

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas As Engrossed: S1/22/01 S1/24/01 S1/31/01 S2/21/01

2 83rd General Assembly

## A Bill

3 Regular Session, 2001

SENATE BILL 115

4

5 By: Senator Webb

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### For An Act To Be Entitled

9 AN ACT TO REVISE THE CODE OF ETHICS FOR PUBLIC  
10 SERVANTS AND TO ESTABLISH CERTAIN GUIDELINES FOR  
11 LOBBYISTS; AND FOR OTHER PURPOSES.

12

13

### Subtitle

14 AN ACT TO REVISE THE CODE OF ETHICS FOR  
15 PUBLIC SERVANTS AND TO ESTABLISH CERTAIN  
16 GUIDELINES FOR LOBBYISTS.

17

18

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

20

21 SECTION 1. Arkansas Code 21-8-402 is amended to read as follows:

22 21-8-402. Definitions.

23 As used in subchapters ~~4, 5 [repealed]~~, and 6-8 of this chapter, unless  
24 the context otherwise requires:

25 "Administrative action" means any decision, legislative action, or  
26 proposal, or consideration, or making of any rule, regulation, ratemaking  
27 proceeding, or policy action by a governmental body.

28 (B) "Administrative action" does not include ministerial action;

29 (2) "Business" means any corporation, partnership, sole proprietorship,  
30 firm, enterprise, franchise, association, organization, self-employed  
31 individual, receivership, trust, or any legal entity through which business is  
32 conducted;

33 (3) "County government" means any office, department, commission,  
34 council, board, bureau, committee, legislative body, agency, or other  
35 establishment of a county;

36 (4) "Family" means an individual's spouse, ~~children of that individual~~

1 ~~or his or her spouse, or brothers, sisters, or parents of the individual or~~  
2 ~~his or her spouse~~ individual who is a spouse, natural or adopted child,  
3 parent, brother, sister, brother-in-law, sister-in-law, mother-in-law, father-  
4 in-law, son-in-law, or daughter-in-law;

5 ~~(5)(A) "Gift" means any payment, entertainment, advance, services, or~~  
6 ~~anything of value, unless consideration of equal or greater value has been~~  
7 ~~given therefor.~~

8 ~~(B) The term "gift" does not include:~~

9 ~~(i)(a) Informational material such as books, reports,~~  
10 ~~pamphlets, calendars, or periodicals informing a public servant regarding his~~  
11 ~~or her official duties.~~

12 ~~(b) Payments for travel or reimbursement for any~~  
13 ~~expenses are not informational material;~~

14 ~~(ii) The giving or receiving of food, lodging, or travel~~  
15 ~~which bears a relationship to the public servant's office and when appearing~~  
16 ~~in an official capacity;~~

17 ~~(iii) Gifts which are not used and which, within thirty~~  
18 ~~(30) days after receipt, are returned to the donor;~~

19 ~~(iv) Gifts from an individual's spouse, child, parent,~~  
20 ~~grandparent, grandchild, brother, sister, parent-in-law, brother-in-law,~~  
21 ~~sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of~~  
22 ~~any of these persons, unless the person is acting as an agent or intermediary~~  
23 ~~for any person not covered by this paragraph;~~

24 ~~(v) Campaign contributions;~~

25 ~~(vi) Any devise or inheritance;~~

26 ~~(vii) Anything with a value of one hundred dollars (\$100)~~  
27 ~~or less; or~~

28 ~~(viii) Wedding presents;~~

29 ~~(6)(5)~~ "Governmental body" means any office, department, commission,  
30 council, board, committee, legislative body, agency, or other establishment of  
31 the executive, judicial, or legislative branch of the state, municipality,  
32 county, school district, improvement district, or any political district or  
33 subdivision thereof;

34 ~~(7)(6)~~ "Income" or "compensation" means any money or anything of value  
35 received, or to be received as a claim for future services, whether in the  
36 form of a retainer, fee, salary, expense, allowance, forbearance, forgiveness,

