



STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

Request for Governor's Approval of Proposed Rule or Regulation

Department /Agency: _____

Short Title of Rule: [Rules on Conflicts \(21 CAR § 2\)](#) | _____

New Rule: Yes No

Amendment to Existing Rule: Yes No

State Mandate: Yes No

Federal Mandate: Yes No

If yes, please provide the legal citation of the mandate: _____

Legal Authority for Rule: _____

Proposed Effective Date: _____

Emergency Rule: Yes No

Expedited Rule Requested: Yes No


Summary of Proposed New Rule or Proposed Amendment to Existing Rule:

Financial Impact: Yes No Unknown; If yes or unknown, please explain:

Public Hearing Occurred on Rule: Yes No [TBD, ASAP](#)

Controversial: Yes No

If yes, please explain and provide detail of expected opposition.

Two Rules Repealed: **Exception from the Governor:**  Exception requested

First Rule Repealed: Rules on Campaign Contribution Limit

Brief explanation of why repeal is appropriate:

The Commission respectfully requests that an exemption be granted. It is the position of the Commission that these proposed amendments would not create a new rule but rather keep existing rules up-to-date and in conformity with the law. If this is considered a new rule, then the Commission requests the exemption be granted. Moreover, the Commission is seeking to repeal The Rules on Campaign Contribution Limit. The proposed amendments will bring the Rules on Conflicts into conformity with legislation passed during the 95th General Assembly in 2025.

Second Rule Repealed: N/A

Brief explanation of why repeal is appropriate:

N/A

Documents Required for Approval Process

Please note that the Governor’s office will not begin the approval process if any of the following applicable documents are not enclosed with the approval request.

- BLR Questionnaire
- BLR Financial Impact Statement
- Proposed Rule - clean version
- Mark-Up of Rule, if amended from previous version
- Copy of Act or Regulation, if Rule is pursuant to State or Federal mandate

Contact Information

Department POC for Rules Process: [Jill Rogers Barham](#)

Department POC for this Rule: [Jill Rogers Barham](#)

NOTE: All documents must be returned to the Governor’s Counsel as a single PDF file.

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH
THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT _____
 BOARD/COMMISSION _____
 BOARD/COMMISSION DIRECTOR _____
 CONTACT PERSON _____
 ADDRESS _____
 PHONE NO. _____ EMAIL _____
 NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING _____
 PRESENTER EMAIL(S) _____

INSTRUCTIONS

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, miller-ricer@blr.arkansas.gov, for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, garritym@blr.arkansas.gov, for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

1. What is the official title of this rule?

2. What is the subject of the proposed rule? _____
3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes No

4. Is this rule being filed for permanent promulgation? Yes No

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, what was the effective date of the emergency rule? _____

On what date does the emergency rule expire? _____

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes No

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes No

If yes, please provide the state statute and/or rule citation.

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes No

If yes, please list the rules being repealed.

If no, please explain.

8. Is this a new rule? Yes No

Does this repeal an existing rule? Yes No

If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes No

If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?
Yes No

If yes, please provide the year of the act(s) and act number(s).

11. What is the reason for this proposed rule? Why is it necessary?

12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

13. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: _____

Time: _____

Place: _____

Please be sure to advise Bureau Staff if this information changes for any reason.

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. _____

15. What is the proposed effective date for this rule? _____

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

19. Is the rule expected to be controversial? Yes No

If yes, please explain.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT _____
BOARD/COMMISSION _____
PERSON COMPLETING THIS STATEMENT _____
TELEPHONE NO. _____ **EMAIL** _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE _____

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes No

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
Yes No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If no, please explain:

(a) how the additional benefits of the more costly rule justify its additional cost;

(b) the reason for adoption of the more costly rule;

(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency’s statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:
 - (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

NOTICE OF RULE MAKING AND PUBLIC HEARING ARKANSAS ETHICS COMMISSION

NOTICE is hereby given that the Arkansas Ethics Commission intends to amend the portions of the Code of Arkansas Rules (“CAR”) under the jurisdiction of the Arkansas Ethics Commission, specifically the Rules on Ballot and Legislative Question Committees (7 CAR § 7), Rules on Campaign Contribution Limit (7 CAR § 2; seeking to repeal), Rules on Campaign Finance & Disclosure (7 CAR § 3), Rules on Conflicts (21 CAR § 2), Rules on Independent Expenditures (7 CAR § 6), Rules on Political Committees (7 CAR § 5), and Rules on Special State Employees (19 CAR § 25). The proposed amendments to the rules are intended to implement and administer the provisions of Acts 250, 270, 323, 419, 524, 592, 994, 996, 999 of the 2025 Regular Session of the 95th General Assembly, and to further implement and administer applicable provisions of the laws under the Commission’s jurisdiction. Copies of the proposed amended rules may be obtained from the Commission, which is located at 501 Woodlane, Suite 301N, Little Rock, Arkansas, 72201, telephone (501) 324-9600, and may also be found at www.ArkansasEthics.com.

