

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  
2 83rd General Assembly  
3 Regular Session, 2001

# A Bill

SENATE BILL 779

4  
5 By: Senator Argue  
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7

## For An Act To Be Entitled

9 AN ACT TO PROHIBIT CONFLICTS OF INTEREST BY THE  
10 FAMILIES OF MEMBERS OF STATE BOARDS AND COMMISSIONS  
11 AND TO PROVIDE THE ARKANSAS ETHICS COMMISSION WITH  
12 AUTHORITY TO INVESTIGATE COMPLAINTS AND FIND  
13 VIOLATIONS OF THE CONFLICT OF INTEREST LAWS; AND FOR  
14 OTHER PURPOSES.

## Subtitle

15  
16 TO PROHIBIT CONFLICTS OF INTEREST BY THE  
17 FAMILIES OF MEMBERS OF STATE BOARDS AND  
18 COMMISSIONS AND PROVIDE THE ETHICS  
19 COMMISSION WITH AUTHORITY TO INVESTIGATE  
20 VIOLATIONS.  
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23  
24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
25

26 SECTION 1. Arkansas Code 7-6-218(b)(4), concerning findings of  
27 violations of campaign finance laws by the Ethics Commission, is amended to  
28 read as follows:

29 (4) If the commission finds a violation of this subchapter, § 7-  
30 1-103(a)(1)-(4), (6), or (7), or of title 21, chapter 8, subchapters ~~3-9~~ 3-  
31 10, then the commission shall do one (1) or more of the following, unless  
32 good cause be shown for the violation:

33 (A) Issue a public letter of caution or warning or  
34 reprimand;

35 (B)(i) Notwithstanding the provisions of §§ 7-6-202, 7-9-  
36 409, 21-8-403, ~~and~~ 21-8-903, and § 21-8-1004, impose a fine of not less than

1 twenty-five dollars (\$25.00) nor more than one thousand dollars (\$1,000) for  
 2 negligent or intentional violation of this subchapter, or of Title 21,  
 3 Chapter 8, Subchapters ~~3-9~~ 3-10.

4 (ii) The commission shall adopt rules governing the  
 5 imposition of such fines in accordance with the provisions of the Arkansas  
 6 Administrative Procedure Act, § 25-15-201 et seq.

7 (iii) All moneys received by the commission in  
 8 payment of fines shall be deposited in the State Treasury as general  
 9 revenues; or

10 (C) Report its finding, along with such information and  
 11 documents as it deems appropriate, and make recommendations to the proper law  
 12 enforcement authorities. When exercising the authority provided in this  
 13 subsection, the commission is not required to make a finding of a violation  
 14 of the laws under its jurisdiction.

15  
 16 SECTION 2. Arkansas Code 21-8-1001 is amended to read as follows:  
 17 21-8-1001. Conflicts of interest.

18 (a)~~(1)~~ No member of a state board or commission shall participate in,  
 19 vote on, influence, or attempt to influence an official decision if ~~the~~  
 20 ~~member has a pecuniary interest in the matter under consideration by the~~  
 21 ~~board or commission.~~

22 ~~(2) A member of a state board or commission may participate in,~~  
 23 ~~vote on, influence, or attempt to influence an official decision if the only~~  
 24 ~~pecuniary interest that may accrue to the member is incidental to his or her~~  
 25 ~~position or accrues to him or her as a member of a profession, occupation, or~~  
 26 ~~large class to no greater extent than the pecuniary interest could reasonably~~  
 27 ~~be foreseen to accrue to all other members of the profession, occupation, or~~  
 28 ~~large class.~~ any of the following persons or organizations has a pecuniary  
 29 interest, or a reasonably foreseeable substantial benefit, known to the  
 30 member in the matter under consideration by the board or commission:

31 (1) The member;

32 (2) A person in the member's family, as defined in § 21-8-  
 33 402(4);

34 (3) Any person from whom or any organization from which the  
 35 member has received remuneration greater than one thousand dollars (\$1,000)  
 36 in the previous calendar year; or

1           (4) Any person or organization with which the member is  
 2 negotiating or has an arrangement concerning prospective employment.

3           (b) No member of a state board or commission shall participate in any  
 4 discussion or vote on a ~~rule or regulation~~ matter that exclusively benefits  
 5 ~~the member~~ a person or organization listed in subdivisions (a)(1) through  
 6 (a)(4) of this section.

7           (c) For purposes of this section, "reasonably foreseeable substantial  
 8 benefit" shall include detriment to a business competitor of the member, the  
 9 member's family, or organization with which the member is associated as  
 10 described in subdivisions (a)(3) or (a)(4) of this section.

11           (d) This section shall not apply if the pecuniary interest or benefit  
 12 accruing to a person stated in subsection (a) of this section accrues to him  
 13 or her as a member of a profession, occupation, or large class of persons to  
 14 no greater extent than the pecuniary interest or benefit could reasonably be  
 15 foreseen to accrue to any other member of the profession, occupation, or  
 16 class.

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 18           SECTION 3. Arkansas Code 21-8-1004 is amended to read as follows:

19           21-8-1004. Penalties - Investigation by Arkansas Ethics Commission.

20           (a) ~~In addition to any penalty contained in any other provision of~~  
 21 ~~law, any~~ Any member of a state board or commission who knowingly and  
 22 intentionally violates any of the provisions of this subchapter shall be  
 23 deemed guilty of a Class A misdemeanor and may be removed from office by the  
 24 appointing authority.

25           (b) The Arkansas Ethics Commission may investigate complaints ~~alleging~~  
 26 or allegations of a violation of this subchapter and may make recommendations  
 27 to the appointing authority. The commission's authority and power granted to  
 28 it under §§ 7-6-217 and 7-6-218 shall apply to complaints and investigations  
 29 under this subchapter.