

CONFERENCE COMMITTEE REPORT DIGEST

House Bill No. 1 by Representative Tucker

Digest of Bill as Finally Passed by the House

Tucker

HB No. 1

Abstract: Requires certain public servants to disclose certain income, compensation, and financial transactions of the public servant or his spouse and additionally requires candidates for certain offices to file financial disclosure statements with the Board of Ethics.

Present law (R.S. 42:1114.1) requires each member of the legislature to file an annual report with the clerical officer of the house to which he belongs by July 1 of each year of his term of office. Present law provides the following:

- (1) Disclosure of any and all income exceeding \$250 which is received during the immediately preceding calendar year by such member, the spouse of such member, or any business enterprise in which such member and/or his spouse owns at least 10% and which is received from any of the following:
 - (a) The state or any political subdivision.
 - (b) Services performed for or in connection with a gaming interest as defined by the Campaign Finance Disclosure Act.
- (2) Authorizes legislators who receive Medicaid funds to indicate on the financial disclosure report that information relative to ownership, financial interest, and income derived therefrom may be accessed through files of record with the Dept. of Health and Hospitals, bureau of health standards.
- (3) Requires a certification that such member has filed his or her federal and state income tax returns or has filed for an extension of time for filing such tax returns.
- (4) Defines "income" as any remuneration received under any verbal or written contract of employment, fees received for professional services less expenses paid to third parties, and the net income, prior to taxation, received with respect to the sale or lease of immovable property, merchandise, or equipment. Excludes from "income" legislative remuneration, spouse's salary from full-time employment or salary as an elected official, or any statewide public retirement system benefits.
- (5) Imposes penalties of \$100 per day, for failure to file, knowingly and wilfully failing to timely file, or knowingly and wilfully failing to disclose or accurately disclose any information required, for each day until the statement or required accurate information is filed. Additionally R.S. 42:1124.1 provides that whoever knowingly and wilfully files a false report shall be guilty of a misdemeanor and upon conviction shall be fined not less than \$1,000 nor more than \$10,000 or imprisoned in parish prison for not more than six months, or both. Specifies that prosecutions shall be tried before a six-person jury, all of whom must concur to render a verdict.
- (6) Provides that failure to file, failure to timely file, failure to accurately report, or filing of false information constitutes contempt of the house to which the member belongs.

Proposed law removes the provisions of present law (R.S. 42:1114.1) and provides instead that members of the legislature file the financial disclosure reports as required by proposed law (R.S. 42:1124.2-see below).

Present law (R.S. 42:1124) requires that within 30 days after the date on which the governor enters upon the discharge of his duties as such, and annually thereafter, and within 30 days after the date on which the governor ceases to discharge the duties of his office, he shall file a financial statement on a form prescribed by the Board of Ethics.

Proposed law extends such reporting requirements to:

- (1) Statewide elected officials.
- (2) The secretaries of executive branch departments.
- (3) Each member of the Civil Service Commission and the director of state civil service.
- (4) The superintendent of education, the commissioner of higher education, and the president of each public postsecondary education system.
- (5) Each member of the State Board of Elementary and Secondary Education.
- (6) The executive secretary of the Public Service Commission.
- (7) The commissioner of administration.
- (8) The members of the Board of Ethics and the ethics administrator.
- (9) The chief of staff of the office of the governor.
- (10) The executive counsel to the governor.

Present law requires that the financial statement include the following information for the preceding calendar year and proposed law makes the changes indicated:

- (1) Full name and residence address of the individual who is required to file.
- (2) Full name of the individual's spouse, if any, and the spouse's occupation and principal business address.
- (3) Name, address, and nature of association with and the amount of interest in each business in which the individual or spouse is a director, officer, owner, partner, member, or trustee, or in which the individual or spouse, either individually or collectively, holds an interest worth in excess of 10%.

Proposed law refers instead to each business in which the individual or spouse is a director, officer, owner, partner, member, or trustee, or in which the individual or spouse, either individually or collectively, owns an interest which exceeds 10% of that business and also requires a brief description of each such business.