Interested parties should forward written comments to Graham F. Sloan, Director, Post Office Box 1917, Little Rock, Arkansas 72203-1917, by 5:00 p.m. on _____, _____, 2025. The Commission will hold a public hearing on _____, _____, 2025, beginning at 9:00 a.m. at the Commission’s office in Little Rock to consider the written submissions and receive oral comments on the aforementioned sets of rules.

Summary of Proposed Amendments to 21 CAR § 2 et seq.
(The Rules on Conflicts)

Purpose:

The purpose of these proposed amendments is to bring 21 CAR § 2 et seq. (The Rules on Conflicts) into conformity with the legislation passed in 2025 during the 95th General Assembly of the Arkansas Legislature.

Summary:

Act 323 (Section 1) of 2025 amended Ark. Code § 21-8-304 and created a new subdivision (d) concerning prohibited activity for public servants in connection with providing advance notice of an inspection in certain instances, as follows: “Prohibited activities. (d)(1) No public employee shall provide advance notice of an inspection to be conducted by a governmental body to any person, business, or entity subject to an inspection when the purpose of the disclosure is to improperly influence the outcome of the inspection. (2) A public employee violates subdivision (d)(1) of this section when he or she knowingly communicates information, directly or indirectly, regarding the timing, scope, or details of an upcoming inspection with the intent to: (A) Alter or manipulate conditions to evade detection of noncompliance or violations; (B) Provide an unfair advantage to the inspected party; or (C) Otherwise interfere with the integrity or impartiality of the inspection process. (3) A public employee found in violation of subdivision (d)(1) of this section shall be subject to disciplinary action, including without limitation suspension, termination, and any penalties provided by law. (4) Subdivision (d)(1) of this section does not prohibit: (A) Routine scheduling disclosures required by law; (B) Public safety notifications; or (C) Official communications necessary for the proper administration of inspections. (21 CAR § 2-108)

Act 796 (Section 17) of 2025 amended Ark. Code § 21-8-402(7)(B) concerning the definition of “income” or “compensation” to rename references to (i) the School for the Blind and (ii) the School for the Deaf to reflect one name “the School for the Deaf and Blind, as follows: “The term ‘compensation’ does not include anything of value presented to an employee of a public school district, the Arkansas School for the Deaf and Blind, ~~the Arkansas School for the Deaf~~...” (21 CAR § 2-101(6)(C)

Stricken language would be deleted from and underlined language would be added to the Code of Arkansas Rules.

Proposed Rulemaking

Title

Promulgated by:
Arkansas Ethics Commission

Title 21. Public Officers and Employees

Chapter I. Arkansas Ethics Commission

Subchapter A. Generally

Part 2. Rules on Conflicts

Subpart 1. Generally

21 CAR § 2-101. Definitions.

As used in this part:

(1)(A) "Administrative action" means any decision on, or proposal, consideration, or making of any rule, ratemaking proceeding, or policy action by a governmental body.

(B) It does not include ministerial action;

(2) "Business" means any:

(A) Corporation;

(B) Partnership;

(C) Sole proprietorship;

(D) Firm;

(E) Enterprise;

(F) Franchise;

(G) Association;

(H) Organization;

(I) Self-employed individual;

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(J) Receivership;

(K) Trust; or

(L) Legal entity through which business is conducted;

(3) "County government" means any office, department, commission, council, board, bureau, committee, legislative body, agency, or other establishment of a county;

(4) "Family" means an individual's:

(A) Spouse;

(B) Children of that individual or his or her spouse; or

(C) Brothers, sisters, or parents of the individual or his or her spouse;

(5) "Governmental body" means any office, department, commission, council, board, committee, legislative body, agency, or other establishment of the executive, judicial, or legislative branch of the:

(A) State;

(B) Municipality;

(C) County;

(D) School district;

(E) Improvement district; or

(F) Any political district or subdivision thereof;

(6)(A) "Income or compensation" means any money or anything of value received or to be received as a claim for future services, whether in the form of a:

(i) Retainer;

(ii) Fee;

(iii) Salary;

(iv) Expense;

(v) Allowance;

(vi) Forbearance;

(vii) Forgiveness;

(viii) Interest;

(ix) Dividend;

(x) Royalty;

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(xi) Rent; or

(xii) Any other form of recompense or any combination thereof.

(B) It includes a payment made under obligation for services or other value received.

