

First Extraordinary Session, 2005

HOUSE BILL NO. 9

BY REPRESENTATIVES LAFLEUR, CAZAYOUX, ALARIO, DEWITT, DORSEY,
HAMMETT, LANCASTER, AND SALTER AND SENATORS HEITMEIER,
HINES, AND MOUNT

1 AN ACT

2 To enact R.S. 42:1114.3, relative to disclosure; to require certain officials and immediate
3 family members of such officials to disclose information to the Board of Ethics
4 regarding certain contracts or subcontracts; to provide for the content of and
5 procedures for such disclosure; to provide for penalties; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 42:1114.3 is hereby enacted to read as follows:

9 §1114.3. Disaster or emergency contracts; disclosure

10 A. Except as provided in Subsection B of this Section, each elected official,
11 appointed state official, and immediate family member of an elected official or
12 appointed state official who derives, either directly or through a legal entity in which
13 such official or immediate family member owns ten percent or more, any thing of
14 economic value through any contract or subcontract which is related to a
15 gubernatorially declared disaster or emergency and which the official or immediate
16 family member knows or reasonably should know is or may be funded or reimbursed
17 in whole or in part with federal funds shall disclose the following as provided in this
18 Section:

19 (1)(a) If an elected or appointed official, the name and address of the elected
20 or appointed official and the office held by such person.

21 (b) If an immediate family member of an elected or appointed official, the
22 name and address of such person; the name, address, and office of the elected or
23 appointed official to whom the person is related; and the nature of the relationship.

1 (2) If through a legal entity, the name and business address of the legal
 2 entity, the percentage of the official's or immediate family member's ownership
 3 interest in the legal entity, and the position, if any, held by the official or immediate
 4 family member in the legal entity.

5 (3) The nature of the contract or subcontract, including the amount of the
 6 contract or subcontract and a description of the goods or services provided or to be
 7 provided pursuant to the contract or subcontract.

8 (4) The amount of income or value of any thing of economic value derived
 9 through the contract or subcontract by the official or immediate family member for
 10 the previous calendar year, except as provided in Subsection C of this Section.

11 B. No person shall be required to disclose the receipt of any thing of
 12 economic value pursuant to this Section when the value of the thing of economic
 13 value is two thousand five hundred dollars or less. However, no person shall enter
 14 into separate contracts or subcontracts valued at two thousand five hundred dollars
 15 or less with the same person or governmental entity or agency thereof as a subterfuge
 16 to avoid the disclosure requirements of this Section.

17 C.(1) Each elected or appointed official and immediate family member
 18 subject to the provisions of this Section, except members of the legislature, shall file
 19 an initial disclosure statement with the Board of Ethics no later than thirty days after
 20 the effective date of this Section or fifteen days after the official, immediate family
 21 member, or legal entity enters into the contract or subcontract, whichever occurs
 22 later. The initial disclosure statement shall contain all of the information required
 23 by Subsection A of this Section, except that instead of the actual amount of income
 24 or value of any thing of economic value derived from the contract or subcontract by
 25 the official or immediate family member for the previous calendar year, the official
 26 or immediate family member shall include the amount of income or value of any
 27 thing of economic value to be derived or, if the actual amount is unknown at the time
 28 the statement is due, reasonably expected to be derived from the contract or
 29 subcontract for the first calendar year of the contract or subcontract.

1 (2)(a) Each member of the legislature subject to the provisions of this
2 Section shall file an initial disclosure statement with the clerical officer of the house
3 to which he belongs no later than thirty days after the effective date of this Section
4 or fifteen days after the legislator or legal entity enters into the contract or
5 subcontract, whichever occurs later. The initial disclosure statement shall contain
6 all of the information required by Subsection A of this Section, except that instead
7 of the actual amount of income or value of any thing of economic value derived from
8 the contract or subcontract by the legislator for the previous calendar year, the
9 legislator shall include the amount of income or value of any thing of economic
10 value to be derived or, if the actual amount is unknown at the time the statement is
11 due, reasonably expected to be derived from the contract or subcontract for the first
12 calendar year of the contract or subcontract.

