
The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Ashley E. Menou.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 122 by Senator Morrish

Keyword and summary of the bill as proposed by the Conference Committee

ETHICS. Provides an exception to the Code of Governmental Ethics regarding certain contractual or other relationships by certain municipal elected officials. (8/1/14)

Report adopts House amendments to:

1. Modifies provision limiting a member's compensation or revenue from any one person per calendar year. Limits compensation a member or legal entity may receive to \$10,000 per calendar year from any one person.
2. Provides that the member must report all compensation to the governing authority at the time he files his annual personal financial disclosure statement with the Board of Ethics.
3. Specifies that the report must include the name of each person from whom any compensation was received during the previous calendar year and the total amount of such compensation received from each such person.
4. Removes references to revenue received by a member or legal entity.

Report rejects House amendments which would have:

1. Added provisions for ethical standards applicable to members and former members of the State Board of Elementary and Secondary Education and the current and former state superintendent of education.

Report amends the bill to:

1. Modify the provisions related to compensation received by a member or legal entity and the reporting requirements of such compensation.

Digest of the bill as proposed by the Conference Committee

Present law provides that no public servant and no legal entity in which the public servant exercises control or owns an interest in excess of 25% will receive any thing of economic

value for or in consideration of services rendered, or to be rendered, to or for any person who has or is seeking to obtain a contractual or other business or financial relationships with the public servant's agency. Present law defines "public servant" as a public employee or an elected official.

Proposed law provides an exception to allow a member of a governing authority of a municipality with a population of 5,000 or less or a legal entity in which the member exercises control or owns an interest in excess of 25% to perform bona fide compensated services for any person who has or is seeking a contractual or other business or financial relationship with the municipality, subject to the following requirements:

- (1) The governing authority member recuses himself on all matters involving the municipality and the person.
- (2) The terms and conditions of the services performed by the governing authority member are customary and reasonable and the compensation received by the governing authority member is commensurate with the level of the service provided.
- (3) Compensation received by a member or legal entity shall be limited to no more than \$10,000 per calendar year from any one person. The member shall report such compensation to the governing authority at the same time that the member files his annual personal financial disclosure statement with the Board of Ethics. The report shall include the name of each person from whom such compensation was received during the previous calendar year and the total amount of such compensation received from each such person.

Effective August 1, 2014.

(Adds R.S. 42:1123(43))