WEST VIRGINIA LEGISLATURE
Regular Session, 2005

ENROLLED

SENATE BILL NO. 153

(By Senators Tomblin, Mr. President, and Sprouse, By Request of the Executive)

PASSED March 22, 2005

In Effect July 1, 2005
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[Passed March 22, 2005; to take effect July 1, 2005.]

AN ACT to amend and reenact §6B-1-6 of the Code of West Virginia, 1931, as amended, as contained in chapter 1, Acts of the Legislature, first extraordinary session, two thousand five; to amend and reenact §6B-2-4 and §6B-2-10 of said code, as contained in said acts; and to amend and reenact §6B-3-3a and §6B-3-3c of said code, as contained in said acts, all relating generally to the administration of ethical standards of public officers and employees; revising confidentiality requirements for Ethics Commission members and staff, the Review Board, complainants and informants; revising provisions prohibiting willful disclosure of confidential information; prohibiting the submission of false or misleading information to the Commission; providing for the deposit of funds into the general revenue fund of the state; establishing fees in legislative rules; and providing for penalties.

Be it enacted by the Legislature of West Virginia:
That §6B-1-6 of the Code of West Virginia, 1931, as amended, as contained in chapter 1, Acts of the Legislature, first extraordinary session, two thousand five, be amended and reenacted; that §6B-2-4 and §6B-2-10 of said code, as contained in said acts, be amended and reenacted; and that §6B-3-3a and §6B-3-3c of said code, as contained in said acts, be amended and reenacted, all to read as follows:

ARTICLE 1. SHORT TITLE; LEGISLATIVE FINDINGS, PURPOSES AND INTENT; CONSTRUCTION AND APPLICATION OF CHAPTER; SEVERABILITY.

§6B-1-6. Deposit of funds.

1 All moneys collected pursuant to this chapter except fines imposed pursuant to paragraph (D), subdivision (1), subsection (r), section four, article two of this chapter shall be deposited in the general revenue fund in the state treasury pursuant to the provisions of section two, article twelve, chapter twelve of this code.

ARTICLE 2. WEST VIRGINIA ETHICS COMMISSION; POWERS AND DUTIES; DISCLOSURE OF FINANCIAL INTEREST BY PUBLIC OFFICIALS AND EMPLOYEES; APPEARANCE BEFORE PUBLIC AGENCIES.

§6B-2-4. Processing complaints; dismissals; hearings; disposition; judicial review.

1 (a) Upon the filing of a complaint, the Executive Director of the Commission or his or her designee shall, within three working days, acknowledge the receipt of the complaint by first-class mail unless the complaint was initiated by the Commission or the complainant or his or her representative personally filed the complaint with the Commission and was given a receipt or other acknowledgment evidencing the filing of the complaint. No political party or officer, employee or agent of a political party acting in his or her official capacity may file a complaint for a violation of this chapter with the Commission. Nothing in this section prohibits a private citizen, acting in that capacity, from filing a verified complaint with the
Commission under this section. Within fourteen days after
the receipt of a complaint, the Executive Director shall
refer the complaint to the Review Board created pursuant
to section two-a of this article.

(b) Upon the referral of a complaint by the Executive
Director pursuant to subsection (a) of this section, the
Review Board shall determine whether the allegations of
the complaint, if taken as true, would constitute a viola-
tion of law upon which the Commission could properly act
under the provisions of this chapter. If the complaint is
determined by a majority vote of the Review Board to be
insufficient in this regard, the Review Board shall dismiss
the complaint.