(C) The term "compensation" does not include anything of value presented to an employee of a public school district, the Arkansas School for the Blind, the ~~Arkansas School for the Deaf~~, Arkansas School for the Deaf and Blind, the Arkansas School for Mathematics, Sciences, and the Arts, a university, a college, a technical college, a technical institute, a comprehensive life-long learning center, or a community college in recognition of the employee's contribution to education;

(7) "Legislative action" means introduction, sponsorship, consideration, debate, amendment, passage, defeat, approval, veto, or any other official action or nonaction on any bill, ordinance, law, resolution, amendment, nomination, appointment, report, or other matter pending or proposed before a:

(A) Committee or house of the General Assembly;

(B) Quorum court; or

(C) City council or board of directors of a municipality;

(8) "Legislator" means any person who is a member of:

(A) The General Assembly;

(B) A quorum court of any county;

(C) The city council or board of directors of any municipality; or

(D) A member of a school district board of directors;

(9) "Lobbying" means communicating directly or soliciting others to communicate with any public servant with the purpose of influencing legislative action or administrative action;

(10) "Municipal government" means any office, department, commission, council, board, bureau, committee, legislative body, agency, or other establishment of a municipality;

(11) "Person" means a:

(A) Business;

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- (B) Individual;
- (C) Corporation;
- (D) Union;
- (E) Association;
- (F) Firm;
- (G) Partnership;
- (H) Committee;
- (I) Club; or
- (J) Other organization or group of persons;

(12)(A) "Public appointee" means an individual who is appointed to a governmental body.

- (B) It does not include an individual appointed to an elective office;

(13)(A) "Public employee" means an individual who is:

- (i) Employed by a governmental body; or
- (ii) Appointed to serve a governmental body.

- (B) It does not include public officials or public appointees;

(14)(A) "Public official" means a person holding an elective office of any governmental body, whether elected or appointed to the office.

- (B) "Public official" includes without limitation:

(i) A person holding an elective office of any governmental body, whether elected or appointed to the office, during the time period between the date he or she is elected or appointed and the date he or she takes office; and

- (ii) A member of a school district board of directors;

(15) "Public servant" means all:

- (A) Public officials;
- (B) Public employees; and
- (C) Public appointees;

(16) "Special privileges or exemption" means:

(A) A particular benefit or advantage unfairly extended to a person beyond the common advantages of others; or

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(B) The unjustified release of a person from a duty or obligation required of others;

(17) "State government" means any office, department, commission, council, board, bureau, committee, legislative body, agency, or other establishment of the State of Arkansas; and

(18) "Unwarranted privileges or exemptions" means:

(A) A particular benefit or advantage unfairly extended to a person beyond the common advantages of others; or

(B) The unjustified release of a person from a duty or obligation required of others.

21 CAR § 2-102. Confidential information.

(a) No public servant shall:

(1) Accept employment or engage in any public or professional activity while serving as a public official which he or she might reasonably expect would require or induce him or her to disclose any information acquired by him or her by reason of his or her official position which is declared by law or rule to be confidential;

(2) Disclose any such information gained by reason of his or her position, nor shall he or she otherwise use such information for his or her personal gain or benefit; or

(3) Purposely use or disclose to any other person or entity confidential government information acquired by him or her in the course of and by reason of the public servant's official duties, to secure anything of material value or benefit for himself or herself or his or her family.

(b) No member of a state board or commission or board member of an entity receiving state funds shall disclose confidential information acquired by him or her in the course of the member's official duties or use such information to further his or her personal interests.

21 CAR § 2-103. Fair treatment.

(a) No public servant shall use or attempt to use his or her official position to secure special privileges or exemption for himself or herself or his or her spouse, child, parents, or other persons standing in the first degree of relationship, or for those with whom he or she has a substantial financial relationship that is not available to others except as may be otherwise provided by law.

(b) No member of a state board or commission or board member of an entity receiving state funds shall use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others.

21 CAR § 2-104. Decision making.

No member of a state board or commission or board member of an entity receiving state funds shall:

(1)(A) Participate in, vote on, influence, or attempt to influence an official decision if the member has a pecuniary interest in the matter under consideration by the board, commission, or entity.

(B) A member of a state board or commission or board member of an entity receiving state funds may participate in, vote on, influence, or attempt to influence an official decision if the only pecuniary interest that may accrue to the member is incidental to his or her position or accrues to him or her as a member of a profession, occupation, or large class to no greater extent than the pecuniary interest could reasonably be foreseen to accrue to all other members of the profession, occupation, or large class; or

(2) Participate in any discussion or vote on a rule or regulation that exclusively benefits the member.

21 CAR § 2-105. Appearances.

(a) No legislator shall appear for compensation on behalf of another person, firm, corporation, or entity before any entity of:

(1) State government, if the legislator is a member of the General Assembly;

(2) The legislator's county government, if the legislator is a member of a quorum court;

(3) The legislator's municipal government, if the legislator is a member of a city council or board of directors of a municipality; or

(4) The legislator's school district board of directors, if the legislator is a member of a school district board of directors.

