

House Study Bill 131 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to conflicts of interest of certain state
2 officials and employees resulting from service on boards
3 of directors of certain organizations and making penalties
4 applicable.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **68B.9 Service on boards of**
2 **directors by certain officials and employees.**

3 The following persons shall not, during the time in which
4 the person serves as or is employed by the state in such a
5 position, serve as a member of the board of directors of any
6 entity, whether for profit or nonprofit, that provides goods or
7 services to the state entity which the person serves or which
8 employs the person:

9 1. A person who serves as a statewide elected official.

10 2. The executive or administrative head of an agency of
11 state government.

12 3. The deputy executive or administrative head of an agency
13 of state government.

14 4. A member of the general assembly.

15 5. The head of a major subunit of a department or
16 independent state agency whose position involves substantial
17 exercise of administrative discretion or the expenditure of
18 public funds.

19 6. A full-time employee of an office of a statewide elected
20 official whose position involves substantial exercise of
21 administrative discretion or the expenditure of public funds.

22 7. A state or legislative employee whose position involves
23 a substantial exercise of administrative discretion or the
24 expenditure of public funds.

25 Sec. 2. Section 68B.34, Code 2021, is amended to read as
26 follows:

27 **68B.34 Additional penalty.**

28 In addition to any penalty contained in any other provision
29 of law, a person who knowingly and intentionally violates a
30 provision of [sections 68B.2A through 68B-8 68B.9](#), sections
31 68B.22 through 68B.24, or [sections 68B.35 through 68B.38](#)
32 is guilty of a serious misdemeanor and may be reprimanded,
33 suspended, or dismissed from the person's position or otherwise
34 sanctioned.

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EXPLANATION

1 The inclusion of this explanation does not constitute agreement with
2 the explanation's substance by the members of the general assembly.

3 This bill relates to conflicts of interest of certain state
4 officials and employees resulting from service on boards of
5 directors of certain organizations.

6 The bill prohibits certain elected officials and state
7 employees, during the time in which the person serves as or is
8 employed by the state in such a role, from serving as a member
9 of the board of directors of any entity, whether for profit or
10 nonprofit, that provides goods or services to the state entity
11 which the person serves or which employs the person.

12 The persons subject to the prohibition are a person who
13 serves as a statewide elected official; the executive or
14 administrative head of an agency of state government; the
15 deputy executive or administrative head of an agency of state
16 government; a member of the general assembly; the head of a
17 major subunit of a department or independent state agency
18 whose position involves substantial exercise of administrative
19 discretion or the expenditure of public funds; a full-time
20 employee of an office of a statewide elected official whose
21 position involves substantial exercise of administrative
22 discretion or the expenditure of public funds; and a state or
23 legislative employee whose position involves a substantial
24 exercise of administrative discretion or the expenditure of
25 public funds.

26 A person who knowingly and intentionally violates the
27 provisions of the bill is guilty of a serious misdemeanor and
28 may be reprimanded, suspended, or dismissed from the person's
29 position or otherwise sanctioned. A serious misdemeanor is
30 punishable by confinement for no more than one year and a fine
31 of at least \$430 but not more than \$2,560.