- (4) Name, address, type, and amount of each source of income, in excess of \$1,000, received by the individual or spouse, and the nature of the services rendered therefor, if any (except for income derived from mental health, medical health, or legal services rendered, the individual need only show the amount of the income and not the identity of any individual patient or client).

Proposed law replaces the exception above and provides that for income derived from professional or consulting services rendered, including mental health, medical health, or legal services, when the disclosure of the name or address of any source of income would be prohibited by law or by a professional code, the individual need only include the number of clients and amount of income for each of several listed applicable industry types.

- (5) Brief description, location, the address of each parcel of real property, the fair market value of which exceeds \$2,000, in which the individual or spouse, either individually or collectively, has an interest.

Proposed law requires disclosure of the fair market value or use value as determined by the assessor for purposes of ad valorem taxes of each parcel of real property in which the individual or spouse, either individually or collectively, has an interest, provided that the fair market value or use value as determined by the assessor for purposes of ad valorem taxes exceeds \$2,000. Also provides for disclosure of location, the address, if any, and if no address, the location by state and parish or county.

- (6) Brief description, amount, and date of any purchase, sale, exchange, donation, gift, or other acquisition or disposition, in excess of \$1,000, of any real property, and of any stocks, bonds, commodities futures, or other forms of securities, including but not limited to any option to acquire and/or dispose of any stocks, bonds, commodities futures, other forms of securities, negotiable instruments, movable or immovable property, or any other interest.

Proposed law replaces references in present law (see (5) and (6) above) to "real property" with references to "immovable property" and adds tax credit certificates to the disclosure requirement in (6) above.

- (7) Name, address, and amount of each liability owed to any creditor by the individual or spouse which exceeds \$10,000, excluding any loan secured by a personal motor vehicle, household furniture, or appliances, if such loan does not exceed the purchase price of the item which secures it.

Proposed law additionally requires the name of any guarantor and the nature of each liability owed. Replaces specific reference to "personal motor vehicle, household furniture, or appliances" and "item" with "movable property". Also excepts from disclosure any loan by a licensed financial institution which loans money in the ordinary course of business, provided the loan is on terms and with interest rates generally available to a member of the general public, and any liability resulting from a consumer credit transaction as defined in present law (R.S. 9:3516(13)).

Proposed law additionally requires the following information to be disclosed:

- (1) The name of the employer, job title, and a brief description of each full-time or part-time employment position held by the individual or spouse.
- (2) The name, address, type, and amount of each source of income received during the immediately preceding calendar year by the individual, the spouse of such individual, or any business in which such individual or spouse, either individually or collectively, owns an interest which exceeds 10% of that business, which is received from the state or any political subdivision as defined in Article VI of the Constitution of Louisiana.

Present law prohibits an individual or spouse from transferring any asset, interest, or liability required to be disclosed to any person or business to avoid disclosure, unless such transfer is irrevocable. Provides that a transfer shall not be irrevocable if there exists any contract, letter, counter letter, note, or any other legally enforceable agreement or authority which if exercised or enforced would require or authorize any asset, interest, or liability transferred by an individual or spouse to a person or business to revert back to such individual or spouse.

Proposed law retains present law and specifies that the sale of property subject to owner financing shall not be such a prohibited transfer provided the income from the sale is disclosed. Also provides that a recorded bond for deed contract shall not be such a prohibited transfer.

Present law defines "income" as any income from whatever source derived, including but not limited to the following items: compensation for services, including fees, salaries, commissions, and similar items; income derived from business; gains derived from dealings in property; interest; rents; royalties; dividends; annuities; income from life insurance and endowment contracts; pensions; income from discharge of indebtedness; distributive share of partnership income; and income from interest in an estate or trust.

Proposed law removes income from life insurance and specifies that "income" shall not include income pursuant to a life insurance policy.

