

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 679
HOUSE BILL 994

AN ACT TO PROHIBIT CONFLICTS OF INTEREST BY OFFICERS AND EMPLOYEES
ADMINISTERING THE STATE MEDICAL ASSISTANCE PLAN.

The General Assembly of North Carolina enacts:

Section 1. Chapter 108 of the General Statutes is amended by adding a new section following G.S. 108A-86, to read as follows:

"§ 108A-87. Conflict of interest. — (a) It shall be unlawful for any person who is or has been an officer or employee of State or county government, and as such is or has been responsible for the expenditure of substantial amounts of federal, State or county money under the State medical assistance plan, or any person who is the partner of the present or former officer or employee, to engage in any of the following activities relating to the State medical assistance program:

- (1) Knowingly to act as agent or attorney for, or otherwise knowingly to represent, any person other than the United States, the State or a county, in any formal or informal appearance before, or with the intent to influence, make any oral or written communication on behalf of any other person other than the United States, the State or a county to:
 - (i) Any department, agency, court, board, commission, legislature or committee of the United States, the State or a county, or any officer or employee thereof,
 - (ii) In connection with any of the following matters in which the United States, the State, or a county is a party or has a direct and substantial interest, such as any judicial or other proceeding, legislation, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest, or other particular matter involving a specific party or parties,
 - (iii) In which he participated personally and substantially as an officer or an employee through decision, approval, recommendation, the rendering of advice, investigation or otherwise.
- (2) Within two years after his employment has ceased, knowingly to act as agent or attorney for, or otherwise knowingly to represent, any other person other than the United States, the State or a county, in any formal or informal appearance before, or, with the intent to influence, make any oral or written communication on behalf of any other person other than the United States, the State or a county to:
 - (i) Any department, agency, court, board, commission, legislature or committee of the United States, the State, or a county, or any officer or employee thereof,
 - (ii) In connection with any of the following matters in which the United States, the State, or a county is a party or has a direct and substantial interest, such as, any judicial or other proceeding, legislation, application, request for a ruling or other determination, contract,

- claim, controversy, investigation, charge, accusation, arrest, or other particular matter involving a specific party or parties,
- (iii) Which was actually pending under his official responsibility as an officer or employee within a period of one year prior to the termination of responsibility.
- (3) Within two years after his employment has ceased, knowingly to aid, counsel, advise, consult or by personal presence represent any other person other than the United States, the State or a county in any formal or informal appearance before:
- (i) Any department, agency, court, board, commission, legislature or committee of the United States, the State, or the county, or any officer or employee thereof,
- (ii) In connection with any of the following matters in which the United States, the State, or a county is a party or has a direct and substantial interest, such as, any judicial or other proceeding, legislation, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest, or other particular matter involving a specific party or parties,
- (iii) Which was actually pending under his official responsibility as an officer or employee within the period of one year prior to the termination of such responsibility.
- (4) To participate personally and substantially as an officer or employee, through decision, approval, disapproval, recommendation, rendering of advice, investigation or otherwise, in a judicial or other proceeding legislation, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest or other particular matter in which, to his knowledge, he, his spouse, minor child, partner, organization in which he is serving as an officer, director, trustee, partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest,
- (b) Violation of this statute is a general misdemeanor.
- (c) The Department of Human Resources shall annually identify and designate by rule or regulation those positions which are filled by State or county officers or employees who are responsible for the expenditure of substantial amounts of monies under the State medical assistance plan."

Sec. 2. This act shall become effective October 1, 1981.

In the General Assembly read three times and ratified, this the 25th day of June, 1981.