

**H. B. 2028**

(By Delegate Shott)

[Introduced January 14, 2015; referred to the

Committee on Government Organization then the Judiciary .]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §5A-3-10f, relating generally to purchasing; defining terms; prohibiting the award and renewal of contracts worth over \$2 million to vendors owned ,in whole or in part, by state officials or by family members of state officials; requiring an affidavit of compliance with this section to accompany bids, contract proposals and contracts with the state; and providing for Ethics Commission review and approval of exceptions to this prohibition.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §5A-3-10f, to read as follows:

**ARTICLE 3. PURCHASING DIVISION.**

**§5A-3-10f. Prohibition on awarding contracts to vendors owned by state officials or by family members of state officials.**

(a) Unless the context clearly requires a different meaning, for the purposes of this section,

1 the following terms are defined as follows:

2 (1) "Family member of a state official" means a person who is the spouse, father, mother,  
3 son, daughter, brother, sister, uncle, aunt, nephew or niece of any state official, or who is the spouse  
4 of any such person so related to a state official.

5 (2) "State office" means:

6 (A) The Office of the Governor;

7 (B) The Office of the Secretary of State;

8 (C) The Office of the State Treasurer;

9 (D) The Office of the State Auditor;

10 (E)The Office of the Attorney General;

11 (F) The Office of the Commissioner of Agriculture;

12 (G) The office of any member of the State Board of Education;

13 (H)The office of any member of the West Virginia Senate;

14 (I) The office of any member of the West Virginia House of Delegates;

15 (J) The Office of a Justice of the Supreme Court of Appeals of West Virginia; and

16 (K)The office of a judge of any state circuit court.

17 (3) "State official" means any person who is elected to or appointed by the Governor to a  
18 state office.

19 (4) "Vendor" means any sole-proprietorship, corporation, partnership, association, limited  
20 liability company or any other form or business association which is a for-profit entity.

21 (b) No contract or renewal of any contract over \$2 million in value may be awarded by the  
22 state to any vendor or prospective vendor when the vendor or prospective vendor is related to any

1 state official by blood, marriage, ownership or a contract through which the state official or the  
2 family member of a state official has a relationship of ownership or other interest with the vendor  
3 and where the state official or family member of a state official has an ownership interest of greater  
4 than five percent in the vendor.

5 (c) All bids, contract proposals or contracts with the state submitted or approved under the  
6 provisions of this code shall include an affidavit that the vendor, prospective vendor or a related  
7 party to the vendor or prospective vendor is not in violation of this section.

8 (d) Upon request, the Ethics Commission may review bids, contract proposals or contracts  
9 with the state submitted or approved under the provisions of this code and may approve exceptions  
10 to the provisions of subsection (b) of this section.

NOTE: The purpose of this bill is to prohibit awarding or renewing state contracts of over \$2 million to vendors owned, in whole or part, by state officials or by family members of state officials. The bill also requires an affidavit of compliance with the prohibition to accompany bids, contract proposals and contracts with the state, and provides for Ethics Commission review and approval of exceptions to this prohibition.

This section is new; therefore, it has been completely underscored.