

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 735

An Act to amend and reenact §§ 2.1-639.36 and 2.1-639.41 of the Code of Virginia, relating to the General Assembly Conflict of Interests Act; real estate contracts; disclosure.

[H 553]

Approved April 10, 1994

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.1-639.36 and 2.1-639.41 of the Code of Virginia are amended and reenacted as follows:

§ 2.1-639.36. Further exceptions.

A. The provisions of § 2.1-639.35 shall not apply to:

1. The sale, lease or exchange of real property between a legislator and a governmental agency, provided the legislator does not participate in any way as a legislator 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. *The legislator shall disclose any lease with a state governmental agency in his statement of economic interests as provided in § 2.1-639.41;*

2. The publication of official notices;

3. A legislator whose sole personal interest in a contract with an agency of the legislative branch is by reason of income from the contracting firm or General Assembly in excess of \$10,000 per year, provided the legislator or 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 legislator either does not have authority to participate in the procurement or letting of the contract on behalf of the agency or he disqualifies himself as a matter of public record and does not participate on behalf of the agency in negotiating the contract or in approving the contract;

4. Contracts between a legislator's governmental agency and a public service corporation, financial institution, or company furnishing public utilities in which the legislator has a personal interest, provided he disqualifies himself as a matter of public record and does not participate on behalf of the agency in negotiating the contract or in approving the contract;

5. Contracts for the purchase of goods or services when the contract does not exceed \$500; or

6. Grants or other payments under any program wherein uniform rates for, or the amounts paid to, all qualified applicants are established solely by the administering governmental agency.

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 Virginia Conflict of Interests Act, Chapter 22 (§ 2.1-347 et seq.) or the 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 § 2.1-348 of Chapter 22 of Title 2.1 of the Code of Virginia in effect prior to July 1, 1983, the employment by the same governmental agency of a legislator 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 \$15,000 or more.

§ 2.1-639.41. Disclosure form.

A. The disclosure form to be used for filings required by § 2.1-639.40 A and B shall be substantially as follows:

STATEMENT OF ECONOMIC INTERESTS.

Name
Office or position held or sought
Home address
Names of members of immediate family

DEFINITIONS AND EXPLANATORY MATERIAL.

"Immediate family" means (i) a spouse and (ii) any other person residing in the same household as the legislator, who is a dependent of the legislator or of whom the legislator is a dependent.

"Dependent" means any person, whether or not related by blood or marriage, who receives from the legislator, or provides to the legislator, more than one-half of his financial support.

"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.

TRUST. If you or your immediate family, separately or together, are the only beneficiaries of a trust, treat the trust's assets as if you own them directly. If you or your immediate family has a proportional interest in a trust, treat that proportion of the trust's assets as if you own them directly. For example, if you and your immediate family have a one-third interest in a trust, complete your Statement as if you own one-third of each of the trust's assets. If you or a member of your immediate family created a trust and can revoke it without the beneficiaries' consent, treat its assets as if you own them directly.

REPORT TO THE BEST OF INFORMATION AND BELIEF. Information required on this Statement must be provided on the basis of the best knowledge, information and belief of the individual filing the Statement as of the date of this report unless otherwise stated.

COMPLETE ITEMS 1 THROUGH ~~9~~ 10. REFER TO SCHEDULES ONLY IF DIRECTED.

You may attach additional explanatory information.

1. Offices and Directorships.

Are you or a member of your immediate family a paid officer or paid director of a business?

EITHER check NO / / OR check YES / / and complete Schedule A.

2. Personal Liabilities.

Do you or a member of your immediate family owe more than \$10,000 to any one creditor including contingent liabilities? (Exclude debts to any government and loans secured by recorded liens on property at least equal in value to the loan.)

EITHER check NO / / OR check YES / / and complete Schedule B.

3. Securities.

Do you or a member of your immediate family, directly or indirectly, separately or together, own securities valued in excess of \$10,000 invested in one business? Account for mutual funds, limited partnerships and trusts.

EITHER check NO / / OR check YES / / and complete Schedule C.

4. Payments for Talks, Meetings, and Publications.

During the past 12 months did you receive lodging, transportation, money, or anything else of value with a combined value exceeding \$200 for a single talk, meeting, or published work in your capacity as a legislator?

EITHER check NO / / OR check YES / / and complete Schedule D.

5. Gifts, Travel, and Business Entertainment.

During the past 12 months did a business, government, or

individual other than a relative or personal friend furnish you with tickets to sporting events or shows, travel expenses, meals or lodging, favors, services, property, loans, money, gifts, or anything else of value the total value of which exceeded \$200 and for which you neither paid nor rendered services in exchange? Account for all business entertainment (except if related to your private profession or occupation) even if unrelated to your official duties.

EITHER check NO / / OR check YES / / and complete Schedule E.

