
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 758 Session of
2013

INTRODUCED BY STACK, EICHELBERGER, FOLMER, TEPLITZ, SCHWANK,
RAFFERTY, VULAKOVICH, TARTAGLIONE, WASHINGTON, BREWSTER,
KASUNIC AND BRUBAKER, APRIL 15, 2013

REFERRED TO STATE GOVERNMENT, APRIL 15, 2013

AN ACT

1 Restricting certain activities of employees, appointees and
2 officials in the Executive Branch.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Governor's
7 Code of Conduct Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Covered person." The term includes the Governor, Lieutenant
13 Governor and an employee, appointee or official in the executive
14 branch.

15 "Regulated gaming entity." An entity regulated by 4 Pa.C.S.
16 Part II (relating to gaming).

17 Section 3. Adverse pecuniary interest.

1 A covered person may not engage in any of the following:

2 (1) Engage directly or indirectly in business
3 transactions or private arrangement for profit which accrues
4 from or is based on the covered person's official position of
5 authority.

6 (2) Participate in the negotiation of a decision to
7 award contracts, the settlement of claims or charges in
8 contracts, the making of loans, the granting of subsidies,
9 the fixing of rates or the issuance of permits, certificates,
10 guarantees or other things of value to, with or for an entity
11 in which the covered person has a financial or personal
12 interest.

13 (3) Hold any pecuniary interest in, or own shares or
14 securities issued by, a regulated gaming entity. This
15 paragraph does not apply to interests held:

16 (i) In mutual funds when the value of the interest
17 owned does not exceed 1% of the total fair market value
18 of a regulated gaming entity.

19 (ii) Through defined benefit pension plans.

20 (iii) Through a deferred compensation plan organized
21 and operated under section 457 of the Internal Revenue
22 Code of 1986 (Public Law 99-514, 26 U.S.C. § 457 et
23 seq.).

24 (iv) Through a tuition account plan organized and
25 operated under section 529 of the Internal Revenue Code
26 of 1986 (Public Law 99-514, 26 U.S.C. § 529 et seq.).

27 (v) Through a plan described in section 401(k) of
28 the Internal Revenue Code of 1986 (Public Law 99-514, 26
29 U.S.C § 401(k) et seq.).

30 (vi) In an employer profit-sharing plan qualified

1 under the Internal Revenue Code.

2 (vii) In a regulated gaming entity prior to July 6,
3 2004, by individuals other than the following:

4 (A) Employees of the Pennsylvania State Police
5 or the Department of Revenue whose duties include any
6 aspect of the gaming industry.

7 (B) Members of the State Horse Racing Commission
8 or the State Harness Racing Commission and their
9 respective staff.

10 (C) Public officials appointed by the Governor
11 and Commonwealth employees under the Governor's
12 jurisdiction.

13 (D) Members of the board of the Public School
14 Employees' Retirement System and its employees.

15 (E) Members of the board of the State Employees'
16 Retirement System and its employees.

17 (F) Members of the board of the Independent
18 Regulatory Review Commission and its employees.

19 Section 4. Representation of interests.

20 No covered person may represent or act as agent for a private
21 interest, whether for compensation or not, in a transaction in
22 which the State has a direct and substantial interest and which
23 could be reasonably expected to result in a conflict between a
24 private interest of the covered person and the covered person's
25 official State responsibility.

26 Section 5. Gifts and favors.

27 (a) General rule.--No covered person may solicit or accept
28 for the personal use of himself or another, a gift, gratuity,
29 favor, entertainment, loan or other thing of monetary value from
30 a person who:

1 (1) is seeking to obtain business from or has financial
2 relations with the Commonwealth;

3 (2) conducts operations or activities that are regulated
4 by the Commonwealth;

5 (3) is engaged, either as principal or attorney, in
6 proceedings before the Commonwealth or in court proceedings
7 in which the Commonwealth is an adverse party; or

8 (4) has interests that may be substantially affected by
9 the performance or nonperformance of the official duty of the
10 covered person.

11 (b) Exceptions.--Subsection (a) shall not apply to any of
12 the following:

13 (1) The solicitation or acceptance of something of
14 monetary value from a friend, parent, spouse, child or other
15 close relative when the circumstances make it clear that the
16 motivation for the action is a personal or family
17 relationship.

