

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015

A Bill

SENATE BILL 1014

4
5 By: Senator J. Woods

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING EMPLOYEE CONFLICTS
9 OF INTEREST; AND FOR OTHER PURPOSES.

Subtitle

12 TO AMEND THE LAW CONCERNING EMPLOYEE
14 CONFLICTS OF INTEREST.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

19 SECTION 1. Arkansas Code § 19-11-701(9), concerning the definition of
20 "financial interest" under the state procurement statutes, is amended to read
21 as follows:

22 (9) "Financial interest" means:

23 (A) Ownership of ~~any~~ an interest, imputed interest, or
24 involvement in any relationship from which, or as a result of which, a person
25 within the past year has received, or is presently or in the future entitled
26 to receive, more than one thousand dollars (\$1,000) per year, or its
27 equivalent, including without limitation:

28 (i) Stocks;

29 (ii) Bonds;

30 (iii) A leasehold interest;

31 (iv) Property rights;

32 (v) A mineral lease;

33 (vi) A partnership interest;

34 (vii) A lien interest;

35 (viii) Moneys; or

36 (ix) An interest in real or personal property,



1 including the indebtedness of the real or personal property;

2 (B) Ownership interest or imputed interest of more than a
3 five percent (5%) interest in any business; or

4 (C) Holding a position in a business such as an officer,
5 director, trustee, partner, employee, or the like, or holding any position of
6 management;

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8 SECTION 2. Arkansas Code § 19-11-701, concerning the definition of
9 "financial interest" under the state procurement statutes, is amended to add
10 an additional subdivision to read as follows:

11 (17) "Imputed interest" means a financial interest held by an:

12 (A) Employee's spouse;

13 (B) Employee's minor child;

14 (C) Employee's general business partner;

15 (D) Entity in which the employee serves as an officer, a
16 director, a trustee, a general partner, or an employee; or

17 (E) Entity with whom the employee is negotiating for or
18 has an arrangement concerning prospective employment.

19
20 SECTION 3. Arkansas Code § 19-11-705(a)(1)(A), concerning an
21 employee's conflict of interest in the state procurement process, is amended
22 to read as follows:

23 (A)(i) ~~The employee or any member of the employee's~~
24 ~~immediate family~~ has a financial interest, except as provided in subdivision
25 (a)(1)(A)(ii) of this section.

26 (ii)(a) Subdivision (a)(1)(A)(i) of this section
27 applies only if the employee's participation has a:

28 (1) Direct effect on the employee's
29 financial interest; and

30 (2) Close causal link between any
31 decision or action to be taken in the matter and any expected effect of the
32 matter on the financial interest.

33 (b) An effect may be direct even though it
34 does not occur immediately.

35 (c) An employee's participation will not have
36 a direct effect on a financial interest, if the chain of causation is

1 contingent upon the occurrence of events that are speculative or that are
2 unrelated to the matter;

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