6. Salary and Wages.

List each employer that pays you or a member of your immediate family salary or wages in excess of \$10,000 annually. (Exclude state or local government or advisory agencies.)

If no reportable salary or wages, check here / /.

7. Business Interests.

Do you or a member of your immediate family separately or together, operate your own business, or own or control an interest in excess of \$10,000 in a business?

EITHER check NO / / OR check YES / / and complete Schedule F.

8. Payments for Representation.

- 8A. Did you represent any businesses before any state governmental agencies, excluding courts or judges, for which you received total compensation during the past 12 months in excess of \$1,000, excluding compensation for other services to such businesses and representation consisting solely of the filing of mandatory papers?

EITHER check NO / / OR check YES / / and complete Schedule G-1.

- 8B. Subject to the same exceptions as in 8A, did persons with whom you have a close financial association (partners, associates or others) represent any businesses before any state governmental agency for which total compensation was received during the past 12 months in excess of \$1,000?

EITHER check NO / / OR check YES / / and complete Schedule G-2.

- 8C. Did you or persons with whom you have a close financial association furnish services to businesses operating in Virginia for which total compensation in excess of \$1,000 was received during the past 12 months?

EITHER check NO / / OR check YES / / and complete Schedule G-3.

9. Real Estate.

Do you or a member of your immediate family hold an interest, including a partnership interest, valued at \$10,000 or more in real property located in Virginia (other than your principal residence) for which you have not already listed the full address on Schedule F? Account for real estate held in trust.

EITHER check NO / / OR check YES / / and complete Schedule H.

10. Real Estate Contracts.

Do you or a member of your immediate family hold an interest valued at more than \$1,000 in real estate, including a corporate, partnership, or trust interest, option, easement, or land contract, which real estate is the subject of a lease

with a state governmental agency? Account for all such leases whether or not your interest is reported in Schedules F or H. This requirement to disclose an interest in a lease does not apply to an interest derived through an ownership interest in a business unless the ownership interest exceeds three percent of the total equity of the business.
EITHER check NO / / OR check YES / / and complete Schedule I.

Statements of Economic Interests are open for public inspection.

AFFIRMATION

In accordance with the rules of the house in which I serve, if I receive a request that this disclosure statement be corrected, augmented, or revised in any respect, I hereby pledge that I shall respond promptly to the request. I understand that if a determination is made that the statement is insufficient, I will satisfy such request or be subjected to disciplinary action of my house.

I swear or affirm that the foregoing information is full, true and correct to the best of my knowledge.

Signature.....
Commonwealth of Virginia
.....of.....to wit:
The foregoing disclosure form was acknowledged before me
This.....day of.....19.. by
Notary Public
My commission expires.....

(Return only if needed to complete Statement.)

SCHEDULES to STATEMENT OF ECONOMIC INTERESTS

NAME_____

SCHEDULE A - OFFICES AND DIRECTORSHIPS.

Identify each business of which you or a member of your immediate family is a paid officer or paid director.

Name of Business	Address of Business	Position Held
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

RETURN TO ITEM 2

SCHEDULE B - PERSONAL LIABILITIES.

Report personal liability by checking each category. Report only debts in excess of \$10,000. Do not report debts to any government.

Do not report loans secured by recorded liens on property at least equal in value to the loan.

Report contingent liabilities below and indicate which debts are contingent.

1. My personal debts are as follows:

Check appropriate categories	Check one \$10,001 to \$50,000	More than \$50,000
Banks	_____	_____
Savings and loan associations	_____	_____
Other loan or finance companies	_____	_____
Insurance companies	_____	_____
Stock, commodity or other brokerage companies	_____	_____
Other businesses: (State principal business activity for each creditor.)	_____	_____
_____	_____	_____
_____	_____	_____
Individual creditors: (State principal business or occupation of each creditor.)	_____	_____
_____	_____	_____
_____	_____	_____

2. The personal debts of the members of my immediate family are as follows:

Check appropriate categories	Check one \$10,001 to \$50,000	More than \$50,000
Banks	_____	_____
Savings and loan associations	_____	_____
Other loan or finance companies	_____	_____
Insurance companies	_____	_____
Stock, commodity or other brokerage companies	_____	_____
Other businesses: (State principal business activity for each creditor.)	_____	_____
_____	_____	_____
_____	_____	_____
Individual creditors: (State principal business or occupation of each creditor.)	_____	_____
_____	_____	_____
_____	_____	_____

RETURN TO ITEM 3

SCHEDULE C - SECURITIES.

"Securities" INCLUDES stocks, bonds, mutual funds, money market funds, limited partnerships, and commodity

"Securities" EXCLUDES certificates of deposit, annuity contracts, and

futures contracts.

insurance policies.

Identify each business or Virginia governmental entity in which you or a member of your immediate family, directly or indirectly, separately or together, own securities valued in excess of \$10,000.

