Rule 4.2. Definitions.

As used in Rule 4:

1. “Agency” means any entity of state government created by the Constitution or laws of the State of Oklahoma and supported in whole or in part by state funds or entrusted with the expending of state funds or administering of state property or otherwise exercising the sovereign power of the State of Oklahoma, including but not limited to all such offices, departments, institutions, boards, bureaus, commissions, agencies, authorities and instrumentalities of the State of Oklahoma. “Agency” shall not mean any city, county, rural electric cooperative or tribal housing authority created under the Oklahoma Housing Authorities Act nor any state entity that performs only advisory functions and that cannot independently exercise the sovereign power of the State of Oklahoma;

2. “Charitable organization” is one described in Section 501(c)(3) of Title 26 of the United States Code as it currently exists or as it may be amended;

3. “Commission” shall mean the Oklahoma Ethics Commission;

4. “Family member” shall include spouse, children (including stepchildren), mother, father, sister or brother;

5. “Gift” means property transferred to or service provided for another without compensation of equal value;

6. “Material financial interest” shall mean:
(a) an interest that could result in directly or indirectly receiving a substantial pecuniary gain or sustaining a substantial pecuniary loss as a result of a filer’s ownership or interest in a business entity, or as a result of a filer’s salary, gratuity or other compensation or remuneration; or

(b) an ownership interest in a private business, including but not limited to a closely held corporation, limited liability company, Subchapter S corporation or partnership for which the filer or the filer’s spouse or dependents is a director, officer, owner, manager, employee, or agent or any private business, closely held corporation or limited liability company in which the filer or the filer’s spouse or dependents owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income worth Five Thousand Dollars ($5,000.00) or more at any point during the preceding calendar year; or

(c) an ownership interest of five percent (5%) or more in a publicly held corporation by a filer or the filer’s spouse; or

(d) an ownership interest in a publicly held corporation from which dividends of Fifty Thousand Dollars ($50,000.00) or more were derived during the preceding calendar year by the filer or the filer’s spouse or dependents, or
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(e) an ownership interest in a Subchapter S corporation or partnership from which income of Fifty Thousand Dollars ($50,000.00) or more was derived; or

(f) an interest that arises as a result of the filer’s or the filer’s spouse or dependents’ service as a director, officer, representative, agent or employee of a publicly held corporation during the preceding calendar year.

“Material financial interest” shall not mean (1) an interest in a mutual fund or other community investment vehicle in which the filer or the filer’s spouse or dependents exercises no control over the acquisition or sale of particular holdings or (2) an interest in a pension plan, 401k, individual retirement account or other retirement investment vehicle that makes diversified investments over which the filer or the filer’s spouse or dependents exercises no control over the acquisition or sale of particular holdings;

67. “Vendor” means any seller or prospective seller of any property or service to the State of Oklahoma; and

78. “Vendor’s agent” means a representative of a vendor.

Rule 4.7. State Officer Impartiality.

In the event a state officer or employee:

(1) knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the material
financial interests (1) of the state officer or employee or (2) of his or her family member or (3)
(2) if the state officer or employee knows that a person with whom he or she has a business relationship other than a routine consumer transaction is a party to or represents a party to such matter and or
(3) where the state officer or employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his or her impartiality in the matter
the state officer or employee shall not participate in the matter unless he or she is required to do so by law or permitted to do so by these Rules. This provision shall not apply when the effect of the matter applies equally to all members of a profession, occupation or large class. In considering whether a relationship would cause a reasonable person to question his or her impartiality, the state officer or employee may seek the advice of the Commission. The Commission may exercise discretion in determining whether or not to provide such advice or may delegate responsibility to the Executive Director to provide such advice. Such advice, if given by the Commission or the Executive Director, shall bind the Commission. Failure to seek such advice shall have no relevance in any subsequent proceeding involving that individual. A particular matter will
have a direct and predictable effect on a material financial interest if there is a close causal link between any decision or action to be taken in the matter and any expected effect of the matter on the material financial interest, even though the effect is not immediate. It shall not apply to a chain of causation if it is attenuated or is contingent on the occurrence of events that are speculative or that are independent of, and unrelated to, the matter.

For purposes of this Rule, a “material financial interest” shall mean:

1. an ownership interest in a private business, including but not limited to, a closely held corporation, limited liability company, Subchapter S corporation or partnership for which the state officer or employee or his or her family member is a director, officer, owner, manager, employee, or agent or any private business, closely held corporation or limited liability company in which the state officer or employee or his or her family member owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income worth Twenty Thousand Dollars ($20,000.00) or more at any point during the preceding calendar year; or

2. an ownership interest of five percent (5%) or more in a publicly traded corporation or other business entity by a state officer or employee or his or her family member.
officer or employee or his or her family member at any point during the preceding calendar year; or

3. an ownership interest in a publicly traded corporation or other business entity from which dividends or income, not to include salary, of Fifty Thousand Dollars ($50,000.00) or more were derived during the preceding calendar year by the state officer or employee or his or her family member; or

4. an interest that arises as a result of the state officer’s or employee’s or his or her family member’s service as a director or officer of a publicly traded corporation or other business entity at any time during the preceding calendar year; or

5. any sources of income derived from employment, other than compensation pertaining to the office for which the state officer or employee or his or her family member holds, in the amount of Twenty Thousand Dollars ($20,000.00) or more by the state officer or employee or his or her family member.

For purposes of this Rule a “material financial interest” shall not mean (1) an interest in a mutual fund or other community investment vehicle in which the state officer or employee or his or her family member exercises no control over the acquisition or sale of particular holdings, or (2) an interest in a pension plan, 401k, individual retirement account or other retirement investment vehicle that makes diversified investments over which...
the state officer or employee or his or her family member exercises no control over the acquisition or sale of particular holdings.