Proposed law changes the date upon which the statement must be filed. Provides that the statement shall be filed by May 15 of each year during which the person holds an office or position covered by proposed law and by May 15 of the year following the termination of the holding of such office or position.

Proposed law (R.S. 42:1124.2) requires each legislator, judge, each person holding public office representing a voting district with a population of 5,000 or more (except those covered by R.S. 42:1124 above) and each appointed member of a state board or commission which has the authority to expend, disburse, or invest more than \$10,000 of funds in a fiscal year to annually file a financial statement. Provides that the statement shall be filed by May 15 of each year during which the person holds an office or position covered by proposed law and by May 15 of the year following the termination of the holding of such office or position. Permits filing of the financial statement within 30 days after the individual files his federal tax return for the year, provided that he notifies the Board of Ethics prior to the May 15 deadline that he intends to do so.

Proposed law requires that the financial statements include the following information for the preceding calendar year:

- (1) The full name and residence address of the individual who is required to file.
- (2) The full name of the individual's spouse, if any, and the spouse's occupation and principal business address.
- (3) The name of the employer, job title, and a brief job description of each full-time or part-time employment position held by the individual or spouse.
- (4) The name, address, brief description of, and nature of association with and the amount of interest in each business in which the individual or spouse is a director, officer, owner, partner, member, or trustee, and in which the individual or spouse, either individually or collectively, owns an interest which exceeds 10%. The name, address, brief description of, and nature of association with a non-profit organization in which the individual or his spouse is director or officer must also be disclosed.
- (5) The name, address, type, and amount of each source of income received by the individual or spouse, or by any business in which the individual or spouse, either individually or collectively, owns an interest which exceeds 10% of that business, which is received from: (a) the state or any political subdivision, or (b) services performed for or in connection with a gaming interest as defined in the Campaign Finance Disclosure Act.
- (6) The name and address of any employer which provides income to the individual or spouse pursuant to the full-time or part-time employment of the individual or spouse, including a brief description of the nature of the services rendered pursuant to such employment and the amount of such income, excluding information required to be reported pursuant to Paragraph (5) above.
- (7) The name and address of all businesses which provide income to the individual or spouse, including a brief description of the nature of services rendered for each business or of the reason such income was received, and the aggregate amount of

such income, excluding information required to be reported pursuant to Paragraphs (5) and (6) above.

- (8) A description of the type of any other income exceeding \$1,000 received by the individual or spouse, including a brief description of the nature of the services rendered for the income or the reason such income was received, and the amount of income, excluding information required to be reported pursuant to Paragraphs (5), (6), and (7) above.
- (9) A brief description, fair market value or use value as determined by the assessor for property tax purposes, and address, or parish or county where the property is located if there is no address, of each parcel of immovable property in which the individual or spouse, either individually or collectively, has an interest, if the fair market value or use value for such parcel exceeds \$2,000. Provides that no judge or law enforcement officer, including a district attorney, shall be required to disclose the address of his primary personal residence.
- (10) The name and a brief description of each investment security having a value exceeding \$5,000 held by the individual or spouse, excluding variable annuities, variable life insurance, variable universal life insurance, mutual funds, education investment accounts, retirement investment accounts, government bonds, and cash or cash equivalent investments. Provides that proposed law does not require disclosure of information concerning property administered for another person under certain custodial instruments.
- (11) A brief description, amount, and date of any purchase or sale, in excess of \$5,000, of any immovable property and of any personally owned tax credit certificates, stocks, bonds, or commodities futures, including any option to acquire or dispose of any immovable property or of any personally owned tax credit certificates, stocks, bonds, or commodities futures. Provides that proposed law does not require disclosure of information on variable annuities, variable life insurance, and variable universal life insurance.
- (12) The name and address of each creditor, and name of each guarantor, if any, to whom the individual or spouse owes any liability which exceeds \$10,000 on the last day of the reporting period, excluding: (a) any loan secured by movable property, if such loan does not exceed the purchase price of the movable property which secures it; (b) any liability, secured or unsecured, which is guaranteed by the individual or spouse for a business in which the individual or spouse owns any interest, provided that the liability is in the name of the business and, if the liability is a loan, that the individual or spouse does not use proceeds from the loan for personal use unrelated to the business; (c) any loan by a licensed financial institution and which meets other specified criteria; (d) any liability from a consumer credit transaction; and (e) a loan from an immediate family member unless the family member is a lobbyist, employs or retains a lobbyist, is employed or retained by a lobbyist, or has a contract with the state.
- (13) A certification that such individual has filed his federal and state income tax returns, or has filed for an extension of time for filing such tax returns.

