

State of Arkansas
87th General Assembly
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A Bill

HOUSE BILL 2014

By: Representative M. Burris

For An Act To Be Entitled

AN ACT TO REQUIRE DISCLOSURE OF CONTRACTS BETWEEN
STATE-SUPPORTED INSTITUTIONS OF HIGHER EDUCATION
AND EMPLOYEES HAVING A FINANCIAL INTEREST; AND
FOR OTHER PURPOSES.

Subtitle

TO REQUIRE DISCLOSURES OF CONTRACTS
BETWEEN STATE-SUPPORTED INSTITUTIONS OF
HIGHER EDUCATION AND EMPLOYEES HAVING A
FINANCIAL INTEREST.

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

SECTION 1. Arkansas Code § 19-11-717 is amended to read as follows:
19-11-717. State-supported institutions of higher education.

(a)(1) Notwithstanding anything in this subchapter to the contrary,
if, in either of the events in subdivisions (a)(1)(A) and ~~(2)(B)~~ of this
section, the contract ~~or subcontract, solicitation, or proposal~~ involves
patents, copyrights, or other proprietary information in which ~~an~~ a state-
supported institution of higher education and an employee or former employee
of the state-supported institution of higher education have rights or
interests, provided that ~~any~~ a contract ~~or subcontract~~ shall be approved by
the governing board of the state-supported institution of higher education in
a public meeting, it shall not be a violation of § 19-11-709, a conflict of
interest, or a breach of ethical standards for:

~~(1)(A)~~ The state-supported institution of higher education
to contract with a person or firm in which an employee or former employee of



1 the state-supported institution of higher education has a financial interest;
 2 or

3 ~~(2)(B)~~ The employee or former employee of the state-
 4 supported institution of higher education to participate directly or
 5 indirectly in ~~any a~~ matter pertaining to any contract ~~or subcontract or any~~
 6 ~~solicitation or proposal for any contract or subcontract~~ between the state-
 7 supported institution of higher education and a person or firm in which the
 8 employee or former employee has a financial interest.

9 (2)(A) Within thirty (30) days of the approval by the governing
 10 board of a state-supported institution of higher education of a contract
 11 executed under subdivision (a)(1) of this section, the state-supported
 12 institution of higher education shall file a copy of the contract with the
 13 Department of Finance and Administration.

14 (B) Failure to file the required contract with the
 15 department as required under subdivision (a)(2)(A) of this section renders
 16 the contract null and void.

17 (b)(1) Nothing in the Arkansas Procurement Law, § 19-11-201 et seq.,
 18 or in § 19-11-1001 et seq., shall prevent a state agency from contracting for
 19 goods or services, including professional or consultant services, with an
 20 organization that employs or contracts with a regular, full-time, or part-
 21 time employee of a ~~public~~ state-supported institution of higher education in
 22 situations in which the employee of the ~~public~~ state-supported institution of
 23 higher education will provide some or all of the goods or services under the
 24 contract.

25 (2) ~~Any~~ An organization or state agency entering into a contract
 26 described under this subsection shall comply with the ~~provisions of the~~
 27 Arkansas Procurement Law, § 19-11-201 et seq., and § 19-11-1001 et seq., to
 28 the extent that the ~~provisions~~ Arkansas Procurement Law, § 19-11-201 et seq.,
 29 and § 19-11-1001 et seq., do not conflict with this section.

30 (3) An employee of a ~~public~~ state-supported institution of
 31 higher education who provides goods or services to a state agency through his
 32 or her association with an organization that has a contract with the state
 33 agency to provide goods or services shall obtain the requisite approvals
 34 under the policies of the ~~public~~ state-supported institution of higher
 35 education by which he or she is employed and comply with all provisions of
 36 this subchapter.

1 (c)(1) No later than January 31 each year, an employee or former
2 employee contracting or receiving benefits under this section shall file with
3 the Secretary of State on a form provided by the Secretary of State a
4 disclosure of the type and amount of the contract or benefits received during
5 the previous year.

6 (2) Failure to file the required form with the Secretary of
7 State as required under subdivision (c)(1) of this section is a breach of
8 ethical standards.