officer knows, or a reasonable person would know, is to reward the officer for taking official action; or
  - if the public officer has been, or is now, or in the near future may be involved in any governmental action directly affecting the donor unless a disclosure has been made.

5

## GIFTS

- The same provisions apply to an offer to donate in exchange for approval of any application or request.
  - This provision does not apply to settlements or voluntary donations.
  - If someone donates to an agency, the agency must disclose the donation.
- This does not apply to an occasional nonpecuniary gift under \$50; an award publicly presented; any bona fide loan made in the ordinary course of business; or a political campaign contribution.

6

## COMPENSATION

- It is an offense for a public officer to receive compensation for assisting any person or business in any transaction involving an agency unless the public officer files a sworn written statement.

7

## DISCLOSURE OF SUBSTANTIAL INTEREST

- A public officer who is an officer, director, agent, employee, or owner of a substantial interest in any business that is subject to the regulation of the agency by which the public officer is employed **shall** disclose any position held and the precise nature and value of the interest:
  - Upon first becoming a public officer
  - Whenever the public officer's position in the business changes significantly
  - If the value of the public officer's interest increases significantly

8

## SUBSTANTIAL INTEREST

- Disclosure is required in a sworn statement to be filed with the attorney general and the head of the agency with which the public officer is affiliated.
  - Disclosure is a public record.
- Does not apply to:
  - instances where the total value of the substantial interest is \$2,000 or less.
  - a life insurance policy or annuity.

9

## BUSINESS TRANSACTIONS

- A public officer may not participate in or receive compensation from a transaction with the state unless the officer has disclosed the relationship to the business entity.

10

## CONFLICTS OF INTERESTS

- Public officers may not have personal investments in any business entity that would create a substantial conflict between private interests and public duties.

11

## INDUCEMENT

- It is an offense to seek to induce any public officer or employee to violate the Act.

12

## APPLICABILITY

- The Act doesn't apply to a conflict of interest between two or more government positions held by the same person unless the conflict is also due to a personal interest and not shared by the public.

13

## PENALTIES FOR VIOLATION

- Any person who knowingly and intentionally violates this chapter shall be dismissed and may be subject to criminal penalties, up to and including a second-degree felony if the total value exceeds \$1000.

14

## UNETHICAL TRANSACTIONS

- The agency *must* dismiss the public officer who knowingly or intentionally violates portions of the Act.
- The agency may rescind or void any contract enter into in an unethical transaction.