Proposed law requires that the financial statement be filed with the Board of Ethics with an affidavit certifying that the information contained in the financial statement is true and correct to the best of the filer's knowledge, information, and belief. Provides that the statement filed is a public record.

Proposed law prohibits an individual or spouse from transferring any asset, interest, or liability required to be disclosed to any person or business for the purpose of avoiding disclosure, unless such transfer is irrevocable. Provides that a transfer shall not be irrevocable if there exists any contract, letter, counter letter, note, or any other legally enforceable agreement or authority which if exercised or enforced would require or authorize

any asset, interest, or liability transferred by an individual or spouse to a person or business to revert back to such individual or spouse. Provides that such prohibition does not prohibit the sale of property subject to owner financing provided that the income from the sale is disclosed, and that a recorded bond for deed contract is not prohibited.

Proposed law provides that "business" has the same meaning as provided in R.S. 42:1124 above. Provides that income for a business means gross income less costs of goods sold and operating expenses; income for an individual means taxable income but does not include income received pursuant to a life insurance policy. Provides that "public office" has the same meaning as present law (R.S. 18:1483-Election Code), namely, any state, parish, municipal, ward, district, or other office or position that is filled by election of the voters, except the office of president or vice president of the U.S., presidential elector, delegate to a political party convention, U.S. senator, U.S. congressman, or political party office. Provides that "judge" has the same meaning as provided in the Code of Judicial Conduct. Provides that "state board or commission" means each board, commission, and like entity created by law or executive order which is made a part of the executive branch of state government by the provisions present law or which is placed in an executive branch department or in the office of the governor or lieutenant governor by law or executive order, or which exercises any authority or performs any function of the executive branch of state government; it does not mean a political subdivision.

Proposed law provides that it does not require disclosure of client information that is protected by law or professional code, except as provided in Paragraph (5) above.

Proposed law provides, relative to members of the legislature, that the Board of Ethics shall promptly notify the appropriate legislative clerical officer of violations of proposed law.

Proposed law provides as follows with respect to both disclosure statutes described above (R.S. 42:1142 and 1142.2)

- (1) When an amount is authorized to be disclosed by category, it shall be sufficient to report the amount by the following categories: (a) Category I, less than \$5,000; (b) Category II, \$5,000-\$24,999; (c) Category III, \$25,000-\$49,999; (d) Category IV, \$50,000-\$100,000; (e) Category V, more than \$100,000. (For R.S. 24:1124, Category IV is \$50,000-\$99,999; Category V is \$100,000-\$199,999; and Category VI is \$200,000 or more.) Provides that amounts required to be disclosed shall be valued at actual or fair market value, whichever is greater.
- (2) Requires that any asset, interest, or liability required to be disclosed must be disclosed even if held in a blind trust.
- (3) Requires that the board post on its website a list of persons who fail to file, timely file, disclose, or accurately disclose information required by proposed law unless such information is filed or disclosed within a time period established by a letter of delinquency from the board. Requires that names be removed from the list within two business days of filing and accurately disclosing all required information.

Present law (R.S. 42:1167) provides that all judges, as defined by the Code of Judicial Conduct, shall be governed exclusively by the provisions of the Code of Judicial Conduct, which shall be administered by the Judiciary Commission provided for in Article V, §25 of the Constitution of Louisiana. Proposed law adds an exception to present law. Provides that R.S. 42:1124.2 and 1153 and any provisions of the Code of Governmental Ethics necessary to enforce R.S. 42:1124.2 and 1153 shall be applicable to judges.