(b) This section shall not:

(1) Apply to any judicial proceeding or to any hearing or proceeding which is adversarial in nature or character;

(2) Apply to any hearing or proceeding on which a record is made by the:

(A) Entity of state government;

(B) Entity of county government;

(C) Entity of municipal government; or

(D) School district board of directors;

(3) Apply to an appearance which is a matter of public record;

(4) Apply to ministerial actions; or

(5) Preclude a legislator from acting on behalf of a constituent to determine the status of a matter without accepting compensation.

(c) An appearance which is a matter of public record as provided in subdivision (b)(3) of this section may be made by:

(1)(A) Filing a written statement within twenty-four (24) hours with the agency head of the entity of state government, entity of county government, entity of municipal government, or school district before which an appearance is sought.

(B) In the event that a written statement cannot be provided to the agency head prior to the meeting, telephonic notice must be given to the agency head or his or her office; or

(2) Filing a quarterly statement with the agency head of the entity of state government before which an appearance is sought.

(d)(1) A statement filed under subsection (c) of this section shall identify the client on behalf of whom the appearance is made and contain a general statement of the action sought from the governmental body.

(2)(A) The statements shall be retained by the agency head and shall be a matter of public record.

(B) If the agency head determines that the release of the client's name would be an unwarranted invasion of individual privacy or would give advantage to competitors for bidding, the agency head may withhold the name until appropriate.

(e) No member of the General Assembly shall receive any income or compensation as defined in 21 CAR § 2-101(6), other than income and benefits from the governmental body to which he or she is duly entitled, for lobbying other members of the General Assembly by communicating directly or soliciting others to communicate with any other member with the purpose of influencing legislative action by the General Assembly.

21 CAR § 2-106. Reporting.

(a) A legislator who is required to take an action in the discharge of his or her official duties that may affect his or her financial interest or cause financial benefit or detriment to him or her, 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, which is distinguishable from the effects of the action on the public generally or a broad segment of the public, shall:

(1) Prepare a written statement describing the matter requiring action and stating the potential conflict; and

(2)(A) Deliver a copy of the statement to the appropriate official to be filed with the statement of financial interest.

(B) The copy of the statement may be delivered in person by the public official, by mail, or by a person authorized by the public official to deliver the copy.

(b) The obligation to report a potential conflict of interest under this section arises as soon as the legislator is aware of the conflict.

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(c) If the statement of financial interest filed by the legislator makes the conflict readily apparent, then no report need be filed.

21 CAR § 2-107. School district board members, administrators, and employees.

(a) No school district board member, administrator, or employee shall:

(1) Use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others;

(2) Accept employment, contract, or engage in any public or professional activity that a reasonable person would expect might require or induce him or her to disclose any information acquired by the member by reason of his or her official position that is declared by law or rule to be confidential;

(3) Disclose any confidential information gained by reason of his or her position, including without limitation disclosing information acquired by attending an executive session of the board of directors unless the disclosure of that information is otherwise authorized or required by law; or

(4) Use information acquired by reason of his or her position for his or her personal gain or benefit.

(b) A school district board member shall not act in a manner on school grounds or at a school-sponsored event that:

(1) Results or otherwise would have resulted in the removal of the board member from campus or the event if the board member's actions resulted in removal or otherwise would have resulted in removal if the actions were conducted by a member of the public; or

(2) Results in a violation of the criminal laws of this state or the federal government.

(c) Any school district board member, administrator, or employee who knew or should have known his or her actions were prohibited under subsections (a) or (b) of this section may be subject to Arkansas Code § 6-24-118.

(d) Nothing in this part prohibits school district board members, administrators, or employees from donating services or property to a public educational entity.

(e)(1) The Arkansas Ethics Commission shall supervise compliance with Arkansas Code § 6-24-101 et seq., by school district board members and investigate citizen complaints alleging violations of this part by board members.

(2) Upon completion of an investigation of a complaint that a board member has violated this part, the commission may assess a penalty under Arkansas Code § 7-6-218(b)(4).

(3) All moneys received by the commission as payment of fines shall be deposited in the State Treasury as general revenues.

(f) At the request of the commission, the appropriate prosecuting attorney shall review contracts or transactions for compliance with the provisions of Arkansas Code § 6-24-101 et seq.

~~(g) **Note.** This section is based upon Acts 2023, No. 883, and shall be effective on and after May 1, 2024.~~

21 CAR § 2-108. Advance notice.

(a) No public employee shall provide advance notice of an inspection to be conducted by a governmental body to any person, business, or entity subject to an inspection when the purpose of the disclosure is to improperly influence the outcome of the inspection.

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(b) A public employee violates subdivision (a) of this section when he or she knowingly communicates information, directly or indirectly, regarding the timing, scope, or details of an upcoming inspection with the intent to:

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(1) Alter or manipulate conditions to evade detection of noncompliance or violations;

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(2) Provide an unfair advantage to the inspected party; or

(3) Otherwise interfere with the integrity or impartiality of the inspection process.

