



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

B-221767

February 28, 1986  
DO NOT MAKE AVAILABLE TO PUBLIC READING  
FOR 30 DAYS

The Honorable Ted Stevens  
United States Senate

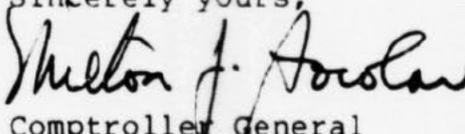
Dear Senator Stevens:

This is in response to your letter of January 20, 1986, asking whether there is any legal bar to an elected state official contracting with the Federal government. You specifically asked us to investigate (1) whether Federal contracts have any general provisions preventing a state legislator from being a party to the contract and (2) whether any Federal statutes would discourage a state legislator from contracting with the Federal government. We have researched the matter and found nothing which would preclude an elected state official from entering into or having an interest in a contract with the Federal government.

There are laws and regulations which limit the involvement of members of Congress and Federal employees in contractual relations with the government. Under 41 U.S.C. § 221 (1982), most government contracts are required explicitly to state that no member of Congress "shall be admitted to any share or part of such contract or agreement, or to any benefit to arise thereupon." Indeed, if a member of Congress were to enter into such a contract, the member would be subject to criminal prosecution. See 18 U.S.C. § 431 (1982). And, it has long been a matter of Federal policy that contracts may not knowingly be entered into between the government and employees of the government or business concerns or organizations substantially owned or controlled by government employees. See 41 C.F.R. § 1-1302-3 (1984). There is no similar statute, regulation or expression of procurement policy which would apply to state legislators.

For your information we are enclosing a general discussion of improper business practices and personal conflicts of interest from Subchapter A, Part 3 of the Federal Acquisition Regulations FAC 84-5, April 1, 1985, to be codified at 48 C.F.R. Subchapter A, Part 3.

Sincerely yours,

*you*   
Comptroller General  
of the United States

Enclosure