

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

*As Engrossed: H3/18/13*  
**A Bill**

HOUSE BILL 1786

5 By: Representative Hutchison  
6

7 **For An Act To Be Entitled**

8 AN ACT CONCERNING CONFLICTS OF INTEREST FOR STATE  
9 BOARDS, COMMISSIONS, AND ENTITIES RECEIVING STATE  
10 FUNDS; TO CLARIFY THE RESTRICTIONS ON THE  
11 PARTICIPATION OF A MEMBER OF A STATE BOARD OR  
12 COMMISSION OR A BOARD MEMBER OF AN ENTITY THAT  
13 RECEIVES STATE FUNDS IN A MATTER IN WHICH THE MEMBER  
14 HAS A PECUNIARY INTEREST; AND FOR OTHER PURPOSES.  
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17 **Subtitle**

18 TO CLARIFY THE RESTRICTIONS ON THE  
19 PARTICIPATION OF A MEMBER OF A STATE  
20 BOARD OR COMMISSION OR A BOARD MEMBER OF  
21 AN ENTITY THAT RECEIVES STATE FUNDS IN A  
22 MATTER IN WHICH THE MEMBER HAS A  
23 PECUNIARY INTEREST.  
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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28 SECTION 1. Arkansas Code § 21-8-1001 is amended to read as follows:

29 ~~(a)(1) No member of a state board or commission or board member of an~~  
30 ~~entity receiving state funds shall participate in, vote on, influence, or~~  
31 ~~attempt to influence an official decision if the member has a pecuniary~~  
32 ~~interest in the matter under consideration by the board, commission, or~~  
33 ~~entity.~~

34 ~~(2) A member of a state board or commission or board member of~~  
35 ~~an entity receiving state funds may participate in, vote on, influence, or~~  
36 ~~attempt to influence an official decision if the only pecuniary interest that~~



1 ~~may accrue to the member is incidental to his or her position or accrues to~~  
2 ~~him or her as a member of a profession, occupation, or large class to no~~  
3 ~~greater extent than the pecuniary interest could reasonably be foreseen to~~  
4 ~~accrue to all other members of the profession, occupation, or large class.~~

5 ~~(b) No member of a state board or commission or board member of an~~  
6 ~~entity receiving state funds shall participate in any discussion or vote on a~~  
7 ~~rule or regulation that exclusively benefits the member.~~

8 (a) As used in this section:

9 (1) "Affiliated member" means a member of a board;

10 (2) "Board" means a state board or commission or a similar state  
11 entity; and

12 (3) "Pecuniary interest in a matter under consideration" means  
13 that with respect to a matter under consideration by a board, an affiliated  
14 member or an affiliated member's immediate family:

15 (A) Has a financial interest in the matter under  
16 consideration;

17 (B) Has a financial interest in a business or organization  
18 that has a financial interest in the matter under consideration;

19 (C) Is negotiating or has an arrangement concerning  
20 prospective employment with a person, business, or organization that has a  
21 financial interest in the matter under consideration;

22 (D) Is on the governing body of a business or organization  
23 that has a financial interest in the matter under consideration; or

24 (E) During the preceding two (2) years, has received a  
25 form of compensation, including without limitation money, travel expenses, or  
26 gifts, from a business or organization that has a financial interest in the  
27 matter under consideration.

28 (b) An affiliated member shall not:

29 (1)(A) Participate in, vote on, influence, or attempt to  
30 influence an official decision of the board if the affiliated member has a  
31 pecuniary interest in the matter under consideration.

32 (B) However, an affiliated member may participate in, vote  
33 on, influence, or attempt to influence an official decision of the board if  
34 the only pecuniary interest that may accrue to the affiliated member is  
35 incidental to his or her position or accrues to him or her as a member of a  
36 profession, occupation, or large class to no greater extent than the

1 pecuniary interest could reasonably be foreseen to accrue to all other  
2 members of the profession, occupation, or large class; or

3 (2) Participate in a discussion or vote on a rule or regulation  
4 that exclusively benefits the affiliated member.

5 (c) Upon discovery of a possible conflict of interest under  
6 subdivision (b)(1) of this section, an affiliated member shall:

7 (1) Promptly file a written statement of disqualification with  
8 the board; and

9 (2) Withdraw from further participation in the matter under  
10 consideration.

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12 */s/Hutchison*  
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