Proposed law (R.S. 42:1124.3) provides that each person holding public office who represents a voting district having a population of fewer than 5,000 shall annually file a financial statement including the following information:

- (1) Any and all income exceeding \$250 received during the immediately preceding calendar year by the individual who is required to file, the spouse of such individual,

or any business in which such individual or his spouse, individually or collectively, owns at least 10%, which is received from any of the following:

- (a) The state or any political subdivision as defined in Article VI of the Constitution of Louisiana.
 - (b) Services performed for or in connection with a gaming interest as defined in R.S. 18:1505.2(L)(3)(a).
- (2) A certification that such individual has filed his federal and state income tax return, or has filed for an extension of time for filing such tax return.

Proposed law requires the statement to be filed on the same schedule as proposed law (R.S. 42:1124-see above). Provides that the terms "income" and "business" shall have the same meanings as provided in proposed law (R.S. 42:1124-see above) and "public office" shall have the meaning provided in The Election Code (see R.S. 42:1124.2 above).

Proposed law (R.S. 18:1495.7) provides that a person who becomes a candidate shall file a financial disclosure statement as required by proposed law (R.S. 1124, 1124.2, and 1124.3-see above) for the office for which he is a candidate. Provides that if he is undecided as to the office he will seek, he shall file the statement required by R.S. 42:1124. Provides that the statement shall be filed within 30 days of the day the person becomes a candidate. Provides that if the person is required by proposed law (R.S. 1124, 1124.2, and 1124.3) to file a statement for the office for which he is a candidate, such filing shall satisfy the requirements of proposed law.

Present law (R.S. 42:1124.1) provides for penalties of \$500 per day (for governor) for failure to file, knowingly and wilfully failing to timely file, or knowingly and wilfully failing to disclose or accurately disclose any information required, for each day until the statement or required accurate information is filed. Present law additionally provides for penalties of \$100 per day (for legislators) for failure to file, knowingly and wilfully failing to timely file, or knowingly and wilfully failing to disclose or accurately disclose any information required, for each day until the statement required under present law (R.S. 42:1114.1) or required accurate information is filed.

Proposed law provides civil penalties as follows for failure to file, knowingly and wilfully failing to timely file, or knowingly and wilfully failing to disclose or accurately disclose relative to the indicated statements:

- (1) \$500 for statements required by R.S. 42:1124 to be filed by the governor.
- (2) \$100 per day for statements required by R.S. 42:1114 and for statements required by R.S. 42:1124 to be filed by persons other than the governor and for statements required by R.S. 42:1124.2 (legislators, judges, officials from districts of 5,000 or more population).
- (3) \$50 for statements required by R.S. 42:1124.3 (others required to file).

Proposed law provides that if the board discovers that a person has failed to file a statement or failed to disclose or accurately disclose information required by proposed law (R.S. 42:1124, 1124.2, or 1124.3), the staff of the board shall mail by certified mail a notice of delinquency informing the person that the statement must be filed or the information disclosed or accurately disclosed no later than 14 business days after receipt of the notice of delinquency. Provides that the notice of delinquency shall include the deadline for filing the statement or disclosing or accurately disclosing the information. Provides that if the person files the statement or discloses or accurately discloses the information within 14 business days after the mailing of the notice of delinquency, no penalties shall be assessed against the person.

Provides that whoever fails to file the statement or fails to disclose or accurately disclose the information required by proposed law (R.S. 42:1124, 1124.2, or 1124.3) by the deadline included in the notice of delinquency shall be subject to prosecution for a misdemeanor and upon conviction thereof shall be fined not less than \$1,000 nor more than \$10,000. Provides that any prosecution under this Subsection shall be tried before a jury of six persons, all of whom must concur to render a verdict.