1 interest, dividend, royalty, rent, or any other form of recompense or any  
2 combination thereof;

3 ~~(8)~~(7) "Legislative action" means introduction, sponsorship,  
4 consideration, debate, amendment, passage, defeat, approval, veto, or any  
5 other official action or non action on any bill, ordinance, law, resolution,  
6 amendment, nomination, appointment, report, or other matter pending or  
7 proposed before a committee or house of the General Assembly, a quorum court,  
8 or a city council or board of directors of a municipality;

9 ~~(9)~~(8) "Legislator" means any person who is a member of the General  
10 Assembly, a quorum court of any county, or the city council or board of  
11 directors of any municipality;

12 ~~(10)~~(9) "Lobbying" means communicating directly or soliciting others to  
13 communicate with any public servant with the purpose of influencing  
14 legislative action or administrative action;

15 ~~(11)~~(10) "Lobbyist" means a person who:

16 (A) *Receives income or reimbursement in a combined amount of two*  
17 *hundred fifty dollars (\$250) or more in a calendar quarter from a principal or*  
18 *from a contract for lobbying one (1) or more governmental bodies; or*

19 (B) *Expends two hundred fifty dollars (\$250) or more in a*  
20 *calendar quarter for lobbying one (1) or more governmental bodies, ~~excluding~~*  
21 *~~the cost of personal travel, lodging, meals, or dues; or~~*

22 (C) *Expends two hundred fifty dollars (\$250) or more in a*  
23 *calendar quarter, including postage, for the express purpose of soliciting*  
24 *others to communicate with any public servant to influence any legislative*  
25 *action or administrative action of one (1) or more governmental bodies unless*  
26 *the communication has been filed with the Secretary of State or the*  
27 *communication has been published in the news media. If the communication is*  
28 *filed with the Secretary of State, the filing shall include the approximate*  
29 *number of recipients;*

30 ~~(12)~~(11) "Municipal government" means any office, department,  
31 commission, council, board, bureau, committee, legislative body, agency, or  
32 other establishment of a municipality;

33 ~~(13)~~(12) "Person" means a business, individual, corporation, union,  
34 association, firm, partnership, committee, club, or other organization or  
35 group of persons;

36 ~~(14)~~(13)(A) "Public appointee" means an individual who is appointed to

1 a governmental body.

2 (B) "Public appointee" shall not include an individual appointed  
3 to an elective office;

4 ~~(15)~~(14)(A) "Public employee" means an individual who is employed by a  
5 governmental body or who is appointed to serve a governmental body.

6 (B) "Public employee" shall not include public officials or  
7 public appointees;

8 ~~(16)~~(15) "Public official" means a legislator or any other person  
9 holding an elective office of any governmental body, whether elected or  
10 appointed to the office, and shall include such persons during the time period  
11 between the date they were elected and the date they took office;

12 ~~(17)~~(16) "Public servant" means all public officials, public employees,  
13 and public appointees;

14 ~~(18)~~(17) "Registered lobbyist" means a lobbyist registered pursuant to  
15 the provisions of subchapters 4, ~~5 [repealed]~~, and 6-8 of this chapter; and

16 ~~(19)~~(18) "State government" means any office, department, commission,  
17 council, board, bureau, committee, legislative body, agency, or other  
18 establishment of the State of Arkansas;

19 (19)(A) "Anything of value" or "thing of value" means:

20 (i) A pecuniary item, including money, a bank bill, or a  
21 bank note;

22 (ii) A promissory note, bill of exchange, an order, a  
23 draft, warrant, check, or bond given for the payment of money;

24 (iii) A contract, agreement, promise, or other obligation  
25 for an advance, a conveyance, forgiveness of indebtedness, deposit,  
26 distribution, loan, payment, gift, pledge, or transfer of money;