13 (b) After filing the initial disclosure statement, the legislator shall file the
14 disclosure statements required by this Section with the appropriate clerical officer
15 no later than February fifteenth each year and shall include such information for the
16 previous calendar year.

17 (c) Within fifteen days of receipt of any such disclosure statement, the
18 clerical officer shall transmit a copy of such disclosure statement to the Board of
19 Ethics and the disclosure statement shall be deemed to be filed with the board by the
20 member as of the date of filing with the clerical officer.

21 (d) Once a legislator has filed an initial disclosure statement, the appropriate
22 clerical officer shall notify such legislator that an annual disclosure statement is due
23 until a final disclosure statement is filed in accordance with this Section.

24 D.(1) Except as otherwise provided for members of the legislature, after
25 filing the initial disclosure statement, the elected or appointed official or immediate
26 family member shall file the disclosure statements required by this Section with the
27 Board of Ethics no later than February fifteenth each year and shall include such
28 information for the previous calendar year.

29 (2) An elected or appointed official or immediate family member subject to
30 the provisions of this Section shall be required to file the annual disclosure

1 statements required by this Section until a disclosure statement is filed after the
2 completion of the contract or subcontract subject to disclosure, or the person filing
3 such statements, or to whom the immediate family member is related is no longer an
4 elected or appointed official, whichever occurs first.

5 (3) Annual disclosure statements shall not be required for the receipt of
6 things of economic value pursuant to contracts or subcontracts entered into prior to
7 an elected or appointed official taking office; however, if an elected or appointed
8 official or immediate family member thereof receives or reasonably expects to
9 receive a thing of economic value otherwise required to be disclosed by this Section
10 pursuant to the renewal of such a contract or subcontract occurring after the official
11 takes office, such official or immediate family member shall file a disclosure
12 statement no later than fifteen days after such renewal in accordance with Subsection
13 C of this Section and annually thereafter in accordance with this Subsection.

14 (4) All disclosure statements filed pursuant to this Section shall be a matter
15 of public record.

16 E.(1) Failure to file a statement, failure to timely file a statement, failure to
17 disclose required information, filing a false statement, or engaging in a subterfuge
18 to avoid the disclosure requirements of this Section shall subject a person required
19 to file to penalties as provided by this Chapter.

20 (2) In addition to other applicable penalties, whoever fails to file a statement
21 required by this Section, or knowingly and willfully fails to timely file any such
22 statement, or knowingly and willfully fails to disclose or to accurately disclose any
23 information required by this Section shall be assessed a civil penalty in accordance
24 with R.S. 42:1157 for each day until such statement or the required accurate
25 information is filed. The amount of the penalty shall be one hundred dollars per day.

26 (3) In addition to other applicable penalties, whoever enters into separate
27 contracts or subcontracts valued at less than two thousand five hundred dollars as a
28 subterfuge to avoid the disclosure requirements of this Section shall be subject to the
29 penalties of R.S. 42:1153.

1 F. For the purposes of this Section, the term "appointed state official" or
 2 "appointed official" shall mean a person holding an office in any branch of state
 3 government or other position on a state agency, board, or commission or any
 4 executive office of any state agency, board, commission, or department which is
 5 specifically established or specifically authorized by the constitution or laws of this
 6 state or by executive order of the governor and which is filled by appointment or
 7 election by an elected or appointed public official or by a governmental body
 8 composed of such officials of this state.

9 G. Nothing in this Section shall require the disclosure of any thing of
 10 economic value received from an individual assistance claim.

11 Section 2. This Act shall become effective upon signature by the governor or, if not
 12 signed by the governor, upon expiration of the time for bills to become law without signature
 13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 15 effective on the day following such approval.

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 PRESIDENT OF THE SENATE

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____