

# Senate Study Bill 3199

## Bill Text

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1 1 Section 1. Section [279.7A](#), Code 1999, is amended to read  
1 2 as follows:

1 3 279.7A INTEREST IN PUBLIC CONTRACTS PROHIBITED  
1 4 EXCEPTION.

1 5 A member of the board of directors of a school corporation  
1 6 shall not have an interest, direct or indirect, in a contract  
1 7 for the purchase of goods, including materials and profits,  
1 8 and the performance of services for the director's school  
1 9 corporation. A contract entered into in violation of this  
1 10 section is void. This section does not apply to contracts for  
1 11 the purchase of goods or services, which benefit a director,  
1 12 if the benefit to the director does not exceed

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1 13 thousand five hundred dollars in a fiscal year, and contracts  
1 14 are made by a school board, upon competitive bid in writing,  
1 15 publicly invited and opened.

1 16 EXPLANATION

1 17 This bill provides that a member of the board of directors  
1 18 of a school corporation may benefit from a contract with the  
1 19 director's school corporation for goods or services if the  
1 20 benefit is not more than \$2,500 and the contract is made upon  
1 21 competitive bidding. The Code currently allows a maximum  
1 22 benefit amount of \$1,500 under a competitively bid contract.

1 23 LSB 6804SC 78

1 24 kh/cls/14