(3) A public employee found in violation of subsection (a) of this section shall be subject to disciplinary action, including without limitation suspension, termination, and any penalties provided by law.

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(4) Subsection (a) of this section does not prohibit:

(A) Routine scheduling disclosures required by law;

(B) Public safety notifications; or

(C) Official communications necessary for the proper administration of inspections.

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Proposed Rulemaking

Title

Promulgated by:
Arkansas Ethics Commission

Title 7. Elections

Chapter I. Arkansas Ethics Commission

Subchapter A. Generally

Part 6. Rules on Independent Expenditures

Subpart 1. Generally

7 CAR § 6-101. Definitions.

As used in this part:

(1)(A) "Contribution" means, whether direct or indirect, advances, deposits, or transfers of funds, contracts, or obligations, whether or not legally enforceable, payments, gifts, subscriptions, assessments, payment for services, dues, advancements, forbearance, loans, pledge or promise of money or anything of value, whether or not legally enforceable, to a candidate, committee, or holder of elective office, made for the purpose of influencing the nomination or election of any candidate.

(B)(i) "Contribution" includes:

(a) The purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events;

(b) The granting of discounts or rebates by television stations, radio stations, and newspapers not extended on an equal basis to all candidates for the same office; and

(c) Any payments for the services of any person serving as an agent of a candidate or committee by a person other than the candidate

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or committee or persons whose expenditures the candidates or committee must report under this part.

(ii) The term "contribution" further includes any transfer of anything of value received by a committee from another committee.

(iii) "Contribution" shall not include noncompensated, nonreimbursed, volunteer personal services or travel.

(C) "Contribution and expenditure" shall not include activity sponsored and funded by a political party that meets the definition of "political party" under Arkansas Code § 7-1-101 or the requirements of Arkansas Code § 7-7-205 to promote its candidates or nominees through events such as dinners, luncheons, rallies, or similar gatherings and shall not include nonpartisan activity designed to encourage individuals to register to vote or to vote or any communication by any membership organization to its members or stockholders if the membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election or election of any candidate;

(2)(A) "Expenditure" means a purchase, payment, distribution, gift, loan, or advance of money or anything of value, and a contract, promise, or agreement to make an expenditure, made for the purpose of influencing the nomination or election of any candidate.

(B) "Contribution and expenditure" shall not include:

(i) Activity sponsored and funded by a political party that meets the definition of "political party" under Arkansas Code § 7-1-101 or the requirements of Arkansas Code § 7-7-205 to promote its candidates or nominees through events such as dinners, luncheons, rallies, or similar gatherings;

(ii) Nonpartisan activity designed to encourage individuals to register to vote or to vote; or

(iii) Any communication by any membership organization to its members or stockholders if the membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election or election of any candidate;

(3) "Independent expenditure" means any expenditure which is:

(A) Not a contribution and expressly advocates the election or defeat of a clearly identified candidate for office;

(B) Made without arrangement, cooperation, or consultation between:

(i) Any candidate or any authorized committee or agent of the candidate; and

(ii) The person making the expenditure or any authorized agent of that person; and

(C) Not made in concert with or at the request or suggestion of any candidate or any authorized committee or agent of the candidate;

(4) "Independent expenditure committee" means any person who:

(A) Receives contributions from one (1) or more persons in order to make an independent expenditure; and

(B) Is registered pursuant to Arkansas Code § 7-6-227 prior to making expenditures;

(5)(A) "Person" means any individual, proprietorship, firm, partnership, joint venture, syndicate, labor union, business trust, company, corporation, association, committee, or any other organization or group of persons acting in concert.

(B) It shall also include:

(i) A political party that meets the definition of a political party under Arkansas Code § 7-1-101;

(ii) A political party that meets the requirements of Arkansas Code § 7-7-205;

(iii) County political party committees; and

(iv) Legislative caucus committees; and

(6)(A) "Printed campaign materials" means:

(i) Literature mailed to an elector that is intended to or calculated to influence the vote of an elector in an election in this state, including without limitation:

- (a) Signs;
- (b) Banners;
- (c) Flyers; and
- (d) Pamphlets; and

(ii) Yard signs and push cards intended to or calculated to influence the vote of an elector in an election in this state.

(B) "Printed campaign materials" does not mean political paraphernalia, including without limitation:

- (i) Stickers;
- (ii) Buttons;
- (iii) Pens;
- (iv) T-shirts;
- (v) Nail files; or
- (vi) Other similar trinkets.

7 CAR § 6-102. Registration by independent expenditure committees.

(a)(1)(A) To qualify as an independent expenditure committee, the committee is required to register with the Secretary of State within fifteen (15) days after accepting contributions or making independent expenditures during a calendar year that exceed two hundred dollars (\$200) in the aggregate.