(c) Upon a finding by the Review Board that the com-
plaint is sufficient, the Executive Director shall give notice
of a pending investigation to the complainant, if any, and
to the respondent. The notice of investigation shall be
mailed to the parties and, in the case of the respondent,
shall be mailed as certified mail, return receipt requested,
marked “Addressee only, personal and confidential”. The
notice shall describe the conduct of the respondent which
is alleged to violate the law and a copy of the complaint
shall be appended to the notice mailed to the respondent.
Each notice of investigation shall inform the respondent
that the purpose of the investigation is to determine
whether probable cause exists to believe that a violation of
law has occurred which may subject the respondent to
administrative sanctions by the Commission, criminal
prosecution by the state, or civil liability. The notice shall
further inform the respondent that he or she has a right to
appear before the Review Board and that he or she may
respond in writing to the Commission within thirty days
after the receipt of the notice, but that no fact or allega-
tion shall be taken as admitted by a failure or refusal to
timely respond.

(d) Within the 45-day period following the mailing of a
notice of investigation, the Review Board shall proceed to
consider: (1) The allegations raised in the complaint; (2) any timely received written response of the respondent; and (3) any other competent evidence gathered by or submitted to the Commission which has a proper bearing on the issue of probable cause. A respondent may appear before the Review Board and make an oral response to the complaint. The Commission shall promulgate rules prescribing the manner in which a respondent may present his or her oral response. The Commission may ask a respondent to disclose specific amounts received from a source and request other detailed information not otherwise required to be set forth in a statement or report filed under the provisions of this chapter if the information sought is considered to be probative as to the issues raised by a complaint or an investigation initiated by the Commission. Any information thus received shall be confidential except as provided by subsection (e) of this section. If a person asked to provide information fails or refuses to furnish the information to the Commission, the Commission may exercise its subpoena power as provided in this chapter and any subpoena issued by the Commission shall have the same force and effect as a subpoena issued by a circuit court of this state. Enforcement of any subpoena may be had upon application to a circuit court of the county in which the Review Board is conducting an investigation through the issuance of a rule or an attachment against the respondent as in cases of contempt.

(e) (1) All investigations, complaints, reports, records, proceedings and other information received by the Commission and related to complaints made to the Commission or investigations conducted by the Commission pursuant to this section, including the identity of the complainant or respondent, are confidential and may not be knowingly and improperly disclosed by any current or former member or employee of the Commission or the Review Board except as follows:
(A) Once there has been a finding that probable cause exists to believe that a respondent has violated the provisions of this chapter and the respondent has been served by the Commission with a copy of the Review Board's order and the statement of charges prepared pursuant to the provisions of subsection (g) of this section, the complaint and all reports, records, nonprivileged and nondeliberative material introduced at any probable cause hearing held pursuant to the complaint cease to be confidential.

(B) After a finding of probable cause, any subsequent hearing held in the matter for the purpose of receiving evidence or the arguments of the parties or their representatives shall be open to the public and all reports, records and nondeliberative materials introduced into evidence at the hearing, as well as the Commission's orders, are not confidential.

(C) The Commission may release any information relating to an investigation at any time if the release has been agreed to in writing by the respondent.

(D) The complaint and the identity of the complainant shall be disclosed to a person named as respondent immediately upon the respondent's request.

(E) Where the Commission is otherwise required by the provisions of this chapter to disclose information or to proceed in such a manner that disclosure is necessary and required to fulfill those requirements.

(2) If, in a specific case, the Commission finds that there is a reasonable likelihood that the dissemination of information or opinion in connection with a pending or imminent proceeding will interfere with a fair hearing or otherwise prejudice the due administration of justice, the Commission shall order that all or a portion of the information communicated to the Commission to cause an investigation and all allegations of ethical misconduct or
criminal acts contained in a complaint shall be confidential and the person providing the information or filing a complaint shall be bound to confidentiality until further order of the Commission.

(f) If the members of the Review Board fail to find probable cause, the proceedings shall be dismissed by the Commission in an order signed by the members of the Review Board. Copies of the order of dismissal shall be sent to the complainant and served upon the respondent forthwith. If the Review Board decides by a unanimous vote that there is probable cause to believe that a violation under this chapter has occurred, the members of the Review Board shall sign an order directing the Commission staff to prepare a statement of charges and assign the matter for hearing to the Commission or a hearing examiner as the Commission may subsequently direct. The Commission shall then schedule a hearing, to be held within ninety days after the date of the order, to determine the truth or falsity of the charges. The Commission's review of the evidence presented shall be de novo. For the purpose of this section, service of process upon the respondent is obtained at the time the respondent or the respondent's agent physically receives the process, regardless of whether the service of process is in person or by certified mail.