27 (iv) A stock, bond, note, or other investment interest in  
28 an entity;

29 (v) A receipt given for the payment of money or other  
30 property;

31 (vi) A chose-in-action;

32 (vii) A gift, tangible good, chattel, or an interest in a  
33 gift, tangible good, or chattel;

34 (viii) A loan or forgiveness of indebtedness;

35 (ix) A work of art, an antique, or a collectible;

36 (x) An automobile or other means of personal

1 transportation;

2 (xi) Real property or an interest in real property,  
3 including title to realty, a fee simple or partial interest in realty  
4 including present, future, contingent, or vested interests in realty, a  
5 leasehold interest, or other beneficial interest in realty;

6 (xii) A promise or offer of employment; or

7 (xiii) Any other item that is of pecuniary or compensatory  
8 worth to a person.

9 (B) "Anything of value" or "thing of value" does not mean:

10 (i) Printed informational or promotional material, not to  
11 exceed ten dollars (\$10) in monetary value;

12 (ii) Items of nominal monetary value, not to exceed ten  
13 dollars (\$10), containing or displaying promotional material;

14 (iii) A personalized plaque or trophy with a monetary value  
15 that does not exceed one hundred fifty dollars (\$150);

16 (iv) Educational material of a nominal monetary value  
17 directly related to the public official's, public appointee's, or public  
18 employee's official responsibilities;

19 (v) Any devise or inheritance;

20 (vi) An honorary degree bestowed upon a public servant or  
21 public employee from a public or private university or college;

22 (vii) Promotional or marketing items offered to the general  
23 public on the same terms and conditions without regard to status as a public  
24 official or public employee;

25 (viii) A campaign contribution properly received and  
26 reported;

27 (ix) Food or beverages provided in return for participation  
28 in a bona fide panel, seminar or speaking engagement at which the audience is  
29 a recognized civic, social, or cultural organization or group as determined by  
30 rule of the Senate or the House of Representatives;

31 (x) A gift from a family member;

32 (xi) Wedding or engagement gifts; or

33 (xii) Food or beverages provided at a conference scheduled  
34 event that is part of the program of the conference;

35 (20) "Expenditure" means a purchase, payment, loan, forgiveness of a  
36 loan, an advance, in-kind contribution or expenditure, a deposit, transfer of

1 funds, gift of money or anything of value for any purpose, and a payment to a  
2 lobbyist for compensation, for expenses, or lobbying, including the direct  
3 payment of expenses incurred at the request or suggestion of a lobbyist;

4 (21) "Financial Interest" means any relationship to a business in which  
5 a member of the General Assembly or a member of his or her family is an  
6 officer, director or owns more than a ten percent (10%) interest.

7 (22)(A) "Principal" means the person on whose behalf and for whose  
8 benefit the lobbyist engages in lobbying and who directly employs, appoints,  
9 or retains a lobbyist to engage in lobbying.

10 (B) "Principal" does not mean a person who merely belongs to an  
11 association or organization that employs a lobbyist, nor an employee, officer,  
12 or shareholder of a person who employs a lobbyist. If a membership  
13 association or organization is a principal, the association or organization  
14 shall register and report under the provisions of this subchapter. A person is  
15 considered a principal only as to the public office or public body to which he  
16 has authorized, pursuant to this subchapter, a lobbyist to engage in lobbying;

17 (23) "Public body" means the General Assembly, any department of state  
18 government, or any state board, commission, agency, or authority, including  
19 committees of any such body, by whatever name known;

20 (24) "Official capacity" means activities which:

21 (A) Arise solely because of the position held by the public  
22 servant;

23 (B) Would be subject to expense reimbursement by the agency with  
24 which the public servant is associated; and

25 (C) Involve matters which fall within the official responsibility of  
26 the public servant;

27 (25) "Constitutional officer" means the Governor, Lieutenant Governor,  
28 Secretary of State, Treasurer of State, Auditor of State, Commissioner of  
29 State Lands, and Attorney General; and

30 (26) "Social event" means those functions held during a legislative  
31 session at which a recognized group of members or constitutional officers are  
32 invited for purely social reasons.

