
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1417 Session of
1978

INTRODUCED BY SWEENEY, EARLY AND GEKAS, APRIL 11, 1978

REFERRED TO STATE GOVERNMENT, APRIL 11, 1978

AN ACT

1 Establishing a Code of Conduct for Public Officials and
2 Employees in all areas of public service, creating a Public
3 Servant's Ethics Commission and defining its powers and
4 duties, and providing for its enforcement and for penalties.

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1 GENERAL PROVISIONS

2 Section 101. Short title.

3 This act shall be known and may be cited as the "Code of
4 Conduct for Public Officials and Employees."

5 Section 102. Statement of purpose.

6 The Legislature hereby recognizes that there is a real need
7 for the legislative establishment of a code of conduct for
8 public officials and public employees because the holding of any
9 public office or position is a public trust. This act is
10 designed and intended, therefore, to strengthen the faith and
11 confidence of the people of the Commonwealth in their government
12 and to establish guidelines of conduct in order to provide
13 protection for honest public officials and honest men and women
14 having business with them and in order to provide remedies and
15 penalties with respect to those persons who may violate the
16 standards of conduct established in this act.

17 Section 103. Scope.

18 This act shall apply to the conduct of any and all elected
19 and appointed public officials or public employees in all
20 branches and sectors of government for the State or its
21 political subdivisions.

22 Section 104. Definitions.

23 The following words and phrases when used in this act shall
24 have, unless the context clearly indicates otherwise, the
25 meanings given to them in this section:

26 "Agency." Any branch or department of State government or a
27 political subdivision thereof including the executive,
28 legislative or judicial and all sectors thereof and thereunder,
29 and any division, board, bureau, commission, institution,
30 tribunal or other instrumentality within such branch or

1 department of government, and any independent authority,
2 district, commission, instrumentality or agency.

3 "Assist." To act, or agree to act, in such a way as to help,
4 aid, advise, furnish information to, or otherwise provide
5 assistance to another person believing that such action is of
6 help, aid, advice, or assistance to such person and with intent
7 to so assist such person.

8 "Business entity." An enterprise, activity, profession,
9 vocation, trade, joint venture, commerce or any other
10 undertaking of any nature when engaged in as a commercial
11 enterprise and conducted for profit or ordinarily conducted for
12 profit, whether by an individual, partnership, association,
13 other unincorporated entity, or a corporation organized for
14 profit. The term "business" shall include a professional
15 service.

16 "Commission." The Public Servant's Ethics Commission.

17 "Compensation." Any thing of economic value, however
18 designated, which is paid, loaned, granted, given, donated or
19 transferred, or to be paid, loaned, granted, given, donated or
20 transferred for or in consideration of personal services to any
21 person, official or to any agency of the State or a political
22 subdivision thereof.

23 "Disclosure statement." A statement of economic and other
24 interests held by a public employee or public official.

25 "Gift." Any thing of economic value with the exception of
26 public awards, insignificant nonpecuniary gifts, political
27 contributions for which an accounting is required by and is made
28 pursuant to the election laws, or compensation or gifts not
29 connected with or related to either the governmental processes
30 or the donee's services as a public official or employee.

1 "Government funds." Any money or tangible or intangible
2 property, having value and which is the property of any agency
3 of the State or a political subdivision or to which such agency
4 may be entitled to make disposition of in the course of
5 governmental activities.

6 "Immediate family." The public employee or official and his
7 or her spouse and their parents, children, brothers and sisters.

8 "Indirect interest in real estate." An ownership interest in
9 a person whose assets consist of 80% of the real estate or more.

10 "Official action." Any decision or action in a particular
11 matter or in the enactment of legislation.

12 "Official responsibility." The direct administrative or
13 operating authority, whether immediate or final, and either
14 exercisable alone or with others, and whether personal or
15 through subordinates, to approve, disapprove or otherwise direct
16 action involving a State, county or municipal agency.

17 "Participate." To act or take part in agency action or in a
18 particular matter personally and substantially as a public
19 official or public employee, through approval, disapproval,
20 decision, recommendation, the rendering of advice, investigation
21 or otherwise including the failure to act or perform a duty.