(g) At least eighty days prior to the date of the hearing, the Commission shall serve the respondent by certified mail, return receipt requested, with the statement of charges and a notice of hearing setting forth the date, time and place for the hearing. The scheduled hearing may be continued only upon a showing of good cause by the respondent or under other circumstances as the Commission, by legislative rule, directs.

(h) The Commission may sit as a hearing board to adjudicate the case or may permit an assigned hearing examiner employed by the Commission to preside at the taking of evidence. The Commission shall, by legislative
rule, establish the general qualifications for hearing examiners. The legislative rule shall also contain provisions which ensure that the functions of a hearing examiner will be conducted in an impartial manner and describe the circumstances and procedures for disqualification of hearing examiners.

(i) A member of the Commission or a hearing examiner presiding at a hearing may:

(1) Administer oaths and affirmations, compel the attendance of witnesses and the production of documents, examine witnesses and parties and otherwise take testimony and establish a record;

(2) Rule on offers of proof and receive relevant evidence;

(3) Take depositions or have depositions taken when the ends of justice will be served;

(4) Regulate the course of the hearing;

(5) Hold conferences for the settlement or simplification of issues by consent of the parties;

(6) Dispose of procedural requests or similar matters;

(7) Accept stipulated agreements;

(8) Take other action authorized by the Ethics Commission consistent with the provisions of this chapter.

(j) With respect to allegations of a violation under this chapter, the complainant has the burden of proof. The West Virginia Rules of Evidence governing proceedings in the courts of this state shall be given like effect in hearings held before the Commission or a hearing examiner. The Commission shall, by rule, regulate the conduct of hearings so as to provide full procedural due process to a respondent. Hearings before a hearing examiner shall be recorded electronically. When requested by either of the parties, the presiding officer shall order a transcript, verified by oath or affirmation, of each hearing held and
so recorded. In the discretion of the Commission, a record of the proceedings may be made by a certified court reporter. Unless otherwise ordered by the Commission, the cost of preparing a transcript shall be paid by the party requesting the transcript. Upon a showing of indigency, the Commission may provide a transcript without charge. Within fifteen days following the hearing, either party may submit to the hearing examiner that party's proposed findings of fact. The hearing examiner shall thereafter prepare his or her own proposed findings of fact and make copies of the findings available to the parties. The hearing examiner shall then submit the entire record to the Commission for final decision.

(k) The recording of the hearing or the transcript of testimony, as the case may be, and the exhibits, together with all papers and requests filed in the proceeding, and the proposed findings of fact of the hearing examiner and the parties, constitute the exclusive record for decision by the Commission, unless by leave of the Commission a party is permitted to submit additional documentary evidence or take and file depositions or otherwise exercise discovery.

(l) The Commission shall set a time and place for the hearing of arguments by the complainant and respondent, or their respective representatives, and shall notify the parties thereof. Briefs may be filed by the parties in accordance with procedural rules promulgated by the Commission. The Commission shall issue a final decision in writing within forty-five days of the receipt of the entire record of a hearing held before a hearing examiner or, in the case of an evidentiary hearing held by the Commission acting as a hearing board in lieu of a hearing examiner, within twenty-one days following the close of the evidence.

(m) A decision on the truth or falsity of the charges against the respondent and a decision to impose sanctions must be approved by at least seven members of the Commission.
(n) Members of the Commission shall recuse themselves from a particular case upon their own motion with the approval of the Commission or for good cause shown upon motion of a party. The remaining members of the Commission shall, by majority vote, select a temporary member of the Commission to replace a recused member: Provided, That the temporary member selected to replace a recused member shall be a person of the same status or category, provided by subsection (b), section one of this article, as the recused member.