Proposed law retains present law but excludes violations of R.S. 1124, 1124.2, or 1124.3, present law (R.S. 42:1124.1) that provides that whoever knowingly and wilfully files a false report under the ethics code shall be guilty of a misdemeanor and upon conviction shall be fined not less than \$1,000 nor more than \$10,000 or imprisoned in parish prison for not more than six months, or both, and specifies that prosecutions shall be tried before a six-person jury, all of whom must concur to render a verdict.

Proposed law, applicable to person who become candidates, applies similar procedures for enforcement and penalties for failing to file or failing to timely file a statement and for failing to disclose or accurately disclose information required by proposed law (R.S. 1124, 1124.2, and 1124.3-see above).

Proposed law repeals present law (R.S. 18:463(B)-Election Code) requiring a candidate for governor to file a financial disclosure statement upon filing the notice of candidacy and imposing specified penalties for failing to file, failing to timely file, and failing to disclose or accurately disclose required information.

Proposed law requires the board, prior to the effective date of the Act, to promulgate the required forms in accordance with the Administrative Procedure Act.

Proposed law becomes effective on Jan. 1, 2009, except that R.S. 42:1124.2 (relative to elected officials in districts with a population less than 5,000 and state boards and commission members) becomes effective on Jan. 1, 2010. Provides that any reference to R.S. 42:1124.2 shall have no effect until R.S. 42:1124.2 becomes effective.

(Amends R.S. 42:1124, 1124.1, 1157(A)(4)(a), and 1167; Adds R.S. 18:1495.7 and R.S. 42:1124.2 and 1124.3; Repeals R.S. 18:463(B) and R.S. 42:1114.1)

Summary of Amendments Adopted by the Senate

Senate Committee Amendments Proposed by Senate Committee on Senate and Governmental Affairs to the Re-Reengrossed Bill.

1. Removes judges from requirements for disclosure.
2. Adds requirement that those in the governor's tier of reporting (R.S. 42:1124) to disclose the name, address, brief description of, and nature of association with a nonprofit organization in which the individual or spouse is a director or officer.
3. Adds requirement that those in the governor's tier of reporting (R.S. 42:1124) to disclose income from gaming interests.
4. Provides that reporting of income derived from child support and alimony payments contained in a court order or from disability payments from any source is not required.
5. Amends relative to reporting on certain transactions by those in the governor's tier of reporting (R.S. 42:1124): limits reporting to only purchases and sales; adds transactions involving tax credit certificates; makes provision applicable to immovable property rather than real property; excludes variable annuities, variable life insurance, variable universal life insurance.

6. Adds requirement that those in the governor's tier of reporting (R.S. 42:1124) report on investment securities having a value exceeding \$1000 excluding variable annuities, variable life insurance, variable universal life insurance, mutual funds, education investment accounts, retirement investment accounts, government bonds, and cash or cash equivalent investments; also excluding information concerning property held and administered for any person other than the individual or spouse under a trust, tutorship, curatorship, or other custodial instrument.
7. Relative to exceptions to the liabilities that must be disclosed by those in the governor's tier of reporting (R.S. 42:1124), Adds: certain business loans and loans from immediate family members except family members associated with lobbyists or who have contracts with the state. Removes exception for loans from licensed financial institutions.
8. Removes requirement that assets, interest, and liabilities in a blind trust be disclosed.
9. Makes definition of income as applied to the governor's tier of reporting (R.S. 42:1124) the same as applies to the legislator's tier of reporting (R.S. 42:1124.2).
10. Relative to exceptions to the liabilities that must be disclosed by those in legislators' tier of reporting (R.S. 42:1124.2), removes from the loan from a licensed financial institution exception the requirement that such loan be provided on terms and with interest generally available to the public in order for the loan to be excepted from the report.
11. Revises the penalty provisions to distinguish between first and second and subsequent convictions regarding the failure of candidates to disclose or accurately disclose information required on the financial statement after receiving a notice of delinquency.
12. Eliminate a requirement that a person who is prosecuted for a failure to disclose or accurately disclose after notice of delinquency be tried by a six-person jury and provides instead that he has a right to request a trial by a six person jury.
13. Revises the threshold of public money which a state board or commission must expend, disburse, or invest to be a tier two reporter from \$10,000 in a year to \$100,000 in a year and places all state boards and commission which do not meet the threshold in tier three.

