

State of Arkansas
90th General Assembly
Regular Session, 2015

A Bill

SENATE BILL 1014

By: Senator J. Woods

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING EMPLOYEE CONFLICTS
OF INTEREST; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING EMPLOYEE
CONFLICTS OF INTEREST.

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

SECTION 1. Arkansas Code § 19-11-701(9), concerning the definition of "financial interest" under the state procurement statutes, is amended to read as follows:

(9) "Financial interest" means:

(A) Ownership of ~~any~~ an interest, imputed interest, or involvement in any relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than one thousand dollars (\$1,000) per year, or its equivalent, including without limitation:

(i) Stocks;

(ii) Bonds;

(iii) A leasehold interest;

(iv) Property rights;

(v) A mineral lease;

(vi) A partnership interest;

(vii) A lien interest;

(viii) Moneys; or

(ix) An interest in real or personal property,



including the indebtedness of the real or personal property;

(B) Ownership interest or imputed interest of more than a five percent (5%) interest in any business; or

(C) Holding a position in a business such as an officer, director, trustee, partner, employee, or the like, or holding any position of management;

SECTION 2. Arkansas Code § 19-11-701, concerning the definition of "financial interest" under the state procurement statutes, is amended to add an additional subdivision to read as follows:

(17) "Imputed interest" means a financial interest held by an:

(A) Employee's spouse;

(B) Employee's minor child;

(C) Employee's general business partner;

(D) Entity in which the employee serves as an officer, a director, a trustee, a general partner, or an employee; or

(E) Entity with whom the employee is negotiating for or has an arrangement concerning prospective employment.

SECTION 3. Arkansas Code § 19-11-705(a)(1)(A), concerning an employee's conflict of interest in the state procurement process, is amended to read as follows:

(A)(i) The employee ~~or any member of the employee's immediate family~~ has a financial interest, except as provided in subdivision (a)(1)(A)(ii) of this section.

(ii)(a) Subdivision (a)(1)(A)(i) of this section applies only if the employee's participation has a:

(1) Direct effect on the employee's financial interest; and

(2) Close causal link between any decision or action to be taken in the matter and any expected effect of the matter on the financial interest.

(b) An effect may be direct even though it does not occur immediately.

(c) An employee's participation will not have a direct effect on a financial interest, if the chain of causation is

contingent upon the occurrence of events that are speculative or that are unrelated to the matter;