

TITLE 1: GOVERNMENT
DIVISION 8: PUBLIC EMPLOYMENT

§ 8533. Restraints on Use of Public Position to Obtain Benefits for Business or Social Acquaintances.

(a) A public official or public employee shall not participate in a transaction involving the public official or employee's governmental entity:

(1) In a manner or under circumstances that the public official or public employee knows or reasonably should know that the public official or public employee's participation in the transaction may substantially influence the transaction;

(2) If the public official or public employee has actual knowledge that a person with whom the public official or employee has a familial, personal, financial, or other nonbusiness relationship has a substantial economic interest in the transaction.

(b) In addition to any other penalty provided in this part, a transaction entered into in violation of subsection (1) of this section may be canceled or rescinded by the Public Auditor upon its finding that:

(1) A violation occurred;

(2) The violation substantially influenced the transaction;

(3) The public interest would be served; and

(4) The cancellation or rescission may be accomplished in a manner that would not adversely affect the interests of an innocent third party.

Source: PL 8-11, § 1 (§ 8433), modified.

Commission Comment: To enhance clarity, the Commission inserted "If" at the beginning of subsection (a)(2).