

# ARKANSAS ETHICS COMMISSION

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Opinion No. 93-EC-006

September 27, 1993

Mr. Thomas D. Nickolich  
P. O. Box 2014  
Russellville, AR 72811-0913

Dear Mr. Nickolich:

On September 20, 1993, this office received your request for an official opinion under authority of Initiated Act 1 of 1988 and Initiated Act 1 of 1990.

Your question, paraphrased, is:

Does Arkansas conflict of interest laws prohibit an officer of a private professional association from serving on a board or commission which licenses and regulates the association's industry on behalf of the state? (You point out that you serve as an officer of the Arkansas Professional Bail Association, and have been appointed to serve on the "Professional Bail Bond Company and Professional Bail Bondsman Licensing Board".)

The Arkansas Ethics Commission is charged with interpretation and administration of "the Disclosure Act for Lobbyists and State and Local Officials", which deals, generally, with ethics and disclosure for boards and commission appointees, as well as other public servants and public officials. This Commission is neither charged with or authorized to interpret any other statutes which may exist in Arkansas law dealing with conflict of interest--though none exists which conflicts with or alters the opinion below, to our knowledge.

The act cited above, as with all Arkansas law under authority of this Commission, is addressed to full disclosure of possible conflicts of interests, rather than defining and prohibiting those

with possible conflicts from participation in the governmental process. Not a single provision of Arkansas' many ethics and disclosure laws prohibit your service as a state public official merely because you and/or your industries' interests may be affected by your service. In addition, you'll note, the legislature provided specifically that three (3) of seven (7) members of the board you were appointed to would be owners of licensed bail bond companies. The act also provides that the Governor appoints all of the members of the board.

What Arkansas law does provide is that:

ACA §21-8-701(a)(5) "Any public appointee to any state board or commission who is authorized or charged with the exercise of regulatory authority or is authorized to receive or disburse state or federal funds (shall file a statement of financial interests)."

This statement of financial interests requires the disclosure of substantial information about the appointee and his spouse, including sources of income, service as director of a corporation and whether the official is employed by a business which is directly regulated by a governmental body.

It is anticipated under Arkansas law that the combination of full disclosure and the discretion of the appointing officials, or if the official is elected, the informed and vigilant voters, will insure that the public interest is protected.

In conclusion, it is our opinion that Arkansas' ethics and disclosure law does not prohibit your simultaneous service on the Arkansas Professional Bail Bond Company and Professional Bail Bondsman Licensing Board and on the Executive Board of the industry group, Arkansas Professional Bail Association.

If you have other questions, please feel free to contact me.

Sincerely,

Jack R. Kearney  
Director/Chief Counsel

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