22 "Particular matter." Any judicial or other proceeding,
23 application, submission, request for a ruling or other
24 determination, contract, claim, controversy, charge, accusation,
25 arrest, decision, determination, finding, but excluding
26 enactment or general legislation by the General Assembly.

27 "Person who has been selected." Any person who has been
28 nominated or appointed to be a public official or public
29 employee or has been officially informed that he will be so
30 nominated or appointed.

1 "Personal economic interest." A direct or indirect financial
2 interest exceeding \$5,000 or 5% of the equity at fair market
3 value in a business entity, or exceeding \$5,000 or 5% of the
4 gross receipts of a business entity.

5 "Public agency of the same class." Any agency of the State
6 or political subdivision which by virtue of its branch or sector
7 of government and classification is of the same classification
8 as the classification of governmental agency with which the
9 public official or public employee is affiliated.

10 "Public consultant." A person who, as an independent
11 contractor, performs professional, scientific, technical or
12 advisory service for an agency of the State or a political
13 subdivision thereof, and who receives a fee, honorarium or
14 similar compensation for such service.

15 "Public employee." An employee in the service of any agency
16 of the State or political subdivision who receives a salary or
17 wage for such service.

18 "Public official." A person, other than a public employee,
19 performing services for or holding an office, position or
20 membership in any agency of the State or a political subdivision
21 whether by election or appointment.

22 "Special public official." A public official:

23 (1) who is performing services or holding an office,
24 position, employment or membership for which no compensation
25 is provided; or

26 (2) who is not an elected official and occupies a
27 position which, by its classification in the public agency
28 involved or by the terms of the contract or conditions of
29 employment, permits personal or private employment during
30 normal working hours, or who in fact does not earn

1 compensation as a public employee or official for an
2 aggregate of more than 800 hours during the preceding year.
3 For this purpose compensation by the day shall be considered
4 as equivalent to compensation for seven hours per day.

5 "Substantial financial interest." An interest held by a
6 person which is:

7 (1) an ownership interest of not less than 25% held by
8 such person or a member of his immediate family; or

9 (2) a directorship, officership or partnership in a
10 business entity by such person or member of his immediate
11 family.

12 "Thing of economic value." Any money or other thing having
13 economic value except food, drink, or refreshments consumed by
14 an official including reasonable transportation and
15 entertainment incident thereto, while the personal quest of some
16 person, and includes without limiting the generality of the
17 foregoing:

18 (1) any loan, except a bona fide loan made by a duly
19 licensed bank or savings and loan association at the normal
20 rate of interest, any property interest, interest in a
21 contract, merchandise, service and any employment or other
22 arrangement involving a right to compensation;

23 (2) any option to obtain real or personal property or
24 valuable rights of ownership, whether direct or indirect,
25 irrespective of the conditions to the exercise of such
26 option; and

27 (3) any promise or undertaking for the present or future
28 delivery or procurement of real or personal property or
29 valuable rights of ownership, whether direct or indirect.

30 In the case of an option, promise or undertaking, the time of

1 receipt of the thing of economic value shall be deemed to be,
2 respectively, the time the right to the option becomes fixed,
3 regardless of the conditions to its exercise, and the time when
4 the promise or undertaking is made, regardless of the conditions
5 to its performance.

6 "Transaction involving a public agency." Any proceeding,
7 application, submission, request for a ruling or other
8 determination, contract, claim, case or other such particular
9 matter before an agency of the State or a political subdivision
10 which the official in question believes, or has reason to
11 believe:

12 (1) is, or will be the subject of official action;

13 (2) is one to which the particular agency or the State
14 or political subdivision is or will be a party;

15 (3) is one in which the particular agency or the State
16 or political subdivision has a direct interest.

17 CHAPTER 2

18 STANDARDS OF CONDUCT

19 Section 201. Conflicts of interest.

20 (a) No public official or public employee shall participate
21 as a principal in any transaction involving any agency of the
22 State or political subdivision in which he, any member of his
23 immediate family, or any business entity of which he is an
24 officer, director, trustee, partner or employee has a personal
25 economic interest.

26 (b) No public official or public employee nor any business
27 entity with which such official or employee has an ownership
28 interest in excess of 5% or is an officer, director, employee or
29 partner shall enter into any contract with:

30 (1) Any State agency if he is a State employee or

1 official.

