

*Information retrieved June 12, 2012 9:19 AM*

## **Seattle Municipal Code**

*Title 3 - ADMINISTRATION  
Subtitle VI General Regulations  
Chapter 3.110 - Public Corporations*

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### **SMC 3.110.560 Prohibited conduct.**

A. No current corporate official or employee shall:

1. Engage in any transaction or activity which is, or would to a reasonable person appear to be, in conflict with or incompatible with the proper discharge of official duties, or which impairs, or would to a reasonable person appear to impair, the officer's or employee's independence of judgment or action in the performance of official duties;

2. Use his or her official position for a purpose that is, or would to a reasonable person appear to be, primarily for the private benefit of the officer or employee, rather than primarily for the benefit of the public corporation; or to achieve a private gain or an exception from duty or responsibility for the officer or employee or any other person;

3. Solicit or receive any retainer, gift, loan, entertainment, favor or other thing of monetary value from any person where the retainer, gift, loan, entertainment, favor or other thing of monetary value has been solicited, received or given, or to a reasonable person would appear to have been solicited, received or given, with intent to give or obtain special

consideration or influence as to any action by such officer or employee in his or her official capacity; provided that nothing shall prohibit contributions which are solicited or received and reported in accordance with applicable law;

4. Use or permit the use of any person, funds or property under his or her official control, direction, custody, or of any corporate funds or corporate property, for a purpose which is or to a reasonable person would appear to be, for the private benefit of the official or employee or any other person or entity; provided, that nothing shall prevent the private use of corporate property which is available on equal terms to the public generally, or the use of corporate property in accordance with corporate policy for the conduct of official corporate business, if in fact the property is used appropriately;

5. Disclose or use any information gained by reason of his or her official position for the immediate or anticipated personal gain or benefit of the officer, employee or any other person or entity; provided, that nothing shall prohibit the disclosure or use of information which is a matter of public knowledge, or which is available to the public on request;

6. Except in the course of official duties, assist any person in any corporate transaction where such corporate official or employee's assistance is, or to a reasonable person would appear to be, enhanced by that official or employee's position with the corporation; provided that this subsection shall not apply to any officer or employee appearing on his or her own

behalf or representing himself or herself as to any matter in which he or she has a proprietary interest, if not otherwise prohibited by law;

7. Have a financial or other private interest, direct or indirect, personally or through a member of his or her immediate family, in any contract or noncontractual transaction to which the corporation may be a party, and fail to disclose such interest prior to the formation of the contract, or prior to the time the corporation enters into the transaction; provided, that this paragraph shall not apply to any contract awarded through the public bid process in accordance with applicable law;

8. Be beneficially interested, directly or indirectly, in any contract which may be made by, through or under the supervision of such officer, in whole or in part, or which may be made for the benefit of his office, or accept, directly or indirectly, any compensation, gratuity or reward in connection with such contract from any other person beneficially interested therein;

9. Fail to disqualify himself or herself from acting on any transaction which involves the corporation and any person who is, or at any time within the preceding twelve (12) month period, has been a private client of his or hers, or of his or her firm or partnership.

B. A corporate official or employee may perform official duties and participate in corporate affairs or activities when:

1. The proposed action or activities of the public corporation would not

affect him or her in a manner different in kind from that of the public of community generally, or when the corporate official is a member of a substantial class of persons included in a service or assistance program and would be not affected in a manner different in kind from other members of the class; or

2. The charter or rules or regulations repose responsibility with the Council for an action that affects all Council members in their official capacity alike; or

3. After disclosure of his or her personal interest, the Council finds, by majority recorded vote following discussion in open meeting during which public comment is permitted, that the official's participation would further the public interest notwithstanding the personal interest disclosed.

C. In all other instances, any corporate official who may have a direct or indirect financial interest in any matter coming before the Council, shall disclose to the council the nature and extent of such interest, and refrain from voting, participating in council deliberations as an official, or attempting to influence any other corporate official on the matter.

***Legislative history/notes:***

(Ord. 109954 Section 2(part), 1981.)

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**SMC 3.110.570 Statements of economic interests.**

A. All compensated corporate employees holding executive, professional or administrative positions designated by each corporation in its respective rules and regulations and all uncompensated officials and employees shall, within two (2) weeks of being appointed or hired, and thereafter annually by April 15th, file with each corporation a written statement sworn as to its truth and accuracy stating for himself or herself and all members of his or her immediate family for the preceding calendar year:

1. The names and addresses of each person or entity doing business with the corporation with which the official or employee or a member of his or her immediate family has received compensation in any form of a total value of Two Thousand Five Hundred Dollars (\$2,500.00) or more, excluding campaign contributions reported in accordance with applicable law;

2. The names and addresses of each entity doing business with the corporation in which the officer or employee or a member of his or her immediate family has a direct financial interest with a value of One Thousand Five Hundred Dollars (\$1,500.00) or more; provided that policies of insurance in amounts on deposit in accounts with banks, savings and loan associations or credit unions shall not constitute a direct financial interest within the meaning of this section; or

3. The names and addresses of each entity doing business with the corporation in which the officer or employee or a member of his/her immediate family holds a position as officer, director or trustee, and the title of each position held;

4. A list, including legal or other sufficient description as prescribed by the corporation, of all real property in areas in which the corporation with which he/she is associated functions or adjacent to such areas or properties owned, leased, managed or otherwise controlled by such corporation in which the officer, employee, or member of his/her immediate family holds a direct financial interest or any option to purchase.