(B) Registration shall be annually renewed by January 15, unless the committee has ceased to exist.

(C) Registration shall be on forms provided by the Secretary of State, and the contents therein shall be verified by an affidavit of an officer of the committee.

(2)(A) The committee shall designate a resident agent who shall be an individual who resides in the State of Arkansas.

(B) No contribution shall be accepted from a committee and no expenditure shall be made by a committee that has not registered and does not have a resident agent.

(3) An out-of-state committee shall be required to comply with the registration and reporting provisions of this part if the committee makes an independent expenditure or independent expenditures within the State of Arkansas that in the aggregate exceed more than five hundred dollars (\$500) during a calendar year.

(b) The registration form of an independent expenditure committee shall contain the following information:

(1)(A) The name, address, and, where available, phone number of the committee and the name, address, phone number, and place of employment of each of its officers.

(B) If the committee's name is an acronym, then both it and the words forming the acronym shall be disclosed;

(2) The full name and street address, city, state, and zip code of each financial institution the committee uses for purposes of receiving contributions or making expenditures within the State of Arkansas;

(3) A written acceptance of designation as a resident agent;

(4) A certification by a committee officer, under penalty of false swearing, that the information provided on the registration is true and correct;

(5) A clause submitting the committee to the jurisdiction of the State of Arkansas for all purposes related to compliance with the provisions of Arkansas Code § 7-6-201 et seq.; and

(6) An affirmation by the individual, committee, or entity making the independent expenditure that the individual, committee, or entity has not knowingly or willfully accepted donations in excess of ten thousand dollars (\$10,000) in the aggregate from one (1) or more prohibited sources within the four-year period immediately preceding the date the independent expenditure was made.

(c)(1) When a committee makes a change to any of the information required in subsection (b) of this section, an amendment is required to be filed within ten (10) days to reflect the change.

(2) A committee failing to file an amendment shall be subject to a late filing fee of ten dollars (\$10.00) for each day the change is not filed.

7 CAR § 6-103. Reporting of independent expenditures.

(a) A person who or an independent expenditure committee which makes independent expenditures in an aggregate amount or value in excess of two hundred dollars (\$200) in a calendar year shall file reports with the Secretary of State:

(1)(A) No later than fifteen (15) days following the month in which the two-hundred-dollar threshold required under this section is met, the first financial report shall be filed.

(B) Each subsequent report shall be filed no later than twenty (20) days after the end of each month until the election is held, except as required in subdivision (a)(1)(C) of this section.

(C) For any month in which certain days of that month are included in a preelection financial report required under subdivision (a)(2) of this section, no monthly report for that month shall be due, but those days of that month shall be carried forward and included in the final financial report;

(2) No later than seven (7) days prior to preferential primary elections, runoff elections, general elections, and special elections covering the period ending ten (10) days prior to such elections; and

(3) As for a final report, no later than thirty (30) days after the end of the month in which the last election is held at which the candidate seeks nomination or election.

(b) Such reports shall include:

(1) In the case of an individual making such an expenditure, the name, address, telephone number, principal place of business, employer, and occupation of the individual;

(2) In the case of a committee, the name, address, employer, and occupation of its officers;

(3) In the case of a person who is not an individual, the principal name of the entity, the address, and the name, address, employer, and occupation of its officers;

(4) The total amount of contributions received, with loans stated separately, and the total amount of expenditures made during the filing periods, and the cumulative amount of those totals;

(5) The name and address of each person who made a contribution or contributions that in the aggregate exceeded two hundred dollars (\$200);

(6) The contributor's principal place of business, employer, occupation, the amount contributed, the date the contribution was accepted by the committee, and the aggregate contributed for each election;

(7) The name and address of each person who contributed a nonmoney item, together with a description of the item, the date of receipt, and the value, not including volunteer service by individuals;

(8) An itemization of all single expenditures made which exceed one hundred dollars (\$100), including the:

(A) Amount of the expenditure;

(B) Name and address of any person to whom the expenditure was made; and

(C) Date the expenditure was made;

(9) A list of all paid workers and the amount the workers were paid;

(10) A list of all expenditures by categories, including, but not limited to:

(A) Television, radio, print, and other advertising;

(B) Direct mail;

(C) Office supplies;

(D) Rent;

(E) Travel;

(F) Expenses;

(G) Entertainment; and

(H) Telephone;

(11) The total amount of all nonitemized expenditures made during the filing period; and

(12) The current balance of committee funds.

(c) The information required in subdivisions (b)(4) – (10) of this section may be provided in the form of schedules attached to the report.

(d) The report shall be verified by an affidavit of an officer of the committee stating that to the best of his or her knowledge and belief the information disclosed is a complete, true, and accurate financial statement of the committee's contributions received and made.

(e)(1) A report is timely filed if it is filed in electronic form through the official website of the Secretary of State on or before the date that the report is due.