33  
34 SECTION 2. Arkansas Code 21-8-601(a)(2)(C) pertaining to instances when  
35 a lobbyist is not required to register is amended to read as follows:

36 (C)(i) Action in a person's official capacity as a public servant.

1           (ii) However, a public servant shall be required to register as a  
2 lobbyist if he or she:

3                   (a) Receives income from a nongovernmental or governmental  
4 person in excess of two hundred fifty dollars (\$250) in a quarter for  
5 lobbying; or

6                   (b) Expends or is reimbursed in excess of two hundred fifty  
7 dollars (\$250), regardless of the source, in a quarter for lobbying;  
8 ~~excluding the cost of informational material and personal travel, lodging,~~  
9 ~~meals, and dues;~~

10  
11           SECTION 3. Arkansas Code 21-8-601(a)(3) is amended to read as follows:

12           (3) A ~~person~~ principal whose only act of lobbying is to compensate or  
13 reimburse a registered lobbyist in the person's behalf shall not be required  
14 to register as a lobbyist.

15  
16           SECTION 4. Arkansas Code 21-8-604(b) pertaining to the required  
17 contents of lobbyist activity reports is amended to read as follows:

18           (b) The reports shall contain:

19                   (1)(A) The total of all expenditures made or incurred by the  
20 registered lobbyist or on behalf of the registered lobbyist by his or her  
21 employer or any officer, employee, principal, or agent during the preceding  
22 period.

23                   (B) These totals shall be itemized according to financial  
24 category and employers and clients, including food and refreshments,  
25 entertainment, living accommodations, advertising, printing, postage, travel,  
26 telephone, and other expenses or services.

27                   (C) Registered lobbyists shall not be required to report  
28 office expenses other than office expenses specifically required to be  
29 reported under this section.

30                   (D) Registered lobbyists are not required to report  
31 unreimbursed personal living and travel expenses not incurred directly for  
32 lobbying;

33           (2)(A) An itemized listing of each:

34                   ~~(i) Gift thing of value given to a public servant or~~  
35 ~~on behalf of the public servant in the public servant's official capacity;~~

36                   ~~(ii) Payment for food, lodging, or travel in excess~~

1 ~~of forty dollars (\$40.00) on behalf of a public servant; and~~  
2 ~~(iii) Any other item paid or given to a public~~  
3 ~~servant or on behalf of the public servant, except for campaign contributions,~~  
4 ~~having a value in excess of forty dollars (\$40.00) unless consideration of~~  
5 ~~equal or greater value has been given therefor. If the person receiving or to~~  
6 ~~be benefiting by the item is a public employee, the person's governmental body~~  
7 ~~shall be identified.~~

8 (B) Each item shall be identified by date, amount paid or  
9 value, and the name of the individual receiving or to be benefited by the  
10 item, and a description of the item.

11 (C) In the case of ~~special events, including parties,~~  
12 ~~dinners, athletic events, entertainment, and other functions,~~ social events,  
13 expenses need not be allocated by individuals, but the date of the event,  
14 location, name of the governmental body ~~or groups of public servants~~ invited,  
15 and total expense shall be stated;

16 (3) A detailed statement of any money loaned or promised or line  
17 of credit established to a public servant or to anyone on behalf of the public  
18 servant ~~in excess of twenty five dollars (\$25.00) per individual.~~ Money  
19 loaned or a line of credit established that is issued in the ordinary course  
20 of business and under the same terms and conditions given to the general  
21 public by a financial institution or a person who regularly and customarily  
22 extends credit shall not be required to be disclosed; and

23 (4) A statement detailing the direct business association or  
24 partnership with any public servant before whom the lobbyist may engage in  
25 lobbying.