2 (2) Any agency of a political subdivision if he is an
3 official or employee of the same political subdivision or any
4 of its agencies, which contract is to be paid in whole or in
5 part out of government funds unless the contract has been
6 awarded through a process of public notice and competitive
7 bidding but subject to the limitations of section 506, act of
8 April 9, 1929 (P.L.177, No.175), known as "The Administrative
9 Code of 1929," or the applicable codes of the political
10 subdivision.

11 Section 202. Disqualification by reason for former employment.

12 (a) No Commonwealth public official or public employee,
13 after his public employment has ceased, shall knowingly act as
14 an agent or attorney for anyone other than the Commonwealth in
15 connection with any transaction involving the Commonwealth in
16 which he is participated during the course of his public
17 employment.

18 (b) No public official or public employee within one year
19 after his public employment has ceased, shall appear personally
20 before any court or State agency in connection with any
21 transaction involving the Commonwealth which was, if still
22 employed, under his official responsibility.

23 Section 203. Confidential information and other information
24 acquired in the course of duty.

25 (a) No public official or public employee, shall disclose or
26 use, for private gain information which by law or practice is
27 not available to the public and acquired by him solely by virtue
28 of his position. Nothing in this section shall be construed to
29 extend or increase any prohibitions or penalties in law
30 prohibiting public officers or employees, in the absence of any

1 private gain, from providing information to the public. No
2 information described in this section shall be disclosed by a
3 public official or public employee to others for purposes of
4 their use for private gain, in circumstances where the use of
5 such information by the public official or public employee would
6 violate this section.

7 (b) No public official or public employee shall accept
8 employment or engage in any business or professional activity
9 which will require him to disclose confidential information
10 which he has gained by reason of his official position or
11 authority.

12 (c) No public official or public employee shall receive
13 compensation or anything of economic value for consultation, the
14 subject matter of which is devoted substantially to the
15 responsibilities, programs, or operations within his official
16 responsibility or draws substantially upon official data or
17 ideas which have not become part of the body of public
18 information.

19 Section 204. Use of position to secure unwarranted privileges.

20 No public official or public employee shall use or attempt to
21 use his official position to secure unwarranted privileges or
22 exemptions for himself or others but this section shall not be
23 deemed to prohibit the making of an inquiry of a public agency
24 for information on behalf of a person.

25 Section 205. Gifts.

26 No public official or public employee shall knowingly
27 solicit, accept or receive any gift or compensation, other than
28 that provided by law, which is intended to influence the
29 performance of his official duties or which would influence the
30 performance of his official duties.

1 Section 206. Supplementary employment.

2 No public official or public employee shall accept or engage
3 in private employment or render services for private interests
4 when such employment or service is incompatible or in conflict
5 with the proper discharge of his or her official duties or would
6 tend to impair his or her independence, judgement or action in
7 the performance of his or her official duties. Supplementary
8 employment may be undertaken only when not in conflict with the
9 conditions of employment regulations as may be promulgated by
10 the Public Servant's Ethics Commission.

11 Section 207. Abuse of privileges of employment.

12 (a) No public official or public employee shall use or
13 attempt to use his official position to secure privileges,
14 benefits or exemptions of his employment or official position
15 for wholly or primarily his own personal use and enjoyment or
16 the use and enjoyment of other persons outside the primary
17 purposes for which such privileges, benefits, or exemptions
18 where intended.

19 (b) No public official or public employee shall give the
20 appearance that he is engaged in any action, inaction or conduct
21 described in subsection (a).

22 Section 208. Supplemental provisions.

23 (a) No public official or public employee shall by his
24 conduct give reasonable basis for the impression that any person
25 can improperly influence him or unduly enjoy his favor in the
26 performance of his official duties, or that he is unduly
27 affected by kinship, rank, position or influence of any party or
28 person.

29 (b) No public official or public employee shall pursue a
30 course of conduct which will raise suspicion among the public

1 that he is likely to be engaged in acts that are in violation of
2 his trust.

