

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

A Bill

DRAFT JLL/JLL
HOUSE BILL

5
6 By: Representative Hutchison

7 Filed with: Interim House Committee on State Agencies and Governmental Affairs
8 pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

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

Subtitle

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19 TO CLARIFY THE RESTRICTIONS ON THE
20 PARTICIPATION OF A MEMBER OF A STATE
21 BOARD OR COMMISSION OR A BOARD MEMBER OF
22 AN ENTITY THAT RECEIVES STATE FUNDS IN A
23 MATTER IN WHICH THE MEMBER HAS A
24 PECUNIARY INTEREST.
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28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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30 SECTION 1. Arkansas Code § 21-8-1001 is amended to read as follows:

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

1 ~~(2) A member of a state board or commission or board member of~~
2 ~~an entity receiving state funds may participate in, vote on, influence, or~~
3 ~~attempt to influence an official decision if the only pecuniary interest that~~
4 ~~may accrue to the member is incidental to his or her position or accrues to~~
5 ~~him or her as a member of a profession, occupation, or large class to no~~
6 ~~greater extent than the pecuniary interest could reasonably be foreseen to~~
7 ~~accrue to all other members of the profession, occupation, or large class.~~

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

11 (a) As used in this section:

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

13 (2) "Board" means a state board or commission or a similar state
14 entity; and

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

18 (A) Has a financial interest in the matter under
19 consideration;

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

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

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

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

31 (b) An affiliated member shall not:

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

35 (B) However, an affiliated member may participate in, vote
36 on, influence, or attempt to influence an official decision of the board if

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

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

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

10 (1) Promptly file a written statement of disqualification with
11 the board; and

12 (2) Withdraw from further participation in the matter under
13 consideration.

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16 Referral requested by: Representative John K. Hutchison

17 Prepared by: JLL/JLL
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