26  
27 SECTION 5. Arkansas Code 21-8-607 is amended to read as follows:

28 21-8-607. Prohibited acts.

29 (a) No person shall purposely employ any lobbyist who is required to  
30 register as a registered lobbyist but is not registered pursuant to this  
31 chapter.

32 (b) No person engaging in lobbying shall:

33 (1) Influence or attempt to influence, by coercion, bribery, or  
34 threat of economic sanction, any public servant in the discharge of the duties  
35 of his or her office;

36 (2) Purposely provide false information to any public servant as

1 to any material fact pertaining to any legislative or administrative action;

2 (3) Purposely omit, conceal, or falsify in any manner information  
3 required by the registration and lobbyist activity reports.

4 (c) A lobbyist, or a person acting directly or indirectly on behalf of  
5 a lobbyist, shall not offer, solicit, facilitate, or provide to or on behalf  
6 of any public servant who is required to file a statement of financial  
7 interest under § 21-8-701(a) or their spouse, an employee of a legislative  
8 branch, or an employee of a constitutional officer any of the following:

9 (1) Lodging;

10 (2) Transportation;

11 (3) Entertainment;

12 (4) Food, meals, beverages, money; or

13 (5) Any other thing of value.

14 (d) Subsection (c) does not apply to:

15 (1) The furnishing of lodging, transportation, entertainment,  
16 food, meals, beverages, or any other thing of value which also is furnished on  
17 the same terms or at the same expense to a member of the general public  
18 without regard to status as a public servant;

19 (2) To a public servant who pays the fair market value for his  
20 lodging, transportation, entertainment, meals, food, beverages, or any other  
21 thing of value at a function to which he has been invited by a lobbyist or  
22 principal or to a public servant who pays the face value of a ticket to attend  
23 a ticketed event sponsored by a lobbyist or principal when the ticketed event  
24 is open to the general public;

25 (3) The furnishing of food, meals, or beverages at a social event  
26 held during a regular or extraordinary session to which the entire membership  
27 of the House of Representatives, Senate, General Assembly, committee, caucus,  
28 or all constitutional officers are invited.

29 (A) A constitutional officer may be included in an  
30 invitation to one (1) of the above groups;

31 (B) The President Pro Tempore of the Senate and the Speaker  
32 of the House may invite members of its entire staff and those of the  
33 legislative agencies to a social event to which the respective house has been  
34 invited;

35 (C) Any constitutional officer may invite his or her staff  
36 to a social event to which all the constitutional officers have been invited;

1 and

2 (D) The caucus shall be recognized as an official caucus of  
3 either the House of Representatives, Senate, or General Assembly by rule of  
4 either house or by a joint rule; and

5 (4) The furnishing of food, beverages, meals or money to an  
6 inaugural event or a swearing-in event for members of the General Assembly or  
7 constitutional officers.

8 (e) Notwithstanding any other provisions of this section, a public  
9 servant may accept lodging, transportation, entertainment, food, meals,  
10 beverages, any other thing of value, or an invitation to a function paid for  
11 by a lobbyist or principal if it is provided to the public servant solely on  
12 the basis that the spouse of the public servant is an official or employee of  
13 the providing lobbyist or principal and the spouse's receipt of the lodging,  
14 transportation, entertainment, food, meals, beverages, any other thing of  
15 value, or invitation is purely incidental to the spouse's office or employment  
16 with the lobbyist or principal and the public servant is receiving it only as  
17 the spouse of an official or employee of the providing lobbyist or principal.

18 (f) A lobbyist or principal may not serve as a member of a state board  
19 or state commission, except that any lobbyist serving as a member of a state  
20 board or a state commission before January 1, 2002, may continue to serve as a  
21 member of the same state board or state commission until the end of his  
22 current term.

