

## PDAAC Conflicts of Interest

### Interim Bylaws Article V § 7

**Section 7. Conflict of Interest.** Each member of the Advisory Council is appointed to represent a specific constituency identified in Minnesota Statutes, section 62J.88, Subdivision 2. From time to time, the interests of these constituencies will necessarily conflict with the work of the Board. In recognition of these constituent-level conflicts of interest and to avoid conflicts-of-interest personal to the member, the members must perform the duties designated by statute and by these bylaws as follows:

- a. Statutory Requirement.** All members must comply with Minnesota Statutes, section 62J.89.
- b. Constituency Identification.** In any meeting governed by Minnesota Statutes, Chapter 13D and any report or other official correspondence of the Advisory Council, each member must identify themselves by their name and by the constituency that member was appointed to represent under Minnesota Statutes, section 62J.88, Subdivision 2.

**Section 8. Proprietary Information.** The Advisory Council must follow all proprietary-information policies and bylaws of the Prescription Drug Affordability Board established by Minnesota Statutes, section 62J.

**Minn. Stat. § 62J.89 (2023).**

### **62J.89 CONFLICTS OF INTEREST.**

Subdivision 1.**Definition.** For purposes of this section, "conflict of interest" means a financial or personal association that has the potential to bias or have the appearance of biasing a person's decisions in matters related to the board, **the advisory council**, or in the conduct of the board's or **council's** activities. **A conflict of interest includes any instance in which a person, a person's immediate family member, including a spouse, parent, child, or other legal dependent, or an in-law of any of the preceding individuals, has received or could receive a direct or indirect financial benefit of any amount deriving from the result or findings of a decision or determination of the board. For purposes of this section, a financial benefit includes honoraria, fees, stock, the value of the member's, immediate family member's, or in-law's stock holdings, and any direct financial benefit deriving from the finding of a review conducted under sections [62J.85](#) to [62J.95](#). Ownership of securities is not a conflict**

**of interest if the securities are: (1) part of a diversified mutual or exchange traded fund; or (2) in a tax-deferred or tax-exempt retirement account that is administered by an independent trustee.**

Subd. 2.**General.** (a) Prior to the acceptance of an appointment or employment, or prior to entering into a contractual agreement, a board or advisory council member, board staff member, or third-party contractor must disclose to the appointing authority or the board any conflicts of interest. The information disclosed must include the type, nature, and magnitude of the interests involved.

(b) A board member, board staff member, or third-party contractor with a conflict of interest with regard to any prescription drug product under review must recuse themselves from any discussion, review, decision, or determination made by the board relating to the prescription drug product.

**(c) Any conflict of interest must be disclosed in advance of the first meeting after the conflict is identified or within five days after the conflict is identified, whichever is earlier.**

Subd. 3.**Prohibitions.** Board members, board staff, or third-party contractors are prohibited from accepting gifts, bequeaths, or donations of services or property that raise the specter of a conflict of interest or have the appearance of injecting bias into the activities of the board.