Do not list U.S. Bonds or other government securities not issued by the Commonwealth of Virginia or its authorities, agencies, or local governments. Do not list organizations that do not do business in this Commonwealth, but most major businesses conduct business in Virginia. Account for securities held in trust.

If no reportable securities, check here / /

Name of Issuer	Type of Entity	Type of Security (stocks, bonds, mutual or money market funds, etc.)	Check one \$10,001 to \$50,000	More than \$50,000
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

RETURN TO ITEM 4

SCHEDULE D - PAYMENTS FOR TALKS, MEETINGS, AND PUBLICATIONS.

List each source from which you received during the past 12 months lodging, transportation, money, or any other thing of value (excluding meals or drinks coincident with a meeting) with combined value exceeding \$200 for your presentation of a single talk, participation in one meeting, or publication of a work in your capacity as a legislator.

List payments or reimbursements by the Commonwealth only for meetings or travel outside the Commonwealth.

List a payment even if you donated it to charity.

Do not list information about a payment if you returned it within 60 days or if you received it from an employer already listed under Item 6 or from a source of income listed on Schedule F.

If no payment must be listed, check here / /

Payer	Approximate Value	Circumstances	Type of payment (e.g. honoraria, travel reimburse- ment, etc.)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

RETURN TO ITEM 5

SCHEDULE E - GIFTS, TRAVEL, AND BUSINESS ENTERTAINMENT.

List each business, governmental entity, or individual that

furnished you with tickets to sporting events or shows, travel expenses, meals or lodging, favors, services, property, loans, money, gifts, or other thing of pecuniary value, whose total value exceeded \$200 during the past 12 months and for which you neither paid nor rendered services in exchange. Do not list business entertainment related to your private profession or occupation. Do not list gifts or other things of value given by a relative or personal friend for reasons clearly unrelated to your public position.

When calculating value, you need not consider:

Meals, lodging, or hospitality that an individual furnished you at his own expense and not as a business expense if clearly unrelated to your public position, or
Campaign contributions publicly reported as required by Chapter 9 of Title ~~24.1~~ 24.2 of the Code of Virginia.

"Relative" means: your spouse, child, uncle, aunt, niece, nephew, or person to whom you are engaged to be married; your or your spouse's parent, grandparent, grandchild, brother, or sister; or your brother's or sister's spouse.

Name of Business, Organization, or Individual	City or County and State	Approximate Value
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

RETURN TO ITEM 6

SCHEDULE F - BUSINESS INTERESTS.

Complete this Schedule for each self or family owned business (including rental property, a farm, or consulting work), partnership, or corporation in which you or a member of your immediate family, separately or together, own an interest having a value in excess of \$10,000.

If the enterprise is owned or operated under a trade, partnership, or corporate name, list that name; otherwise merely explain the nature of the enterprise. If rental property is owned or operated under a trade, partnership, or corporate name, list the name only; otherwise, give the address of each property. Account for business interests held in trust.

Name of Business, Corporation, Partnership, Farm; Address of Rental Property	City or County and State	Nature of Enterprise (farming, law, rental property, etc.)	Gross income \$50,000 or less	More than \$50,000
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

RETURN TO ITEM 8

SCHEDULE G-1 - PAYMENTS FOR REPRESENTATION BY YOU.

List the businesses you represented before any state governmental agency, excluding any court or judge, for which you received total compensation during the past 12 months in excess of \$1,000, excluding compensation for other services to such businesses and representation consisting solely of the filing of mandatory papers.

Identify each business, the nature of the representation and the amount received by category from each such business.

Name of Business	Type of Business	Purpose of Representation	Name of Agency	Amount Received	
				\$1,001 to \$10,000	More than \$10,000
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

SCHEDULE G-2 - PAYMENTS FOR REPRESENTATION BY ASSOCIATES.

List the businesses that have been represented before any state governmental agency, excluding any court or judge, by persons who are your partners, associates or others with whom you have a close financial association and who received total compensation in excess of \$1,000 for such representation during the past 12 months, excluding representation consisting solely of the filing of mandatory papers.

Identify such businesses by type and also name the state governmental agencies before which such person appeared on behalf of such businesses.

Type of business	Name of state government agency
_____	_____
_____	_____
_____	_____
_____	_____

SCHEDULE G-3 - PAYMENTS FOR REPRESENTATION GENERALLY.

Indicate below types of businesses that operate in Virginia to which services were furnished by you or persons with whom you have a close financial association and for which total compensation in excess of \$1,000 was received during the past 12 months.

Identify opposite each category of businesses listed below (i) the type of business, (ii) the type of service rendered and (iii) the value of the compensation received for all businesses falling within each category.

