

Regular Session, 2012

HOUSE BILL NO. 279

BY REPRESENTATIVE SIMON

DISTRICTS/HOSPITAL SERVC: Removes certain restrictions relative to contracting, ownership interests, and employment applicable to members and former members of the board of commissioners of the St. Tammany Parish Hospital Service District No. 1

1 AN ACT

2 To enact Subsection B of Section 2 of Act No. 180 of the 1984 Regular Session of the
3 Legislature, as amended by Act No. 353 of the 1986 Regular Session of the
4 Legislature, Act No. 999 of the 1991 Regular Session of the Legislature, Act No. 570
5 of the 1992 Regular Session of the Legislature, Act No. 440 of the 1997 Regular
6 Session of the Legislature, Act Nos. 562 and 1214 of the 2003 Regular Session of
7 the Legislature, and Act No. 394 of the 2010 Regular Session of the Legislature,
8 relative to the St. Tammany Parish Hospital Service District No. 1; to remove certain
9 restrictions relative to contracting, ownership interests, and employment applicable
10 to members and former members of the board of commissioners of the district; to
11 provide for recusal; to provide for disclosure; to provide limitations; to provide for
12 applicability; to provide for effectiveness; and to provide for related matters.

13 Notice of intention to introduce this Act has been published
14 as provided by Article III, Section 13 of the Constitution of
15 Louisiana.

16 Be it enacted by the Legislature of Louisiana:

17 Section 1. Subsection B of Section 2 of Act No. 180 of the 1984 Regular Session of
18 the Legislature, as amended by Act No. 353 of the 1986 Regular Session of the Legislature,
19 Act No. 999 of the 1991 Regular Session of the Legislature, Act No. 570 of the 1992
20 Regular Session of the Legislature, Act No. 440 of the 1997 Regular Session of the

Legislature, Act Nos. 562 and 1214 of the 2003 Regular Session of the Legislature, and Act No. 394 of the 2010 Regular Session of the Legislature, is hereby enacted to read as follows:

§2. Boards of commissioners; appointment; terms; vacancies; officers; meetings; compensation; St. Tammany Parish Hospital Service District No. 1

* * *

B.(1) Notwithstanding any other provision of law to the contrary, a licensed physician who is a member or former member of the board of commissioners is not prohibited from contracting, subcontracting with another provider who contracts, owning an interest in an entity that contracts, or accepting employment with St. Tammany Parish Hospital, provided that the contract is related to the licensed physician's practice of medicine or expertise as a licensed physician. However, such licensed physician shall recuse himself from participating in any transaction before the board relating to any contracts permitted by this Subsection and entered into by him, by a provider with which he subcontracts, or by any entity in which he owns an interest.

(2) All contracts permitted by this Subsection, entered into while the physician is a member of the board of commissioners and for two years following the termination of his service on the board, shall be disclosed to the Louisiana Board of Ethics within thirty days of the execution of the contract. The disclosure shall include the parties to the contract, the purpose of the contract, and the date the contract was executed.

Section 2. This Act is declared to be remedial, curative, and procedural and therefore is to be applied retroactively as well as prospectively.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
- 2 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)]

Simon

HB No. 279

Abstract: Removes certain restrictions relative to contracting, ownership interests, and employment applicable to members and former members of the board of commissioners of the St. Tammany Parish Hospital Service District No. 1.

Present law (Code of Governmental Ethics) generally prohibits an appointed member of any board or commission, member of his immediate family, or legal entity in which he has a substantial economic interest from bidding on or entering into or being in any way interested in any contract, subcontract, or other transaction which is under the supervision or jurisdiction of the agency of such appointed member. Generally prohibits a board member and other public servants and certain related entities from receiving compensation from a person who has or is seeking to obtain contractual or other business or financial relationships with the board member's or public servant's agency.

Present law prohibits a former member of a board or commission for two years following termination of public service on the board or commission from contracting with, being employed in any capacity by, or being appointed to any position by that board or commission.

Proposed law provides that notwithstanding any other provision of present law to the contrary, a licensed physician who is a member or former member of the board of commissioners for St. Tammany Parish Hospital Service District No. 1 is not prohibited from contracting, subcontracting with another provider who contracts, owning an interest in an entity that contracts, or accepting employment with St. Tammany Parish Hospital, provided that the contract is related to the licensed physician's practice of medicine or expertise as a licensed physician. Provides, however, that such licensed physician shall recuse himself from participating in any transaction before the board relating to any contracts entered into by him, by a provider with which he subcontracts, or by any entity in which he owns an interest.

Proposed law requires all contracts permitted by proposed law, entered into while the physician is a member of the board of commissioners and for two years following the termination of his service on the board, to be disclosed to the Board of Ethics within 30 days of the execution of the contract. Requires the disclosure to include the parties to the contract, the purpose of the contract, and the date the contract was executed.

Provides that the provisions of proposed law are remedial, curative, and procedural and are to be applied retroactively as well as prospectively.

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

(Adds §2(B) of Act No. 180 of the 1984 R.S.)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on House and Governmental Affairs to the original bill.

1. Adds provisions making proposed law applicable to former members of the board of commissioners, in addition to present members.
2. Adds stipulation that a contract, to be covered by proposed law, be related to the licensed physician's practice of medicine or expertise as a licensed physician.
3. Adds a requirement that contracts permitted by proposed law entered into while the physician is a member of the board of commissioners and for two years following the termination of his service on the board, be disclosed to the Board of Ethics within 30 days of the execution of the contract and provides for the content of the disclosure.