3 (c) No public official or public employee shall obtain for
4 himself or others public services which are available only for
5 compensation or which are unavailable for nongovernmental
6 purposes. A public official or employee violates this subsection
7 if, having control or authority over the disposition of the
8 public service, he diverts such services to his own benefit or
9 to the benefit of another not entitled thereto.

10 Section 209. Limitations on transactions with firms subject to
11 the authority of a supervisory agency.

12 No public official or public employee of any agency of the
13 State or any political subdivision nor any business entity in
14 which he has a substantial financial interest shall contract,
15 lease or sell any goods or services, directly or indirectly,
16 with or to any person or business entity which is subject to the
17 authority of a public agency of the same class of which he is an
18 official or employee.

19 CHAPTER 3

20 PUBLIC SERVANT'S ETHICS COMMISSION

21 Section 301. Creation of commission, qualifications, removal.

22 (a) The Public Servant's Ethics Commission is hereby
23 established as an independent commission within the Executive
24 Branch of the Commonwealth. The commission shall consist of
25 seven members of outstanding character and reputation not more
26 than four of whom shall be from the same political party. All
27 members of the commission shall be appointed by the Governor
28 with the consent of a majority of the members of the Senate. At
29 least one such member shall be an elected official of county
30 government and at least two such members shall be elected

1 officials of municipal government or a school district.

2 (b) Of the original members, all of whom shall be appointed
3 within 45 days after the effective date of this act, two shall
4 be appointed for a term or one year. Two for a term of three
5 years, and three for a term of five years or until a successor
6 is appointed and qualified. Thereafter each appointment shall be
7 for a term of five years or until a successor is appointed or
8 qualified.

9 (c) Each member of the commission shall receive actual
10 traveling expenses and per diem compensation at the rate of \$100
11 per day for the time actually devoted to the business of the
12 commission.

13 (d) Any person appointed as a member of the commission shall
14 be a citizen and legal resident of the Commonwealth for a period
15 of not less than a year.

16 (e) The Governor may only remove a member of the commission
17 for malfeasance in office or for neglect of duty. The Governor
18 shall provide such member with a statement in writing of the
19 charges against him, and shall afford him, after notice of not
20 less than ten days, an opportunity of making a written answer
21 and, upon request, being publically heard in person or by
22 counsel. A copy of the charges and answer to the Governor's
23 findings and a transcript of the record shall be filed with the
24 executive director of the commission.

25 Section 302. Powers and duties of the commission.

26 The commission shall have the following powers and duties:

27 (1) The commission shall be authorized to establish,
28 adopt and amend such rules and regulations, in accordance
29 with the act of July 31, 1968 (P.L.769, No.240), known as the
30 "Commonwealth Documents Law," as are necessary to implement

1 the provisions of this act.

2 (2) The commission may render advisory opinions to
3 public officials and public employees or any public agency
4 with respect to the interpretation, applicability, or scope
5 of this act.

6 (3) The commission shall receive and consider charges
7 concerning alleged violations of this act, make
8 investigations, and hold hearings.

9 (4) The commission may subpoena witnesses, administer
10 oaths, and take testimony relating to matters before it and
11 require the production for examination of any books or papers
12 relative to any matter under investigation or in question
13 before it.

14 (5) The commission shall have jurisdiction for purposes
15 of investigation and taking appropriate action on alleged
16 violations of this act during the term of appointment or
17 employment of a public official or public employee and for a
18 period of two terms after a public official or public
19 employee has left his position with an agency of the State or
20 any political subdivision.

21 (6) The commission may, subject to its budgetary
22 limitations, distribute its publications without cost to the
23 public and shall initiate and maintain programs with the
24 purpose of informing the citizenry and public servants on
25 matters of ethics in government employment.

26 (7) The commission shall have the authority to employ
27 such other personnel including investigative help, as is
28 necessary to implement the provisions of this act; and the
29 commission shall be authorized to fix the compensation of
30 personnel it employs, subject to its budgetary limitations.

1 (8) Upon request of the commission, the State Police,
2 the Attorney General, local police and district attorneys
3 shall provide the commission with reasonable assistance not
4 inconsistent with the orderly operation of their respective
5 departments or offices.

