



HOUSE BILL 611: Employment Contract Exception.

2017-2018 General Assembly

Committee:	Senate Rules and Operations of the Senate	Date:	June 13, 2018
Introduced by:	Reps. Dobson, Bert Jones, Murphy, Earle	Prepared by:	Samantha Yarborough
Analysis of:	Third Edition		Staff Attorney

OVERVIEW: *The 3rd edition of House Bill 611 would create an exception to the restriction on public officers benefiting from public contracts for superintendents of local school administrative units whose spouses have been employed by a local board of education after the spousal relationship has been disclosed to and approved by the local board.*

CURRENT LAW: G.S. 14-234 makes it a Class 1 misdemeanor for a public officer who is involved in making or administering a contract on behalf of a public agency to derive benefit from a contract with the public agency he or she serves. There is an exception in G.S. 14-234(b)(3) for an employment relationship between a public agency and the spouse of a public officer who is elected or appointed and is not an employee of the agency. Superintendents of local school administrative units are employees of the local board of education and do not fall into this exception.

G.S. 115C-47(17a) requires local boards of education to adopt anti-nepotism policies requiring that before any immediate family member of any local board of education member or central office staff administrator (including the superintendent) is employed by the local board in any capacity, the proposed employment must be (i) disclosed to the local board of education and (ii) approved by the local board of education in a duly called open-session meeting. The burden of disclosure of such a conflict of interest is on the applicable board member or central office staff administrator.

BILL ANALYSIS: The bill would create an exception to G.S. 14-234 for an employment relationship between the local board of education and the spouse of the superintendent of the local school administrative unit when the spousal relationship has been disclosed to and approved by the local board of education in an open-session meeting under the local board policy adopted in accordance G.S. 115C-47(17a).

EFFECTIVE DATE: This bill would become effective when it becomes law.

Karen Cochrane-Brown
Director



H 6 1 1 - S M B N - 1 1 E 3 - V - 2

Legislative Analysis
Division
919-733-2578