

By: Representative Arnold

To: Judiciary A

HOUSE BILL NO. 1237

1 AN ACT TO AMEND SECTION 25-4-105, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE TIME PERIOD FOR WHICH A PUBLIC SERVANT IS RESTRICTED  
3 TO CONTRACT WITH THE STATE, COUNTY OR LOCAL GOVERNMENT; AND FOR  
4 RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 **SECTION 1.** Section 25-4-105, Mississippi Code of 1972, is  
7 amended as follows:

8 25-4-105. (1) No public servant shall use his official  
9 position to obtain, or attempt to obtain, pecuniary benefit for  
10 himself other than that compensation provided for by law, or to  
11 obtain, or attempt to obtain, pecuniary benefit for any relative  
12 or any business with which he is associated.

13 (2) No public servant shall be interested, directly or  
14 indirectly, during the term for which he shall have been chosen,  
15 or within \* \* \* five (5) years after the expiration of such term,  
16 in any contract with the state, or any district, county, city or  
17 town thereof, authorized by any law passed or order made by any  
18 board of which he may be or may have been a member.

19 (3) No public servant shall:



20 (a) Be a contractor, subcontractor or vendor with the  
21 governmental entity of which he is a member, officer, employee or  
22 agent, other than in his contract of employment, or have a  
23 material financial interest in any business which is a contractor,  
24 subcontractor or vendor with the governmental entity of which he  
25 is a member, officer, employee or agent.

26 (b) Be a purchaser, direct or indirect, at any sale  
27 made by him in his official capacity or by the governmental entity  
28 of which he is an officer or employee, except in respect of the  
29 sale of goods or services when provided as public utilities or  
30 offered to the general public on a uniform price schedule.

31 (c) Be a purchaser, direct or indirect, of any claim,  
32 certificate, warrant or other security issued by or to be paid out  
33 of the treasury of the governmental entity of which he is an  
34 officer or employee.

35 (d) Perform any service for any compensation during his  
36 term of office or employment by which he attempts to influence a  
37 decision of the authority of the governmental entity of which he  
38 is a member.

39 (e) Perform any service for any compensation for any  
40 person or business after termination of his office or employment  
41 in relation to any case, decision, proceeding or application with  
42 respect to which he was directly concerned or in which he  
43 personally participated during the period of his service or  
44 employment.



45           (4) Notwithstanding the provisions of subsection (3) of this  
46 section, a public servant or his relative:

47           (a) May be an officer or stockholder of banks or  
48 savings and loan associations or other such financial institutions  
49 bidding for bonds, notes or other evidences of debt or for the  
50 privilege of keeping as depositories the public funds of a  
51 governmental entity thereof or the editor or employee of any  
52 newspaper in which legal notices are required to be published in  
53 respect to the publication of said legal notices.

54           (b) May be a contractor or vendor with any authority of  
55 the governmental entity other than the authority of the  
56 governmental entity of which he is a member, officer, employee or  
57 agent or have a material financial interest in a business which is  
58 a contractor or vendor with any authority of the governmental  
59 entity other than the authority of the governmental entity of  
60 which he is a member, officer, employee or agent where such  
61 contract is let to the lowest and best bidder after competitive  
62 bidding and three (3) or more legitimate bids are received or  
63 where the goods, services or property involved are reasonably  
64 available from two (2) or fewer commercial sources, provided such  
65 transactions comply with the public purchases laws.

66           (c) May be a subcontractor with any authority of the  
67 governmental entity other than the authority of the governmental  
68 entity of which he is a member, officer, employee or agent or have  
69 a material financial interest in a business which is a



70 subcontractor with any authority of the governmental entity other  
71 than the authority of the governmental entity of which he is a  
72 member, officer, employee or agent where the primary contract is  
73 let to the lowest and best bidder after competitive bidding or  
74 where such goods or services involved are reasonably available  
75 from two (2) or fewer commercial sources, provided such  
76 transactions comply with the public purchases laws.

77 (d) May be a contractor, subcontractor or vendor with  
78 any authority of the governmental entity of which he is a member,  
79 officer, employee or agent or have a material financial interest  
80 in a business which is a contractor, subcontractor or vendor with  
81 any authority of the governmental entity of which he is a member,  
82 officer, employee or agent: (i) where such goods or services  
83 involved are reasonably available from two (2) or fewer commercial  
84 sources, provided such transactions comply with the public  
85 purchases laws; or (ii) where the contractual relationship  
86 involves the further research, development, testing, promotion or  
87 merchandising of an intellectual property created by the public  
88 servant.

89 (e) May purchase securities issued by the governmental  
90 entity of which he is an officer or employee if such securities  
91 are offered to the general public and are purchased at the same  
92 price as such securities are offered to the general public.



93 (f) May have an interest less than a material financial  
94 interest in a business which is a contractor, subcontractor or  
95 vendor with any governmental entity.

96 (g) May contract with the Mississippi Veteran's Home  
97 Purchase Board, Mississippi Housing Finance Corporation, or any  
98 other state loan program, for the purpose of securing a loan;  
99 however, public servants shall not receive favored treatment.

100 (h) May be employed by or receive compensation from an  
101 authority of the governmental entity other than the authority of  
102 the governmental entity of which the public servant is an officer  
103 or employee.

104 (i) If a member of the Legislature or other public  
105 servant employed on less than a full-time basis, may represent a  
106 person or organization for compensation before an authority of the  
107 governmental entity other than an authority of the governmental  
108 entity of which he is an officer or employee.

109 (j) If a constable, may be employed and receive  
110 compensation as a deputy sheriff or other employee of the county  
111 for which he serves as constable.

112 (5) No person may intentionally use or disclose information  
113 gained in the course of or by reason of his official position or  
114 employment as a public servant in any way that could result in  
115 pecuniary benefit for himself, any relative, or any other person,  
116 if the information has not been communicated to the public or is  
117 not public information.



118           (6) Any contract made in violation of this section may be  
119 declared void by the governing body of the contracting or selling  
120 authority of the governmental subdivision or a court of competent  
121 jurisdiction and the contractor or subcontractor shall retain or  
122 receive only the reasonable value, with no increment for profit or  
123 commission, of the property or the services furnished prior to the  
124 date of receiving notice that the contract has been voided.

125           (7) Any person violating the provisions of this section  
126 shall be punished as provided for in Sections 25-4-109 and  
127 25-4-111.

128           **SECTION 2.** This act shall take effect and be in force from  
129 and after July 1, 2023.