6 (9) The commission shall have the power to administer
7 and carry out the provisions of this act and to take any
8 other action authorized by this or any other law.

9 (10) The commission, in addition to any other officials
10 with appropriate jurisdiction, shall have the power to make
11 determinations with respect to section 516, of the act of
12 April 9, 1929 (P.L.177, No.175), known as "The Administrative
13 Code of 1929," or the codes and laws of any political
14 subdivision and to make recommendations not inconsistent with
15 the penalties provided by such acts.

16 Section 303. Procedure upon receipt of initiation of complaint
17 by commission.

18 (a) A charge may be initiated by a sworn complaint charging
19 a violation under this act signed by a citizen of the
20 Commonwealth, the commission shall notify in writing any person
21 against whom a charge is initiated or received, hereinafter
22 referred to as the person charged and afford him an opportunity
23 to explain the conduct alleged to be in violation of the act.
24 The commission shall investigate all charges on a confidential
25 basis, having all the powers herein provided.

26 (b) If the commission determines that the charges warrant
27 further action, a copy of the charge and a further statement of
28 the alleged violation shall be personally served upon the person
29 charged. Such person shall have 20 days after service thereof to
30 respond in writing to the charge and statement. All proceedings

1 at this stage by the commission shall be confidential.

2 Section 304. Procedure for determination of a violation.

3 (a) Twenty days following personal service, the commission
4 shall set a time and place for a hearing giving notice to the
5 complainant and to the party charged.

6 (b) All parties shall have an opportunity to be heard, to
7 subpoena witnesses and require the production of any books or
8 papers relative to the proceedings, to be represented by
9 counsel, and to have the right of cross examination. All
10 hearings shall be in accordance with the act of June 4, 1945
11 (P.L.1388, No.442), known as the "Administrative Agency Law."
12 Witnesses shall testify under oath and the hearings shall be
13 closed to the public unless the party charged requests an open
14 hearing. All testimony and other evidence taken at the hearing
15 shall be recorded.

16 (c) A decision by the commission adverse to the party
17 charged shall contain relevant findings of fact and shall be
18 made public. All other records, documents, and papers including
19 investigative reports and hearings transcripts shall remain
20 confidential except with respect to transmission to the
21 appropriate authorities in accordance with the provisions of
22 this act.

23 Section 305. Orders and recommendations of the commission.

24 A decision by the commission adverse to the party charged,
25 which decision shall be published in the Pennsylvania Bulletin,
26 shall contain any one or more of the following recommendations
27 or orders, where applicable:

28 (1) A recommendation for criminal prosecution which
29 shall be referred to the Attorney General or appropriate
30 district attorney for appropriate action. The Attorney

1 General or appropriate district attorney shall, within 60
2 days of receipt of such recommendation, make and transmit to
3 the commission in writing a decision whether to prosecute the
4 party charged, which decision shall be published in the
5 Pennsylvania Bulletin. The Attorney General or any district
6 attorney may initiate prosecution upon his own motion.

7 (2) A recommendation for dismissal directed to the
8 appropriate appointing authority, which, in the case of
9 public employees under civil service, shall be referred to
10 the Civil Service Commission. In those cases involving public
11 employees under civil service the appropriate Civil Service
12 Commission shall make a written decision within 60 days as to
13 whether to institute dismissal proceedings in accordance with
14 the act of August 5, 1941 (P.L.752, No.286), known as the
15 "Civil Service Act," which decision shall be published in the
16 Pennsylvania Bulletin. The appropriate appointing authority
17 shall in all other cases make a written decision within 60
18 days as to whether to dismiss such public employee or public
19 official which decision shall be published in the
20 Pennsylvania Bulletin.

21 (3) A recommendation of dismissal in the case of elected
22 public officials shall be referred to the appropriate
23 governmental agency for the institution of impeachment or
24 removal from office proceedings. In such cases the
25 appropriate governmental agency shall act upon such
26 recommendation of dismissal with all deliberate speed.

27 (4) An order requiring the party charged to divest
28 himself of any interest deemed in violation of this act or
29 requiring the party charged to conform his conduct to the
30 provisions of this act. Any party aggrieved by such order

1 shall be entitled to judicial review in accordance with the
2 procedures set forth in the act of June 4, 1945 (P.L.1388,
3 No.442), known as the "Administrative Agency Law."