23 (g) A lobbyist, principal, or person acting on behalf of a lobbyist or  
24 principal may not offer, facilitate, or provide a loan to or on behalf of a  
25 public official unless the principal is a financial institution authorized to  
26 transact business in this state and makes the loan in the ordinary course of  
27 business.

28 ~~(e)~~(h)(1) Any person convicted for violation of any provision of this  
29 subchapter is prohibited from acting as a registered lobbyist for a period of  
30 three (3) years from the date of the conviction.

31 (2) Any person violating this three-year ban shall be deemed  
32 guilty of a violation of ~~this chapter~~ § 21-8-403(a)(2)(B) and shall be  
33 permanently banned from being a registered lobbyist in Arkansas.

34

35 SECTION 6. Arkansas Code 21-8-701(d) is amended to read as follows:

36 (d) The statement of financial interest shall include the following:

1 (1) The name of the public servant and his or her spouse and all  
2 names under which they do business;

3 (2) The reasons for filing the statement of financial interest;

4 (3)(A) Identification of each employer and of each other source  
5 of income amounting to more than one thousand dollars (\$1,000) annually  
6 received by the person or his or her spouse in their own names, or by any  
7 other person for the use or benefit of the public servant or his or her  
8 spouse, and a brief description of the nature of the services for which the  
9 compensation was received, except that this subdivision (d)(3) shall not be  
10 construed to require the disclosure of individual items of income that  
11 constitute a portion of the gross income of the business or profession from  
12 which the public servant or his or her spouse derives income; and

13 (B) In addition thereto, identification of each source of  
14 income as described above of more than twelve thousand five hundred dollars  
15 (\$12,500), except that this shall not be construed to require the disclosure  
16 of individual items of income that constitute a portion of the gross income of  
17 the business or profession from which the public servant or his or her spouse  
18 derives income;

19 (4)(A) The name of every business in which the public servant and  
20 his or her spouse, or any other person for the use or benefit of the public  
21 servant or his or her spouse, have an investment or holdings of over one  
22 thousand dollars (\$1,000) at fair market value as of the last day of the  
23 previous calendar year; and

24 (B) In addition thereto, identification of each source as  
25 described above which has a fair market value of over twelve thousand five  
26 hundred dollars (\$12,500) as of the last day of the previous calendar year;

27 (5) Every office or directorship held by the public servant or  
28 his or her spouse in any business, corporation, firm, or enterprise subject to  
29 jurisdiction of a regulatory agency of this state or of any of its political  
30 subdivisions;

31 (6)(A) The name and address of each creditor to whom the value of  
32 five thousand dollars (\$5,000) or more was personally owed or personally  
33 obligated and is still outstanding by the public servant.

34 (B)(i) Loans made in the ordinary course of business and  
35 under the same terms and conditions given to the general public by either a  
36 financial institution or a person who regularly and customarily extends credit

1 shall not be required to be disclosed.

2 (ii) Debts owed to the members of the public  
3 servant's family need not be included;

4 (7)(A) The name and address of each guarantor or co-maker, other  
5 than a member of the public servant's family, who has guaranteed a debt of the  
6 public servant that is still outstanding.

7 (B)(i) This requirement shall be applicable only to debt  
8 guaranties for debts assumed or arising after January 1, 1989.

9 (ii) Guaranteed debts existing prior to January 1,  
10 1989, which are extended or refinanced shall become subject to disclosure in  
11 the annual financing statement due to be filed after the conclusion of the  
12 year in which such extension or refinancing occurred;

13 (8) The source, date, reasonable fair market value, and  
14 description of each ~~gift~~ thing of value of more than one hundred dollars  
15 (\$100) received by the public servant or his or her spouse or ~~more than two~~  
16 ~~hundred fifty dollars (\$250) received by~~ his or her dependent children;

