

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature – First Regular session

**HOUSE ETHICS COMMITTEE**

Minutes of Interim Meeting  
Tuesday, January 20, 2015 – House Hearing Room 5 – 1:00 p.m.

Chairman Stevens called the meeting to order at 1:01 p.m. and the attendance was noted by the secretary.

**Members Present**

Mr. Farnsworth  
Mr. Lovas

Mrs. McCune Davis  
Mr. Stevens, Chairman

**Members Absent**

Mr. Wheeler (excused)

**Staff**

Tim Fleming, Rules Attorney  
Norman Moore, Rules Attorney

Helen Santilli, Law Intern

Chairman Stevens stated that this is the Ethics Committee organizational meeting for the 52<sup>nd</sup> Legislature pursuant to Arizona Revised Statutes §38-519. The committee will be adopting Rules of Procedure (Attachment 1) and a recommendation for the Code of Ethics and Conflict of Interest Rules for the House (Attachment 2), which were distributed to the Members.

**Mr. Farnsworth moved that the proposed Rules of Procedure (Attachment 1) be adopted.**

Tim Fleming, Rules Attorney, briefly commented on the Rules of Procedure for the Ethics Committee and stated he was available for questions.

**The motion carried.**

**Mr. Farnsworth moved that House Code of Ethics and Conflict of Interest Rules (Attachment 2) be returned with a recommendation that they are approved as written and affirmed.**

Tim Fleming, Rules Attorney, stated he was available for questions.

**The motion carried by a roll call vote of 4-0-0-1 (Attachment 3).  
Ethics Committee Report (Attachment 4)**

Without objection, the meeting adjourned at 1:04 p.m.

  
Cheryl Laube, Committee Secretary  
January 20, 2015

(Original minutes and attachments on file in the Chief Clerk's Office, video archives available at <http://www.azleg.gov>)

RULES OF PROCEDURE

ETHICS COMMITTEE  
OF THE  
ARIZONA HOUSE OF REPRESENTATIVES  
52<sup>ND</sup> LEGISLATURE

RULE 1. A majority of the members of the committee constitutes a quorum. The committee shall take no official action unless a quorum is present.

RULE 2. The Chairman determines the order of business.

RULE 3. The committee shall render advisory opinions pursuant to House Rule 35.

RULE 4. House Rules relating to motions which are relevant are in order including the following motions:

- a. Be adopted, be granted or be approved
- b. Be rejected or be denied
- c. Hold for further study

RULE 5. The affirmative vote of a majority of those voting is required to take any action.

RULE 6. A roll call vote shall be taken on final action of any business before the committee. On a roll call vote the names of committee members shall be called alphabetically by surname, except the Chairman shall be called upon last. Each member present shall be allowed to pass on one call of the roll, and shall vote "yes" or "no" (aye, nay) or respond "present." Members may change their votes before the announcement of the results and members may explain their vote on any business before the committee.

RULE 7. Whenever a motion is adopted in the committee on a divided vote, any member may request a minority report.

RULE 8. With the exception of executive sessions ordered by a majority of the committee constituting a quorum, all committee meetings shall be open to the other Members of the Legislature, the press and public so long as a proper decorum is maintained.

*Attachment #1*

RULE 9. In the absence of the Chairman, some other committee member designated by the Speaker shall preside.

RULE 10. The Chairman shall prepare a notice of the date, time, place and general description of the matters to be considered in each meeting and shall distribute copies to committee members, the Information Desk and the Chief Clerk's Office by at least the previous day before each committee meeting.

RULE 11. Written Committee minutes shall be filed with the Chief Clerk's Office within a reasonable time but not later than two weeks from time of completion of meetings. Attendance records of all committee meetings shall be filed with the Chief Clerk's Office within 24 hours from time of completion of meetings.

RULE 12. The Rules of the Arizona House of Representatives for all other procedures and business before the committee are adopted and shall prevail in the Ethics Committee.

RULE 13. The Chairman shall receive any sworn complaint alleging unethical conduct. Complaints shall be in writing, signed by the person or persons filing the complaint, and notarized. The sworn complaint shall contain: (a) a statement of fact within the personal knowledge of the complainant describing the alleged unethical conduct; (b) the law or House Rule that is alleged to have been violated, and; (c) all documents alleged to support the complaint.

RULE 14. The Chairman shall review and distribute a copy of each complaint and supporting documentation to all members of the Committee and to the member who is the subject of the complaint. The member who is the subject of the complaint shall have the opportunity to respond to the complaint in writing.

RULE 15. In any hearing before the Ethics Committee, the member who is the subject of the complaint shall have the right to present evidence and to examine all of the evidence against the member, the right to cross-examine witnesses, and the right to be represented by counsel of the member's choice and at the member's expense.

## CODE OF ETHICS

### A. No member shall:

1. Intentionally solicit, accept or agree to accept from any source, whether directly or indirectly and whether by himself or through any other person, any personal financial benefit, including any gift for himself or another, upon an agreement or understanding that his vote, opinion, judgment, exercise of discretion or other action as a public official will thereby be influenced.
2. Disclose or use information designated by law as confidential in any manner prohibited by law.
3. Knowingly disclose or use, other than in the performance of his official duties, information gained as a result of his official position and which is not available to the general public, for his personal financial benefit or the financial benefit of any other person, including compensation from any employment, transaction or investment entered into that utilizes or is based upon such information.
4. Enter into any contract with a public agency or have an interest in the profits or benefits of a contract entered into with a public agency by any other person or entity, unless:
  - (a) The total gross annual income value of the contract is less than one thousand dollars, or
  - (b) The contract is entered into by a business of which the member, his spouse or any minor child of whom the member has custody, owns or controls, individually or combined, less than ten percent thereof, or
  - (c) The contract has been awarded through public and competitive bidding pursuant to law, or
  - (d) The subject of the contract between a member and a public agency is an appointment or employment for which an exception exists pursuant to Article IV, Part 2, Section 4 or 5 of the Constitution of Arizona.
5. Appear for a fee on behalf of another person or entity before any public agency for the purpose of influencing such agency by use of threat to initiate or take an action in the discharge of his official duties that would be adverse to such agency.