4 (5) Such other orders as are necessary and appropriate
5 and as are consistent with the intent and purpose of this
6 act.

7 Section 306. Advisory opinions.

8 (a) Any person uncertain as to his proper course of conduct
9 with respect to any provision in this act may request an
10 advisory opinion from the commission. Any request submitted or
11 opinion rendered pursuant to this section shall be confidential,
12 unless made public at the request of the person seeking the
13 opinion. The commission shall respond to such request with a
14 written opinion or a request for additional information within
15 45 days of receipt of a request.

16 (b) No conduct of any person in reliance upon an advisory
17 opinion issued pursuant to this section shall be the basis for
18 or subject to sanctions or penalties set forth in this act.

19 (c) The advisory opinion may be published but in no event
20 shall the identity of the parties be disclosed.

21 CHAPTER 4

22 DISCLOSURE AND ACCOUNTABILITY

23 Section 401. Policy.

24 It is the policy of the General Assembly that public
25 officials and public employees should be encouraged to disclose
26 to the extent not expressly prohibited by law, improper
27 government actions.

28 Section 402. Improper government action.

29 Improper government action means any action by a public
30 official or public employee which is undertaken in the

1 performance of such person's official duties (whether or not
2 such action is within the scope of his employment) and which is
3 in violation of any Federal, State or local law, rule or
4 regulation, or which is economically wasteful.

5 Section 403. Use of official influence.

6 (a) No public official may use or attempt to use, directly
7 or indirectly, his or her official authority or influence for
8 the purpose of intimidating, threatening, coercing, commanding,
9 influencing or attempting to intimidate, threaten, coerce,
10 command or influence any individual to disclose to the
11 governmental agency, the Public Servant's Ethics Commission, or
12 any other responsible party any matters within the jurisdiction
13 of this act: Provided, however, That if the disclosure of a
14 violation of this act would result in the disclosure of
15 information required by law to be confidential in nature, then
16 such disclosure shall be made only to the appropriate appointing
17 authority or to the Public Servant's Ethics Commission.

18 (b) For purposes of this section "use of official authority
19 or influence" shall include:

20 (1) promising to confer or conferring any benefit (such
21 as compensation, grant, contract, license or ruling) or
22 effecting or threatening to effect any reprisal (such as
23 deprivation of any compensation, grant, contract, license or
24 ruling); or

25 (2) taking, directing others to take, recommending,
26 processing or approving any personnel action (such as an
27 appointment, promotion, transfer, assignment, reassignment,
28 reinstatement, restoration, reemployment, performance
29 evaluation, or any adverse action under this act, suspension
30 for 30 days or less, or other disciplinary action).

1 (c) Nothing in this section shall be construed to authorize
2 an individual to disclose information otherwise prohibited by or
3 under law.

4 Section 404. Rights of employee who discloses improper
5 government actions.

6 (a) Any employee:

7 (1) who in good faith provides specific information of a
8 violation of this act; and

9 (2) who is subjected to any personnel action undertaken
10 during the period beginning on the day after the date on
11 which such information was provided and ending on the date
12 which is two years after the last official action is taken on
13 such information;

14 shall be entitled to seek judicial review of such personnel
15 action, notwithstanding the fact that administrative review of
16 such action has not occurred. In any such action, the reviewing
17 court may provide for the awarding of reasonable attorney fees.

18 (b) In any case in which the Public Servant's Ethics
19 Commission has received information from a public official or
20 public employee about a violation of this act and in which the
21 commission believes that there is probable cause that, in fact,
22 a violation of this act has occurred, the commission shall, by
23 rule, establish a program which provides that during the two-
24 year period after such a report to the commission, it will
25 contact the public official or employee who provided specific
26 information involved on at least a quarterly basis for purposes
27 of determining if any changes in such official's or employee's
28 work situation exist which are related to his or her having
29 provided such information. If the commission has reason to
30 believe that such a change in work situation has occurred, it

1 shall investigate and report on such matter to the appropriate
2 appointing authority or Civil Service Commission, and, if deemed
3 appropriate, to the Attorney General or local district attorney.

