

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

*As Engrossed: H3/13/17*

# A Bill

HOUSE BILL 1313

5 By: Representative Hammer  
6

## For An Act To Be Entitled

8 AN ACT CONCERNING THE PROCESS FOR REPORTING POTENTIAL  
9 CONFLICTS BY MEMBERS OF THE GENERAL ASSEMBLY; TO  
10 AMEND A PORTION OF THE ARKANSAS CODE THAT RESULTED  
11 FROM INITIATED ACT 1 OF 1988; TO DECLARE AN  
12 EMERGENCY; AND FOR OTHER PURPOSES.  
13  
14

## Subtitle

15 CONCERNING THE PROCESS FOR REPORTING  
16 POTENTIAL CONFLICTS BY MEMBERS OF THE  
17 GENERAL ASSEMBLY; TO AMEND A PORTION OF  
18 THE ARKANSAS CODE THAT RESULTED FROM  
19 INITIATED ACT 1 OF 1988; AND TO DECLARE  
20 AN EMERGENCY.  
21  
22  
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
25

26 *SECTION 1. Arkansas Code § 21-8-803, resulting from Initiated Act 1 of*  
27 *1988, is amended to add an additional subsection to read as follows:*

28 *(d)(1) This section does not apply to a bill sponsor who has a*  
29 *conflict of interest under § 21-8-805.*

30 *(2) A bill sponsor who has a conflict of interest shall comply*  
31 *with § 21-8-805.*  
32

33 *SECTION 2. Arkansas Code Title 21, Chapter 8, Subchapter 8, is amended*  
34 *to add an additional section to read as follows:*

35 *21-8-805. Members of the General Assembly – Potential conflicts of*  
36 *interest when sponsoring legislation.*



1 (a)(1) As used in this section, "bill sponsor who has a conflict of  
2 interest" means a member of the General Assembly who files legislation for  
3 consideration by the General Assembly that may affect his or her financial  
4 interest or cause financial benefit or detriment to the member, or a business  
5 in which he or she is an officer, director, stockholder owning more than ten  
6 percent (10%) of the stock of the company, owner, trustee, partner, or  
7 employee, that is distinguishable from the effects of the legislation on the  
8 public generally or a broad segment of the public.

9 (2) "Bill sponsor who has a conflict of interest" includes  
10 without limitation a member of the General Assembly who receives compensation  
11 in exchange for advice, consultation, or similar guidance for which they are  
12 primarily responsible if legislation filed for consideration by the General  
13 Assembly by a bill sponsor who has a conflict of interest would affect the  
14 interest of a client of the bill sponsor who has a conflict of interest  
15 providing advice, consultation, or similar guidance in a manner  
16 distinguishable from the effect of the legislation on the public generally or  
17 a broad segment of the public.

18 (b) A bill sponsor who has a conflict of interest shall prepare and  
19 file a written statement describing the legislation at issue and stating the  
20 potential conflict of interest with:

21 (1)(A) The Secretary of State.

22 (B) The Secretary of State shall file the written  
23 statement under subdivision (b)(1)(A) of this section with the statement of  
24 financial interest of the bill sponsor who has a conflict of interest.

25 (C) The written statement shall be delivered to the  
26 Secretary of State:

27 (i) In person by the bill sponsor who has a conflict  
28 of interest;

29 (ii) By mail;

30 (iii) By electronic mail; or

31 (iv) In person by a person authorized by the bill  
32 sponsor who has a conflict of interest to deliver the copy; and

33 (2)(A) The Chief Clerk of the House of Representatives if the  
34 bill sponsor who has a conflict of interest is a member of the House of  
35 Representatives, or the Secretary of the Senate if the bill sponsor who has a  
36 conflict of interest is a member of the Senate.

1 (B) The written statement under subdivision (b)(2)(A) of  
2 this section shall be filed at the same time the bill is filed.

3 (C) The Chief Clerk of the House of Representatives or the  
4 Secretary of the Senate, as the case may be, shall keep the written statement  
5 with the legislation that it concerns.

6 (c) A written statement under this section is not required to be  
7 signed before a notary public.

8 (d)(1) Completion of a written statement under subsection (b) of this  
9 section does not require a bill sponsor who has a conflict of interest to  
10 breach a privilege or written ethics code applicable to the profession of the  
11 bill sponsor who has a conflict of interest.

12 (2) A written statement shall identify the potential conflict of  
13 interest in as much detail as possible without breaching an applicable  
14 privilege or written ethics code.

15 (e)(1) When legislation for which a written statement has been filed  
16 under subsection (b) of this section is considered by a committee of the  
17 General Assembly, a copy of the written statement shall be distributed to  
18 each member of the committee when the legislation is presented to the  
19 committee.

20 (2) If a bill sponsor who has a conflict of interest fails to  
21 file a written statement under subsection (b) of this section:

22 (A) A member of a committee of the General Assembly to  
23 which the bill is referred may object to the bill's being called up for final  
24 action in the committee until a copy of the written statement is made  
25 available to the committee; and

26 (B) A member of the House of Representatives or the Senate  
27 may object to the bill's being called up for final passage in his or her  
28 respective chamber until a written statement is prepared and made available  
29 on the desk of each member of the respective chamber before the bill is  
30 called up for final passage.

31 (f)(1) A person who purposely violates this section is upon conviction  
32 guilty of a Class A misdemeanor under § 21-8-403.

33 (2)(A) In addition to the penalties under § 21-8-403, the  
34 Arkansas Ethics Commission is authorized to investigate complaints or  
35 allegations of purposeful violations of this section and to issue findings on  
36 those complaints or allegations.

1 (B) When conducting investigations under subdivision  
2 (f)(2)(A) of this section, the commission has all authority under §§ 7-6-217  
3 and 7-6-218.

4 (3)(A) The commission shall promulgate rules to implement this  
5 section, including without limitation the preparation of forms and documents  
6 necessary for compliance with this section.

7 (B) The form developed by the commission to comply with  
8 subsection (b) of this section shall include without limitation:

9 (i) The name of the bill sponsor who has a conflict  
10 of interest;

11 (ii) A description of the legislation at issue; and

12 (iii) A statement of the potential conflict of  
13 interest.

14  
15 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
16 General Assembly of the State of Arkansas that this legislation affects the  
17 ethical duties of a member of the General Assembly when filing legislation  
18 that presents a conflict of interest for the member; and that this act should  
19 become effective at the earliest opportunity to ensure that the General  
20 Assembly conducts its proceedings in a manner that avoids conflicts of  
21 interest among its membership and ensures that legislation is enacted in a  
22 transparent manner. Therefore, an emergency is declared to exist, and this  
23 act being immediately necessary for the preservation of the public peace,  
24 health, and safety shall become effective on:

25 (1) The date of its approval by the Governor;

26 (2) If the bill is neither approved nor vetoed by the Governor,  
27 the expiration of the period of time during which the Governor may veto the  
28 bill; or

29 (3) If the bill is vetoed by the Governor and the veto is  
30 overridden, the date the last house overrides the veto.

31  
32 /s/Hammer  
33  
34  
35  
36