17 (9) *Each nongovernmental source of payment of the public  
18 servant's expenses for ~~food, lodging, or travel~~ which bears a relationship to  
19 the public servant's office when the public servant is appearing in his or her  
20 official capacity when the expenses incurred exceed one hundred fifty dollars  
21 (\$150). The public servant shall identify the name and business address of  
22 the person or organization paying the public servant's expenses and the date  
23 and nature of that expenditure if not compensated by the entity for which the  
24 public servant serves;*

25 (10) Any public servant who is employed by any business which is  
26 under direct regulation or subject to direct control by the governmental body  
27 which he serves shall set out this employment and the fact that the business  
28 is regulated by or subject to control of the governmental body on the  
29 statement of financial interest; and

30 (11) If a public servant or any business in which he or she or  
31 his or her spouse is an officer, director, or stockholder owning more than ten  
32 percent (10%) of the stock of the company, the owner, trustee, or partner  
33 shall sell any goods or services having a total annual value in excess of one  
34 thousand dollars (\$1,000) to the governmental body in which the public servant  
35 serves or is employed. Then the public servant shall set out in detail the  
36 goods or services sold, the governmental body to which they were sold, and the

1 compensation paid for each category of goods or services sold.

2  
3 SECTION 7. Arkansas Code 21-8-801 is amended to read as follows:  
4 21-8-801. Prohibited acts generally.

5 (a) No public servant shall:

6 (1) Receive a gift or compensation as defined in subchapter 4 of  
7 this chapter, other than income and benefits from the governmental body to  
8 which he or she is duly entitled, for the performance of the duties and  
9 responsibilities of his or her office or position;

10 (2) Purposely use or disclose to any other person or entity  
11 confidential government information acquired by him or her in the course of  
12 and by reason of the public servant's official duties, to secure anything of  
13 material value or benefit for himself or herself or his or her family.

14 (b)(1) Except as provided in subdivision (2), no public servant who is  
15 required to file a statement of financial interest under § 21-8-701(a) or the  
16 public servant's spouse, an employee of a legislative branch, or an employee  
17 of a constitutional officer shall solicit or receive from a lobbyist,  
18 principal or person acting directly or indirectly on behalf of a lobbyist or  
19 principal, other than income and benefits from the governmental body to which  
20 he or she is entitled, for the performance of the duties and responsibilities  
21 of his or her office or position any of the following:

22 (A) Lodging;

23 (B) Transportation;

24 (C) Entertainment;

25 (D) Food, meals, beverages, money; or

26 (E) Any other thing of value;

27 (2) Subdivision (1) does not apply to:

28 (A) The furnishing of lodging, transportation,  
29 entertainment, food, meals, beverages, or any other thing of value which also  
30 is furnished on the same terms or at the same expense to a member of the  
31 general public without regard to status as a public servant;

32 (B) A public servant who pays the fair-market value for his  
33 lodging, transportation, entertainment, meals, food, beverages, or any other  
34 thing of value at a function to which he has been invited by a lobbyist or  
35 principal or to a public servant who pays the face value of a ticket to attend  
36 a ticketed event sponsored by a lobbyist or principal when the ticketed event

1 is open to the general public; and

2 (C) The furnishing of food, meals, or beverages at a social  
3 event held during a regular or extraordinary session to which the entire  
4 membership of the House of Representatives, Senate, General Assembly, or all  
5 constitutional officers are invited.

6 (i) A constitutional officer may be included in an  
7 invitation to one (1) of the above groups;

8 (ii) The President Pro Tempore of the Senate and the  
9 Speaker of the House may invite members of its entire staff and those of the  
10 legislative agencies to a social event to which the respective house has been  
11 invited; and

12 (iii) Any constitutional officer may invite his or  
13 her staff to a social event to which all the constitutional officers have been  
14 invited;

15 (D) The furnishing of food, beverages, meals or money to an  
16 inaugural event or a swearing-in event for members of the General Assembly or  
17 constitutional officers; and

18 (E) The furnishing of transportation and lodging for  
19 members of the General Assembly and constitutional officers acting in their  
20 official capacity.