	Check if services were rendered	Type of service rendered	Value of Compensation	
			\$1,001 to \$10,000	More than \$10,000
Electric utilities	_____	_____	_____	_____
Gas utilities	_____	_____	_____	_____

Telephone utilities	_____	_____	_____	_____
Water utilities	_____	_____	_____	_____
Cable television	_____	_____	_____	_____
companies	_____	_____	_____	_____
Interstate	_____	_____	_____	_____
transportation	_____	_____	_____	_____
companies	_____	_____	_____	_____
Intrastate	_____	_____	_____	_____
transportation	_____	_____	_____	_____
companies	_____	_____	_____	_____
Oil or gas	_____	_____	_____	_____
retail	_____	_____	_____	_____
companies	_____	_____	_____	_____
Banks	_____	_____	_____	_____
Savings and	_____	_____	_____	_____
loan	_____	_____	_____	_____
associations	_____	_____	_____	_____
Loan or finance	_____	_____	_____	_____
companies	_____	_____	_____	_____
Manufacturing	_____	_____	_____	_____
companies	_____	_____	_____	_____
(state type of	_____	_____	_____	_____
product,	_____	_____	_____	_____
e.g., textile,	_____	_____	_____	_____
furniture,	_____	_____	_____	_____
etc.)	_____	_____	_____	_____
Mining companies	_____	_____	_____	_____
Life insurance	_____	_____	_____	_____
companies	_____	_____	_____	_____
Casualty insurance	_____	_____	_____	_____
companies	_____	_____	_____	_____
Other insurance	_____	_____	_____	_____
companies	_____	_____	_____	_____
Retail companies	_____	_____	_____	_____
Beer, wine or	_____	_____	_____	_____
liquor companies	_____	_____	_____	_____
or distributors	_____	_____	_____	_____
Trade associations	_____	_____	_____	_____
Professional	_____	_____	_____	_____
associations	_____	_____	_____	_____
Associations of	_____	_____	_____	_____
public employees	_____	_____	_____	_____
or officials	_____	_____	_____	_____
Counties, cities or	_____	_____	_____	_____
towns	_____	_____	_____	_____
Labor organizations	_____	_____	_____	_____
Other	_____	_____	_____	_____

RETURN TO ITEM 9

SCHEDULE H - REAL ESTATE.

List real estate located in Virginia other than your principal residence in which you or a member of your immediate family hold an interest, including a partnership interest, option, easement, or land contract, valued at \$10,000 or more. You may list each parcel of real estate individually if you wish.

List the counties	Describe the type of	If the real estate
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and cities in which you own real estate	real estate you own in each county or city (business, recreational, apartment, commercial, open land, etc.)	is owned or recorded in a name other than your own, list that name
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

RETURN TO ITEM 10

SCHEDULE I - REAL ESTATE LEASES WITH STATE GOVERNMENT AGENCIES.

List all contracts with a state governmental agency for the lease of real estate in which you or a member of your immediate family holds an interest, including a corporate, partnership or trust interest, option, easement, or land contract, valued at \$1,000 or more. This requirement to disclose an interest in a lease does not apply to an interest derived through an ownership interest in a business unless the ownership interest exceeds three percent of the total equity of the business.

<i>List your real estate interest and the person or entity, including the type of entity, which is party to the contract. Describe any management role and the percentage ownership interest you or your immediate family member has in the real estate or entity.</i>	<i>List each state governmental agency which is a party to the contract.</i>	<i>State the annual income from the lease, and the amount, if any, of income you or any immediate family member derives annually from the lease.</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Any legislator who makes a knowing misstatement of a material fact on the Statement of Economic Interests shall be subject to disciplinary action for such violations by the house in which the legislator sits.

C. In accordance with the rules of each house, the Statement of Economic Interests of all members of each house shall be reviewed. If a legislator's Statement is found to be inadequate as filed, the legislator shall be notified in writing, directed to file an amended Statement correcting the indicated deficiencies, and a time set within which such amendment shall be filed. If the Statement of Economic Interests, in either its original or amended form, is found to be adequate as filed, the legislator's filing shall be deemed in full compliance with this section as to the information disclosed thereon.

D. Ten percent of the membership of a house, on the basis of newly discovered facts, may in writing request the house in which those members sit, in accordance with the rules of that house, to review the Statement of Economic Interests of another member of that house in order to determine the adequacy of his filing. In accordance with the rules of each house, each Statement of Economic Interests shall be promptly reviewed, the adequacy of the filing determined, and notice given in writing to the legislator whose Statement is in issue. Should it be determined that the Statement requires correction, augmentation or revision, the legislator involved shall be directed to make the changes required within

such time as shall be set under the rules of each house.

If a legislator, after having been notified in writing in accordance with the rules of the house in which he sits that his Statement is inadequate as filed, fails to amend his Statement so as to come into compliance within the time limit set, he shall be subject to disciplinary action by the house in which he sits. No legislator shall vote on any question relating to his own Statement.