Department of Finance and Administration

Legislative Impact Statement

Bill: SB331

BIII Subtitle: TO AMEND ARKANSAS LAW CONCERNING RESTRICTIONS ON THE EMPLOYMENT OF FORMER STATE OFFICIALS AND FORMER STATE EMPLOYEES; AND TO HOLD JUDGES TO THE SAME EMPLOYMENT RESTRICTIONS AS OTHER STATE OFFICIALS.

Basic Change:

Sen. Sanders.

This bill would amend and expand upon Act 1200 of 2011 that restricts the employment of certain former state employees. This bill would add other executive branch officials (namely executive heads of state agencies and their chief deputies), state employees within other constitutional offices, and employees within the judiciary, as well as the constitutional officers themselves, to the restrictions on lobbying and employment after their termination of employment within state government.

Revenue Impact :

None

Taxpayer Impact :

None

Resources Required:

None

Time Required :

None

Procedural Changes:

None

Other Comments :

Because this proposal deals strictly with restrictions on outside employment opportunities after leaving state government, as opposed to contracting with state government post-employment that is already addressed in Ark. Code Ann. § 19-11-709, the Office of State Procurement is neutral on this bill.

Legal Analysis:

This bill adds a new section to the law to prohibit each of the following from registering as a lobbyist for one year after the person's term of office, or employment in the named capacity, expires:

- Governor, Lieutenant Governor, Secretary of State, Attorney General, Treasurer of State, Auditor of State, and Commissioner of State Lands;
 - Any individual employed in an office of any of the named officials;
 - A member of the Public Service Commission; and
 - An executive head or chief deputy of a state agency.

The bill amends a section of the law that currently restricts former state regulatory officials (PSC Executive Director, Insurance Commissioner or a deputy commissioner, Bank Commissioner or a deputy commissioner, Securities Commissioner or a deputy commissioner) from acting on behalf of anyone other than the state in a matter in which the regulatory officer participated personally and substantially (permanent restriction) or in a matter that was within the official's official responsibility (one year restriction) following employment with the agency to:

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Repeal the current restriction with respect to the regulatory officials; and

Make the restriction applicable instead to the constitutional officers; a justice or judge of the Supreme Court, Court of Appeals, circuit court, or district court; an executive head or chief deputy of a state agency; or a member of the Public Service Commission.

Ark. Code § 19-11-709 already imposes the same permanent or one year restriction on representation after leaving employment on a former employee. Section 19-11-701 defines "employee" as an individual drawing a salary from a state agency, whether elected or not and any nonsalaried individual performing personal services for any state agency and defines "state agency" as any office, department, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branch of this state.

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