(o) Except for statements made in the course of official duties to explain Commission procedures, no member or employee or former member or employee of the Commission may make any public or nonpublic comment about any proceeding previously or currently before the Commission. Any member or employee or former member or employee of the Commission who violates this subsection is subject to the penalties contained in subsection (e), section ten of this article. In addition, violation of this subsection by a current member or employee of the Commission is grounds for immediate removal from office or termination of employment.

(p) A complainant may be assisted by a member of the Commission staff assigned by the Commission after a determination of probable cause.

(q) No employee of the Commission assigned to prosecute a complaint may participate in the Commission deliberations or communicate with Commission members or the public concerning the merits of a complaint.

(r) If the Commission finds by evidence beyond a reasonable doubt that the facts alleged in the complaint are true and constitute a material violation of this article, it may impose one or more of the following sanctions:

(A) Public reprimand;

(B) Cease and desist orders;
(C) Orders of restitution for money, things of value, or services taken or received in violation of this chapter;

(D) Fines not to exceed five thousand dollars per violation; or

(E) Reimbursement to the Commission for the actual costs of investigating and prosecuting a violation. Any reimbursement ordered by the Commission for its costs under this paragraph shall be collected by the Commission and deposited pursuant to section six, article one of this chapter.

(2) In addition to imposing the above-specified sanctions, the Commission may recommend to the appropriate governmental body that a respondent be terminated from employment or removed from office.

(3) The Commission may institute civil proceedings in the circuit court of the county in which a violation occurred for the enforcement of sanctions.

(s) At any stage of the proceedings under this section, the Commission may enter into a conciliation agreement with a respondent if the agreement is deemed by a majority of the members of the Commission to be in the best interest of the state and the respondent. Any conciliation agreement must be disclosed to the public: Provided, That negotiations leading to a conciliation agreement, as well as information obtained by the Commission during the negotiations, shall remain confidential except as may be otherwise set forth in the agreement.

(t) Decisions of the Commission involving the issuance of sanctions may be appealed to the circuit court of Kanawha County, or to the circuit court of the county where the violation is alleged to have occurred, only by the respondent and only upon the grounds set forth in section four, article five, chapter twenty-nine-a of this code.
(u)(1) Any person who in good faith files a verified complaint or any person, official or agency who gives credible information resulting in a formal complaint filed by Commission staff is immune from any civil liability that otherwise might result by reason of such actions.

(2) If the Commission determines, by clear and convincing evidence, that a person filed a complaint or provided information which resulted in an investigation knowing that the material statements in the complaint or the investigation request or the information provided were not true; filed an unsubstantiated complaint or request for an investigation in reckless disregard of the truth or falsity of the statements contained therein; or filed one or more unsubstantiated complaints which constituted abuse of process, the Commission shall:

(A) Order the complainant or informant to reimburse the respondent for his or her reasonable costs;

(B) Order the complainant or informant to reimburse the respondent for his or her reasonable attorney fees; and

(C) Order the complainant or informant to reimburse the Commission for the actual costs of its investigation.

In addition, the Commission may decline to process any further complaints brought by the complainant, the initiator of the investigation or the informant.

(3) The sanctions authorized in this subsection are not exclusive and do not preclude any other remedies or rights of action the respondent may have against the complainant or informant under the law.

(v) (1) If at any stage in the proceedings under this section it appears to a Review Board, a hearing examiner or the Commission that there is credible information or evidence that the respondent may have committed a criminal violation, the matter shall be referred to the full Commission for its consideration. If, by a vote of two
thirds of the members of the full Commission, it is determined that probable cause exists to believe a criminal violation has occurred, the Commission shall refer the matter to the appropriate county prosecuting attorney having jurisdiction for a criminal investigation and possible prosecution. Deliberations of the Commission with regard to referring a matter for criminal investigation by a prosecuting attorney shall be private and confidential. Notwithstanding any other provision of this article, once a referral for criminal investigation is made under the provisions of this subsection, the ethics proceedings shall be held in abeyance until action on the referred matter is concluded. If the referral of the matter to the prosecuting attorney results in a criminal conviction of the respondent, the Commission may resume its investigation or prosecution of the ethics violation, but may not impose a fine as a sanction if a violation is found to have occurred.

