
DIGEST

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HB 231 Engrossed

2017 Regular Session

Thibaut

Abstract: Allows an immediate family member of the mayor or a member of a governing authority of a municipality with a population of 5,000 or less, or related legal entities to enter into certain transactions under the supervision or jurisdiction of the municipality.

Present law provides for any mayor or 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, from entering into any transaction that is under the supervision or jurisdiction of the municipality. Provides that any person who enters into such a transaction does so under the supervision or jurisdiction of the municipality and requires the municipality to submit a plan to the Board of Ethics for approval. The plan shall include recusal of the elected official in matters affecting the transaction; quarterly affidavits concerning the recusal filed with the clerk of the municipality and the board; the manner of supervising the transactions.

Present law provides certain rules based on the amount of the transaction. Exempts individual transactions of \$250 or less, until they exceed \$2,500 in the aggregate in a calendar year; thereafter such a transaction requires at least three telephone quotations with written confirmation in the manner provided for transactions in excess of \$250, but less than \$2,500. Requires telephone quotations with written confirmation or facsimile quotations to be solicited from at least three vendors within the municipality, the parish, or within a 50-mile radius of the municipality for transactions in excess of \$250, but less than \$2,500, except in case of emergency. Provides that the plan adopted by the municipality and subject to board approval may specify situations in which a quotation submitted by the elected official or his legal entity may be accepted even if it was not the lowest bid received by the municipality. Provides for an elected official or legal entity in which the elected official has a controlling interest to enter into transactions with the municipality in excess of \$2,500 only after written invitations are sent to at least three bona fide qualified bidders, other than the elected official or his legal entity, and upon specific advance approval by the board.

Proposed law retains present law, but additionally allows an immediate family member of such a mayor or governing authority member, or legal entity in which such an immediate family member has a controlling interest to enter into transactions with the municipality subject to the same conditions, and requires the elected official involved to file the same affidavits required by present law for transactions entered into by his immediate family members and legal entities in which his immediate family members own a controlling interest. Additionally makes some technical changes.

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

(Amends R.S. 42:1123(22))

Summary of Amendments Adopted by House

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

1. Clarify that after individual transactions of \$250 or less exceed \$2,500 in the aggregate within the calendar year, such a transaction would require at least three telephone quotations with written confirmation.
2. Make technical changes.