(2)(A) The Secretary of State shall receive reports in a readable electronic format that is:

(i) Acceptable to the Secretary of State; and

(ii) Approved by the Arkansas Ethics Commission.

(B) The commission shall approve the format used by the Secretary of State for the filing of independent expenditure reports in electronic form to ensure that all required information is requested.

(C) The official website of the Secretary of State shall allow for searches of independent expenditure report information filed in electronic form.

(3)(A) A person required to file reports or register in paper form under Arkansas Code § 7-6-220 may file reports or register in paper form if:

(i) The person does not have access to the technology necessary to submit reports or registration in electronic form; and

(ii) Submitting reports or registration in electronic form would constitute a substantial hardship for the person.

(B) A person filing reports or registration in paper form under subdivision (e)(3)(A) of this section shall submit with its first report or registration a notarized affidavit on a form prepared by the Secretary of State declaring that:

(i) The person does not have access to the technology necessary to submit reports or registration in electronic form;

(ii) Submitting reports or registration in electronic form would constitute a substantial hardship for the person; and

(iii) The person agrees to file all other reports in paper form for the duration of the period of registration.

(4) The Secretary of State shall:

(A) Not accept a report or registration in paper form under subdivision (e)(3)(A) of this section if a notarized affidavit was not submitted with the:

(i) Registration of a political action committee; or

(ii) First report of a person or independent expenditure committee;

(B) Provide written notice to the political action committee within five (5) business days if the registration in paper form was not filed or accepted;

(C) Provide written notice to a political action committee, person, or independent expenditure committee within five (5) business days if a report in paper form was not filed or accepted; and

(D) Provide the reason the registration or report in paper form was not filed or accepted.

(5) The Secretary of State shall make available to persons wishing to file reports in paper form under Arkansas Code § 7-6-231:

(A) Information on the deadlines for filing required reports; and

(B)(i) Appropriate forms and instructions for complying with the deadlines.

(ii) The Arkansas Ethics Commission shall approve the forms and instructions used by the Secretary of State under Arkansas Code § 7-6-231 to ensure that all required information is requested.

(6) Reports shall be filed on the forms furnished by the Secretary of State, except that computer-generated contribution and expenditure reports shall be accepted

by the Secretary of State and the commission provided that all of the requisite elements are included.

(7)(A) A report submitted in paper form under Arkansas Code § 7-6-231 other than a preelection report is timely filed if it is either hand delivered or mailed to the Secretary of State, properly addressed, and postage prepaid, bearing a postmark indicating that it was received by the post office or common carrier on or before the date that the report is due.

(B) A preelection report submitted in paper form under Arkansas Code § 7-6-231 is timely filed if it is received by the Secretary of State no later than seven (7) days before the election for which it is filed.

(C) The Secretary of State shall accept a report via facsimile, provided the original is received by the Secretary of State within ten (10) days of the date of facsimile transmission.

(8)(A) The Secretary of State shall make available reports submitted in paper form on a portion of the official website of the Secretary of State.

(B) The Secretary of State shall comply with the requirements of Arkansas Code § 7-6-214(c) regarding the “paper filer” designation and publication requirements for all reports submitted in paper form.

7 CAR § 6-104. Out-of-state independent expenditure committees.

(a) An out-of-state independent expenditure committee is required to comply with the registration provisions of 7 CAR § 6-102 and is subject to the jurisdiction of the State of Arkansas for all purposes related to compliance with the registration provisions of Arkansas Code § 7-6-201 et seq., if the committee makes an independent expenditure or independent expenditures within the State of Arkansas that in the aggregate exceed more than five hundred dollars (\$500) during a calendar year.

(b) An out-of-state independent expenditure committee is required to comply with the reporting provisions of 7 CAR § 6-103 and is subject to the jurisdiction of the State of Arkansas for all purposes related to compliance with the reporting provisions of Arkansas Code § 7-6-201 et seq., if the committee makes an independent expenditure

or independent expenditures within the State of Arkansas that in the aggregate exceed more than two hundred dollars (\$200) during a calendar year.

7 CAR § 6-105. Paid for by disclaimer.

(a)(1)(A) All articles, statements, or communications appearing in any newspaper printed or circulated in this state intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be paid shall clearly contain the words "Paid Political Advertisement", "Paid Political Ad", or "Paid for by" the candidate, committee, or person who paid for the message.

(B) Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer.

(2)(A) In addition, all articles, statements, or communications appearing in any radio, television, or any other electronic medium intended or calculated to influence the vote of any elector in any election and for the publication of which a consideration is paid or to be paid shall clearly contain the words "Paid Political Advertisement", "Paid Political Ad", "Paid for by", "Sponsored by", or "Furnished by" the true sponsor of the advertisement.

(B) Both the persons placing and the persons publishing the articles, statements, or communications shall be responsible for including the required disclaimer.