Senate Floor Amendments to the Re-Reengrossed Bill.

1. Moves the members of the Civil Service Commission from the governor's tier of reporting (R.S. 42:1124) to the legislators' tier of reporting (R.S. 42:1124.2).
2. Adds the governor's deputy chief of staff and legislative director to those in the governor's tier of reporting (R.S. 42:1124).
3. Changes the deadline for candidates to file financial disclosure statements from 30 days after becoming a candidate to 10 days after becoming a candidate.
4. Adds the following exclusions from securities that must be reported: whole life insurance and other life insurance products.

5. Requires that the actual amount income from the state, political subdivision, or gaming interest must be disclosed for those in the governor's tier of reporting (R.S. 42:1124) and the legislators' tier of reporting (R.S. 42:1124.2).
6. Reduces number of categories of value for the legislators' tier of reporting (R.S. 42:1124.2) from 5 categories to 4 categories.
7. Provides for extensions of filing deadlines in the event of a gubernatorially declared emergency or disaster.
8. Provides that the first reports under proposed law are due in May of 2010.
9. Deletes the requirement to report the address of property if there is an address from the legislators' tier of reporting (R.S. 42:1124.2).
10. Specifically requires any member of a state board or commission who makes more than \$16,800 for service on the board or commission to file financial disclosure statements as required for those in the legislators' tier of reporting (R.S. 42:1124.2).
11. Requires members of boards and commissions who expend more than \$1 million to file disclosures as required for the legislators' tier of reporting (R.S. 42:1124.2); removed senate committee provision requiring boards expending between \$10,000 and \$100,000 to file under R.S. 42:1124.3.
12. Moves the members of the Board of Elementary and Secondary Education from the governor's tier of reporting (R.S. 42:1124) to the legislators' tier of reporting (R.S. 42:1124.2).
13. Removes provisions that values be disclosed at actual or fair market value, whichever is greater.
14. Provides that a person whose activity is limited to exploring the feasibility of seeking nomination is not required to file a disclosure statement as a candidate.
15. Removes transactions involving stocks, bonds, or commodities futures from those that must be disclosed by those in the legislators' tier of reporting (R.S. 42:1124.2) Further provides that the following are exempt from transaction disclosure: mutual funds, education investment accounts, retirement investment accounts, government bonds, and cash or cash equivalent investments.
16. Removes requirement that undecided candidates file the report required by those in the governor's tier of reporting (R.S. 42:1124).
17. Moves penalty provisions for candidates and officials required to file disclosure statements to one Section to provide for uniform penalties for late filing and for failure to respond to a notice of delinquency.

Digest of Bill as Proposed by Conference Committee

The bill as proposed by the conference committee is the same as the bill as finally passed by the Senate, except:

1. Removes specific reference to the members of the State Civil Service Commission from the bill.

2. Requires financial disclosure statements to be filed for the first time in 2009 rather than 2010, except for the those filing under R.S. 42:1124.3, which will file for the first time in 2010.
3. Requires that undecided candidates file the report required by those in the legislators' tier of reporting (R.S. 42:1124.2).
4. Members of boards and commissions must report in the legislators' tier of reporting (R.S. 42:1124.2) if the board or commission expends, disburses, or invests \$1 million or more; for those boards and commissions that expend, disburse, or invest more than \$10,000 but less than \$1 million, members thereof report under R.S. 42:1124.3.
5. Those in the legislators' tier of reporting (R.S. 42:1124.2) must disclose transactions involving stocks, bonds, and commodities futures.
6. Moves members of the Board of Ethics and the ethics administrator from the governor's tier of reporting (R.S. 42:1124) to the legislators' tier of reporting (R.S. 42:1124.2); additionally requires them to report certain income involving contracts with certain governmental and quasi governmental entities.