

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
91st General Assembly
Regular Session, 2017

As Engrossed: H3/13/17
A Bill

HOUSE BILL 1313

By: Representative Hammer

For An Act To Be Entitled

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

Subtitle

CONCERNING THE PROCESS FOR REPORTING POTENTIAL CONFLICTS BY MEMBERS OF THE GENERAL ASSEMBLY; TO AMEND A PORTION OF THE ARKANSAS CODE THAT RESULTED FROM INITIATED ACT 1 OF 1988; AND TO DECLARE AN EMERGENCY.

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

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

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

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

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

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



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

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

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

(1)(A) The Secretary of State.

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

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

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

(ii) By mail;

(iii) By electronic mail; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

/s/Hammer