21 (3) Notwithstanding any other provisions of this section, a  
22 public servant may accept lodging, transportation, entertainment, food, meals,  
23 beverages, any other thing of value, or an invitation to a function paid for  
24 by a lobbyist or principal if it is provided to the public servant solely on  
25 the basis that the spouse of the public servant is an official or employee of  
26 the providing lobbyist or principal and the spouse's receipt of the lodging,  
27 transportation, entertainment, food, meals, beverages, any other thing of  
28 value, or invitation is purely incidental to the spouse's office or employment  
29 with the lobbyist or principal and the public servant is receiving it only as  
30 the spouse of an official or employee of the providing lobbyist or principal.

31 (c) No public official or the official's spouse shall, for a period of  
32 one (1) year after the term of office ends, solicit or receive from a lobbyist  
33 or person acting directly or indirectly on behalf of a lobbyist any of the  
34 following:

35 (1) Lodging;

36 (2) Transportation;

- 1           (3) Entertainment;
- 2           (4) Food, meals, beverages, money; or
- 3           (5) Any other thing of value.

4

5           SECTION 8. Arkansas Code 10-3-311 is amended to read as follows:  
6           10-3-311. Gifts and donations.

7           The Arkansas Legislative Council is authorized to accept gifts, grants,  
8           contributions, and donations from the federal government or from private  
9           persons, associations, or corporations for use in making studies and in  
10          performing the functions and duties of the Legislative Council as prescribed  
11          by law and in accordance with § 21-8-801.

12

13          SECTION 9. Arkansas Code 7-6-217(c)(1) is amended to read as follows:

14          (c)(1) No member of the commission shall be a federal, state, or local  
15          government official or employee, an elected public official, a candidate for  
16          public office, a lobbyist as defined in § 21-8-402~~(11)~~(10), or an officer or  
17          paid employee of an organized political party as defined in § 7-1-101(16).

18

19          SECTION 10. Arkansas Code 21-8-403 is amended to read as follows:  
20          21-8-403. Penalty.

21          (a)(1) Any ~~person~~ public servant who violates any provision of  
22          subchapters 4, ~~5 [repealed]~~, and 6-8 of this chapter shall be deemed guilty of  
23          a Class A misdemeanor.

24                 (2)(A) Any lobbyist who violates any provision of subchapters 4,  
25                 6, 7, or 8 of this chapter shall be deemed guilty of a Class A misdemeanor.

26                 (B) Any lobbyist who violates the three (3) year ban under  
27                 § 21-8-607(p) shall be deemed guilty of a Class D felony.

28                 (3) Any other person who violates any provision of subchapters 4,  
29                 6, 7, or 8 of this chapter shall be guilty of a Class A misdemeanor.

30          (b) The culpable mental state required shall be a purposeful violation.

31

32          SECTION 11. Arkansas Code Title 21, Chapter 8, Subchapter 4 is amended  
33          by adding the following section to be appropriately numbered by the Arkansas  
34          Code Revision Commission:

35                 The Arkansas Ethics Commission may investigate any complaints or  
36                 allegations of violations of subchapters 4, 6, 7, or 8 of this chapter and

1 make findings thereon.

2

3       SECTION 12. Emergency Clause. It is hereby found and determined by the  
4 Eighty-third General Assembly that in order to ensure public confidence in  
5 public servants and state government it is necessary to enact additional  
6 safeguards with respect to ethics in state government. The reporting period  
7 as required by the current ethics laws provide for the filing of statements of  
8 financial interest by July 1 of each year, and it is incumbent that these  
9 provisions are implemented so as coincide with the reporting period.  
10 Therefore, an emergency is declared to exist and this act being immediately  
11 necessary for the preservation of the public peace, health and safety shall  
12 become effective on July 1, 2001.

13

*/s/ Webb*

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