

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.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_