

**331.342 Conflicts of interest in public contracts.**

1. As used in [this section](#), “*contract*” means a claim, account, or demand against or agreement with a county, express or implied, other than a contract to serve as an officer or employee of the county. However, contracts subject to [section 314.2](#) are not subject to [this section](#).

2. An officer or employee of a county shall not have an interest, direct or indirect, in a contract with that county. A contract entered into in violation of [this section](#) is void. The provisions of [this section](#) do not apply to:

a. The designation of a bank or trust company as a depository, paying agent, or for investment of funds.

b. An employee of a bank or trust company, who serves as treasurer of a county.

c. Contracts made by a county upon competitive bid in writing, publicly invited and opened.

d. Contracts in which a county officer or employee has an interest solely by reason of employment, or a stock interest of the kind described in paragraph “h”, or both, if the contracts are made by competitive bid, publicly invited and opened, or if the remuneration of employment will not be directly affected as a result of the contract and the duties of employment do not directly involve the procurement or preparation of any part of the contract. The competitive bid qualification of this paragraph does not apply to a contract for professional services not customarily awarded by competitive bid.

e. The designation of official newspapers.

f. A contract in which a county officer or employee has an interest if the contract was made before the time the officer or employee was elected or appointed, but the contract shall not be renewed.

g. A contract with volunteer fire fighters or civil defense volunteers.

h. A contract with a corporation in which a county officer or employee has an interest by reason of stockholdings when less than five percent of the outstanding stock of the corporation is owned or controlled directly or indirectly by the officer or employee or the spouse or immediate family of the officer or employee.

i. A contract made by competitive bid, publicly invited and opened, in which a member of a county board, commission, or administrative agency has an interest, if the member is not authorized by law to participate in the awarding of the contract. The competitive bid qualification of this paragraph does not apply to a contract for professional services not customarily awarded by competitive bid.

j. Contracts not otherwise permitted by [this section](#), for the purchase of goods or services by a county, which benefit a county officer or employee, if the purchases benefiting that officer or employee do not exceed a cumulative total purchase price of six thousand dollars in a fiscal year.

k. A contract that is a bond, note, or other obligation of the county and the contract is not acquired directly from the county, but is acquired in a transaction with a third party, who may or may not be the original underwriter, purchaser, or obligee of the contract.

[S81, §331.342; 81 Acts, ch 117, §341]

90 Acts, ch 1209, §3, 4; 2003 Acts, ch 36, §2, 3; 2010 Acts, ch 1061, §134; 2019 Acts, ch 74, §2

Referred to in §28J.3, 28M.4, 331.471  
Subsection 2, paragraph j amended