### B. For the purposes of this Rule:

1. A member shall be deemed to "have an interest in the profits or benefits of a contract" if the contract is entered into by the member or his spouse or any minor child of whom the member has legal custody.
2. "Public agency" means all courts and any department, agency, board, commission, institution or instrumentality of this state but does not include counties, cities and towns or any other political subdivision.

3. "Business" includes any corporation, partnership, joint venture, sole proprietorship, business trust, enterprise, organization, trade, occupation or profession.

4. "Gift" includes any gratuity, special discount, favor, service, economic opportunity, loan or other benefit received without lawful consideration and not provided to members of the public at large but does not include political campaign contributions if such contributions are publicly reported as required by law.

5. "Fee" includes any compensation but does not include benefits received pursuant to law as a result of being a legislator.

#### PERSONAL FINANCIAL INTEREST

A. A member who anticipates taking an action in the discharge of his official duties in which he may have a personal financial interest shall:

1. Prepare a written statement describing the matter to be acted upon and the nature of the potential interest; and

2. Deliver a copy of the statement to the Speaker, the chairman of the Ethics Committee and the Chief Clerk. Such statement shall be retained by the Chief Clerk as a public record.

B. A member shall report a potential personal financial interest pursuant to subsection A as soon as the member is aware of such potential interest. If, however, such awareness occurs when the House is convened on the floor or during a meeting of a committee, subcommittee or caucus, a member shall report a potential personal financial interest as soon after the adjournment of that body as is practicable.

C. A member may abstain from taking any action in which he has a personal financial interest . Upon declining to participate in any legislative action on the floor, in committee or in subcommittee, the member shall state his decision and such decision shall be recorded in the Journal or minutes of that body. Prior to declining to vote in any legislative action on the floor, a member must first prepare a written statement describing the nature of the personal financial interest or the reason why the member is declining to vote and deliver the statement to the Office of the Chief Clerk. If the member fails to file the statement prior to the member's declaration on the floor, the member shall be subject to Rule 14 E. [Rule 14 E reads, in relevant part: "*If a member declares a personal financial interest in the question and the member has failed to file a statement pursuant to rule 35 or if the reason given is other than a personal financial interest in the question, the presiding officer shall submit the question to the House, "Shall the member be excused from voting for the reason given?" The question shall be decided without debate before the roll call vote is taken and the result is announced.*"]

D. A member in doubt as to the propriety of any action proposed to be taken by him and involving a potential personal financial interest under this Rule may request the Ethics Committee to render an advisory opinion on the facts. The advisory opinion shall be issued not later than 5 days from the date of receipt of that request and be filed with the Speaker, the

chairman of the Ethics Committee and the Chief Clerk. Such opinion shall be retained by the Chief Clerk as a public record.

E. For the purposes of this Rule:

1. "An action in the discharge of his official duties" means introduction, sponsorship, debate, amendment, passage, defeat, approval, consideration or any other official action on any bill, resolution, memorial, amendment, confirmation, nomination, appointment, report or any other matter pending or proposed in a committee, subcommittee, caucus or on the floor of the House.

2. A personal financial interest exists if it is reasonably foreseeable that an action in the discharge of his official duties will have a material financial benefit or detriment either directly or indirectly on the member, his spouse or any minor child of whom he has legal custody, except that no personal financial interest exists if the legislator or such member of his household is a member of a class of persons and it reasonably appears that a majority of the total membership of that class is to be affected by such action.

**ARIZONA STATE LEGISLATURE**  
**Fifty-second Legislature - First Regular Session**

**INTERIM COMMITTEE ROLL CALL VOTE**

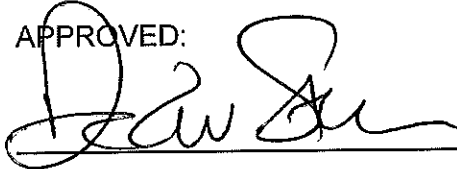
COMMITTEE: HOUSE ETHICS COMMITTEE

DATE: January 20, 2015 MOTION: Code of Ethics and Conflict of Interest Rules be adopted.

CHAIRMAN DAVID STEVENS

	PASS	AYE	NAY	PRESENT	ABSENT
Eddie Farnsworth		✓			
Phil Lovas		✓			
Debbie McCune Davis		✓			
Bruce Wheeler					✓
David Stevens , Chairman		✓			
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APPROVED:

  
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COMMITTEE SECRETARY

ATTACHMENT 3

DAVID STEVENS  
COMMITTEE CHAIRMAN

**ETHICS COMMITTEE REPORT**  
**ARIZONA HOUSE OF REPRESENTATIVES**  
**Fifty-second Legislature – First Regular Session**

January 20, 2015

**Mr. Speaker:**

**Your Committee on Ethics reports that it has had under consideration**

**Code of Ethics and Conflict of Interest Rules adopted as House Rules 34  
and 35 on January 12, 2015.**

**and respectfully recommends that in the opinion of this Committee the same are  
approved as written and adopted.**



**DAVID W. STEVENS, Chairman**

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Attachment #4