4 (c) For the purpose of this section, "personnel action"
5 means:

6 (1) an appointment;

7 (2) a promotion;

8 (3) an adverse action, suspension for 15 days or less,
9 or other disciplinary or corrective action;

10 (4) a transfer, assignment or reassignment;

11 (5) a reinstatement;

12 (6) a restoration;

13 (7) a reemployment;

14 (8) a performance evaluation; or

15 (9) any action resulting in loss of staff assistance,
16 office space or equipment, or similar benefit.

17 CHAPTER 5

18 REMEDIES AND ENFORCIBILITY

19 Section 501. Civil remedies.

20 (a) Upon appropriate official action, any agency as defined
21 herein having authority to approve or execute a contract between
22 the governmental entity and a private party may cancel or
23 rescind any such contract without further liability to the
24 governmental entity where it is found that a violation of this
25 act has influenced the making of the said contract.

26 (b) Appropriate official action shall be made in accordance
27 with the act of June 4, 1945 (P.L.1388, No.442), known as the
28 "Administrative Agency Law," and shall be subject to judicial
29 review, provided that the agency may suspend the contract
30 pending determination of the merits of the controversy.

1 (c) The governmental agency, the Attorney General or a
2 district attorney of a county in which all or a substantial part
3 of the contract was transacted may bring a civil action against
4 any public official or public employee who shall have committed
5 a violation of this act resulting in an economic gain to himself
6 or an economic loss to the governmental agency which was a party
7 of such contract.

8 (d) The civil damages assessable against such public
9 official or public employee may include as compensatory damages
10 the amount of any economic gain realized by the public official
11 or public employee, punitive damages as may be determined by the
12 trier of fact, as well as court costs, the investigative costs
13 incurred by the agency, Attorney General, Public Servant's
14 Ethics Commission and/or district attorney, and any other
15 related legal expenses including attorneys' fees or compensation
16 for the review, preparation and trial of the case. All such
17 damages referred to herein are intended to be cumulative with
18 any other damages which may be cognizable at law or in equity.
19 Section 502. Penalties.

20 (a) Any person who willfully violates any provisions of this
21 act and the amount involved exceeds a value of \$500 shall be
22 guilty of a felony of the third degree, and upon conviction
23 thereof, be sentenced to pay a fine of not more than \$5,000 or
24 to imprisonment for not more than seven years, or both.

25 (b) Any person who willfully violates any provisions of this
26 act not within the provisions of subsection (a) shall be guilty
27 of a misdemeanor of the first degree, and upon conviction
28 thereof, be sentenced to pay a fine of not more than \$1,000 or
29 to imprisonment for not more than two years, or both.

30 (c) The penalties provided herein shall be construed to be

1 cumulative to any other actions or remedies authorized to be
2 taken under this act.

3 (d) For purposes of this section the phrase "the amount
4 involved" shall be deemed to be the highest value, by any
5 reasonable standard, of the property and/or the services
6 affected by the action or inaction of the public official or
7 public employee.

8 Section 503. Limitation of actions.

9 No action shall be commenced under this act after the
10 expiration of five years following the termination of service of
11 the public official or public employee.

12 Section 504. Certain additional standards permitted.

13 (a) Nothing in this act shall be construed to prevent
14 qualified members of professions from adopting and enforcing, on
15 their own, independent codes of ethics or standards of conduct.

16 (b) Any government agency may adopt supplemental
17 requirements or standards of conduct, but any such requirement
18 or standard shall in no way lessen the standard of conduct
19 imposed on public officials or public employees by this act.

20 Section 505. Repealer.

21 (a) The following acts or parts of acts are hereby repealed:

22 Section 516 of the act of April 9, 1929 (P.L.177, No.175),
23 known as "The Administrative Code of 1929."

24 The act of July 19, 1957 (P.L.1017, No.451), known as the
25 "State Adverse Interest Act."

26 The act of July 10, 1968 (P.L.316, No.154), known as the
27 "Legislative Code of Ethics."

28 (b) All acts or parts of acts inconsistent with the
29 provisions of this act are repealed to the extent of the
30 inconsistency.

1 Section 506. Effective date.

2 This act shall take effect in 60 days.