18 (2) Acceptance of food and refreshment of nominal value
19 on infrequent occasions in the ordinary course of a luncheon
20 or dinner meeting or other meeting.

21 (3) The acceptance of loans from banks or other
22 financial institutions on customary terms of finance for
23 proper and usual activities, such as home mortgage loans.

24 (4) Acceptance of unsolicited advertising or promotional
25 material, such as pens, pencils, note pads, calendars and
26 other items of nominal intrinsic value.

27 (5) Receipts of bona fide reimbursement for actual
28 expenses for travel and other necessary subsistence as is
29 compatible with other restrictions enumerated in this act and
30 for which no Commonwealth payment or reimbursement is made. A

1 covered person may not be reimbursed, and payment may not be
2 made on his behalf, for excessive personal living expenses,
3 gifts, entertainment or other personal benefits nor may a
4 covered employee be reimbursed by a person for travel on
5 official business under Commonwealth orders.

6 (6) Participation in the affairs of or acceptance of an
7 award for a meritorious public contribution or achievement
8 from a charitable, religious, professional, social, fraternal
9 or nonprofit educational, recreational, public service or
10 civic organization.

11 (7) A voluntary gift of nominal value or donation in a
12 nominal amount made on a special occasion such as marriage,
13 illness or retirement.

14 (8) A plaque, memento or gift of nominal value offered
15 as a token of esteem or appreciation on the occasion of a
16 public appearance, visit, speech or similar activity.

17 Section 6. Misuse of information.

18 No covered person may for his own personal gain or for the
19 gain of others use information obtained as a result of service
20 or employment with the Commonwealth and not available to the
21 public at large or divulge the information in advance of the
22 time prescribed for its authorized release.

23 Section 7. Misuse of office facilities and equipment.

24 No covered employee may use any Commonwealth equipment,
25 supplies or properties for his own private gain or for other
26 than officially designated purposes.

27 Section 8. Supplementary employment.

28 (a) General rule.--No covered employee may engage in or
29 accept private employment or render services for a private
30 interest unless the employment or service is approved in advance

1 by the head of the agency to which the covered person is
2 assigned. Supplementary employment may be undertaken only when
3 not in conflict with the conditions of employment regulations
4 promulgated by the Executive Board, if applicable, the Civil
5 Service Commission and the government agency by which the
6 covered person is employed.

7 (b) Construction.--This section shall not be construed to
8 prohibit individuals appointed to serve part time on boards and
9 commissions from pursuing their usual occupation, provided that
10 they do not perform services or receive compensation from
11 persons or institutions which they regulate or otherwise conduct
12 themselves in a manner inconsistent with the impartial
13 administration of their official duties.

14 Section 9. Honoraria.

15 (a) General rule.--No covered person shall accept honoraria,
16 speaking fees or any other valuable consideration.

17 (b) Compensation.--

18 (1) No covered person may receive compensation for
19 consultation which draws upon ideas or data derived from his
20 official duties.

21 (2) Notwithstanding paragraph (1), a covered person may
22 designate nonprofit, charitable organizations to be
23 recipients of honoraria or speaking fees offered to the
24 covered person by groups which customarily offer such
25 honoraria to guest speakers.

26 (3) Paragraph (2) does not apply to individuals
27 appointed to serve on boards and commissions who may not,
28 however, accept such honoraria from groups that are regulated
29 by the board or commission on which they serve or which could
30 otherwise raise a legitimate question about their ability to

1 fairly and impartially perform their official duties.

2 Section 10. Political activity.

3 No covered person may:

4 (1) Engage in any political activity such as
5 campaigning, fundraising, canvassing or poll watching during
6 the covered person's specified working hours or which is
7 determined by the Secretary of Administration to conflict or
8 interfere with the ability of the affected official or
9 employee to effectively and efficiently carry out the duties
10 and functions of the covered person's position.

11 (2) In any manner coerce another person in government
12 service or employment to contribute time, money or services
13 to a political candidate or campaign.

14 Section 11. Enforcement.

15 A covered person who refuses or fails to comply with this act
16 shall be subjected to disciplinary action, including, but not
17 limited to, reprimands, suspensions and termination.

18 Section 12. Effective date.

19 This act shall take effect in 60 days.