HLS 24RS-401 REENGROSSED

2024 Regular Session

HOUSE BILL NO. 105

1

BY REPRESENTATIVE TARVER

ETHICS/CODE: Allows a public servant and related persons to obtain advertisements from a governmental entity subject to the same terms and conditions available to similarly situated members of the public

AN ACT

2	To enact R.S. 42:1123(36), to allow a public servant and related persons to advertise with
3	a governmental entity subject to certain conditions; to provide for effectiveness; and
4	to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 42:1123(36) is hereby enacted to read as follows:
7	§1123. Exceptions
8	This Part shall not preclude:
9	* * *
10	(36) A public servant, an immediate family member of a public servant, or
11	a legal entity in which the public servant or a member of his immediate family has
12	a substantial economic interest from providing to an agency of the governmental
13	entity of the public servant a thing of economic value to obtain advertisements or
14	other recognition featuring the public servant, immediate family member, or the legal
15	entity if:
16	(a) The public servant recuses or disqualifies himself on all matters
17	involving the transaction, if applicable.

1 (b) The terms and conditions of the transaction are the same as or 2 substantially similar to those available to similarly situated persons who are not 3 public servants or related persons. 4 (c) The transaction is conducted without preference and in the same manner and subject to the same requirements and conditions applicable to the general public. 5 6 (d) The value of the transaction does not exceed ten thousand dollars. 7 However, no person shall enter into separate transactions valued at ten thousand 8 dollars or less as a subterfuge to avoid the limitation in this Subparagraph. 9 10 Section 2. This Act shall become effective upon signature by the governor or, if not 11 signed by the governor, upon expiration of the time for bills to become law without signature 12 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If 13 vetoed by the governor and subsequently approved by the legislature, this Act shall become 14 effective on the day following such approval.

## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 105 Reengrossed

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Tarver

**Abstract:** Provides for an ethics code exception to allow a public servant and related persons to obtain advertisements or recognition from his governmental entity subject to specified conditions.

<u>Present law</u> (Code of Governmental Ethics–R.S. 42:1113) generally prohibits a public servant, a member of his immediate family, or a legal entity in which he has a specified interest from bidding on or entering into any contract, subcontract, or other transaction that is under the supervision or jurisdiction of the public servant's agency or governmental entity. <u>Present law</u> (R.S. 42:1112) further prohibits a public servant from participating in a transaction in which he, his immediately family members, and specified other persons and entities have a substantial economic interest of which he maybe reasonably expected to know involving the governmental entity. <u>Present law</u> provides certain exceptions.

<u>Proposed law</u> adds an exception to allow a public servant, his immediate family, and related legal entities to provide an agency of the governmental entity of the public servant a thing of economic value to obtain advertisements or other recognition featuring the public servant, immediate family member, or the legal entity if the public servant recuses or disqualifies himself on all matters involving the transaction, if applicable; the terms and conditions of the transaction are the same as or substantially similar to those available to similarly situated persons who are not public servants or related persons; the transaction is conducted without preference and in the same manner and subject to the same requirements and conditions

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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applicable to the general public; and the value of the transaction does not exceed \$10,000. Prohibits a person from entering into separate transactions valued at \$10,0000 or less as a subterfuge to avoid the limitation.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 42:1123(36))

## Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on House and</u> Governmental Affairs to the original bill:

1. Make a technical change.

## The House Floor Amendments to the engrossed bill:

- 1. Limit the value of the transactions covered by the <u>proposed law</u> exception to \$10,000 or less and prohibit separate transactions to avoid the limitation.
- 2. Add the ability for the public servant or related person to obtain recognition, in addition to advertising.
- 3. Make technical changes.