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)]

Morrish SB No. 226

<u>Present law</u> (R.S. 42:1111(C)(2)) provides that no public servant and no legal entity in which the public servant exercises control or owns an interest in excess of 25% shall receive any thing of economic value for or in consideration of services rendered, or to be rendered, to or for any person who has or is seeking to obtain a contractual or other business or financial relationships with the public servant's agency.

<u>Present law</u> (R.S. 42:1115) provides that no public servant shall solicit or accept, directly or indirectly, any thing of economic value as a gift or gratuity from any person or from any officer, director, agent, or employee of such person, if such public servant knows or reasonably should know that such person has or is seeking to obtain contractual or other business or financial relationships with the public servant's agency.

<u>Present law</u> defines "public servant" as a public employee or an elected official.

<u>Proposed law</u> provides an exception to <u>present law</u> to allow a member of a governing authority of a municipality with a population of 5,000 or less or legal entity in which he has a controlling interest to enter into any transaction with or accept anything of economic value from a person or entity which has entered into a transaction with the municipality.

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

Summary of Amendments Adopted by Senate

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

1. Deletes "mayor" from the exception.

Senate Floor Amendments to engrossed bill

1. Adds an exception allowing a legal entity in which a certain elected official has a controlling interest to bid on or contract with a public utility company, as long as the only relationship the governing authority has with the public utility is a standard, nonexclusive franchise agreement.

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on House and Governmental Affairs</u> to the <u>reengrossed</u> bill.

1. Removes provisions of <u>proposed law</u> allowing a legal entity in which a member of the parish governing authority of certain parishes has a controlling interest to contract with a public utility company that has entered into a nonexclusive franchise agreement with the parish.