B. Following discussion in open meeting during which public comment is permitted, a council may suspend or modify by majority recorded vote any of the reporting requirements hereunder in a particular case if it finds that literal application of said requirements works a manifestly unreasonable hardship and that such suspension or modification will not frustrate the purposes of Sections [3.110.560](#) through [3.110.590](#); provided, that any such request for suspension or modification must be filed with the Council Chairperson and/or the corporation Executive Director not later than sixty (60) days prior to date on which an annual filing is to be made or promptly upon appointment.

C. Each corporation shall retain the statements and make them available for public inspection upon request for a period of not less than four (4) years following the separation from the corporation of the person filing the

statement.

D. Such statements also shall be filed promptly by each corporation with the City Clerk.

***Legislative history/notes:***

(Ord. 116368 Section 70, 1992; Ord. 109954 Section 2(part), 1981.)

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**SMC 3.110.580 Enforcement.**

A. Upon receipt of a complaint alleging violation of this section, each corporation's Chairperson shall establish and designate members of an Ethics Committee to investigate complaints, consider questions of ethical conduct, conflicts of interest and the application of ethical standards set forth in Sections [3.110.560](#) through [3.110.590](#).

B. Any person may file a complaint with a corporation Ethics Committee alleging violation of this section. If such complaint is filed by or in regard to the conduct of a member of the Ethics Committee, he or she is disqualified from participating in any proceedings that may arise from the complaint.

C. The complaint shall be in writing and shall be signed by the complainant. The written complaint shall state the nature of the alleged violation(s), the date(s), time and place of each occurrence, the name of the person(s) charged with the violation(s). The complaint shall be filed with the Ethics Committee which shall provide a copy to the person charged with the violation. The complainant shall provide the Committee with all available documentation or other evidence to demonstrate a reason for believing that a violation has occurred.

D. Within thirty (30) days after receipt of a complaint, the Committee shall conduct an investigation and prepare a report as required by subsection G below; provided, that, if necessary and desirable and in order to avoid prejudice or irreparable harm to the person charged with the violation, the Committee may shorten or lengthen the time period provided for the investigation, as appropriate.

E. The Committee shall obtain from the corporation's legal counsel a written opinion on the application or interpretation of any provision of this section.

F. The Committee may also request an advisory opinion from the Board of Ethics of the City on application or interpretation of any provision of this section. If such advisory opinion is requested, the Board shall provide one in a timely fashion.

G. After completing the investigation, the Committee shall provide a written

report to the Council of its findings and recommendations for disposition of the complaint, together with the complaint, opinion of counsel and of the Board of Ethics, if any, and any additional material necessary for Council review of the complaint.

H. The Council shall review the report, provided that any Council member who is the subject of the complaint shall disqualify himself or herself from participating in any proceedings related thereto. The council may determine that there are no reasonable grounds to believe that a violation has occurred and may dismiss the complaint. Such dismissal shall be in writing, setting forth the basis therefor. A copy shall be provided to the complainant and to the person charged with the violation. If the complaint is not dismissed or resolved, subject to Council approval, at a conference between the Committee and the person charged with the violation, the Council shall, within thirty (30) days of receipt of the Committee report, consider the report in open meeting, all subject to Council rules and regulations respecting procedural due process.

I. The Council shall determine, by recorded vote, whether a violation of the provisions of this section has occurred. If not, the complaint shall be dismissed. A written report of Council action setting forth the basis therefor shall be prepared and filed with council records. A copy thereof shall be provided to the complainant and to the person charged with the violation.

J. If the Council determines that an employee has violated the provisions of

this section, the employee shall be subject to such disciplinary action as determined appropriate by the Council. In addition to any other penalty herein or otherwise provided by law, a violation shall be cause for suspension, discharge or any such other disciplinary action as may be deemed necessary and proper.

K. If the Council determines that a Council member has violated the provisions of this section, a copy of its written report shall be forwarded to the Mayor of the City, together with all supporting documentation and the recommendation of the Council, if any. In addition to other penalty herein or otherwise provided by law, a violation shall be cause for suspension, removal from office, or other such disciplinary action as may, by the Mayor be deemed necessary and proper. Either the complainant or the Council member charged with the violation also may petition the Mayor for review of Council action within fifteen (15) days of Council action. Within thirty (30) days of receipt of a Council report or a petition for review thereof, whichever is later, the Mayor shall complete his review of the record and issue a written decision, including what, if any, disciplinary action shall be taken. A copy of the decision shall be provided to the Council, the complainant and the Council member charged with the violation.

***Legislative history/notes:***

(Ord. 109954 Section 2(part), 1981.)

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**SMC 3.110.590 Penalty for violation.**

Violation of any provisions of Section [3.110.560](#) or Section [3.110.570](#) constitutes an infraction for which a monetary fine, not to exceed Five Hundred Dollars (\$500), may be assessed by a court of competent jurisdiction. Violation may be proven by a preponderance of evidence and need not be proven beyond a reasonable doubt.

***Legislative history/notes:***

(Ord. 109954 Section 2(part), 1981.)