(2) If fewer than two thirds of the full Commission determine that a criminal violation has occurred, the Commission shall remand the matter to the Review Board, the hearing examiner or the Commission itself as a hearing board, as the case may be, for further proceedings under this article.

(w) The provisions of this section shall apply to violations of this chapter occurring after the thirtieth day of September, one thousand nine hundred eighty-nine, and within one year before the filing of a complaint: Provided, That the applicable statute of limitations for violations which occur on or after the first day of July, two thousand five, is two years after the date on which the alleged violation occurred.

§6B-2-10. Violations and penalties.

(a) Any person who violates the provisions of subsection (e), (f) or (g), section five of this article or violates the provisions of subdivision (1), subsection (e), section four of this article is guilty of a misdemeanor and, upon convic-
tion, shall be confined in jail for a period not to exceed six months or shall be fined not more than one thousand dollars, or both. A member or employee of the Commission or the Review Board convicted of violating said subdivision is subject to immediate removal from office or discharge from employment.

(b) Any person who violates the provisions of subsection (f), section six of this article by willfully and knowingly filing a false financial statement or knowingly and willfully concealing a material fact in filing the statement is guilty of a misdemeanor and, upon conviction, shall be fined not more than one thousand dollars, or confined in jail not more than one year, or both.

(c) Any person who knowingly fails or refuses to file a financial statement required by section six of this article is guilty of a misdemeanor and, upon conviction, shall be fined not less than one hundred dollars nor more than one thousand dollars.

(d) If any Commission member or staff knowingly violates subsection (o), section four of this article, such person, upon conviction thereof, shall be guilty of a misdemeanor and shall be fined not less than one hundred dollars nor more than one thousand dollars.

(e) Any person who violates the provisions of subdivision (2), subsection (e), section four of this article by knowingly and willfully disclosing any information made confidential by an order of the Commission is subject to administrative sanction by the Commission as provided in subsection (r) of said section.

(f) Any person who knowingly gives false or misleading material information to the Commission or who induces or procures another person to give false or misleading material information to the Commission is subject to administrative sanction by the Commission as provided in subsection (r), section four of this article.
ARTICLE 3. LOBBYISTS.

§6B-3-3a. Registration fees.

(a) Each lobbyist shall, at the time he or she registers, pay the Commission a base registration fee of one hundred dollars, plus one hundred dollars for each employer represented, to be filed with the initial registration statement and with each new registration statement filed by the lobbyist in subsequent odd numbered years. Whenever a lobbyist modifies his or her registration to add additional employers, an additional registration fee of one hundred dollars for each additional employer represented shall be paid to the Commission.

(b) All fees authorized and collected pursuant to this article shall be paid to the Ethics Commission and thereafter deposited pursuant to section six, article one of this chapter.

§6B-3-3c. Lobbyist training course.

The Commission shall provide a training course for registered lobbyists and prospective lobbyists at least twice each year regarding the provisions of the ethics code relevant to lobbyists. One such course shall be conducted during the month of January. In addition to the registration fees authorized in section three-a of this article, the Commission may collect a reasonable fee established by legislative rule authorized pursuant to article three, chapter twenty-nine-a of this code from those attending lobbyist training, which is to be collected by the Ethics Commission and deposited pursuant to section six, article one of this chapter. To maintain registration and engage in lobbying activities, a lobbyist must complete one such training course per year.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect July 1, 2005.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the

Day of April 2005.

Governor
PRESENTED TO THE GOVERNOR

Date 3/31/65
Time 4:30 PM