(b)(1) Printed campaign materials as defined in 7 CAR § 6-101(6), shall clearly contain the words "Paid for by" followed by the name of the candidate, committee, or person who paid for the:

- (A) Campaign sign;
- (B) Campaign literature; or
- (C) Other printed campaign materials.

(2) Subdivision (b)(1) of this section applies only to campaign signs, campaign literature, and other printed campaign materials created by or sponsored by:

- (A) A political candidate;

- (B) The campaign of a political candidate;
- (C) A political action committee;
- (D) An independent expenditure committee; or
- (E) Persons making independent expenditures.

(3) When the printed campaign material is a two-sided sign, the "Paid for by" language required by this subsection shall appear on both sides of the sign.

7 CAR § 6-106. Penalties.

(a) If the Arkansas Ethics Commission finds that a person or an independent expenditure committee has committed a violation of Arkansas Code § 7-6-220, § 7-6-227, or both, then it may do one (1) or more of the following:

(1) Impose a fine of not less than fifty dollars (\$50.00) and not more than three thousand five hundred dollars (\$3,500); or

(2) Issue a public letter of:

- (A) Caution;
- (B) Warning; or
- (C) Reprimand.

(b) In addition, a committee failing to file an amendment within ten (10) days as required by 7 CAR § 6-102(c) shall be subject to a late filing fee of ten dollars (\$10.00) for each day the change is not filed.

7 CAR § 6-107. Records retention.

(a)(1) An independent expenditure committee required to comply with the registration requirements of 7 CAR § 6-102 shall maintain for a period of four (4) years records evidencing the name, address, and place of employment of each person that contributed to the independent expenditure committee, along with the amount contributed.

(2) Such a committee shall also maintain for a period of four (4) years records evidencing each independent expenditure made by the committee, along with the amount of each expenditure.

(b) A person required to comply with the reporting requirements of 7 CAR § 6-103 shall maintain for a period of four (4) years records evidencing each independent expenditure made by the person, along with the amount of each expenditure.

(c) An independent expenditure committee or a person making independent expenditures shall keep records of all contributions and expenditures in a manner sufficient to evidence compliance with Arkansas Code § 7-6-201.

7 CAR § 6-108. Administrative expenses of independent expenditure committees.

It is permissible for an independent expenditure committee to pay reasonable administrative expenses out of the contributions it has received.

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: H2/27/25

A Bill

HOUSE BILL 1410

5 By: Representatives Unger, Lundstrum
6 By: Senator J. Bryant
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING PROHIBITED
10 ACTIVITIES BY PUBLIC SERVANTS; AND FOR OTHER
11 PURPOSES.
12
13

Subtitle

15 TO AMEND THE LAW CONCERNING PROHIBITED
16 ACTIVITIES BY PUBLIC SERVANTS.
17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
19

20 SECTION 1. Arkansas Code § 21-8-304 is amended to read as follows:

21 21-8-304. Prohibited activities.

22 (a) No public servant shall use or attempt to use his or her official
23 position to secure special privileges or exemptions for himself or herself or
24 his or her spouse, child, parents, or other persons standing in the first
25 degree of relationship, or for those with whom he or she has a substantial
26 financial relationship that are not available to others except as may be
27 otherwise provided by law.

28 (b) No public servant shall accept employment or engage in any public
29 or professional activity while serving as a public official which he or she
30 might reasonably expect would require or induce him or her to disclose any
31 information acquired by him or her by reason of his or her official position
32 that is declared by law or rule to be confidential.

33 (c) No public servant shall disclose any such information gained by
34 reason of his or her position, nor shall he or she otherwise use such
35 information for his or her personal gain or benefit.

36 (d)(1) No public employee shall provide advance notice of an



1 inspection to be conducted by a governmental body to any person, business, or
2 entity subject to an inspection when the purpose of the disclosure is to
3 improperly influence the outcome of the inspection.

4 (2) A public employee violates subdivision (d)(1) of this
5 section when he or she knowingly communicates information, directly or
6 indirectly, regarding the timing, scope, or details of an upcoming inspection
7 with the intent to:

8 (A) Alter or manipulate conditions to evade detection of
9 noncompliance or violations;

10 (B) Provide an unfair advantage to the inspected party; or

11 (C) Otherwise interfere with the integrity or impartiality
12 of the inspection process.

13 (3) A public employee found in violation of subdivision (d)(1)
14 of this section shall be subject to disciplinary action, including without
15 limitation suspension, termination, and any penalties provided by law.

16 (4) Subdivision (d)(1) of this section does not prohibit:

17 (A) Routine scheduling disclosures required by law;

18 (B) Public safety notifications; or

19 (C) Official communications necessary for the proper
20 administration of inspections.

21
22 /s/Unger

23
24
25 **APPROVED: 3/18/25**